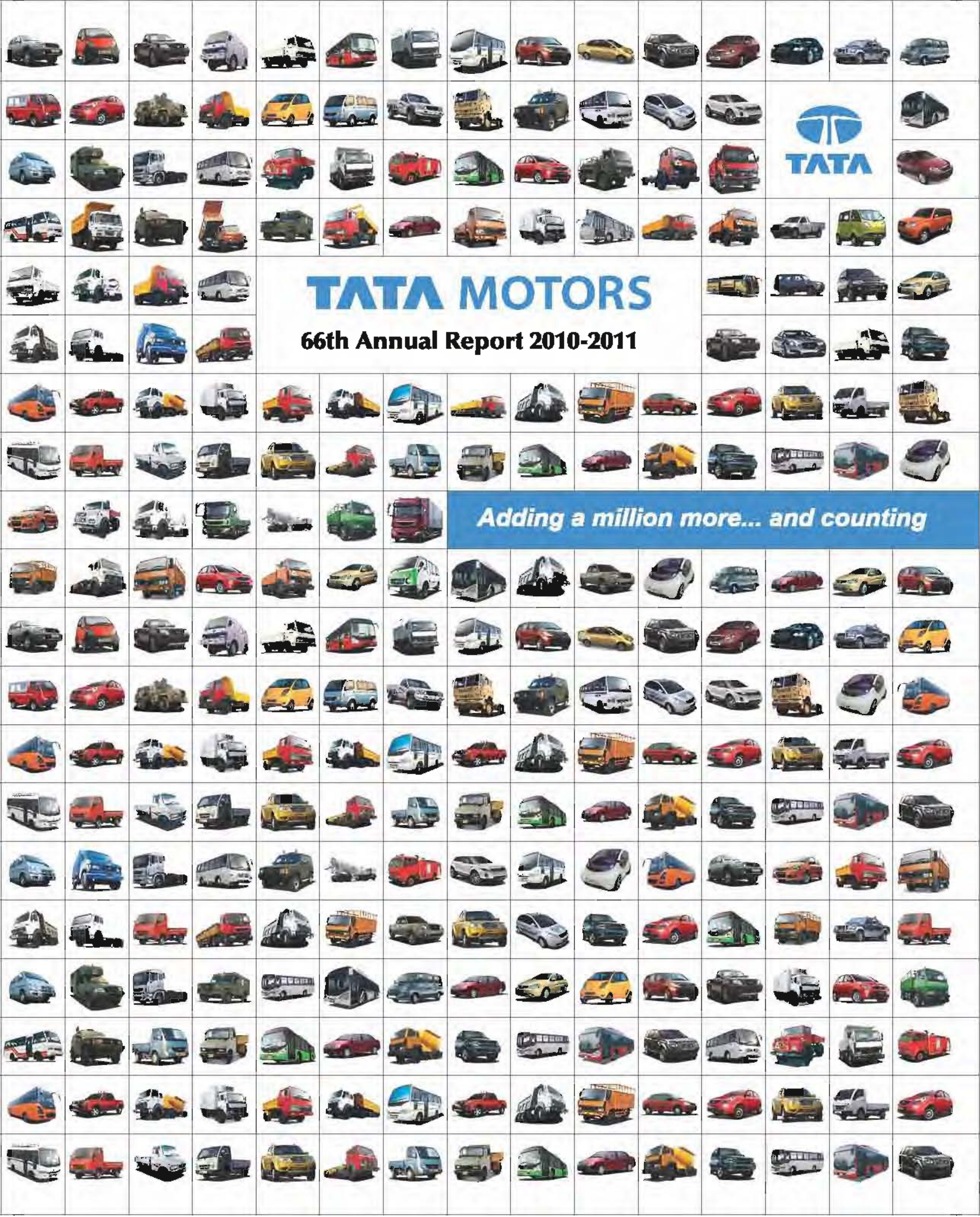


TATA MOTORS

66th Annual Report 2010-2011

Adding a million more... and counting


TATA PIXEL


Tablet-activated
Keyless Entry System


Digital Start System


Touch-screen
"Infotainment-plus" and
Comfort Options Selection


Activating Media functions in
"Infotainment-plus" System


Zero-turn, space-efficient Parking

JAGUAR C-X75 CONCEPT

NEW PRODUCTS

LONG DISTANCE
HISPANO COACH - NAYA

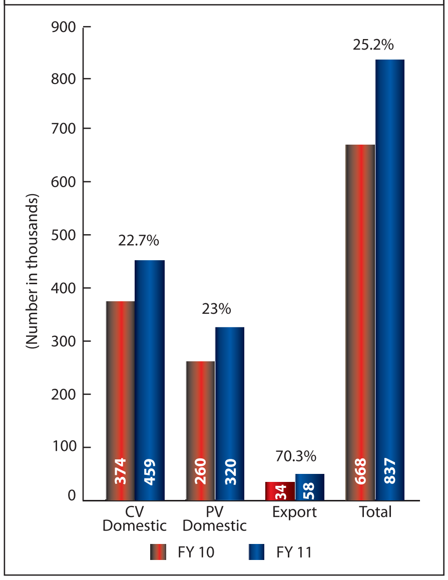
JAGUAR C-X75
CONCEPT REVEAL AT
PARIS MOTOR SHOW

URBAN
HISPANO CITY BUS - AREA

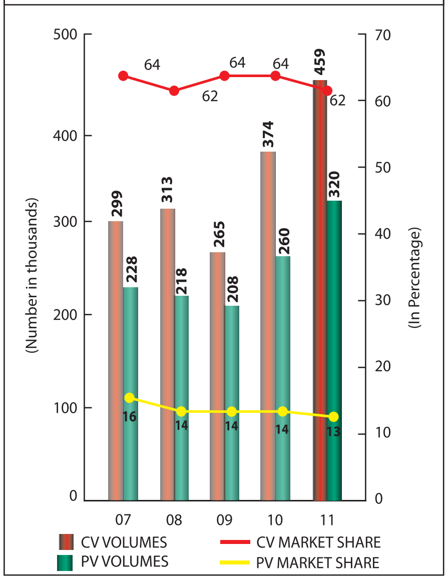
MAGIC IRIS

RANGE ROVER EVOQUE COUPE

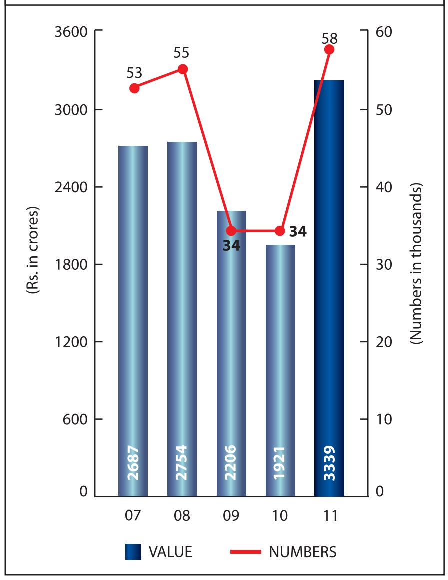
VOLUME GROWTH



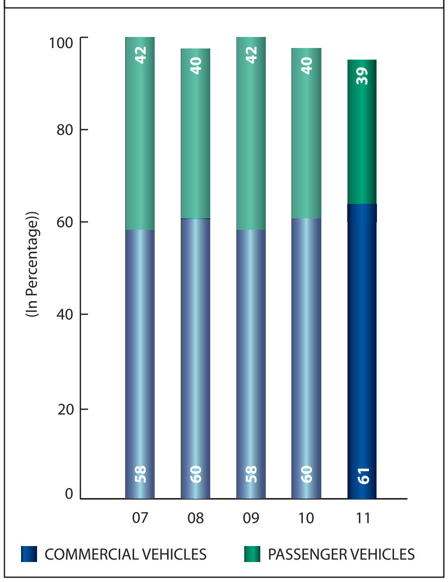
VEHICLE SALES (DOMESTIC) AND MARKET SHARE



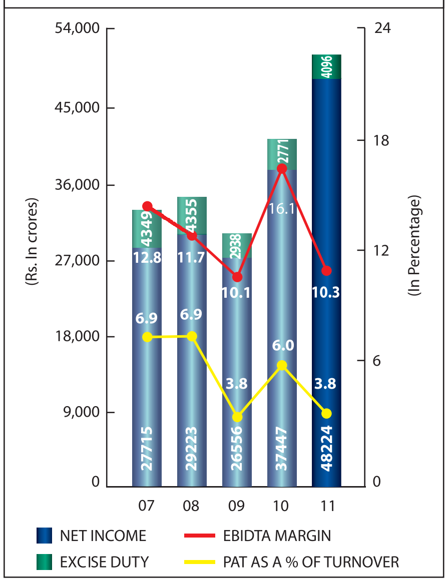
EXPORTS (FOB) VALUE AND NUMBERS



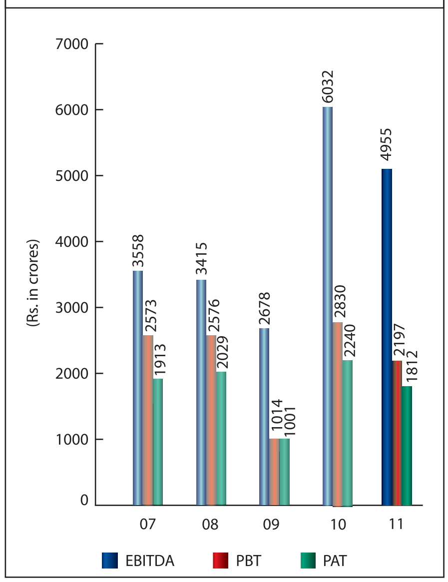
PRODUCT MIX (VOLUMES)



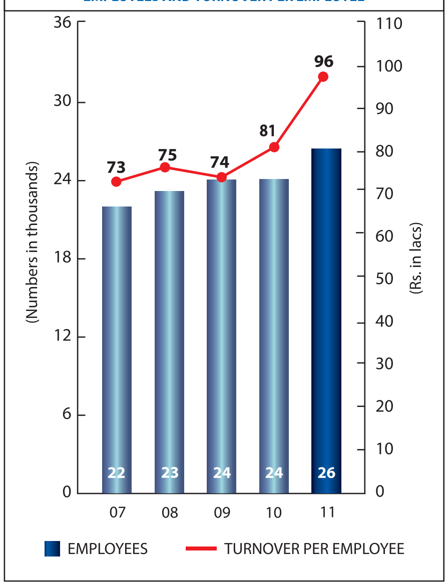
TURNOVER, EBIDTA AND PAT AS A % OF TURNOVER



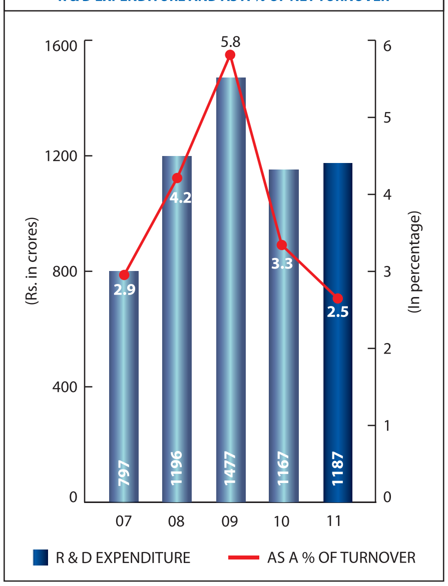
PROFITS



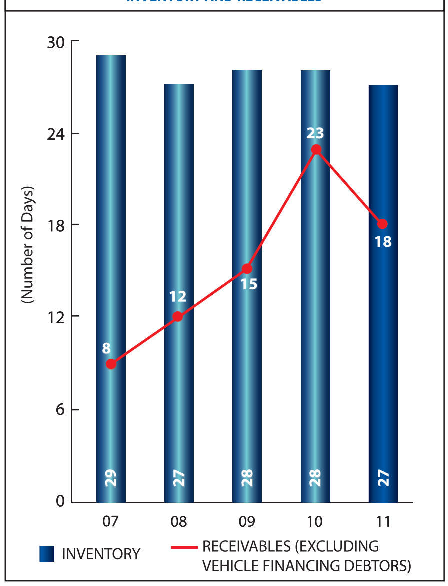
EMPLOYEES AND TURNOVER PER EMPLOYEE



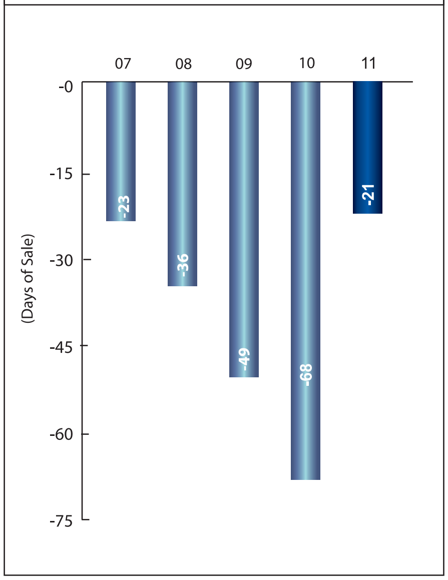
R & D EXPENDITURE AND AS A % OF NET TURNOVER



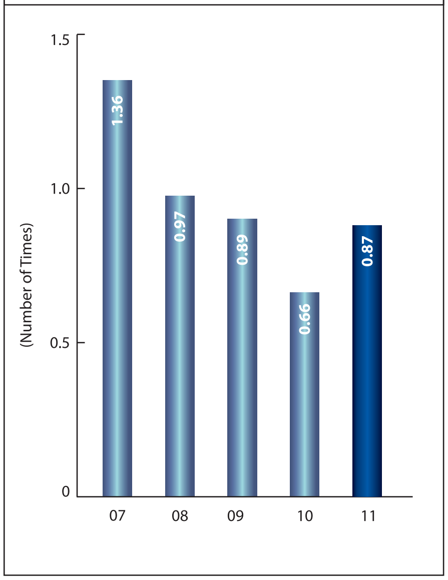
INVENTORY AND RECEIVABLES



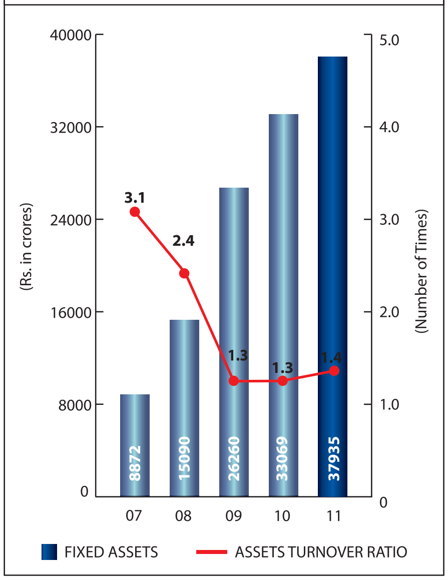
NET WORKING CAPITAL (NET OF VEHICLE FINANCE BUSINESS)



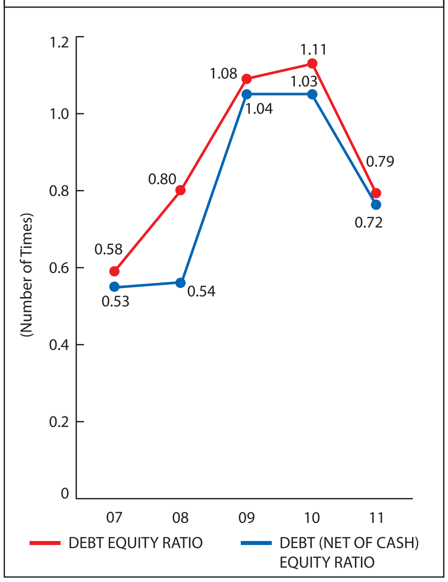
CURRENT RATIO



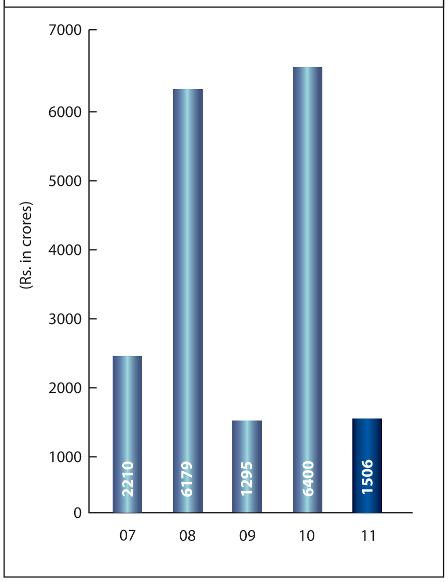
FIXED ASSETS AND ASSET TURNOVER RATIO



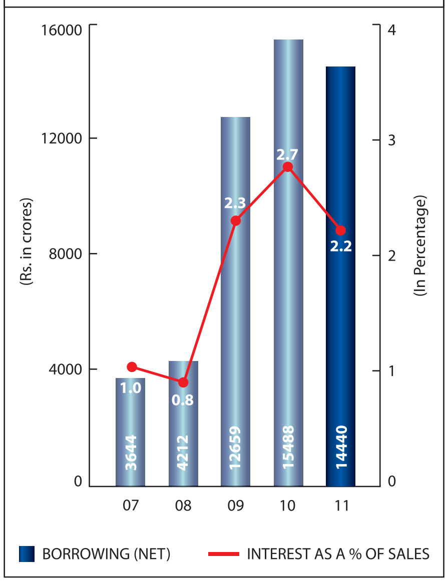
DEBT EQUITY RATIO AND DEBT (NET OF CASH) EQUITY RATIO



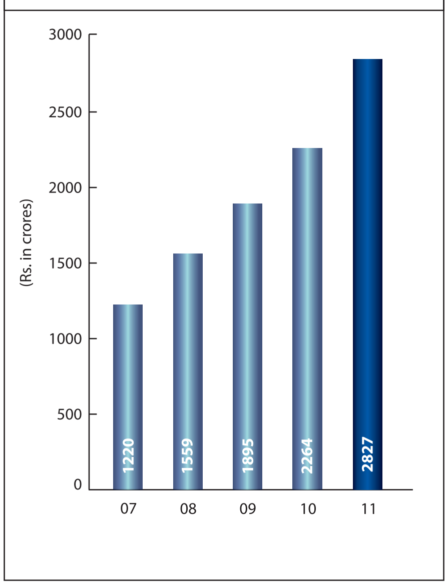
NET CASH GENERATED FROM OPERATIONS



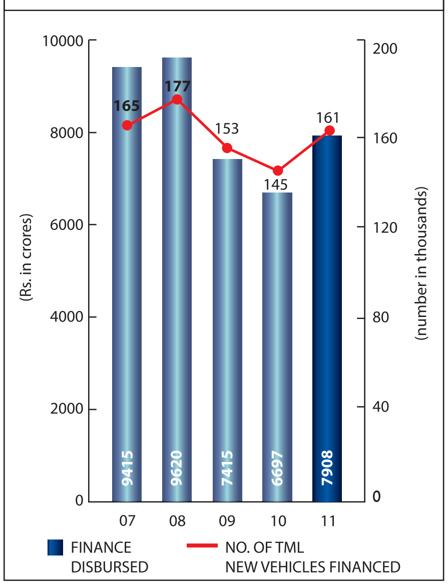
BORROWINGS (NET OF SURPLUS CASH) & INTEREST AS A % OF SALES



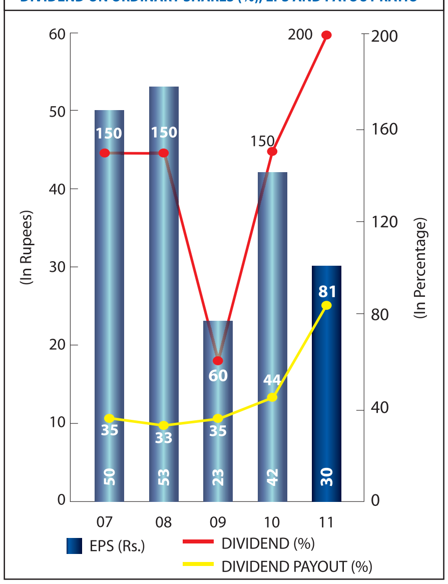
SALE OF VEHICLE SPARE PARTS



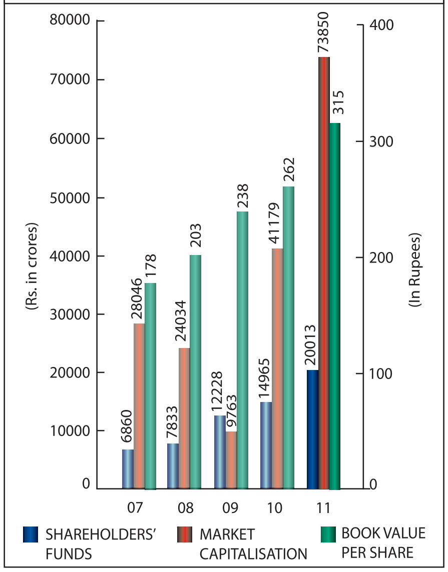
TATA MOTORS FINANCE GROWTH



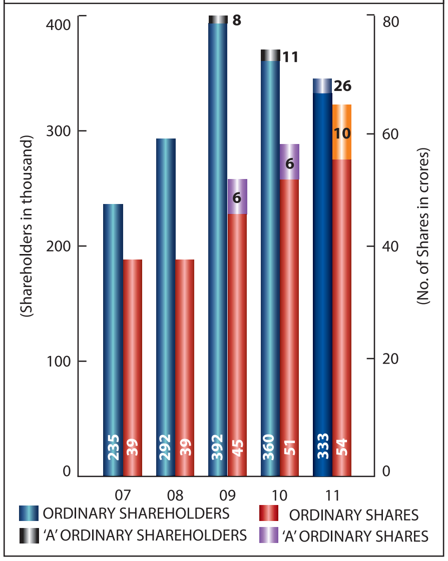
DIVIDEND ON ORDINARY SHARES (%), EPS AND PAYOUT RATIO



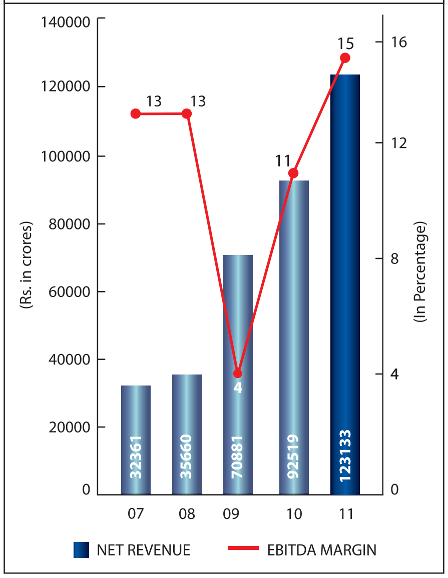
SHAREHOLDERS' FUND, MARKET CAPITALISATION AND BOOK VALUE PER SHARE



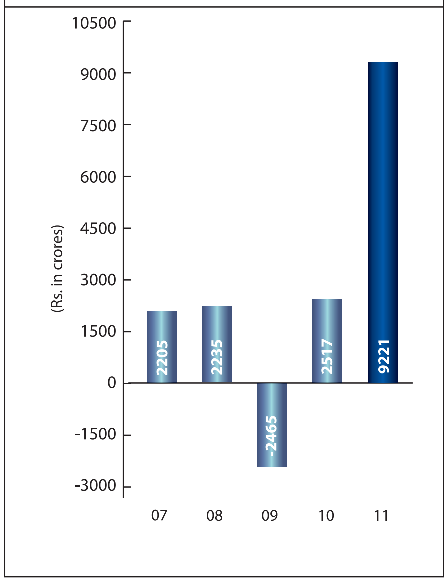
NUMBER OF SHAREHOLDERS AND NUMBER OF SHARES



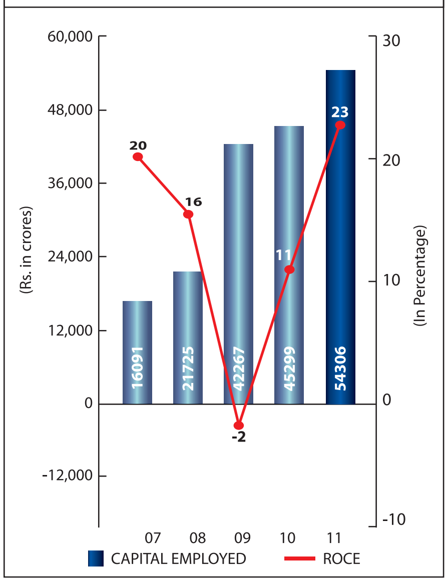
NET REVENUE AND EBITDA MARGIN (CONSOLIDATED)



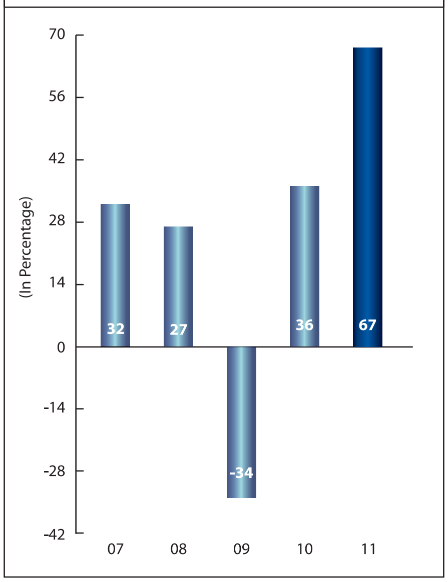
PROFIT AFTER TAX (CONSOLIDATED)



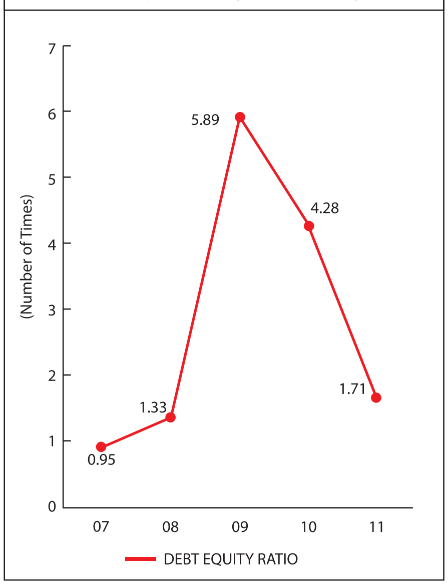
CAPITAL EMPLOYED AND RETURN ON CAPITAL EMPLOYED (CONSOLIDATED)



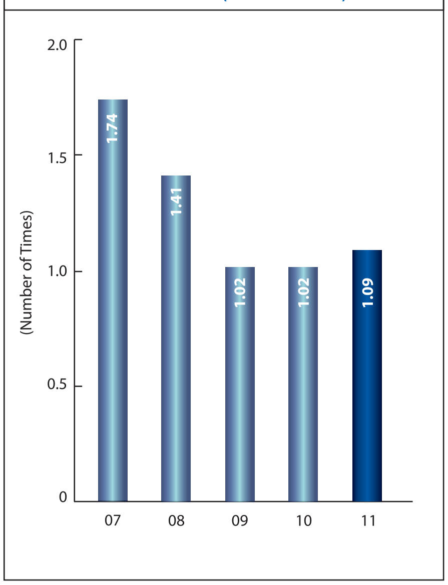
RETURN ON EQUITY (CONSOLIDATED)



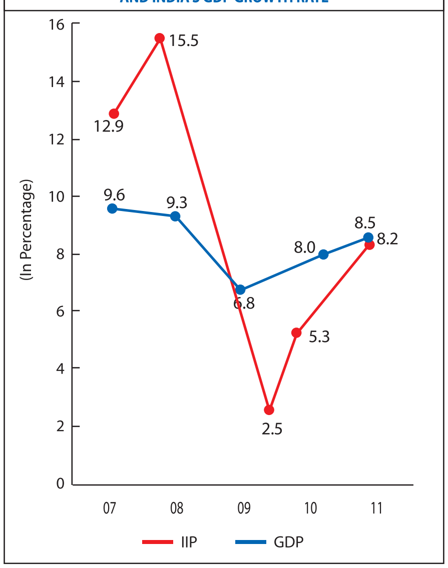
DEBT EQUITY RATIO (CONSOLIDATED)



CURRENT RATIO (CONSOLIDATED)



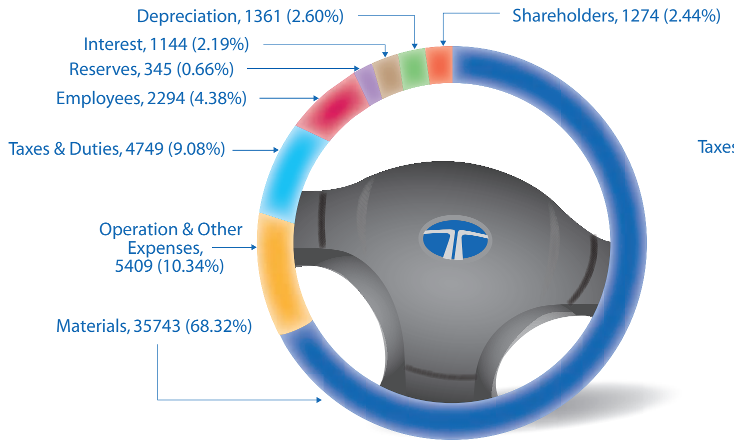
GROWTH OF INDEX OF INDUSTRIAL PRODUCTION AND INDIA'S GDP GROWTH RATE



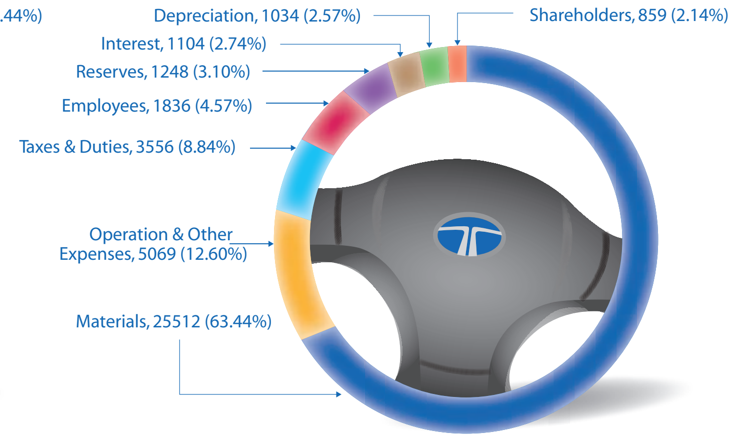
Distribution of Revenue

(₹ in crores)

2010-11



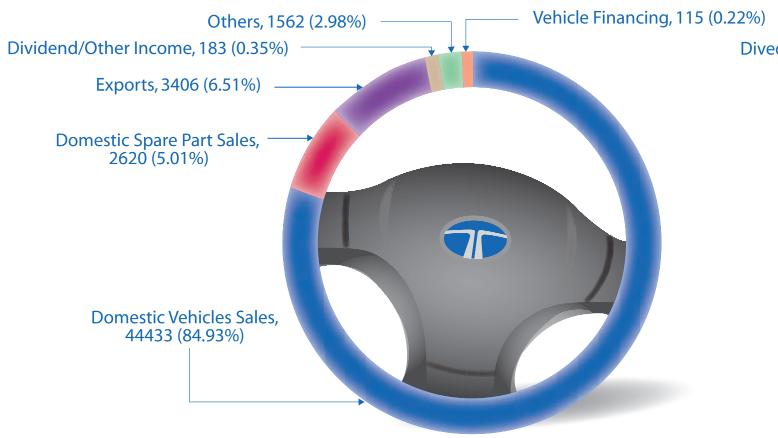
2009-10



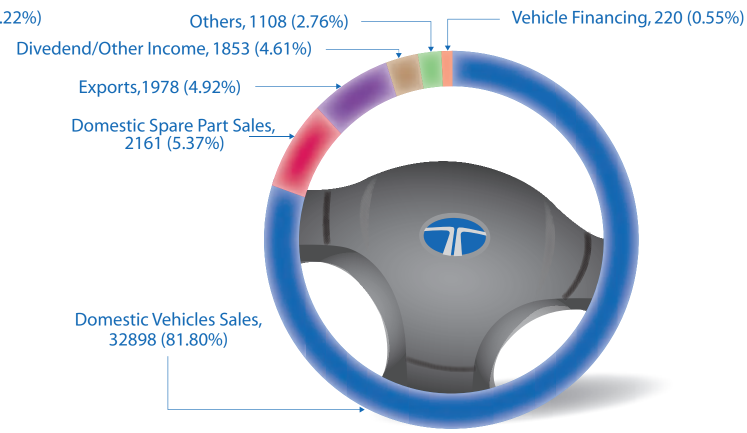
Sources of Revenue

(₹ in crores)

2010-11



2009-10



Corporate Social Responsibility

Committed to the Nation's focus on **HEALTH**

- Healthcare provided to nearly 300,000 people annually
- Over 3000 low-cost toilets per annum for BPL and APL families
- Sanitation drives with participation of over 40,000 villagers in over 50 villages
- Amrutdhara Project to provide safe water to 100 villages in the next 3 years
- Smoke - efficient chullahs installed in over 200 village households to curb respiratory problems
- 5000 women treated in anaemia treatment camps

Committed to the Nation's focus on **EDUCATION**

- Infrastructure & facility up-gradation – benefiting 50,000 students annually
- Teacher's Training for more than 2000 primary teachers
- Extra-curricular activities for nearly 7000 students
- Nearly 500 students supported through scholarships annually

---

Committed to the Nation's focus on **EMPLOYABILITY**

- In-house apprenticeship programmes technical and vocational training to nearly 7000 people annually
- Adopted 21 ITI under Public-Private Partnership
- Over 1600 women benefited through Self-Help Groups and over 150 women-SHGS formed and sustained

---

Committed to the Nation's focus on **ENVIRONMENT**

- Close to 100,000 trees planted annually
- Over 2000 families benefited from improved irrigational facilities.
  Over 40000 community members sensitised on environmental issues
- Designing fuel-efficient engines, reducing weight of vehicles, discovering new technologies

---

LOOKING AHEAD:

Employability and Skill Building:
Tata Motors CSR thrust is on enhancing employability through skill building.

Tata Motors is attempting to improvise on the vocational skills in educational institutions.
In this context, the company is partnering with 21 Industrial Training Institutes (ITI), in addition to the current 10 ITIs.

A model for promoting road safety through driver training in partnership with NGOs and skill building companies has also been established. The pilot is expected to be launched later this year. This model will be replicated to enable training of more than 50,000 drivers per annum, thereby plugging the skill shortage for commercial vehicle drivers.

National Drinking Water Project Amrutdhara:
Sumant Moolgaokar Development Foundation (SMDF) has been formed by the contributions from employees of Tata Motors, with matching funds from the company. SMDF supports National Drinking Water Project, Amrutdhara. This project aims at ensuring safe drinking water in 100 villages around the 6 manufacturing units of the company by 2013, of which, 25 villages have already been covered in 2010-2011. This would help the children and the elderly, who are more susceptible to water-borne diseases.

Go Green Today

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, enabling the Company to effect electronic delivery of documents. The above initiative will go a long way in conserving paper which is a natural resource as also result in substantial savings on printing and posting of annual reports and other documents of your Company sent to shareholders.

Members are requested to support this green initiative by updating their email addresses with the respective Depository Participants, in case of electronic shareholding; or registering their email addresses with the Company's Registrar and Transfer Agents, in case of physical shareholding. Join this cause and make the world a cleaner, greener and healthier place to live.

Annual General Meeting

Date	:	Friday, August 12, 2011
Time	:	3.00 p.m.
Venue	:	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020.

CONTENTS

₹1 crore = ₹10 million

Board of Directors

Ratan N Tata
Chairman

Ravi Kant
Vice-Chairman

N N Wadia

S M Palia

R A Mashelkar

S Bhargava

N Munjee

V K Jairath

R Sen

Ralf Speth

Carl-Peter Forster
Managing Director & Group CEO

P M Telang
Managing Director – India Operations

Management Team

Carl-Peter Forster, Managing Director & Group CEO
P M Telang, Managing Director - India Operations
C Ramakrishnan, Chief Financial Officer
R Pisharody, President - Commercial Vehicles Business Unit
T Leverton, Head, Advanced and Product Engineering
S B Borwankar, Sr Vice President (Mfg Operations-CVBU)
Prabir Jha, Sr Vice President (Human Resources)
P Y Gurav, Sr Vice President (Corp Finance - Accts & Taxation)
Girish Wagh, Head (Passenger Car Operations)
S Ravishankar, Vice President (Engg Systems, ERC)
B B Parekh, Chief (Strategic Sourcing)
R Bhaskar, Plant Head -CVBU
Vikram Sinha, Head (Car Plant - PCBU)
A K Jindal, Head Engineering (Comm. Vehicles - ERC)
R Ramakrishnan, Vice President (Commercial - PCBU)
N Pinge, Vice President (Internal Audit)
R Bagga, Vice President (Legal)
A S Puri, Vice President (Govt Affairs & Collab)

Company Secretary

H K Sethna

Share Registrars

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

Solicitors

AZB & Partners; Mulla & Mulla & Craigie, Blunt & Caroe

Auditors

Deloitte Haskins & Sells (Registration No. 117366W)

Bankers

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

Registered Office

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

Works

Jamshedpur, Pune, Lucknow,
Pantnagar, Sanand

Corporate Identity Number (CIN)

L28920MH1945PLC004520

Summarised Balance Sheet

(₹ in crores)

	Company		Tata Motors' Group	
WHAT THE COMPANY OWNED	**As at March 31, 2011**	As at March 31, 2010	**As at March 31, 2011**	As at March 31, 2010
1. NET FIXED ASSETS	**17,475.63**	16,436.04	**43,493.12**	38,506.33
2. GOODWILL	**-**	-	**3,584.79**	3,422.87
3. INVESTMENTS	**22,624.21**	22,336.90	**2,544.26**	2,219.12
4. DEFERRED TAX ASSETS (NET)	**-**	-	**632.34**	425.97
5. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (NET)	**-**	161.69	**-**	-
6. NET CURRENT ASSETS	**(2,164.63)**	(5,865.98)	**4,051.10**	724.81
7. TOTAL ASSETS (NET)	**37,935.21**	33,068.65	**54,305.61**	45,299.10
WHAT THE COMPANY OWED				
1. LOANS	**15,898.75**	16,594.54	**32,791.41**	35,108.36
2. NET WORTH	**20,013.30**	14,965.47	**19,171.47**	8,206.48
3. MINORITY INTEREST	**-**	-	**246.60**	213.51
4. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (NET)	**-**	-	**-**	191.15
5. DEFERRED TAX LIABILITY (NET)	**2,023.16**	1,508.64	**2,096.13**	1,579.60
6. TOTAL FUNDS EMPLOYED	**37,935.21**	33,068.65	**54,305.61**	45,299.10

Summarised Profit and Loss Account

(₹ in crores)

		Company		Tata Motors' Group	
		2010-2011	2009-2010	**2010-2011**	2009-2010
1.	**INCOME**				
	SALE OF PRODUCTS AND OTHER INCOME FROM OPERATIONS	**52,135.97**	38,364.10	**127,419.62**	95,567.42
	LESS : EXCISE DUTY	**4,095.51**	2,771.05	**4,286.32**	3,048.17
		48,040.46	35,593.05	**123,133.30**	92,519.25
	DIVIDEND AND OTHER INCOME	**183.26**	1,853.45	**89.61**	1,793.12
		48,223.72	37,446.50	**123,222.91**	94,312.37
2.	**EXPENDITURE**				
	RAW MATERIALS / COMPONENTS, MANUFACTURING AND OTHER EXPENSES	**40,975.13**	29,578.64	**96,010.66**	75,153.32
	EMPLOYEE COST	**2,294.02**	1,836.13	**9,342.67**	8,751.77
	PRODUCT DEVELOPMENT EXPENDITURE	**106.17**	144.03	**962.49**	498.20
	DEPRECIATION / AMORTISATION	**1,360.77**	1,033.87	**4,655.51**	3,887.13
	INTEREST AND DISCOUNTING CHARGES	**1,143.99**	1,103.84	**2,045.42**	2,239.71
	EXCEPTIONAL ITEMS - LOSS / (GAIN)	**147.12**	920.45	**(231.01)**	259.60
	TOTAL EXPENDITURE	**46,027.20**	34,616.96	**112,785.74**	90,789.73
3.	**PROFIT BEFORE TAX**	**2,196.52**	2,829.54	**10,437.17**	3,522.64
4.	TAX EXPENSE	**(384.70)**	(589.46)	**(1,216.38)**	(1,005.75)
5.	**PROFIT AFTER TAX**	**1,811.82**	2,240.08	**9,220.79**	2,516.89
6.	SHARE OF MINORITY INTEREST	**-**	-	**(48.52)**	(30.33)
7.	SHARE OF PROFIT / (LOSS) IN RESPECT OF INVESTENTS IN ASSOCIATE COMPANIES	**-**	-	**101.35**	84.50
8.	**PROFIT FOR THE YEAR**	**1,811.82**	2,240.08	**9,273.62**	2,571.06

Chairman's Statement

Dear Shareholder,

In 2010, the world as a whole continued on a path of moderate economic recovery, but with dramatic differences between major geographic regions.

In the western hemisphere, the U.S. showed distinct signs of GDP growth at 2.8% in 2010, although job levels and home mortgage figures did not improve. Western Europe and the U.K. were marginally positive at 2% and 1.3% respectively. In striking contrast, Asia registered a growth rate of 9.5% led by China and India at 10.3% and 8.5% respectively. In Latin America, Brazil registered a robust growth of 7.5% and South Africa registered a very respectable growth rate of 2.8%.

The figures of growth and economic activity re-affirm that the hub of sustained economic growth has shifted from the developed nations in North America, Western Europe and the U.K., to the newly-developed and developing countries in Asia, Latin America and Africa, where the domestic market demand for goods and services is increasing, where the cost of skilled labor is low, and where newer production facilities are not burdened with high legacy costs. Further, the astronomical rise in natural resources has given some of the resource-rich nations in the developing world a new-found position of global dominance in sourcing to the developed manufacturers of the west. Whatever may be one's future view, one would have to accept that investments in new technologies, manufacturing facilities and skills development will most likely be in that part of the world where large population-driven markets have developed, and that more and more highly competitive goods and services will emanate from such locations for export to the established markets of the developed world. As boundaries and barriers become less meaningful, skilled labor, research and development and supporting infrastructure will tend to be relocated in these new emerging locations in Asia and Latin America.

A good example of these recent global shifts is the case of passenger cars. In 1955 the United States was undisputedly the largest manufacturer of automobiles. It produced 7.1 million cars ~70% of world consumption. Detroit was the center for most important new automotive technologies in terms of new features, new materials, process and manufacturing innovations. By 1960, the U.S. ceded its technical dominance to the European carmakers which could develop and deliver more attractive cars of higher quality at competitive prices. By 1980, Japan and later South Korea became serious competitors to the Europeans and began to take a larger share of the U.S. market by producing more appealing, higher quality and technically innovative cars at competitive prices. The landscape in 2010 has dramatically changed again! China has emerged as the world's largest automobile producer. Its production of 13.8 million cars in 2010 accounted for 24% of world production, surpassing the U.S., which produced only 2.7 million cars[1] – 5% of the world's production. Further, China has emerged as the world's largest domestic market for automobiles (In 2010 Chinese buyers bought about 18 million automobiles, against 11.7 million bought in the U.S.). Even after the economic meltdown in 2009, China and India saw 45% and 26% growth respectively in their domestic automobile markets while Europe, U.K. and the U.S. automobile markets declined by 6%, 11% and 21% respectively.

The global automobile industry production in 2010 stood at about 58 million for passenger cars and about 19 million for commercial vehicles, registering a growth of about 22% and 38% respectively over the previous year.

Tata Motors

Commercial Vehicles – India

Industry-wide sales of commercial vehicles in India during the year were 7,42,091 – a growth of 27.3% over the previous year.

During the year, Tata Motor's commercial vehicles sales achieved an all-time high of 4,58,828 – registering a growth of 22.7% over the previous year and a market share of 61%. Intermediate and heavy truck sales increased by 30% and several new models were introduced during the year. Sales of the **Ace,** the sub-one ton pick-up, grew 25% over the previous year and achieved the highest ever annual sales. The Company's other commercial vehicles also achieved record sales during the year.

[1] Passenger cars only (excluding SUVs, MPVs and light trucks)

Passenger bus sales during the year also grew substantially, both diesel and CNG powered, and the Company's new low-floor city buses have been exceedingly popular in the cities where they have been marketed.

Passenger Cars – India

In the passenger car segment, the industry registered sales of 24,66,814 passenger vehicles – a growth of 29.8% over the previous year.

Sales levels at Tata Motors grew at only 23% – resulting in a market share decline of 0.7%. Initiatives are underway to revitalize the dealer network and improve market share. The total Company sales, since it entered the passenger car segment in 1999, crossed 2 million cars. The highest ever annual sales were achieved during the year. **Nano** sales crossed 1,00,000 and the all-new crossover, **Aria** was launched in the second quarter.

Total export sales of Tata Motors amounted to about 58,000 vehicles – an increase of 70% over the previous year.

Jaguar Land Rover

Sales of Jaguar cars and Land Rover/Range Rover vehicles have been extremely encouraging. During the year, Jaguar introduced the new XJ sedan and a new R-series – high performance versions of the XK sports and the XF sedan. Sales of Jaguar and Land Rover vehicles span 140 countries, and their market appeal has been growing.

Total wholesale sales of Jaguar cars during the year were about 53,000, registering a growth of 11.8% over the previous year. Land Rover/Range Rover achieved wholesale sales of 1,90,628, registering a growth of 30.1% over the previous year. The new Evoque is proposed to be launched in the current year and has attracted a very positive reaction from the market.

Assembly operations in India have commenced for the **Land Rover Freelander.** Assembly of other Land Rover products are also under consideration. To optimize the synergetic strengths between JLR and Tata Motors in India, an examination is also underway on a joint engine development program which would have manufacturing facilities both in the U.K. and India. The Company is also considering various options for assembly and localization of selected products in China, which has become an important market for the Company.

Both Tata Motors in India and Jaguar Land Rover in the U.K. have extensive product development plans for cars, off-road vehicles and commercial vehicles, powered by regular and alternative fuels, as also electric and hybrid vehicles, to meet future fuel efficiency and low emission requirements.

Looking Ahead

While 2010-11 has been a year of high economic growth in Asia, the quarterly growth figures in China and India have been declining. Inflation rates have risen and the central banks in both countries have initiated measures to slow down their economies to curb inflation. The resulting high interest rates, tighter credit regimes and higher fuel costs will dampen consumer demand for a range of consumer products including automobiles.

The quarterly growth figures in Asia have been declining during the year and it is expected that both China and India will register lower growth rates in 2011-12. There is therefore a likelihood of a general slowdown in industrial activity in Asia compared to the growth rates achieved over the past few years and possibly a noticeable drop in consumer demand for goods and services. Automobile sales have already started to decline in India. There has also been a decline in automobile sales in China for the first time in two years.

The extent of an economic slowdown in Asia will depend on the severity of the anti-inflationary measures adopted. Japan, which has been an industrial powerhouse for several decades, will be unbelievably burdened in the rebuilding of the country following the terrible devastation caused by the earthquake and tsunami earlier this year. While Japan will undoubtedly succeed in its enormous reconstruction task solely because of the national pride, dedication and discipline of its people, it is expected that Japan will register low figures of industrial growth.

The health of the world economy in 2012 and beyond will depend more heavily on the economic health of Asia. Inflation is indeed a lurking enemy of healthy growth and needs to be controlled. Speculation in natural resources that have a significant impact on the entire value chain of industrial production also needs to be controlled. What should be of concern to all is the creation of a situation where the pendulum swings too far in the opposite direction, causing another global slowdown – this time, not based on over-valued assets but on self-imposed fiscal prudence. It is hoped that a realistic balance will be achieved in the Asian countries to ensure that these countries continue to be the drivers of growth, innovation and prosperity for millions of their people as also both sources and markets for the rest of the world.

Ratan N. Tata

Chairman

Mumbai, July 6, 2011

NOTICE

NOTICE IS HEREBY GIVEN THAT THE SIXTY-SIXTH ANNUAL GENERAL MEETING OF TATA MOTORS LIMITED will be held on Friday, August 12, 2011 at 3.00 p.m., at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2011 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To declare a dividend on Ordinary Shares and 'A' Ordinary Shares.
3. To appoint a Director in place of Mr Ravi Kant, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr N N Wadia, who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Mr S M Palia, who retires by rotation and is eligible for re-appointment.
6. To appoint Auditors and fix their remuneration.

Special Business

7. **Appointment of Dr Ralf Speth as a Director**

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

   "RESOLVED that Dr Ralf Speth who was appointed by the Board of Directors as an Additional Director of the Company with effect from November 10, 2010 and who holds office upto the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ('the Act'), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company whose office shall be liable to retirement by rotation."

8. **Sub-division of Ordinary and 'A' Ordinary Shares of the Company**

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

   "RESOLVED that subject to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 ('the Act') (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Article 69 of Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions as may be necessary from the concerned authorities or bodies, 70,00,00,000 Ordinary Shares and 20,00,00,000 'A' Ordinary Shares both having a face value of ₹10/- each in the Authorised Share Capital of the Company be sub-divided into 3,50,00,00,000 Ordinary Shares and 1,00,00,00,000 'A' Ordinary Shares both of ₹2/- each and that 30,00,00,000 Convertible Cumulative Preference Shares of ₹100/- each in the Authorised Share Capital of the Company would remain unchanged and that Clause V of the Memorandum of Association of the Company be altered accordingly."

   "RESOLVED FURTHER that pursuant to the said sub-division the 53,83,22,483 Issued and Subscribed Ordinary Shares and 9,63,86,471 Issued and Subscribed 'A' Ordinary Shares, both having a face value of ₹10/- each, [hereinafter together referred to as the 'Existing Share(s)'] shall stand sub-divided into 2,69,16,12,415 Ordinary Shares of the face value of ₹2/- each and 48,19,32,355 'A' Ordinary Shares of the face value of ₹2/- each (hereinafter together referred to as 'the Shares')."

   "RESOLVED FURTHER that upon the said sub-division of the Existing Share certificate(s) in relation to the Existing Ordinary and 'A' Ordinary Shares of the face value of ₹10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date fixed by the Board of Directors of the

Company (hereinafter referred to as 'the Board', which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including powers conferred by this resolution) for this purpose and the Company may without requiring the surrender of the certificates for the Existing Shares, directly issue and dispatch new share certificates in lieu thereof, in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 and in the case of Existing Shares held in dematerialized form or in respect of Members who opt to receive the sub-divided Shares in dematerialized form, the sub-divided Shares shall be credited to the respective beneficiary account of the Members with the Depository Participants."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary for obtaining such approvals, to execute all such documents, instruments and writings, to do all such acts, matters and things as may be required in this connection and to delegate all or any of the powers herein vested in the Board to give effect to the aforesaid resolution."

By Order of the Board of Directors

H K SETHNA
Company Secretary

Mumbai, May 26, 2011

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

Notes:

a. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under Item Nos.7 and 8 set out above and details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment/reappointment at this Annual General Meeting are annexed hereto.

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

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

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

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

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

f. The Register of Members and Transfer Books of the Company will be closed from Thursday, July 21, 2011 to Friday, August 12, 2011, both days inclusive. If the dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on or after August 16, 2011 as under:

   i. To all Beneficial Owners in respect of shares held in electronic form, as per the data made available by the National Securities Depository Limited and the Central Depository Services (India) Limited, as of the close of business hours on July 20, 2011.

   ii. To all Members in respect of shares held in physical form, after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on July 20, 2011.

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

g. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the National Electronic Clearing System (NECS). NECS essentially operates on the new and *unique bank* account number allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions. The NECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrars and Transfer Agents.

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

i. As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialised mode are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's Registrars and Transfer Agents.

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

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

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

Explanatory Statement

The following Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956 ('the Act'), sets out all material facts relating to the business mentioned at Item Nos. 7 and 8 of the accompanying Notice dated May 26, 2011.

Item No. 7: The Board of Directors ('the Board') appointed Dr Ralf Speth as an Additional Director of the Company with effect from November 10, 2010, pursuant to Section 260 of the Act and Article 132 of the Articles of Association of the Company. Under Section 260 of the Act, Dr Speth ceases to hold office at this Annual General Meeting but is eligible for appointment as a Director. Notice under Section 257 of the Act has been received from a Member signifying his intention to propose Dr Speth's appointment as a Director.

Dr Speth holds a Doctorate of Engineering in Mechanical Engineering and Business Administration from Warwick University. He also holds a Degree in Engineering from Rosenheim University, Germany. Dr Speth worked as a Business Consultant for a number of years before joining BMW in 1980. Having served BMW for 20 years, Dr Speth joined Ford Motor Company's Premier Automotive Group as Director of Production, Quality and Product Planning. Prior to this appointment, Dr Speth was Head of Global Operations at the International Industrial Gases and Engineering Company, The Linde Group, having joined the company as Vice President of Operations in 2002. Dr Speth joined Jaguar Land Rover as CEO and Director w.e.f. February 19, 2010 and is also the Chairman and CEO of Jaguar Cars Limited and Land Rover Limited. Brief information of Dr Speth is given in the Annexure attached to the Notice.

The Board considers it desirable that the Company should continue to avail of the services of Dr Speth and accordingly commends the Resolution at Item No.7 for approval by the Members.

Dr Speth is concerned or interested in Item No.7 of the Notice.

Item No. 8: The Company's Ordinary Shares (OS) and 'A' Ordinary Shares (AOS) (collectively 'the Shares') are actively traded on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). Over the last few years, there has been a sharp rise in the market price of the Company's OS and AOS and are currently quoted at ₹1133.80 and ₹630.25 respectively. In view of the above, the number of shareholders have also dropped.

With the objective of bringing about greater liquidity and increasing the shareholder base by rekindling retail interest in the Company's Shares, the Board of Directors of the Company ('the Board') at its meeting held on May 26, 2011 have proposed to sub-divide the Shares which currently have a face value of ₹10/- to face value of ₹2/- per share. Accordingly, the present Issued and Subscribed Capital of the Company of ₹5,38,32,24,830/- divided into 53,83,22,483 OS of ₹10/- each and ₹96,38,64,710/- divided into 9,63,86,471 AOS of ₹10/- each shall stand sub-divided into 2,69,16,12,415 OS and 48,19,32,355 AOS, both of face value of ₹2/- each. Consequently, the Authorized Share Capital of the Company shall get sub-divided as explained in the above resolution at item No.8 of the Notice. 30,00,00,000 Convertible Cumulative Preference Shares of ₹100/- each in the Authorised Share Capital of the Company remained unchanged.

The Record Date for the aforesaid sub-division will be fixed by the Company after obtaining the shareholders' approval, which will be notified through the Stock Exchanges. The proposed sub-division of the face value of the shares of the Company from ₹10/- per share to ₹2/- per share requires an amendment to the Memorandum of Association of the Company. Accordingly, Clause V of the Memorandum of Association of the Company is proposed to be altered to reflect the alteration in the Authorised Share Capital of the Company. The Articles of Association of the Company state that the capital of the Company is as reflected in Clause V of Memorandum of Association from time to time and hence, does not need an alteration.

The ADSs and GDSs of the Company which currently represent 1 underlying OS of ₹10/- each would after the said sub-division continue to have a face value of ₹10/- each but would represent 5 underlying OS of ₹2/- each. Further, the conversion price for the Company's current outstanding 4% Convertible Notes due 2014 aggregating US$375 million and Zero Coupon Convertible Alternative Reference Securities due 2012 aggregating US$473 million would be re-set as per the terms of issue of FCCNs.

The consent of the Members is being sought in accordance with the provisions of Section 94 and other applicable provisions of the Act and Article 69 of Articles of Association of the Company.

A copy of the Memorandum and Articles of Association of the Company, together with the proposed alterations, is open for inspection by the Members of the Company at the Registered Office of the Company between 10.00 a.m. and 12 noon on all working days of the Company excluding Saturdays and holidays.

Directors are concerned or interested in the resolution at Item No. 8 of the Notice upto the extent of their respective shareholding in the Company or to the extent of the shareholdings of the companies / institutions / trusts of which they are directors or members or trustees without any beneficial interest.

By Order of the Board of Directors

H K SETHNA
Company Secretary

Mumbai, May 26, 2011

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

Details of Directors retiring by rotation seeking re-election and appointment of Directors at this Annual General Meeting:

Particulars	Mr Ravi Kant	Mr N N Wadia	Mr Sam Palia	Dr Ralf Speth
Date of Birth	June 1, 1944	February 15, 1944	April 25, 1938	September 9, 1955
Appointed on	July 12, 2000	December 22, 1998	May 19, 2006	November 10, 2010
Qualifications	B.Tech. (Hons), M.Sc., Aston, D.Sc. (Hon.), Aston	Educated in UK	B.Com., LLB, CAIIB, AIB (London)	Doctorate of Engineering in Mechanical Engineering and Business Administration
Expertise in specific functional areas	Wide experience in business and industry.	Industrialist with rich business experience in general.	Rich experience in the field of finance and development banking.	Wide experience in areas of production, quality and product planning.
Directorships held in other Public companies (excluding foreign and private companies)	• TAL Manufacturing Solutions Ltd. – Chairman • Tata Advanced Materials Ltd. – Chairman • Tata Industries Ltd. • Telco Construction Equipment Co. Ltd.- Chairman • Voltas Ltd.	• Britannia Industries Ltd. – Chairman • Gherzi Eastern Ltd. • Tata Chemicals Ltd. • Tata Steel Ltd. • The Bombay Burmah Trading Corp. Ltd. – Chairman • The Bombay Dyeing & Mfg. Co. Ltd. – Chairman • Go Airlines (India) Ltd. – Chairman	• ACC Ltd. • AI Champdany Industries Ltd. • GRUH Finance Ltd. • Saline Area Vitalisation Enterprises Ltd. • Tata Steel Ltd. • The Bombay Dyeing & Mfg. Co. Ltd.	NIL
Memberships / Chairmanships of committees across public companies	***Investors' Grievance*** • Tata Motors Ltd.	NIL	***Audit*** • Tata Motors Ltd. • ACC Ltd. • GRUH Finance Ltd. • Tata Steel Ltd. • The Bombay Dyeing & Mfg. Co. Ltd. ***Investors' Grievance*** • Tata Motors Ltd.	NIL
Shareholding	NIL	NIL	300 Ordinary Shares	NIL

DIRECTORS' REPORT

TO THE MEMBERS OF TATA MOTORS LIMITED

The Directors present their Sixty-Sixth Annual Report and the Audited Statement of Accounts for the year ended March 31, 2011.

FINANCIAL PERFORMANCE SUMMARY

(₹ in crores)

		Company (Standalone)		Tata Motors Group (Consolidated)	
		2010-11	**2009-10**	**2010-11**	**2009-10**
A	**FINANCIAL RESULTS**				
(i)	Gross Revenue	**52,135.97**	38,364.10	**1,27,419.62**	95,567.42
(ii)	Net Revenue (excluding excise duty)	**48,040.46**	35,593.05	**1,23,133.30**	92,519.25
(iii)	Total Expenditure	**43,269.15**	31,414.77	**1,05,353.33**	83,905.09
(iv)	Operating Profit	**4,771.31**	4,178.28	**17,779.97**	8,614.16
(v)	Other Income	**183.26**	1,853.45	**89.61**	1,793.12
(vi)	Profit before Interest, Depreciation, Amortization, Exceptional item & Tax	**4,954.57**	6,031.73	**17,869.58**	10,407.28
(vii)	Interest and Discounting Charges (net)	**1,143.99**	1,103.84	**2,045.42**	2,239.71
(viii)	Cash Profit	**3,810.58**	4,927.89	**15,824.16**	8,167.57
(ix)	Depreciation, Amortization & Product Development Expenses	**1,466.94**	1,177.90	**5,618.00**	4,385.33
(x)	Profit for the year before Exceptional items & Tax	**2,343.64**	3,749.99	**10,206.16**	3,782.24
(xi)	Exceptional items - Loss/(Gain)	**147.12**	920.45	**(231.01)**	259.60
(xii)	Profit Before Tax	**2,196.52**	2,829.54	**10,437.17**	3,522.64
(xiii)	Tax Expense	**384.70**	589.46	**1,216.38**	1,005.75
(xiv)	Profit After Tax	**1,811.82**	2,240.08	**9,220.79**	2,516.89
(xv)	Share of Minority Interest and Share of Profit in respect of investments in associate companies	**-**	-	**52.83**	54.17
(xvi)	Profit for the year	**1,811.82**	2,240.08	**9,273.62**	2,571.06
(xvii)	Balance Brought Forward from Previous Year – Profit/(Loss)	**1,934.13**	1,685.99	**(1,017.85)**	(1,553.66)
(xviii)	Amount Available for Appropriations	**3,745.95**	3,926.07	**8,255.77**	1,017.40
B	**APPROPRIATIONS**				
(a)	Debenture Redemption Reserve	**-**	500.00	**-**	500.00
(b)	General Reserve	**200.00**	500.00	**228.78**	520.32
(c)	Other Reserves	**-**	-	**84.20**	13.08
(d)	Dividend (including tax)	**1,467.03**	991.94	**1,481.30**	1,001.85
(e)	Balance carried to Balance Sheet	**2,078.92**	1,934.13	**6,461.49**	(1,017.85)

DIVIDEND

Considering the Company's financial performance, the Directors have recommended a dividend of ₹20/- per share on the increased capital of 53,83,22,483 Ordinary Shares of ₹10/- each (previous year: ₹15/- per share) and ₹20.50 per share on 9,63,86,471 'A' Ordinary Shares of ₹10/- each (previous year: ₹15.50 per share) fully paid-up and any further Ordinary Shares and/or 'A' Ordinary Shares that may be allotted by the Company prior to July 21, 2011 (being the book closure date for the purpose of the said dividend entitlement) for 2010-11 and will be paid on or after August 16, 2011. The said dividend, if approved by the Members, would involve a cash outflow of ₹1,467.03 crores (previous year: ₹991.94 crores) resulting in a payout of 81% (previous year: 44%) of the standalone profits of the Company.

OPERATING RESULTS AND PROFITS

After a good year 2009-10 during which economies across the world showed signs of recovery, the economic conditions globally continued to be strong and positive in 2010-11, resulting in a strong growth for the automotive sector. The Indian economy continued to do well, driven by a good performance from the agricultural and the industrial sector with a GDP growth of 8.6%. The automotive sector recorded a growth of over 26% in India on the back of a robust economy.

Supported by its strong distinct product offerings in both the commercial vehicle and passenger vehicle ranges, the Company recorded a turnover of ₹52,136 crores, a growth of 35.9% over the previous year. While the Company maintained a strong focus on cost control and market pricing, the increase in raw -material cost and fixed marketing expenses resulted in a lower EBITDA margin of 9.9% as compared to 11.7% in the previous year. The Profit Before Tax and Profit After Tax for 2010-11 was ₹2,197 crores and ₹1,812 crores respectively, as compared to ₹2,830 crores and ₹2,240 crores in the previous year. It may be noted that the previous year profit included a net positive impact of ₹958 crores, mainly on account of profit on certain divestments which was partly set off by a loss on redemption of preference shares in a subsidiary company.

Jaguar Land Rover results for 2010-11 showed a significant improvement with increase, both in volumes and revenue, better product mix, favourable exchange rates and higher margins. The introduction of the new Jaguar XJ, growing momentum of the Range Rover and Range Rover Sport and, in particular, the strengthening of the Jaguar Land Rover business in China, where it opened a National Sales Company (NSC) in mid 2010, were the main drivers. In addition, Jaguar Land Rover continued to benefit from cost efficiencies and effective cash management initiatives adopted in response to the challenging operating conditions in 2008 and 2009.

As the global markets recovered coupled with a strong focus on product and market initiatives, particularly at Jaguar and Land Rover, the Tata Motors Group turnover in 2010-11 grew by 33.1% to ₹1,23,133 crores. Tata Motors Group recorded its highest ever Consolidated Profit Before Tax of ₹10,437 crores (₹3,523 crores in 2009-10) and the Consolidated Profit for the Year of ₹9,274 crores (₹2,571 crores in 2009-10).

VEHICLE SALES AND MARKET SHARES

The overall Tata Motors Group sales at 10,80,994 vehicles crossed the 1 million mark in 2010-11, higher by 24.2% compared to the previous year. Global sales of all commercial vehicles were at 5,12,731 units, while global sales of all passenger vehicles were at 5,68,263 units.

The Company recorded sale of 7,78,540 vehicles in 2010-11, a growth of 22.8% over the previous year in the Indian domestic market representing a 24.3% market share in the Indian industry. It exported 58,089 vehicles from India, a growth of 70.3% over the previous year.

The Company increased its commercial vehicle sales in the Indian market to an all time high of 4,58,828 vehicles in 2010-11, representing a market share of 61.8%. A strong product portfolio, improved reach and penetration in the market and focus on customer oriented initiatives including finance enablement, ensured a 22.7% growth in commercial vehicle sales. Some of the key highlights were:

- The Company crossed the 4 million cumulative vehicle sales mark for its commercial vehicles.
- Sale of M&HCVs grew by 26.7% to 1,96,651 vehicles representing a market share of 60.1%. The Company continued to focus on customer centric initiatives, improved the sales of the **Prima,** and launched product variants to strengthen its product offerings. The Company introduced its CNG Hybrid city bus range and showcased it at the Commonwealth Games in Delhi.
- Sale of LCVs grew by 19.9% to 2,62,177 vehicles representing a market share of 63.2%. The new products launched such as the **Ace EX, Super Ace and 407 Pickup** helped increase the sales. With competition entering the small commercial vehicles' segment, the market share in the segment was lower as against last year.

The Company's sales of passenger vehicles in the Indian market (inclusive of **Tata, Fiat** and **Jaguar Land Rover** brands) were at its highest ever at 3,19,712 vehicles, representing a market share of 13.0% in 2010-11. The competition in the passenger car market continued to increase with more international Automobile manufacturers entering the market with a variety of product offerings. Some of the key highlights were:

- The Company crossed the 2 million cumulative vehicle sales mark for its passenger vehicles.
- In June 2010, the Sanand plant for the production of the **Nano** was inaugurated. The Company completed delivery on the bookings of the **Nano** and opened sales in various States in a phased manner. **Nano** sales increased to 70,431 vehicles, a growth of 129% from 30,763 vehicles in the previous year. The Company focused on increasing the reach and penetration for the **Nano** and also financing enablement for potential customer segments. The **Nano** bagged the gold prize in the Best New Product segment under the transportation category at the 2010 Edison Award, symbolizing persistence and excellence personified as also the world's oldest and coveted international award for 'Good Design' in 2010 conferred by the Chicago Athenaeum: Museum of Architecture and Design together with the European Centre for Architecture Art Design and Urban Studies in the category of transportation.
- The sales in the Small Car segment (comprising the **Nano**, the **Indica** and the **Vista**) increased to 1,80,091 vehicles, a growth of 13.9% representing a market share of 11.7%.
- The **Indigo** and the **Indigo Manza** sales were 87,919 vehicles. The **Indigo eCS** and the **Indigo Manza Elan** variants launched in the year were well received in the market and improved the Company's market share in the mid-size segment to 25.8% (after taking Jaguar).
- In the Multi Utility Vehicles (MUV) segment, the Company sold 42,741 (including Land Rovers) vehicles, a growth of 27.0% mainly boosted by sales of the **Safari.** The **Aria** - a premium crossover and the **Venture** - a multi-purpose vehicle in this segment launched during the year facilitated improvement in market share which stood at 13.2%.
- The Fiat sales were 20,342 vehicles representing a market share of 0.8% - with sales of the 8,536 **Lineas** and 11,806 **Grande Puntos**.
- The Company sold 889 vehicles from the Jaguar Land Rover range in India and widened its dealership network. It also began working on the local assembly for the Jaguar Land Rover range in Pune which has since been operational from May 2011.
- Assisted by a recovery from the economic crisis in its key markets and a renewed focus on exports, the Company's International Business grew by 70.3%. The Company exported 50,244 commercial vehicles, a growth of 80.2% and 7,845 passenger vehicles, a growth of 25.9% as compared to the previous year. The Company continues to keenly focus on international markets and expects to launch its new product range in many of these markets. An assembly plant in South Africa is being set up and is expected to start production next year.

Jaguar Land Rover sold 2,43,621 vehicles in 2010-11 registering a growth of 25.6% with sales of 52,993 **Jaguars** - a growth of 11.8% and 1,90,628 **Land Rovers** - a growth of 30.06% over the previous year. Jaguar Land Rover's major international markets (U.S., U.K., China and Germany) continued to do well and boosted sales of the **Jaguar Land Rover** range. The new **Jaguar XJ,** deliveries of which started in the year, contributed significantly to the growth of the Jaguar brand. Jaguar Land Rover also displayed the **Jaguar C-X75** at the Paris Motor Show and launched the all new **XKR-S Jaguar** at the Geneva Motor Show which received rave reviews. The **Range Rover - Evoque** displayed at various auto shows and planned for launch early next year, received rave accolades and is expected to translate the brand identity of Range Rover so as to include small and very relevant products without diminishing its brand value. Jaguar and Land Rover received more than 80 international awards for its vehicles during 2010, which were shared equally between the two iconic brands.

Jaguar Land Rover retail volumes in the U.K. totalled 58,134, a 1.9% increase over the previous year whilst the retail volumes in the North America totalled 50,280 with Jaguar and Land Rover volumes growing by 14.8% and 22.9% respectively over the previous year. Retail volumes in key growth markets grew significantly with China at 28,893 and Russia at 11,689, higher by 69.9% and 32.4% respectively, over the previous year. There was moderate growth in Europe of 6.2% resulting in retail volumes of 53,711 and across all other markets of 38,198 representing a 15.7% growth over the previous year. Market Share of Jaguar Land Rover in U.K., U.S., Europe, Russia and China were also either maintained or marginally improved.

Tata Daewoo Commercial Vehicle (TDCV) sales were stagnant at 8,748 vehicles as compared to 8,769 vehicles in the previous year. The financial instability of its sole distributor in its domestic market in the previous year brought new challenges and opportunities. TDCV started its own sales company to distribute its products in the Korean market and also launched the Euro V compliant range of products.

Tata Hispano Motors Carrocera, S.A. sold 505 vehicles as compared to 248 units in the previous year, increasing its market share to 13% from 8% in the previous year. It won a prestigious order for supplying around 500 buses in the next 3 years to the Avanza Group, one of the largest private passenger transportation groups in Spain.

Tata Motors Thailand (TMTL) continued to do well with sales of 6,031 vehicles against 2,536 vehicles in the previous year. The growth was driven by a good response to the **Xenon CNG** model. TMTL also launched the **Super Ace** in the Thailand market.

CUSTOMER FINANCING INITIATIVES

The vehicle financing activity in India under the brand "Tata MotorFinance" (TMF) of Tata Motors Finance Limited - a wholly owned subsidiary company, has shown improvements in disbursements as well as net interest margins, driven mainly by the overall economic recovery coupled with a strong focus by TMF on controlling costs, improving quality of fresh acquisitions and micro-management of collections. TMF financed 1,60,781 vehicles during the year as compared to 1,44,806 vehicles in the previous year. Total disbursements at ₹7,908 crores grew by 18% as against ₹6,697 crores in the previous year. The disbursals for commercial vehicles were ₹6,041 crores (94,446 units) as compared to ₹5,123 crores (96,593 units) and for passenger cars were ₹1,867 crores (66,335 units) as compared to ₹1,454 crores (48,213 units) in the previous year. The market share in terms of the Tata vehicles financed by TMF declined from 26% in Commercial vehicles to 21% and increased from 21% to 22% in passenger cars. TMF's strategy on managing non-performing assets (NPA), improving collection efficiencies, improvements in the "Risk Scored Pricing Model" approach and thrust on customer relations through a branch based re-organised field structure, has in the last 2 years turned around and improved its operations and profitability, setting a robust platform to enable future growth.

Jaguar Land Rover have entered into arrangements with financial service providers to make vehicle financing available to customers in 12 countries worldwide covering the largest markets by volume, including Chase Auto Finance in the U.S. and FGA Capital (a joint venture between Fiat Auto and Credit Agricole) in the UK and the rest of Europe.

HUMAN RESOURCES

The overall employee relations were peaceful and harmonious throughout the year. The Company continued to create a productive, learning and caring environment by implementing robust and comprehensive HR processes. 2010-11 saw the Company attracting substantial talent to fill some key Senior Leadership positions. The permanent manpower headcount also increased by 7% to 26,214. This increase in headcount supported the production and sales of over 8 lakh vehicles. The productivity, in terms of the turnover per employee' has gone up by 19.3% to ₹96 lakhs / employee. The Commercial Vehicles Business Unit showed consistent improvement over the years and is better than its competitors on all of the 8 HR Management parameters as rated by A C Nielsen.

The long term wage settlements were signed between the management and its unions at locations where the settlements were due for negotiations. The bonus settlements at all our plant locations were signed/announced in the month of September/October. The Tata Motors Employees Union elections at Pune CVBU and PCBU were conducted peacefully on March 9, 2011, with new representatives being elected.

Jaguar Land Rover have generally enjoyed cordial relations with employees at their factories and offices and have not had any strikes in the last eight years. More than 96% of manufacturing shop floor workers and approximately 45% of salaried staff in the U.K. are members of a labour union. Jaguar Land Rover signed a landmark settlement deal with the Unions which would lead to the creation of new jobs in the next decade, including 1,500 jobs at its Halewood facility, Liverpool in 2011. Jaguar Land Rover is recognised as a preferred employer in the U.K. and has won recognition in The Times "Top 100 Graduate Employers" for 2011; has won entry into The Times "Top 50 Employers for Women" and "one to note" as a first time entry in The Times "Best Companies" survey.

SAFETY & HEALTH - PERFORMANCE AND INITIATIVES

All of the Company's operating plants in India have been certified to OHSAS - 18001 and ISO - 14001 standards and all the CVBU units have been conferred with the 'Golden Peacock Award' on Safety & Health. Jamshedpur plant was adjudged first and was awarded by CII (Confederation of Indian Industry) Eastern Region in Safety, Health & Environment Practices. The Company took steps towards ensuring that every single individual working within its plant premises is protected from any harmful impact of his/her working and the inherent risks. Towards this end, the Company recently completed a diagnostic of the existing safety systems through DuPont and is taking steps to raise the safety standards to world class levels. ZAP (Zero Accident Plan) meetings are held all across plants and the defined bay owners in these plants champion these meetings. Tata Marcopolo Motors Limited would be implementing IMS – 18001/14001/9001 in both their plants in 2011-12 and other initiatives to increase focus on safety, including conducting of periodical audits to measure and ensure safety. A host of initiatives on health and wellness were taken across all plants in India. Specifically, a Health Index was initiated in the Pune plant and Ergonomics study carried out to improve workplace environment.

In overseas locations:

Jaguar Land Rover has robust health and safety management systems based on the U.K. Health and Safety Executive's HSG 65 Standard for Successful Health and Safety Management. Jaguar Land Rover are working to achieve the international health and safety certification standard OHSAS 18001, on all sites, with the first stage of the certification process completed during 2010. All Jaguar Land Rover employees receive health and safety training as part of their induction and are kept up-to-date by weekly health and safety briefings, quarterly occupational health and safety information bulletin, specific safety brief in response to any significant incidents that occur, health and safety information on dedicated safety notice boards at each site and campaigns to raise awareness of specific risks or safety processes. Jaguar Land Rover also participates in awareness campaigns led by the U. K. Health and Safety Executive and the European Agency for Safety and Health at Work.

TDCV Korea achieved an accident rate of 0.30% (lower than the national average as well as competitors) and is certified to OHSAS-18001 & ISO – 14001 Standards. Tata Hispano, Spain achieved ISO - 14001 certification. Tata Motors (Thailand) Ltd. (TMTL) had Zero accidents and also conducted specific training from equipment suppliers like wheel alignment, overhead cranes, two/four post lifters, etc. to ensure safe and proper operations by the workmen.

The above initiatives are in line with the Tata Motors Group's medium term goal to emerge as a leader in safety in the Indian automobile industry and globally in the longer horizon.

FINANCE

The borrowings of the Company as on March 31, 2011 stood at ₹15,899 crores (previous year ₹16,595 crores). Cash and Bank balances and Current investments in Liquid / Liquid Plus schemes of Mutual funds stood at ₹2,514 crores (previous year ₹2,273 crores).

Tata Motors Group's borrowings as on March 31, 2011 stood at ₹32,791 crores (previous year ₹35,108 crores). Cash and Bank balances and current investments in Liquid / Liquid Plus schemes of Mutual funds stood at ₹12,071 crores (previous year ₹9,808 crores). The key highlights were:-

- The Company issued rated, listed, secured/unsecured non-convertible debentures of ₹900 crores with maturities of 10 – 15 years as a step to raise long term resources and optimize the loan maturity profile.
- In October 2010, the Company raised funds aggregating ₹3,351 crores (US$ 750 million) by an issue of 3,21,65,000 'A' Ordinary Shares at a price of ₹764/- per share and 83,20,300 Ordinary Shares at a price of ₹1,074/- per share to Qualified Institutional Buyers ('QIBs'), under a qualified institutional placement. The said issue was well received by the investors and the Company availed of the opportunity to price it at the mid-upper band. This milestone in the financing strategy enabled it to come closer to its objective of balance sheet de-leveraging.
- Consequent upon the holders of Foreign Currency Convertible Notes (FCCNs) of US$327.07 million and JP¥ 30 million exercising their option to convert their FCCNs to Ordinary Shares, the Company allotted 2,35,70,426 Ordinary Shares.

- The Company redeemed the 0% JP¥ 720 million Convertible Notes as per the terms of the issue which were remaining outstanding out of the 0% JP¥ 11,760 million Convertible Notes issued in 2006, the balance 93.9% of the said Notes being previously converted/ repurchased.
- Tranche 1 of the secured, rated, credit enhanced, listed 2% coupon non convertible debentures aggregating ₹800 crores was redeemed as per the terms of issue out of the 4 tranches of debentures aggregating ₹4,200 crores issued in 2009-10.
- With a turnaround in the business and continuing strong profitability in 2010-11, the net debt at Jaguar Land Rover reduced to GB£ 233 million. During the year, Jaguar Land Rover took steps to establish hedging lines in order to reduce risks to the business from foreign exchange fluctuations and establishing long term funding facilities in order to strengthen the capital structure.
- Tata Motors Finance Ltd have raised ₹361 crores by an issue of unsecured, non-convertible, subordinated perpetual debentures towards Tier 1 and 2 Capital to meet its growth strategy and improve its Capital Adequacy ratio.

Tata Motors Group's gross Debt/Equity ratio as at March 31, 2011 at 1.17 was significantly lower as compared to 4.28 as on March 31, 2010.

The Company has undertaken and will continue to implement suitable steps for raising long term resources to match the Company's fund requirement and to optimize its loan maturity profile. The Company's rating for foreign currency borrowings was revised upwards by Standard & Poor by 2 notches to BB- and by Moodys by 3 notches to Ba3. For borrowings in local currency, the rating was revised upwards by 1 notch by Crisil at AA-, by ICRA at LAA- and reaffirmed by CARE at AA-.

INFORMATION TECHNOLOGY INITIATIVES

Tata Motors Group continues to lead in the use of Information Technology as an integral part of its strategy and goes beyond the organisation's boundaries to cover suppliers, dealers and customers. The Company won an Architecture Excellence Award in the IT Service Management category at the ICMG World Conclave. The Company's competitive advantage includes a world class Customer Relations' Management solutions (CRM) with integrated Dealer Management System (DMS) used by more than 2,500 channel partners. For receiving customer requests and feedback, the Company has an enterprise SMS no. 5616161 and a customer toll free no. 1800 209 7979. CRM capabilities are now being replicated in its international operations. Major highlights of the year are:–

- Enhancement of the Call Center operation's capabilities to get benchmark customer interaction performance, addition of Key Accounts Portal and deployment of Used Vehicle and Customer Loyalty solution.
- Strengthening of IT support through distributed warehouse management and spares' planning systems for its after market operations.
- Implementation of ERP for large and complex maintenance operations for the Delhi Transport Corporation.
- Supplier self service with design collaboration solution extended to additional 550 vendors with more than 2,500 vendors.
- Use of manufacturing automation systems to run lean production operations with advanced systems in plants for Nano and Ace.
- Expanded analytics and planning solutions to all key business functions with plans to embrace advanced analytical capabilities.
- Jaguar Land Rover completed IT transition from Ford and launched multiple strategic ERP programs.
- Jaguar Land Rover has commenced IT enhancements with the implementation of SAP ERP software in the UK and SAP "all in one" in the National Sales Companies. Jaguar Land Rover is also transforming its product development capabilities with new toolsets, including Product Life Cycle Management (PLM).
- TDCV, Korea started its own sales and marketing operations, which went through the ERP implementation to support retail sales and initiated centralized IT procurement to leverage common contracts and terms.

The Tata Motors Group companies are collaborating on various fronts in the use of Information Technology including deployment of state-of-the-art video conferencing system. The Tata Technologies Group continues to be a strategic partner in strengthening the Tata Motors Group IT capabilities.

NEW PRODUCT, TECHNOLOGY AND ENVIRONMENT FRIENDLY INITIATIVES

Product Development

The Company strives to be at the forefront of innovation and works to launch products aimed at the emerging needs of its customers. It continues to develop and build on its in-house capabilities and works with the right partners to ensure that it has competitive product offerings. Some of the Company's key products and initiatives for the year include:

- Showcased the **Tata Pixel** - a concept for a future city car at the Geneva Motor Show.
- Launched the **Aria** - a premium crossover with high-end features such as 4x4, Torque on Demand, ESP, six airbags.
- Launched the BS IV compliant variants of the **Indica** and the **Indigo CS,** the **Indica eV2** and **Indigo eCS** with segment leading fuel efficiencies. These vehicles are powered by the Company's 1.4L CRAIL engine.
- Launched **Elan** - a high end variant of the **Indigo Manza** sedan.
- **Ace Zip** and **Magic Iris** were test marketed in various parts of the country and are expected to be formally launched across the country in May this year. This completes the **Ace** family offerings now spanning from the **Ace Zip** and **Magic Iris** at the lower end and the **Super Ace** and **Venture** on the higher end.
- Launched the **Venture** - a Multi Purpose Vehicle (MPV) on the Ace platform.
- The **Prima** range launched in the previous year was expanded with the introduction of the **Prima Construck** range of tippers in the market. Some Prima trucks were also launched in Korea and some of the tippers are soon expected to be launched in the international markets.
- Jaguar Land Rover launched the all new **Jaguar XJ**, the new 4.4 V8 diesel **Range Rover** and the new 2.2 diesel **Land Rover - Freelander.**
- Jaguar's Advanced Design Team and the Jaguar Land Rover Technical Innovation Team created a concept car for the Paris Motor Show to celebrate 75 years of Jaguar Design and Innovation. The resultant - a stunning **Jaguar C-X75,** is a radical combination of hyper-car, eco-friendliness and 21st century technology, which won 'Car of the Show' capturing the imagination of millions. Jaguar Land Rover recently announced their partnership with Williams F1 to bring a version of this concept to the market in 2013.
- Tata Hispano Motors Carrocera, S.A., Spain introduced 4 new brand models of its buses, viz. **Area -** an urban bus, 2 hybrid urban buses and **Naya -** a new deluxe coach. This alongwith the **Xerus** and **Intea** models launched last year would expand its product range in high-end buses/coaches.

Development of Environment Friendly Technologies

As a responsible automotive manufacturer, the Tata Motors Group continues to develop vehicles and technologies to reduce its carbon footprint. Some of the significant initiatives/achievements are:

- Showcased its CNG parallel Hybrid low-floor city buses in the Commonwealth Games in Delhi.
- **Tata Indica Vista EVX** developed by engineers at our European subsidiary - Tata Motors European Technical Centre, Plc, bagged 'the Most Economic Small Passenger EV' and 'the Most Economical and Environment Friendly Small Passenger EV' under the Small Passenger EV category at the inaugural Royal Automobile Club, Brighton to London Future Car Challenge.
- Migrated to meeting the BS IV emission norms by developing BS IV compliant range of vehicles, in particular, **Indica eV2** and **Indigo eCS** with 1.4L CRAIL engines with segment leading fuel efficiencies.
- Jaguar and Land Rover continue to invest heavily in environmental innovation to support delivery of the 2012 European Union requirement for reduction in CO_2. The 2010-11 new model launches including the all new **Jaguar XJ**, the new 4.4 V8 Diesel **Range Rover** and the new 2.2 Diesel **Land Rover - Freelander** realised improvements in CO_2 performance in excess of 10 %. The **Jaguar XF** and **Range Rover Evoque** to be launched in the second quarter of 2011, would continue this trend. The **Jaguar XF** 2.2 Diesel 8

speed automatic transmission variant with Stop/Start technology reduces the entry model CO_2 output whilst the **Evoqu**e features a number of lightweight, vehicle efficiency and Powertrain technologies that make this the most fuel efficient **Range Rover** ever.

- Jaguar Land Rover is working on introducing a new Premium Lightweight Architecture for its products. This has seen a host of environment friendly technologies including new aluminium alloys, down-sized powertrains, Eco HMI, sustainable materials, best-CO_2 navigation routes, electronic power steering, aerodynamic features and many more technologies. These technologies enable the delivery of class leading 'Luxury' and 'Performance' combined with low CO_2 and lay the foundation for efficient hybridization of the platform. Jaguar Land Rover's initial Full-Hybrid programme is also in advanced stages.
- In 2010-11, some of the Plug-In Hybrid projects of Jaguar Land Rover were completed and have provided the technical foundation for a production development programme for Parallel Plug-in Hybrids. In addition, Jaguar Land Rover has made significant progress on a number of ongoing collaborative Research and Development programmes investigating a wide range of CO_2 reduction technologies. These include radical combustion engine downsizing/pressure charging, alternative power sources for Series Hybrids, Flywheel KERS and waste energy recovery systems.
- Tata Hispano Motors Carrocera SA, Spain, won a prestigious order for supplying 10 CNG Series Hybrid low-floor city buses, to be built on the Company's chassis, to EMT Madrid, a Madrid city public transportation company.

CONSOLIDATED FINANCIAL STATEMENTS

The Tata Motor's Group reported consolidated revenues (net of excise) for 2010-11 of ₹123,133 crores, posting a growth of 33.1% over ₹92,519 crores in the previous year, with strong volume growth globally in all major markets. The Consolidated Profit before Tax (PBT) for the year was ₹10,437 crores, compared to a PBT of ₹3,523 crores for the previous year. The Consolidated Profit for the period (After Tax and post minority interest and profit in respect of Associate companies) for the year was ₹9,274 crores, a significant increase from a profit of ₹2,571 crores in the previous year. As required under the Listing agreement with the Stock Exchanges, Consolidated Financial Statements of the Tata Motors Group (the Company and all its subsidiary companies) are attached.

Pursuant to the provisions of Section 212(8) of the Companies Act, 1956 (Act), the Ministry of Corporate Affairs vide its General Circular No 2/2011 dated February 8, 2011 has granted a general exemption subject to certain conditions to holding companies from complying with the provisions of Section 212 of the Act which requires the attaching of the Balance Sheet, Profit & Loss Account and other documents of its subsidiary companies to its Balance Sheet. Accordingly, the said documents are not being included in this Annual Report. The main financial summaries of the subsidiary companies are provided under the section 'Subsidiary Companies: Financial Highlights 2010-11' in the Annual Report. The Company will make available the said annual accounts and related detailed information of the subsidiary companies upon request by any member of the Company or its subsidiary companies and the same will also be kept open for inspection by any member at the Head Office of the Company and the subsidiary companies.

SUBSIDIARY AND ASSOCIATE COMPANIES

Subsidiary Companies

The Company has 67 (direct and indirect) subsidiaries (10 in India and 57 abroad) as on March 31, 2011 as disclosed in the accounts. During the year, the following changes have taken place in subsidiary companies:

Subsidiary companies formed/acquired, etc.

- The Company acquired 80% stake in Trilix Srl., Turin (Italy), a design and engineering company in September, 2010.
- Tata Precision Industries Pte. Ltd became a subsidiary after the Company increased its shareholding from 49.99% to 78.39% by subscribing to an additional 28.4% share of Tata Precision Industries Pte Ltd, Singapore on February 15, 2011. Tata Precision Industries Pte Ltd holds 100% shares of Tata Engineering Services Pte Ltd, hence Tata Engineering Services Pte Ltd also became a subsidiary.
- Tata Daewoo Commercial Vehicle Company Limited formed a wholly owned subsidiary, Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited.

- HV Axles Limited and HV Transmissions Limited, two of the Company's subsidiaries, have announced an amalgamation to harness synergies and graduate to become a total driveline solutions provider.

Companies ceasing to be subsidiary companies

- INCAT SAS, a subsidiary of Tata Technologies Limited was liquidated.
- Jaguar Land Rover Mexico SA de CV was sold to an importer.

Name changes

Carroseries Hispano Maghreb to Tata Hispano Motors Carroseries Maghreb.

Other than the above there has been no material change in the nature of the business of the subsidiary companies.

Associate companies

As on March 31, 2011, the Company had 7 associate companies as disclosed in the accounts:

FIXED DEPOSITS

The Company discontinued the acceptance and renewal of fixed deposits from the public and shareholders with effect from May 28, 2010. During the year, it changed the Registrars to the Fixed Deposit scheme to M/s. TSR Darashaw Limited (TSRDL) from M/s. Link Intime India Private Limited. TSRDL are also the Registrars and Transfer Agents for shares and debentures issued by the Company since past few decades and would thus be a focal point of contact for all investor services. The Company has no overdue deposits other than unclaimed deposits.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

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

DIRECTORS

Dr Ralf Speth was appointed as an Additional Director on November 10, 2010 in accordance with Section 260 of the Companies Act, 1956 (the Act) and Article 132 of the Company's Articles of Association and will cease to hold office at the forthcoming Annual General Meeting and is eligible for appointment. In accordance with the provisions of the Act and the Article of Association of the Company, M/s Ravi Kant, N N Wadia and S M Palia are liable to retire by rotation and are eligible for re-appointment. Attention of the Members is invited to the relevant items in the Notice of the Annual General Meeting and the Explanatory Statement thereto.

Dr J J Irani, a Director nominated by Tata Steel Limited (Steel Director) and who is a non-rotational Director as per Article 127 of the Company's Articles of Association, has conveyed his decision to step down from the Company's Board from June 2, 2011 on attaining 75 years as per the Retirement policy of the Tata Group. Dr Irani was also a member of the Company's Executive Committee of the Board. The Board of Directors in its meeting held on May 26, 2011 expressed appreciation of the enormous contributions made by Dr Irani over the years to the development and growth of the Company as also his good counsel in charting its future direction.

CORPORATE GOVERNANCE

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

PARTICULARS OF EMPLOYEES

The Company has 99 employees who were in receipt of remuneration of not less than ₹60 lakhs during the year or ₹5 lakhs per month during any part of the said year. The Information required under Section 217(2A) of the Companies Act, 1956 and the Rules made thereunder is provided in the Annexure forming part of the Report. In terms of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary.

CSR INITIATIVES

A separate section on initiatives taken by the Company to fulfill its Corporate Social Responsibilities is included in the Annual Report.

AUDIT

M/s Deloitte Haskins & Sells (DHS), Registration No. 117366W, who are the Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them to examine and audit the accounts of the Company for the Financial Year 2011-12. DHS have, under Section 224(1) of the Act, furnished a certificate of their eligibility for re-appointment.

Cost Audit

As per the requirement of the Central Government and pursuant to Section 233B of the Act, the audit of the cost accounts relating to motor vehicles is carried out every year. Pursuant to the approval of Ministry of Corporate Affairs (MCA) vide Sr. No. 52/413/CAB/1989 dated September 1, 2009, M/s Mani & Co. having registration No. 00004 were appointed as the Cost Auditors for auditing the Company's cost accounts relating to motor vehicles for the financial year ended March 31, 2010. Consequent upon the audit undertaken and submission of the Cost Audit Report dated August 10, 2010 and based on the recommendation of the Audit Committee, the Board approved of the said Audit Report on August 10, 2010 which was filed with the MCA on September 8, 2010.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

ACKNOWLEDGEMENTS

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

On behalf of the Board of Directors

RATAN N TATA

Chairman

Mumbai, May 26, 2011

ANNEXURE TO THE DIRECTORS' REPORT

(Additional information given in terms of Notification 1029 of 31-12-1998 issued by the Department of Company Affairs)

A. Conservation of Energy

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

- Installation of Variable Frequency Drives (VFD) for: electrical heating system of Continuous Carburizing Hardening Furnace (CCHF) , cooling tower cold water pump motor, clean room Air Supply Unit motor, etc;
- Switchover from electrical heating to LPG based heating system in washing machines and aluminium melting furnace;
- Installation of CFL, LED bus bar indicators, 24Wx4 T5 lamps for street lights, Electronic ballast and LED street lights;
- Switching off unwanted lights;
- Installation of Light pipes and Transparent Polycarbonate sheets;
- Installation of efficient Weishaupt Burners in plant and waste heat recovery from furnace flue gases to heat water for process;
- Modification in PLC logic Top coat-2 oven cooling zone, optimization of phosphate bath temperature, optimization of AC plant operations, installation of active grill for data center AC system, to reduce electricity consumption;
- Installation of Energy Efficient Motors (Eff-1), Wind Ventilators, Super magnetic dust separator; Downsizing of motors, Trimming of impeller of oversized water recirculation pump, etc.

These changes have resulted in e lectrical energy saving of 1.93 crore units, reduction in consumption of LDO fuel by 79KL and Propane by 194MT, leading to savings in cost of around ₹10.43 crores and annual CO_2 reduction of 17,401 tCO_2 for the Company.

In addition, the Company's endeavour of tapping wind energy has also made significant contributions in:

- Generation of 527.1 lakh units from Wind Power resulting in savings of electricity charges of ₹17.85 crores and reduction of CO_2 by 48,620 tCO_2.
- For the Company's 20.85MW Wind power project, United Nations Framework Convention for Climate Change (UNFCCC) have issued 27,554 CERs on January 20, 2011 for the period 2008-09.

Awards / Recognitions received during the year are as follows:

- The Company's CVBU Pune won the "GOLD" rating of Green Factory Building Award from Indian Green Building Council (IGBC), which is first of its kind in India and for the Tata Group. All the existing buildings are rated as GOLD rating factory buildings in Pimpri. The Company is the first to receive this award for the existing factory buildings.
- CVBU Pune was declared winner of 'Vasundhara Awards 2010' organised by the Maharashtra Pollution Control Board (MPCB), winner of first prize in Technical Paper Contest at INSSAN Regional Convention 2010 of INSSAN (Indian National Suggestion Schemes' Association) - Eastern India Chapter. It also received the Excellent Energy Efficient Unit award in the CII 11th National Awards for Excellence in Energy Management - 2010.
- The Company won the Srishti G-Cube Awards for Good Green Governance in Manufacturing - Engineering category, CVBU Pune was the winner, Jamshedpur Plant was declared "runner up", and Pantnagar Plant received a "certificate of commendation".
- CVBU Lucknow was adjudged the Excellent Energy Efficient Unit for the second time in a row at the 11th National Awards for Excellence in Energy Management 2010, conducted by CII - Godrej Green Business Centre at Chennai. It also received the Silver Award in the automobile sector at the 11th Global Green Tech Excellence Awards 2010 and awarded the first prize in the National Energy Conservation Award (NECA) 2010, in the Automobile Sector, at New Delhi.

- Pantnagar Plant received the first prize in the Uttarakhand State Energy Conservation Award 2010, under the Large and Medium scale industry category. It was also awarded the second prize at the National Energy Conservation Awards (NECA) 2010, under the Automobile Manufacturing Sector. This is the consecutive second year that the Plant has received this National Award.

B. Technology Absorption

The Company has continued its endeavor to absorb the best of technologies for its product range to meet the requirements of a globally competitive market. All of its vehicles and engines are compliant with the prevalent regulatory norms in India and also in the countries to which they are exported. It has also undertaken programs for development of vehicles which would run on alternate fuels like LPG, CNG, Bio-diesel, Electric traction etc.

Major Technology absorption projects undertaken during last year include:

Technology For	Status
Development of Navigation system on Aria	Implemented in production
Vehicle vibration reduction during shut-down of engine for Aria and Magic Iris by using high damping SBR engine-mounts	
For In-cab noise reduction of Xenon, Super-Ace and Venture, tuning of a Torsional Vibration Damper [TVD]	
Inflatable curtains for side impact protection	Implemented
Parallel Hybrid Technology for Buses	Under Implementation
Technology for indigenized high temperature cables developed for use on vehicles	Development in progress
EE – Architecture Development methodology for vehicles	
Symptom Driven Diagnostics development for vehicles	

During the year, the Company filed 141 Patent Applications and 41 Design applications. In respect of applications filed in earlier years, 11 Patents were granted and 36 Designs were registered.

To reinforce the need for technology up-gradation to attain international levels of competitiveness and to be able to offer contemporary products, the Company invested in facilities for vehicle level performance development, various optimisation and emission measurements, for validating safety requirements, and meeting various evolving regulatory requirements in domestic and international markets, such as:

- Heavy duty chassis dynamometers for vehicle level performance development and various calibrations for Utility Vehicles and Passenger Cars.
- Heavy duty chassis dynamometers for performance development and various calibrations for Medium and Heavy commercial vehicles and 440 kW Dynamic transient dynamometer and allied auxiliary equipment.
- Robotic driver mileage accumulation for light, medium and heavy commercial vehicles.
- Enhancement of Chassis Dynamometer Emission Lab for passenger cars and small commercial vehicles for Euro V emission norms onward. This lab is upgraded with new 48" chassis dynamometer as per regulatory requirements and advanced emissions measurement systems.
- Facilities and equipment to meet safety regulations such as mobile crash test barrier for side impact testing (as per US regulations), Rear impact testing (as per Korean regulation). Introduction of xenon –ve arc, flicker free lighting system for high speed digital photography during crash events.
- Hardware in Loop (H.I.L.) set up for body cluster module development.
- Rapid prototyping equipment with selective laser sintering (SLS) technology for 'ready to test' plastic prototype parts.
- Eight poster road load simulator for vehicle structural durability of Medium and Heavy commercial vehicles.

Investments are also made to upgrade the existing facilities through addition of various data acquisition systems and analysis software for Road Load Data collection, NVH testing, engines related testing and calibration and enhancement of automation of test beds.

Major Technology imports include:

Technology for	Year of Import	Status
Development and application of a two cylinder common rail diesel engine for small passenger car and small commercial vehicles.	2007-08 2008-09 2009-10	Completed
Gas Injection technology for LCV, MCV and HCV engines	2009-10	Under Development
Stop-Start feature for various vehicle platforms	2009-10	In progress
Engine Management for Series Hybrid Technology for Buses	2009-10	Under Development
Design and Development of New Generation engine platforms for LCVs and UVs	2006-07	Completed
Design and Development of Infinitely variable transmission based on full toriodal traction-drive variators for various vehicle platforms.	2007-08	Under implementation
Design and Development of Electric Hatchback in windows vehicle – Indica Vista EV	2008-09	Under implementation

During the year the Company spent ₹1,187.21 crores on Research and Development activities including expenditure on capital assets purchased for Research and Development which was 2.47% of the net turnover.

C. Foreign Exchange Earnings and Outgoing

(₹in crores)

Earning in foreign currency	3,358.64
Expenditure in foreign currency (including dividend remittance)	3,180.17

Management Discussion and Analysis

Business Overview

Tata Motors Business: The Indian economy recorded a robust growth rate estimated at 8.6% over 2009-10, driven by growth in the agricultural sector (5.4%), industrial sector (8.1%) and services sector (9.6%). The growth in the first half of the fiscal year was higher, which moderated in the second half. The year also witnessed inflationary trends beyond RBI targets and followed successive increases in CRR and other monetary policy changes by RBI to curb inflation, which progressively affected the business sentiment through the year. As a result, the second half of the fiscal year saw a drop in the Index for Industrial Production (IIP) as industrial activity was affected.

On the back of overall economic growth, the automotive industry recorded an increase of 26% in current fiscal. Facilitated by economic growth, increase in personal disposable incomes, availability of finance and development of infrastructure, the commercial vehicle industry growth moderated to 27% as compared to 40% in 2009-10 and the passenger vehicle industry grew by 30% as compared to 25% in 2009-10, driven by increased level of disposable income.

From October 1, 2010, emission norms in India migrated to the Bharat Stage III for the non-metro cities / towns, considering an imminent increase in prices, there was a spurt in buying of vehicles (mainly commercial vehicles) in the first half of the year. The fuel prices, especially the petrol prices increased throughout the year, thereby affecting the consumer sentiment to an extent. The year also witnessed a significant pressure on commodity prices, leading to increase in costs and pressure on margins.

The Company's total domestic sales increased by 22.8% to 7,78,540 vehicles in 2010-11.The commercial vehicle sales at 4,58,828 vehicles grew by 22.7% and the Company maintained its leadership position in the domestic market despite new players entering the field. The passenger vehicles volumes at 3,19,712 vehicles grew by 23.0% in the domestic market on the back of increased volumes of the Nano, launch of Aria and the launches of new variants of Indigo, Manza and Safari. The Company's exports increased by 70.3% to 58,089 vehicles during the year with significant economic improvement in its major international markets such as the Indian sub-continent, South Africa and the Middle East.

The industry performance in the domestic market during 2010-11 and the Company's share is given below:-

Category	Industry Sales (Nos.)			Company Sales (Nos.)			Company Market Share (%)	
	2010-11	2009-10	Growth	2010-11	2009-10	Growth	2010-11	2009-10
Commercial Vehicles *	7,42,091	5,82,933	27.3%	4,58,828	3,73,842	22.7%	61.8	64.1
Passenger Vehicles #	24,66,814	19,00,704	29.8%	3,19,712	2,60,020	23.0%	13.0	13.7
Total	32,08,905	24,83,637	29.2%	7,78,540	6,33,862	22.8%	24.3	25.5

Source: Society of Indian Automobile Manufacturers report and Company Analysis

** including Magic and Winger sales; #including Fiat & Jaguar Land Rover branded cars*

Industry Structure and Developments

Commercial Vehicles

The domestic Commercial Vehicle market in 2010-11, recorded a robust growth of 27.3% which resulted in the highest ever sales of 7,42,091 vehicles in 2010-11. High growth rates continued through the first half of the fiscal year supported by sustained economic growth and impact of a lower base in the corresponding period last year. The demand for commercial vehicles continued to be robust, driven by growth in the agricultural and industrial sectors of the economy.

The domestic industry performance during 2010-11 and the Company's share is given below:-

Category	Industry Sales (Nos.)			Company Sales (Nos.)			Company Market Share (%)	
	2010-11	2009-10	Growth	2010-11	2009-10	Growth	2010-11	2009-10
M&HCV	3,27,311	2,44,959	33.6%	1,96,651	1,55,161	26.7%	60.1	63.3
LCVs *	4,14,780	3,37,974	22.7%	2,62,177	2,18,681	19.9%	63.2	64.7
Total	7,42,091	5,82,933	27.3%	4,58,828	3,73,842	22.7%	61.8	64.1

Source: Society of Indian Automobile Manufacturers report and Company Analysis

** including Magic and Winger sales*

The Company's commercial vehicle sales in the domestic and international markets, at 5,09,072 vehicles, were 26.7% higher than the previous year. The Company recorded its highest ever sales in the domestic commercial vehicle market. In the international business it crossed the 50,000 mark for the first time in its history. A strong product portfolio, coupled with its continued leadership in market reach and penetration and extensive efforts toward finance enablement for customers, were the key growth drivers. The Company's market share in 2010-11at 61.8% was lower as compared to 64.1% in the previous year, mainly due to inability of key suppliers to ramp-up production to meet market demand and new competition in the SCV segment where hitherto Ace was the only product.

The year also witnessed a recovery in the major international markets, leading to a strong growth in the exports of commercial vehicles. In particular, the M&HCV and SCV exports to the Indian subcontinent region showed a robust growth.

In the domestic market, the M&HCV segment grew by 26.7% on the back of strong growth in the Indian economy. The growth in the core sectors of the economy and revival in the EXIM trade benefited the M&HCV segment. There was healthy freight availability in the market, operations for transporters were profitable and construction and mining sectors continued to grow backed by infrastructure projects. The good monsoons also ensured a growth in the agricultural sector and this aided the freight market.

The Company launched product variants tailored to specific market segments. It launched the Construck range of the Prima and upgraded its entire product range to comply with the BS III emission norms w.e.f. October 1, 2010. The Company also showcased and operated its first CNG Hybrid city bus at these Games in Delhi.

The LCV segment recoded a growth of 19.9% through the year in 2010-11. While this was largely aided by the growth in the small commercial vehicles, the rest of the segment comprising of the 4 and 7 tonne segments also grew handsomely. The Company improved its performance in the pickup segment.

The sales of the Tata Ace continued to increase in its fifth year of sales. The Company has launched a portfolio of variants on the popular Ace platform such as the Ace EX, Super Ace, Venture which have been well received in the market. Launch of products by competition in this segment resulted in a lower market share of 63.2% in the year 2010-11 as compared to 64.7% during last year.

Passenger Vehicles

The year 2010-11 was a remarkable year for the passenger vehicle industry, recording a growth of 29.8%, driven by increase in the disposable incomes, availability of finance and a positive consumer sentiment coupled with aggressive new model launches and pricing by manufacturers.

The Industry performance and the Company's performance in the segments that it operates in is given below:-

Category	Industry Sales			Company Sales (Audited Nos.)*			Company Market Share (%)	
	2010-11	2009-10	Growth	2010-11	2009-10	Growth	2010-11	2009-10
Small Car (Mini + Compact)	15,45,992	11,92,007	29.7%	1,80,091	1,58,093	13.9%	11.6	13.3
Midsize Car	3,75,137	2,87,923	30.3%	96,880	68,263	41.9%	25.8	23.7
Utility Vehicle / SUV	3,23,592	2,70,888	19.5%	42,741	33,664	27.0%	13.2	12.4
Total Passenger Vehicles #	**24,66,814**	**19,00,704**	**29.8%**	**3,19,712**	**2,60,020**	**23.0%**	**13.0**	**13.7**

Source: Society of Indian Automobile Manufacturers report and Company Analysis

** including Fiat & Jaguar Land Rover branded cars* *# Total Industry Nos. include sales in other segments*

During the year, the Company recorded its highest ever sales of 3,19,712 vehicles (including Fiat & Jaguar Land Rover) in the domestic market. The Company continued to be amongst the top three players in the Indian passenger vehicle market with a market share of 13.0%. The Company launched a variety of new products and variants in the year. It launched the Indica eV2 and Indigo eCS variants in the market with segment leading fuel efficiencies. It also introduced the Venture - a multi purpose vehicle and the Aria - first Indian crossover in the UV segment.

In the International Business, while the recovery in its key export markets for the passenger car business was slow; the sales increased to 7,845, a growth of 25.9% over the previous year.

For the passenger car industry, the small car segment with sales of over 1.5 million vehicles, continued to be the biggest segment of the market, recording a growth of 29.7%. The growth in this segment was mainly driven by the continued launch of new models. In a rapidly expanding market, the Company's share in 2010-11 was 11.6%, lower than 13.3% in 2009-10. The Company sold 70,431 Nano cars in 2010-11, a growth of 129% over 2009-10. It inaugurated the Sanand plant for the production of the Nano in June 2011 and production was progressively ramped up through the year. The Company focused on expanding the reach for the Nano through Special Nano Access Points and by ensuring availability of finance for all segments of customers through flexible / tailored finance schemes. The Company launched a refreshed version of the Indica Vista and a new variant, Indica eV2, with the CRAIL engine and a segment leading fuel efficiency of 25 kmpl.

The midsize segment with sales of 3,75,137 vehicles during 2010-11, grew by 30.3%. During the year with sales of 87,919 vehicles, the Indigo range, registered an increase of 55.3%. With the launch of the Indigo eCS, the Company increased its market share in this segment to 25.8% and is also repositioning its Indigo brand at the higher end of the segment with the introduction of the Indigo Manza, Elan.

The UV market recorded a healthy growth of 19.5%, during the year, with sales of 3,23,592 vehicles. The Company increased its market share in this segment to 13.2%, with sales of 42,741 vehicles. The Company improved its sales with launch of Aria, Venture and a refreshed version of Safari.

The Company sold 20,342 Fiat cars in 2010-11, with sale of 8,536 Lineas and 11,613 Grande Puntos which represented a market share of 0.8% for the Fiat brand.

The Company sold 889 Jaguar and Land Rover vehicles through its exclusive dealerships in India in the second year of the introduction of the Jaguar Land Rover brands in India and launched the Jaguar XJ and Jaguar XF Diesel in the market in this year. It focused on widening its network across the country during 2010-11. The Company set up an assembling activity for the Land Rover - Freelander 2 at Pune which has since been operational from May this year.

Jaguar and Land Rover Business: During the year, external environment for Jaguar Land Rover continued to improve compared to 2009-10, with favourable GDP growth in key markets driving increased demand for premium products. Jaguar Land Rover continued to benefit from favourable exchange rates, particularly the US$ and the Euro throughout the year.

The financial results of Jaguar Land Rover have showed continuous improvement resulting in a reported profit before tax of £1,126 million for the year. In addition to this, the last quarter results represented the sixth successive quarter of positive profit after tax. The substantial improvement in the operations, EBITDA, net income and cash and general liquidity position, was attributable to an increase in wholesale volumes and an improvement in product mix associated with the introduction of the new Jaguar XJ and the cessation of the Jaguar X-Type and the continued strength of the Range Rover and Range Rover Sport. Jaguar Land Rover business experienced an improvement in market mix, in particular the strengthening of business in China, which was supported by the launch of an National Sales Company in China in mid-2010. Further, performance was also assisted by the positive impact of the strengthening of the US dollar against the Pound Sterling and the Euro, which has positively affected revenues (a portion of which comprises wholesale volumes in US dollars) against the backdrop of a largely Pound Sterling and Euro cost base. The improvement in results of operations in 2010-11 was also partially attributable to further cost-efficiency improvements in material costs and manufacturing costs, supported by increased production volume levels. Jaguar Land Rover continue to benefit from cost efficiencies and effective cash management initiatives adopted in response to the challenging operating conditions in 2008 and 2009, including the alignment of production with demand, active management of working capital through extension of the term of trade payables and acceleration of the term of trade receivables while reducing inventories and scaling down the cost base across the business.

Jaguar Land Rover PLC generated record revenue and earnings during 2010-11. This was primarily driven by increased demand for both brands as well as a strong product and market mix, particularly in China and Russia as well as favourable exchange rates. Group revenues increased by 51% over the last fiscal.

For 2010-11, the Material Cost of sale as a percentage of revenue has improved over the last fiscal by 5.3%, Employee costs for 2010-11 increased by 6.3%, reflecting an increase in permanent and agency heads, primarily in Product Development and the latest two year wage rate agreement that was signed in November 2010. Other expense for 2010-11 increased by 34%, mainly volume driven. These costs include manufacturing and launch costs, freight and distribution costs, warranty costs, product development expenses, selling and fixed marketing expenses. Some of these were attributable to spend on the Range Rover Evoque that should be in the market in June 2011 as well as XJ which was launched in May 2010. Expenditure capitalised for 2010-11 increased reflecting the increased spend on future model development for both brands.

Wholesale volumes at 2,43,621 vehicles in 2010-11 reflected a growth of 26% as compared to 2009-10. At a brand level, wholesale volumes of the Jaguar and Land Rover at 52,993 and 1,90,628 reflected a growth of 12% and 30% respectively over 2009-10.

Retail volumes in the UK totaled 58,134, a 2% increase on the prior period, whilst the North American retails were up 21% to 50,280. Retails in key growth markets saw significant increases with China retail volumes ending the reporting period at 28,893 and Russia 11,689 up on prior reporting period by 70% and 32% respectively. There was moderate growth in Europe of 6% resulting in retail volumes of 53,711 and across all other markets the retail volume of 38,198 represented 16% growth on the prior reporting period.

Jaguar's 11MY XJ went on sale in first quarter of 2010-11, bringing the 'new' Jaguar line-up to full strength for the first time. This combination of XF, XK and new XJ received significant media coverage and helped mark the 75th anniversary of the Jaguar brand. The XJ was made available internationally as a standard or long wheelbase vehicle with GENIII 5.0-litre petrol and 3.0-litre diesel engines.

The Jaguar C-X75 concept car was showcased at the Paris Motorshow in September 2010, to mark the brand's 75th anniversary. This dominated all media outlets at the show. It revealed next-generation powertrain technology in the form of electric motors and a Bladon Jets-developed turbine generator. The design also received great praise, lighting the way for Jaguars of the future. In the latter half of the year, a decision of the build production versions of the C-X75 in association with Williams F1 was taken. This high-performance hybrid supercar will stay true to the initial concept design study. Project C-X75 features an equally innovative powertrain to the micro gas turbine technology presented in the original concept car. The road-going supercar will use a state-of-the-art, small-capacity turbocharged internal combustion engine with powerful electronic motors at each axle providing four-wheel drive.

In March 2011, the Jaguar XKR-S, a more powerful version of the XKR, was revealed at the Geneva Motor Show. Aimed at driving enthusiasts, it adopts a more powerful version of the 5.0-litre V8.

2011 marks the Jaguar E-Type's 50th anniversary. 2010 marked the 40th Anniversary of Range Rover with a number of activities designed to celebrate the iconic brand, including an exclusive celebration at Kensington Palace. Another historic milestone during the anniversary year was the production of the Millionth Range Rover at Land Rover's Solihull plant which was donated to the UK charity 'Help for Heroes'.

In July 2010, Land Rover held the international media Ride and Drive in Portugal for the revised 11MY Range Rover. A new, class-leading V8 diesel engine, new 8-speed transmission, two significant Terrain Response® upgrades and subtle external styling enhancements are amongst the features on the new 2011 Range Rover, which went on sale in the UK in September 2010.

The LR-TDV8 4.4-litre with parallel sequential turbocharging replaces the outstanding LR-TDV8 3.6-litre and is unique to the Range Rover. The all-new LR-TDV8 combines superior power and massive torque with unparalleled levels of refinement. Despite the extra performance, this V8 engine is cleaner too, delivering even lower fuel consumption and CO_2 emissions than its predecessor. The combined cycle fuel consumption of the new LR-TDV8 4.4-litre is 30.1mpg, making this the first Range Rover ever to better 30 mpg.

Freelander 2 eD4 was launched (mainly Europe/UK), Land Rover's most fuel efficient vehicle to date, achieving 47.2 MPG and 158 g/km CO_2. It is Land Rover's first 2WD vehicle, offering customers who prefer this option access to the Land Rover brand. Its CO_2 and 2WD credentials also make this an important fleet vehicle; allowing the brand access to many more corporate / company fleets. At the end of March, the 2,50,000th Freelander 2 was produced at Land Rover's Halewood plant in Merseyside, UK, a production milestone for Land Rover's biggest selling model.

2010-11 saw the formal introduction of the Range Rover Evoque, the smallest and most fuel efficient Range Rover ever. The new model was first shown in July 2010 at Kensington Palace before making its motorshow debut at Paris and Los Angles. Supported by the Hello Evoque campaign, the new Range Rover has been well received by media and customers alike. European pricing for the Range Rover Evoque was announced at the Geneva Motor Show. Pricing for other markets including the USA and UK was announced over the following months and received significant media coverage. The entry level price of under £30,000 was welcomed, along with the range of personalisation options available.

Land Rover's on going commitment to building vehicles that are more fuel and emissions-efficient reaches another milestone at the 2011 Geneva Motor Show with the first presentation of Range_e. This development model is equipped with an advanced plug-in hybrid diesel-electric powertrain that Land Rover expects to make available in future production models, following the scheduled launch of its diesel-electric hybrid in 2013.

Tata Daewoo Commercial Vehicles (TDCV) Business: 2010-11 was a very challenging year for TDCV, where as in the first half of the year, domestic sales were severely impacted due to financial crisis of TDCV's main distributor and the second half of the year recorded lower exports. The impact was accentuated due to appreciating Korean Won. These factors had an adverse impact on its profitability. TDCV registered net revenues of KRW 7,26,859 million (₹2,881 crores), and recorded a Profit after Tax of KRW 18,430 million (₹73 crores) in 2010-11. TDCV launched its wholly owned Sales and Distribution Company to act as its sole distributor in the domestic market. Total market for heavy commercial vehicles in Korea increased by 17.3% with vehicles sales at 12,860 units in 2010-11, compared to 10,964 units in the previous year. TDCV's share was 2,848 vehicles in 2010-11 with a market share of 22.1%, as compared to 3,080 units and market share of 28.1% for the same period in the previous year. In the medium duty truck segment total market increased to 11,926 units in the year under review, an increase of 24.5% compared to 9,582 units in the previous year. TDCV's share was 2,895 units in 2010-11 with a market share of 24.3% compared to 2,273 units in 2009-10 and a market share of 23.7%, an increase of 60 basis points in total market share. TDCV exported 2,957 Completely Built Units (CBU) during the year as compared to 3,562 CBU in the previous year, a decline of 17.0%. TDCV has major presence in countries like Algeria which showed signs of fatigue in Dump / Mixer segment. The Gulf Cooperation Council (GCC) block which is one of the Company's major exports market had been worst effected during the global financial crisis and did not fully recover even in 2010-11.

Tata Motors Finance Ltd (TMFL) Business: 2010-11 was a year of consolidation and growth for TMFL which is engaged in the business of vehicle financing. Many facets of TMFL's operations, particularly the management of non-performing assets, collection efficiencies as well as overall disbursements have shown significant improvements / increases, resulting in a substantially improved financial performance for the year. TMFL registered net revenues of ₹1,367 crores and reported a Profit After Tax of ₹127 crores in 2010-11.

TMFL's main areas of focus continued to be on improving the quality of business sourced, managing overall costs and increased attention on collections management. This is been done through managing customer-wise outstanding. TMFL has widened the profile of customers it manages to improve the portfolio mix. This strategy, along with the upgrading / improvements on the 'Risk Scored Pricing Model' has ensured that TMFL realizes an appropriate price for higher risk products/markets. TMFL is confident that, on this robust platform, it can now further its growth across all customer segments in the coming years.

Total disbursements by TMFL were ₹7,908 crores as against ₹6,697 crores in the previous year. TMFL financed 1,60,781 vehicles during the year as compared to 1,44,806 vehicles in the previous year. Disbursals for new commercial vehicles were ₹6,041 crores (94,446 units) as compared to ₹5,123 crores (96,593 units). The Passenger Car business grew significantly with the disbursements on the Nano vehicles and passenger car disbursements for the year were at ₹1,867 crores (66,335 units) as compared to ₹1,454 crores (48,213 units) in the previous year.

Tata Technologies (TTL) Business: TTL, a key strategic partner in several of the information technology initiatives for the Tata Motors Group, recorded an overall revenue growth of 16.7% in revenue from sale of products and services, from ₹1,070 crores in 2009-10 to ₹1,249 crores in 2010-11. Due to stringent cost control, focus on operating efficiencies and offshoring, the operating profit registered an increase of 48.3% over last year, while profit before taxes grew at a rate of 42.8% on a year-on-year basis. Profit after taxes grew by 52.8% during the same period.

During this period, services revenue increased by 12.1% and product sales increased by 29.6% over last year to reach figures of ₹882 crores and ₹367 crores, respectively. The services revenue comprises Engineering Automation Group [EAG], Enterprise Solutions Group [ESG] and Product Lifecycle Management [PLM]. EAG addresses the engineering and design needs of manufacturers through services for all stages of the product development and manufacturing process. ESG addresses the Information Technology needs of manufacturers including business solutions, strategic consulting, ERP implementation, systems integration, IT networking and infrastructure solutions and program management. PLM addresses the product development technology solution requirements of manufacturers including end-to-end implementation of PLM technology, best practices and PLM consulting. PLM also includes the Company's proprietary applications iGETIT® and iCHECKIT.

Comments on Financial Performance on a Consolidated basis

The sales net of excise duty on a consolidated basis, have recorded a growth of 33.1% in the year 2010-11 to ₹1,23,133.30 crores. The increase is mainly attributable to growth in revenue both at Tata Motors and Jaguar Land Rover business on the background of robust growth in automotive volumes. The automotive operation is the most significant segment, accounting for 99.3% and 96.9% for fiscal 2011 and 2010 respectively, of its total revenues. For fiscal 2011, revenue from automotive operations before inter segment eliminations was ₹1,22,243.65 crores as compared to ₹89,615.07 crores for fiscal 2010. (A reference may be made to review of performance of TML and Jaguar Land Rover business discussed above).

The following table sets forth selected consolidated financial information for the Company, including as a percentage of turnover net of excise duty, for the year ended March 31, 2011 and 2010:-

	Percentage of Turnover	
	2010-11	2009-10
Turnover net of excise duty	100.0	100.0
Expenditure:		
- Material (including change in stock and processing charges)	65.1	67.4
- Employee Cost	7.6	9.5
- Manufacturing and other expenses	17.5	18.8
- Expenditure transferred to capital and other accounts	(4.7)	(5.0)
Total Expenditure	85.5	90.8
Other Income	0.1	1.9
Profit before Exceptional Item, Depreciation, Interest and Tax	14.6	11.2
Depreciation (including product development expenditure)	4.6	4.7
Interest and Discounting Charges (Net)	1.7	2.4
Exceptional item – (gain)/loss	(0.2)	0.3
Profit before Tax	8.5	3.8

Material Cost (including change in stock and processing charges)

	2010-11	2009-10
Consumption of raw materials and components	70,453.73	54,105.54
Purchase of product for sale	10,390.84	8,538.52
Processing Charges	1,172.48	878.99
Change in Stock-in-trade and Work-in-progress	(1,836.19)	(1,148.67)
Material (including change in stock and processing charges)	**80,180.86**	**62,374.38**

The material cost has come down from 67.4% to 65.1% of net sales. The reduction is mainly attributable to Jaguar Land Rover operations which improved product mix, better price realization and continuous cost reduction initiatives. The raw material cost as a % to revenue has gone up during 2010-11, mainly due to input cost not fully absorbed through pricing and marginally adverse price mix.

Employee Cost

While the employee cost has increased by ₹590.90 crores in absolute terms, as a % to net revenue it has come down from 9.5% to 7.6% in the current year. The increase in the Company's employee cost and other subsidiaries (excluding Jaguar Land Rover business) mainly relates to increase cost on account of normal yearly increases, performance payments, impact of wage revisions and on account of increased volumes. The increase in Jaguar Land Rover business mainly relates to higher pension costs, primarily due to volumes and two year wage settlement.

Manufacturing and Other Expenses

		2010-11	2009-10	Change
Expenses for manufacture, administration and selling				
(a)	Stores, spare parts and tools consumed	1,189.24	1,050.61	138.63
(b)	Freight, transportation, port charges, etc.	2,436.93	2,050.44	386.49
(c)	Repairs to buildings	69.85	57.05	12.80
(d)	Repairs to plant, machinery, etc.	228.45	278.13	(49.68)
(e)	Power and fuel	851.60	689.45	162.15
(f)	Rent	104.72	106.71	(1.99)
(g)	Rates and taxes	192.58	181.63	10.95
(h)	Insurance	161.71	161.92	(0.21)
(i)	Publicity	4,089.95	2,974.18	1,115.77
(j)	Incentive / Commission to dealers	868.13	595.57	272.56
(k)	Works operation and other expenses	11,238.84	9,124.72	2,114.12
Expenses for manufacture, administration and selling		**21,432.00**	**17,270.41**	**4,161.59**
Excise Duty on change in Stock-in-trade		**139.05**	**86.95**	**52.10**
Total		**21,571.05**	**17,357.36**	**4,213.69**

During the year manufacturing and other expenses increased to ₹21,571.05 crores from ₹17,357.36 crores for 2009-10. While the increases are mainly due to volumes, in terms of revenue, it has come down from 18.8% to 17.5% in the current year. The increase in stores, spare parts and tools consumed is due to higher level of production. The publicity expenses have increased mainly on account of new product introductions (Nano, Prima, New Jaguar XJ). The incentives / commission relates to the Company's business, where the increase is mainly volume driven.

The works operation and other expenses during the current year have come down to 9.1% from 9.9% of net revenue. There has been reduction in provision towards residual risk on vehicles sold by Jaguar Land Rover business. As may be seen from the above table, despite increase in volumes, the group has been in a position to contain costs at all levels.

Expenditure transferred to capital and other accounts represents amounts allocated out of employee cost and other expenses towards the amounts capitalized mainly for product development. Expenditure transferred to capital and other accounts increased to ₹5,741.25 crores from ₹4,578.42 crores of 2009-10. The increase represents mainly new product development plans at the Company's and Jaguar Land Rover, currently underway.

Other Income decreased to ₹89.61 crores from ₹1,793.12 crores in 2009-10, mainly due to higher profit on sale of investments in previous year. The other income for 2009-10 included profit on sale of controlling stake in Telcon was ₹1,057.92 crores. The profit (net) on account of sale of other investments was ₹17.35 crores in 2010-11 as compared to ₹693.62 crores for 2009-10.

Profit before Interest, Exceptional items and Tax has increased from ₹10,407.28 crores in 2009-10 to ₹17,869.58 crores in 2010-11. The increase reflects significant turnaround during the year in the operations of Jaguar Land Rover business.

Depreciation and Amortization (including product development expenditure): During 2010-11, the expenditure has increased by 28.1% to ₹5,618 crores from ₹4,385.33 crores in 2009-10. The increase in depreciation and amortization expenses of ₹1,232.67 crores represent impact on account of capitalization (mainly towards capacity and new products) at the Company's including the effect of assets installed in the earlier years for which full effect has come in the current year. Further, there has been an increase in amortization of product development cost consequent to commencement of commercial production of new products mainly Prima, Nano, New XJ and other products. The increase is also attributable to product development expenditure written off during the year of ₹962.49 crores as compared to ₹498.20 crores in 2009-10.

Net interest cost

	2010-11	2009-10	Change
Interest and discounting charges			
Interest expenses	2,229.72	2,126.34	103.38
Discounting charges	666.78	671.30	(4.52)
Interest capitalized	(511.23)	(332.32)	(178.91)
Interest received	(339.85)	(225.61)	(114.24)
Interest expenses	**2,045.42**	**2,239.71**	**(194.29)**

Net interest cost decreased by 8.7% to ₹2,045.42 crores from ₹2,239.71 crores of 2009-10. The Company has been successful in containing the costs through borrowings at lower rates and by substituting part of the borrowings through issue of equity. (Please refer to details given below of Gross debt). On the background of significant improvement in operations the net interest cost at Jaguar Land Rover was ₹153.32 crores in 2010-11 as compared to ₹328.83 crores in 2009-10.

Exceptional Items

	2010-11	2009-10	Change
Exchange Gain (Net) on revaluation of foreign currency borrowings, deposits and loans	(231.01)	(84.47)	(146.54)
Others - Loss	-	344.07	(344.07)

The Exceptional items – others for 2009-10, include (a) employee separation cost of ₹191.12 crores of Jaguar and Land Rover; (b) unamortised debt issue cost of ₹105.04 crores written off on prepayment of bridge loan for acquisition of Jaguar Land Rover business; and (c) provision for a product liability case at Jaguar Land Rover.

Consolidated Profit Before Tax (PBT) has increased to ₹10,437.17 crores in 2010-11 as compared to ₹3,522.64 crores in 2009-10, representing a positive swing of ₹6,914.53 crores. The entire increase is attributable to a remarkable improvement in the performance of Jaguar Land Rover business.

Tax expense has increased to ₹1,216.38 crores in 2010-11 from ₹1,005.75 crores in 2009-10. The tax expense as a % to PBT was 11.7% in 2010-11 as compared to 28.6% in 2009-10. The reduction in tax expense is mainly due to set-off of past tax losses at Jaguar Land Rover and benefits of R & D expenses at TML, which are eligible for weighted deduction. The tax expense is not comparable with the profit before tax, since it is consolidated on a line-by-line addition for each subsidiary company and no tax effect is recorded in respect of consolidation adjustments.

Consolidated Profit After Tax (PAT) of the Group increased to ₹9,273.62 crores as compared to ₹2,571.06 crores in 2009-10.

Consolidated Balance Sheet

Fixed Assets

	As at March 31,		Change	%
	2011	2010		
Gross Fixed assets (including capital work in progress)	83,191.79	72,738.72	10,453.07	14.4
Accumulated Depreciation	39,698.67	34,232.39	5,466.28	16.0
Net Fixed assets	43,493.12	38,506.33	4,986.79	13.0

Net Fixed Assets including Capital Work in Progress increased to ₹43,493.12 crores as at March 31, 2011, as compared to ₹38,506.33 crores as at March 31, 2010. The gross fixed assets have increased by ₹10,453.07 crores. The increase mainly represents product development projects, both at the Company and Jaguar Land Rover and establishment of new facility for Nano and other capacity / new product plan of the Company.

Investments increased to ₹2,544.26 crores as at March 31, 2011 as compared to ₹2,219.12 crores as at March 31, 2010. The movement (net) of ₹325.14 crores represents increase due to investments in shares by the Company and ₹101.35 crores by way of share of undistributed profit on associates.

Net Current Assets

	As at March 31,		Change	%
	2011	2010		
Current Assets, Loans & Advances	51,034.92	42,445.64	8,589.28	20.2
Current Liabilities	(37,114.65)	(34,077.33)	(3,037.32)	9.0
Provisions	(9,869.17)	(7,643.50)	(2,225.67)	29.1
Net Current Assets	4,051.10	724.81	3,326.29	458.9

Net Current Assets increased to ₹4,051.10 crores as at March 31, 2011 from ₹724.81 crores as at March 31, 2010. The increase in current assets represents – (a) Increase in inventory by ₹2,758.48 crores, due to volumes (b) Cash and bank balances increased by ₹2,204.61 crores due to surplus cash at Jaguar Land Rover business and unutilized proceeds of QIP issue of ₹505.00 crores; and (c) Loans and advances increased by ₹3,940.54 crores, which represents – (i) increase in vehicle financing activity to support the demand; (ii) net increase in receivable on account of Minimum Alternative Tax credit entitlement in future years; and (iii) increase in excise duty / VAT and other dues from the Government.

Current liabilities have increased due to increase in sundry creditors, reflecting the volume related changes more particularly in the last quarter. The increase in provisions represents mainly pension provisions at Jaguar Land Rover in view of change in actuarial assumptions.

Gross debt (total of secured and unsecured loans) has reduced to ₹32,791.41 crores as at March 31, 2011 as compared to ₹35,108.36 crores as at March 31, 2010.

Net debt (gross debt reduced by available cash and bank balances and mutual fund investments) stood at ₹21,479.90 crores as at March 31, 2011 as compared to ₹27,086.49 crores as at March 31, 2010. The significant reduction in debt mainly relate improvement in operations, fund raising through Qualified Institutional Placement issue of ₹3,249.80 crores (net of issue expenses) and conversion of Foreign Currency Convertible Notes of ₹1,490.25 crores. Debt equity ratio is 1.71 as at March 31, 2011 as compared to 4.28 as at March 31, 2010.

Cash Flow

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

	Rs. in crores		%
	2010-11	**2009-10**	**Change**
Net Cash from Operating Activities	**11,240.15**	**8,997.13**	24.9
Profit for the year	9,273.62	2,571.06	
Adjustments to arrive at cash from operations	7,406.13	5,054.43	
Changes in working capital	(4,048.40)	2,600.85	
Direct taxes paid	(1,391.20)	(1,229.21)	
Net Cash used in Investing Activities	**(7,065.67)**	**(7,533.05)**	(6.2)
Purchase of fixed assets (Net)	(8,112.77)	(8,453.24)	
Net investments, short term deposit, margin money and loans given	706.06	(461.58)	
Proceeds from sale of stake in subsidiary	-	1,159.50	
Investments in subsidiary companies	(70.42)	(56.30)	
Dividend and interest received	411.46	278.57	
Net Cash (used in)/from in Financing Activities	**(1,401.29)**	**2,841.74**	(149.3)
Equity issuance (Net of issue expenses)	3,249.80	1,794.19	
Proceeds from issue of share to minority shareholders	5.19	54.50	
Dividend Paid (including paid to minority shareholders)	(1,019.53)	(349.57)	
Interest paid	(2,469.07)	(2,855.34)	
Net Borrowings (net of issue expenses)	(1,167.68)	4,197.96	
Net increase in cash and cash equivalent	**2,773.19**	**4,305.82**	(35.6)
Effect of exchange fluctuation on cash flows	259.61	(115.86)	
Cash and bank balances on acquisition / sale of stake in subsidiaries (net)	2.47	(41.60)	
Cash and cash equivalent, beginning of the year	6,529.96	2,381.60	
Cash and cash equivalent, end of the year	9,565.23	6,529.96	

The cash generated from operations before working capital changes and before considering deployment in the vehicle financing business was ₹16,679.75 crores as compared to ₹7,625.49 crores in the previous year. After considering the impact of working capital changes and inflows on account of securitization of financing loan portfolio (net of deployment), the net cash generated from operations was ₹11,240.15 crores as compared to ₹8,997.13 crores in the previous year. The following factors contributed to change in working capital:

- Increase in trade and other payables by ₹1,447.95 crores due to increase in manufacturing activity.

which was partially offset by:

- Increase in trade and other receivables amounting ₹731.52 crores due to increase in sales volumes.
- Increase in inventories amounting ₹2,410.68 crores representing higher volumes/activity.
- Increase in vehicle / loans and hire purchase receivables by ₹2,354.15 crores.

The net cash outflow from investing activity reduced during the current year to ₹7,065.65 crores from ₹7,533.05 crores for the last year.

- Net cash used for purchase of fixed assets was ₹8,112.77 crores during the year as against ₹8,453.24 crores for the last year. The capital expenditure relates mainly to capacity expansion of our product facilities and product development costs for proposed / new product launches as well as on quality and reliability improvement projects.
- During the year 2009-10, the Company sold 20% stake in Telcon, resulting in cash inflow of ₹1,159.50 crores.
- Net cash inflow from sale / redemption of other investments is ₹ 7.44 crores in 2010-11 as compared to ₹ 958.56 crores in 2009-10. During 2009-10, the Company has sold part of its investment in Tata Steel.
- During the year, the Company had invested ₹32.14 crores net, in mutual funds for parking of surplus cash, against of ₹979.55 crores in the last year.

The net change in financing activity was outflow of ₹1,401.29 crores against net inflow ₹2,841.74 crores for last year.

- In October 2010, the Company raised ₹3,249.80 crores (net) by way of issue of shares through QIP (against ₹1,794.19 crores during the year 2009-10 by way of issue of GDS).
- The net change in other borrowings during the year was a reduction by ₹1,167.68 crores as compared to increase of ₹4,197.96 crores during the last year.
- The cash outflow on account of dividend increased to ₹1,019.53 crores from ₹349.57 crores.
- The net cash outflow on account of interest reduced to ₹2,469.07 crores from ₹2,855.34 crores.

Financial Performance as a measure of Operational Performance (on a standalone basis)

Supported by its strong and distinct product offerings in both the commercial vehicle and passenger vehicle range, the Company's revenues have grown by 34.9% in 2010-11. The operating margin decreased mainly due to increase in raw material cost and fixed marketing expenses. The Profit after tax of ₹1,812 crores was lower by 19% as compared to ₹2,240 crores in 2009-10 (during 2009-10, the Company recorded a profit of ₹1,802 crores on sale of investments which was partly set-off by a loss of ₹851 crores on redemption of preference shares in a subsidiary company).

	Percentage of Turnover	
	2010-11	**2009-10**
Turnover net of excise duty	100.0	100.0
Expenditure:		
Material (including change in stock and processing charges)	74.4	71.7
Employee Cost	4.8	5.2
Manufacturing and other expenses (net)	10.9	11.4
Total Expenditure	90.1	88.3
Other Income	0.4	5.2
Profit before Exceptional Item, Depreciation, Interest and Tax	10.3	16.9
Depreciation (including product development expenses)	3.1	3.3
Interest and Discounting Charges (Net)	2.4	3.1
Exchange Loss (Net) on revaluation of foreign currency borrowings, deposits and loans	0.3	0.2
Loss on redemption of investments in Preference Shares held in a subsidiary company	-	2.4
Profit before Tax	4.5	7.9

Turnover net of excise duty: Turnover net of excise duties increased by 34.9% to ₹48,040.46 crores from ₹35,593.05 crores in 2009-10. The total number of vehicles sold during the year increased by 25.3% to 8,36,629 vehicles from 6,67,971 vehicles. The domestic volumes increased by 22.8% to 7,78,540 vehicles from 6,33,862 vehicles in 2009-10, while export volumes showed improvement and increased by 70.3% to 58,089 vehicles from 34,109 vehicles in 2009-10. Gross turnover from sale of vehicles, including export and other incentives, increased by 37.0% to ₹47,507.65 crores from ₹34,677.40 crores in 2009-10. Sale of spare parts for vehicles increased by 24.9% to ₹2,827.10 crores from ₹2,263.54 crores in 2009-10.

Material (including change in stock and processing charges):

	2010-11	2009-10	Change	%
Consumption of raw materials and components	27,058.47	20,392.60	6,665.87	32.7
Purchase of product for sale	7,363.13	4,513.23	2,849.90	63.2
Processing Charges	1,676.07	1,212.90	463.17	38.2
Change in Stock-in-trade and Work-in-progress	(354.22)	(606.63)	252.41	(41.6)
Material (including change in stock and processing charges)	35,743.45	25,512.10	10,231.35	40.1

Net Raw Material consumption including processing charges increased by 40.1% to ₹35,743.45 crores from ₹25,512.10 crores of 2009-10, primarily due to increase in vehicle volumes. Material cost as a % of net turnover increased to 74.4% from 71.7% for 2009-10, mainly due to increase in input prices. Despite a steep increase in commodity prices during the year, the Company was able to contain the material cost through vigorous cost reduction programs.

Employee Cost: The employee cost increased by 24.9% to ₹2,294.02 crores from ₹1,836.13 crores in 2009-10, due to normal yearly increases in the form of increments, promotions, wage agreement and increase in head count. However, as a % of the net turnover, the employee cost is reduced from 5.2% to 4.8%. The Company continues to focus on measures to manage employee cost on a long term basis.

Manufacturing and Other Expenses: The Company continues to drive initiatives to contain costs to offset the volume effect and inflation. Thus, the manufacturing and other expenses, expressed as a percentage to net turnover were lower at 10.9% in 2010-11 as compared to 11.4% in 2009-10. In absolute terms the expenses have increased to ₹5,231.68 crores in 2010-11 from ₹4,066.54 crores in 2009-10. This increase is primarily due to higher volumes and increase in fixed marketing expenses to promote the new products.

Other Income is significantly lower at ₹183.26 crores during the current year as compared to ₹1,853.45 crores in 2009-10. In 2009-10, other income included profit of ₹1,801.12 crores on sale of its investments.

Profit before Exceptional Item, Depreciation, Interest and Tax decreased by 17.9% to ₹4,954.57 crores from ₹6,031.73 crores in 2009-10. The decrease is mainly due to lower other income as explained above and a lower operating margin.

Depreciation and amortization (including product development expenses) increased by 24.5% to ₹1,466.94 crores from ₹1,177.90 crores in 2009-10. The increase reflects, impact on account of additions to fixed assets towards plant and facilities for expansion and new products introduction, mainly production facility at Sanand and new product introductions. Further, there has been increase in amortization relating to capitalization of product development cost for products launched in recent years.

Net interest cost marginally increased to ₹1,143.99 crores from ₹1,103.84 crores in 2009-10. The borrowings have decreased consequent to substitution of funds raised by issue of shares through Qualified Institutional Placement (QIP). Despite increase in capex and working capital during the year, the Company managed to restrict the borrowing cost through infusion of equity funds and reduction in borrowing rates.

Exceptional Items: During 2009-10, TML Holdings Pte. Ltd., Singapore, a wholly owned subsidiary, had redeemed preference shares of the face value of US$ 195.1 million at a discount of US$ 189.2 million. Consequent to the redemption, the Company recognized a loss of ₹850.86 crores.

Profit Before Tax (PBT) of the Company of ₹2,196.52 crores represented 4.5% of net revenues in 2010-11 as compared to PBT of ₹2,829.54 crores representing 7.9% of net revenues in 2009-10. PBT in 2009-10, included profit on sale of investment of ₹1,801.12 crores, which was partly netted off by loss on redemption of preference shares in a wholly owned subsidiary of ₹850.86 crores.

Tax expenses decreased to ₹384.70 crores from ₹589.46 crores in 2009-10. The effective tax rate for 2010-11 is 17.5% of PBT as compared to 20.8% for 2009-10. The reduction is due to increase in tax benefits during the year.

Profit After Tax (PAT) of the Company decreased by 19.1% to ₹1,811.82 crores from ₹2,240.08 crores in 2009-10. Basic Earnings Per Share (EPS) decreased to ₹30.28 as compared to ₹42.37 in the previous year for Ordinary Shares and ₹30.78 as compared to ₹42.87 for 'A' Ordinary Shares in the previous year. The lower EPS reflects the lower PAT over a higher equity base in 2010-11 as compared to 2009-10.

Balance Sheet

Fixed Assets

	As at March 31,		Change	%
	2011	2010		
Gross Fixed Assets (including capital work in progress)	25,941.88	23,648.96	2,292.92	9.7
Depreciation	8,466.25	7,212.92	1,253.33	17.4
Total	**17,475.63**	**16,436.04**	**1,039.59**	**6.3**

The gross fixed assets including Capital Work in Progress increased to ₹25,941.88 crores as at March 31, 2011 as compared to ₹23,648.96 crores as at March 31, 2010. After considering the depreciation, the net block at ₹17,475.63 crores as at March 31, 2011, reflected an increase of ₹1,039.59 crores. Additions during the year are ₹2,292.92 crores (net), which included, Nano plant at Sanand, product development cost mainly for Winger Ambulance, Aria and other regulatory projects and other capex towards capacity for the new products, balancing equipments etc.

Investments increased marginally to ₹22,624.21 crores as at March 31, 2011, as compared to ₹ 22,336.90 crores as at March 31, 2010.

Net Current Assets

	As at March 31,		Change	%
	2011	2010		
Current Assets	14,090.61	11,506.61	2,584.00	22.5
Current Liabilities	(13,032.53)	(14,609.16)	1,576.63	-10.8
Provisions	(3,222.71)	(2,763.43)	(459.28)	16.6
Net Current Assets	(2,164.63)	(5,865.98)	3,701.35	-63.1

Net current assets increased to ₹(2,164.63) crores as at March 31, 2011 from ₹(5,865.98) crores as at March 31, 2010. The increase is due to Current assets (a) increased inventories on account of volumes and strategic inventory; and (b) increased receivable in respect of sales to various State Transport Undertakings wherein payments are received after 60 to 90 days of billing. Current liabilities are lower due to decrease in tenure from 89 days to 75 days in respect of acceptances and reduction in redemption premium due to conversion of Foreign Currency Convertible Notes (FCCN).

Gross debt (total of secured and unsecured loans) decreased to ₹15,898.75 crores as at March 31, 2011 as compared to ₹16,594.54 crores as at March 31, 2010. During the year, the holders of FCCNs of US$ 327.06 million and JPY 30 million exercised their option to convert their FCCNs to shares.

Net debt (gross debt reduced by available cash and bank balances and mutual fund investments) stood at ₹13,838.90 crores as at March 31, 2011 as compared to ₹14,930.96 crores as at March 31, 2010.

Cash Flow

The net cash inflow from operations before adjustments for working capital changes and vehicle financing activity increased to ₹4,656.71 crores during the year from ₹4,168.78 crores. However, there was a net increase in working capital of ₹3,012.70 crores and decrease of ₹366.41 crores vehicle financing activity, which adversely impacted cash flow from operations by ₹5,396.90 crores. During the year, there has been an increase in the inventory of raw material and finished goods mainly on account of volumes and production imbalances due to supplier constraints. The receivables have gone up mainly on account of past dues from State Transport Undertakings. After considering the tax payments, the net cash from operating activity was ₹1,505.56 crores for 2010-11 as against ₹6,400.18 crores for the last year.

The net cash outflow from investing activity reduced during the current year to ₹2,521.88 crores from ₹11,848.29 crores for the last year. During the last year, the Company sold ₹10,751.91 crores in subsidiary companies (mainly related to acquisition of Jaguar Land Rover business) and joint ventures. The investment in fixed assets (net) was ₹2,381.65 cores during the year as against ₹2,310.17 crores for the last year. During the year, the Company sold ₹437.28 crores in mutual funds for parking of surplus cash (during the last year, there was a net investment of ₹519.43 crores). During 2009-10, the Company sold shares/redeemed part of investments in subsidiaries and sold other investments, resulting in cash inflow of ₹2,144.31 crores.

The net change in cash inflow on account of financing activity was ₹1,648.42 crores against ₹5,534.34 crores for last year. During the year, the Company raised ₹3,249.80 crores (net) by way of issue of shares through Qualified Institutional Placement against ₹1,794.19 crores during the year 2009-10 by way of issue of GDS. The net change in other borrowings during the year was a reduction by ₹595.76 crores as compared to increase of ₹5,474.53 crores during the last year. The cash outflow on account of dividend increased to ₹990.21 crores from ₹344.90 crores. The net cash outflow on account of interest reduced to ₹1,206.93 crores from ₹1,389.48 crores. Thus, the cash outflow from financing activity has significantly reduced consequent to lower outflow on account of investing activity.

Opportunities and Risks

Opportunities

Road development: Continued focus on development of road infrastructure is expected to have a positive thrust to automobile sales in the country. The near completion of the Golden Quadrilateral road project, the development under the North South East West road corridor project and other phases under the National Highway Development Programme, continue to provide a boost to growth of automobile sales. Additionally, the development under the Pradhan Mantri Gram Sadak Yojana (PMGSY), to construct and upgrade rural road networks is expected to result in higher rural penetration of vehicle sales. Improvement in road infrastructure will facilitate faster transportation of goods and passengers, and would in turn create a demand for safer, reliable and faster vehicles. With its wide range of goods and passenger transportation vehicles ranging from 0.75 Ton load carrier to large haulage tractors (49T) for goods movement, buses and coaches for public transportation and passenger cars and utility vehicles for personal transportation, the Company is poised to gain significantly from the initiatives on infrastructure development and the improved road infrastructure.

Population Dividend and increase in income levels: With more than half of India's population less than 25 years of age, India has the youngest population in the world. India has a large work force with 64% of the population in the working age group of 19-64 years and is poised to be the largest contributor to the global workforce over the next few decades. With a significantly high proportion of youth population, India has a large consumer base for goods and services. Steady increase in working population and rise in disposable income will provide a demand impetus to automobile industry, both in terms of personal transportation as well as goods movement.

Growing consumer culture: In India, with the continuous rise in disposable income, the demand for a better lifestyle continues to enhance consumption levels and rapid growth in several segments like lifestyle product, cellular phones and cable and satellite television. This growing consumerism is expected to lead to an increase in car penetration from the current levels of 8 per thousand towards the 500+ levels witnessed in the developed countries. The Company, with its broad based portfolio is expected to benefit from improved enviroment.

Rural market growth: There has been continuing shift in rural spending in terms of its growth and it is less dependent on farm income. Income remittances from migrant rural population, increase in land prices and increase in non-farm activities such as trading and agro-processing are boosting non-farm income. The increase in prices of agricultural produce / products, and access to finance and institutional credit has brought greater wealth to rural households. Policy measures such as the National Rural Employment Guarantee Scheme (NREGS), which guarantees 100 days of employment to one member of every rural household, and increased government spending in rural areas, have helped to reduce rural under-employment and raised rural income levels. It is estimated that compared with 48% of motorcycles sales in the rural areas, only 11% of cars/UVs sales are today contributed by the rural market, which indicates a potential growth opportunity in this market. The Company has offered affordable transport solutions and distribution channels to leverage the opportunities presented by this market.

International Business: India continues to be a competitive source both in terms of quality and cost for the automotive industry globally, both for vehicles and components. India's manufacturing base continues to benefit from these scale economies coupled with technology/quality improvements. The Company's product portfolio in commercial vehicles and passenger cars and wide distribution channels enables the Company to take advantage of various opportunities in international business. The Company has also set up and is further exploring the setting up of manufacturing footprint overseas, which would combine these advantages with local operations and sourcing in these markets.

Risks

Hardening of interest rates and other inflationary trends: RBI continues with its monetary policy measures to curb inflation. RBI has stepped up policy rates 7 times during fiscal 2010-11 and again in May 2011, resulting in hardening of the repo rate by 225 bps to 7.25% and reverse repo by 275 bps to 6.75%. During the year, rising interest rates have compelled the banks to increase base rate, impacting borrowing costs for corporate sector, which has negative impact on the expansion of output and capacity expansion especially in the manufacturing sector. It will impact cooling down of demand side of the economy will affect the growth of EMI driven products and also impact profit margins of the corporate sector. Further hardening of consumer interest rates could have an adverse impact on the automotive industry, mainly in terms of interest cost on automotive loans. Inflation could also have a negative impact on growth and consequently on automobile sales in the domestic market.

Fuel Prices: The Brent crude prices surged from an average of US$ 75 a barrel during May – September 2010, to US$ 123 a barrel in April 2011. The Government has partly deregulated petrol prices and diesel / cooking gas continues to be subsidized. The fuel price continues to impact inflation and Government finances. Further, higher fuel prices force the consumers to think of alternative transportation solutions or defer purchases. The Company's product programmes encompass initiatives to improve fuel efficiency of its products and investing in programmes for development of alternative solutions. The Kirit Parikh Committee recommendations that the retail prices of petrol and diesel to be market determined and that an additional excise duty of ₹80,000 per car to be levied on diesel cars if implemented, could adversely impact demand.

Input Costs: Input costs on account of commodities like steel, non-ferrous, precious metals, rubber and petroleum products have risen over the year and resulted in higher input costs. While the Company continues to pursue cost reduction initiatives, rises in commodity prices and other costs resulting from inflationary pressures, could impact the Company's profitability to the extent that the same are not absorbed by the market through price increases and/or could have a negative impact on the demand. In addition, because of intense price competition and the high level of fixed costs, the Company may not be able to adequately address changes in commodity prices even if they are foreseeable.

Environmental and other Government Regulations: Stringent emission norms and safety regulations could bring new complexities and cost increases for automotive industry, impacting the Company's business. WTO, Free Trade Agreements and other similar policies could make the market more competitive for local manufacturers.

In the international markets, most of the countries have stricter norms of regulations related to emission, safety, noise, technology etc. These factors may impact demand of the Company's products in international markets. The Company competes with international players, established in those markets which have a global brand image, larger financial capability and multiple product platforms.

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

Global Competition: India being the second fastest growing economy in the world, continues to be an attractive destination for the global automotive players. The global automotive manufacturers present in India have been expanding their product portfolio and enhancing their capacities in India. To counter the threat of growing global competition, the Company continues to intensify its drive to improve quality and product offering, while maintaining its low cost product development/sourcing advantage.

Further, the global automotive industry, including the premium passenger car segment, is highly competitive and competition is likely to further intensify in view of the continuing globalisation and consolidation in the worldwide automotive industry. There is a strong trend among market participants in the premium automotive industry towards intensifying efforts to retain their competitive position in established markets while also developing a presence in more profitable and fast growing emerging markets, such as China. A range of factors affect the competitive environment, including, among other things, quality and features of vehicles, innovation, development time, ability to control costs, pricing, reliability, safety, fuel economy, environmental impact and perception thereof, customer service and financing terms.

To counter the threat of growing global competition, the Company continues to intensify its drive to improve quality and product offering while maintaining its low cost product development/sourcing advantage.

Exchange Rates: The Company's operations are subject to risk arising from fluctuations in exchange rates with reference to countries in which it operates. These risks primarily relate to fluctuations of Pound to US Dollar, Japanese Yen, Renminbi, Russian Ruble and Euro, and fluctuations of Indian Rupee against Pound, US Dollar and Euro.

The Company imports capital equipment, raw materials and components and also sells vehicles in various countries. These transactions are denominated in foreign currencies, primarily the U.S. Dollar and Euro. Moreover, the Company has outstanding foreign currency denominated debt and hence it is sensitive to fluctuations in foreign currency exchange rates. It has experienced and expects to continue to experience foreign exchange losses and gains on obligations denominated in foreign currencies in respect of its borrowings and foreign currency assets and liabilities due to currency fluctuations. Although the Company engages in currency hedging as per its policy, in order to decrease its foreign exchange exposure, the weakening of rupee against the dollar or other major foreign currencies may have an adverse effect on its cost of borrowing and consequently may increase its financing costs, which could have a significant adverse impact on the results of operations

New Project Execution: Intensifying competition, reducing product life cycles and breadth of the Company's product portfolio, necessitates the Company to continuously invest in new products, upgrades and capacity enhancement programme. Though the Company employs sophisticated techniques and processes to forecast the demand of new products yet the same is subject to margin of error. Timely introduction of new products, their acceptance in the market place and managing the complexity of operations across various manufacturing locations, would be the key to sustain competitiveness.

Deterioration in global economic conditions: The impact of the recent global financial crisis continues to be a cause of concern despite concerted efforts to contain the adverse impact of these events on global recovery.

The Indian automotive industry is affected substantially by the general economic conditions in India and around the world. The demand for automobiles in the Indian market is influenced by factors including the growth rate of the Indian economy, easy availability of credit, and increase in disposable income among Indian consumers, interest rates, freight rates and fuel prices. During the global financial crisis, the Reserve Bank of India (RBI) had eased its monetary policy stance to stimulate economic activity. Subsequently, as the Indian economy started recovering from the downturn, inflation pressures increased substantially and despite several interest rate hikes, inflation continues to be high. The trends of higher inflation, muted industrial growth and rising interest rates are expected to pose downside risks to overall growth. The automotive industry in general is cyclical and economic slowdowns in the past have affected the manufacturing sector including the automotive and related industries. Deterioration in key economic factors such as growth rate, interest rates and inflation as well as reduced availability of financing for vehicles at competitive rates may adversely affect our automotive sales in India and results of operations.

Jaguar and Land Rover business has significant presence in the UK, North America and Continental Europe and has operations in many major countries across the globe. The Company also has automotive operations in South Korea, Spain and Thailand. The global economic downtown significantly impacted the global automotive markets, particularly in the United States and Europe, where Jaguar Land Rover business have significant sales exposure. The Company's strategy, which includes new product launches and expansion into growing markets such as China, Russia and Brazil, may not be sufficient to mitigate the decrease in demand for its products in established markets and this could have a significant adverse impact on the financial performance. In response to the recent economic slowdown, the Company further intensified efforts to review and realign cost structure such as reducing manpower costs and other fixed costs.

Further, Jaguar Land Rover business is exploring opportunities to reduce breakeven levels through increased sourcing of materials from low cost countries, reduction in number of suppliers, reduction in number of platforms, reduction in engineering change costs, increased use of off-shoring and several other initiatives. Although consumer sentiments have improved in many developed markets since late 2009, if industry demand softens because of a major debt crisis, negative economic growth in key markets or other factors, the results of operations and financial condition could be substantially and adversely affected.

Increase in costs, or disruption in the supply, of vehicle parts from natural disasters: The recent earthquake and tsunami in Japan and their aftermath have created significant economic uncertainty in that country, the effects of which are largely not yet assessable. Since the earthquake, the Company has observed a significant drop in commercial activity in Japan, and it believes that the economic activity in the country may be generally disrupted for a substantial period of time. Some of the Jaguar Land Rover's vehicles use raw materials, pre-products and vehicle parts that are sourced from Japan, including microchips. The recent natural disasters in that country have caused some Japanese suppliers to halt, delay or reduce production, which could reduce or disrupt the supply of such raw materials, pre-products and vehicle parts and / or an increase in their cost. Substantial increases in the costs or a significant delay or sustained interruption in the supply of key inputs sourced from Japan could adversely affect the Jaguar Land Rover's ability to maintain the current and expected levels of production.

Changes in tax, tariff or fiscal policies: Imposition of any additional taxes and levies designed to limit the use of automobiles could adversely affect the demand for the Company's vehicles and the results of operations. Changes in corporate and other taxation policies as well as changes in export and other incentives given by various governments or import or tariff policies could also adversely affect the Company's results of operations. Such government actions may be unpredictable and beyond the Company's control, and any adverse changes in government policy could have a material adverse effect on its business prospects, results of operations and financial condition.

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

Product liability, warranty and recall: The Company is subject to risks and costs associated with product liability, warranties and recalls in connection with performance, compliance or safety related issues affecting its vehicles. The Company spends considerable resources in connection with product recalls and these resources typically include the cost of the part being replaced and the labour required to remove and replace the defective part. In addition, product recalls can cause consumers to question the safety or reliability of the Company's vehicles and harm its reputation. Any harm to the reputation of any one of the Company's models can result in a substantial loss of customers.

Furthermore, the Company may also be subject to class actions or other large scale product liability or other lawsuits in various jurisdictions in which it has a significant presence. The use of shared components in vehicle production increases this risk because individual components are deployed in a number of different models across brands. Any costs incurred or lost sales caused by product liability, warranties and recalls could materially adversely affect the business.

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

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

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

Underperformance of distribution channels and supply chains: The Company's products are sold and serviced through a network of authorized dealers and service centers across the domestic market, and a network of distributors and local dealers in international markets. The Company monitor the performance of its dealers and distributors and provide them with support to enable them to perform to the expectations. Any under performance by the dealers or distributors could adversely affect our sales and results of operations. The Company relies on third parties to supply the raw materials, parts and components used in the manufacture of our products. Furthermore, for some of these parts and components, the Company are dependent on a single source. The Company's ability to procure supplies in a cost effective and timely manner is subject to various factors, some of which are not within its control. While the Company manages supply chain as part of its vendor management process, any significant problems with supply chain in the future could affect results of operations in an adverse manner.

Adverse economic conditions, decline in automobile demand, lack of access to sufficient financing arrangements could have a negative financial impact on the suppliers and distributors in turn impairing timely availability of components to the Company, while impairments to the financial condition of distributors may impact the performance in some markets. In addition, if one or more of the other global automotive manufacturers were to become insolvent, this would have an adverse impact on the supply chains and may further affect results of operations in an adverse manner.

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

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

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

Outlook

As per RBI Monetary Policy statement in May 2011, the global recovery is likely to sustain in 2011(calendar year) and global growth is expected to moderate to 4.4% as compared to 5% in 2010. Real GDP growth estimated at 8.6% during 2010-11, is likely to moderate at 8% during 2011-12. The moderation is expected on the background of higher oil and commodity prices and the automotive industry will have similar moderation more particularly due to higher interest rate on vehicle loans. Key markets for Jaguar Land Rover such as China, Russia and Middle East are expected to grow, while UK, USA, Rest of Europe are expected to grow moderately.

Rising commodity prices among other factors are likely to drive up input costs thereby putting margins under pressure. The competition, in both commercial and passenger vehicle segments, is expected to intensify going forward.

On the above background, the Company will continue to focus on retaining its advantage of market reach and penetration. The Company will continue to introduce new products, variants and fuel efficient products. These will offer superior value to the customers and improve the Company's market position. Aggressive cost reduction will be accentuated by the Company to offset the increase in input costs and at the same time review pricing actions.

The Company will also aggressively pursue opportunities in the International markets as a part of its internationalization drive including evaluation of possible overseas manufacturing.

The Company will aggressively market its products in the domestic and export markets. The Company will continue its actions on increasing the reach and penetration for the Nano through expansion of channels and campaigns. It will also continue to work with host of financiers to ensure the availability of finance for all the customer segments.

Jaguar Land Rover will continue to focus on profitable volume growth, managing costs, improving efficiencies to sustain the growth momentum and continuous sustainable investments in technology and products. It will also focus on increasing its presence in the growth markets such as China, Russia, India and Brazil along with launching new products and variants.

Internal Control Systems and their adequacy

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

Some significant features of the internal control systems are:

- Corporate policies on accounting and major processes;
- Well-defined processes for formulating and reviewing annual and long term business plans;
- Preparation and monitoring of annual budgets for all operating and service functions;
- State-of-the-art ERP, Supplier Relations Management and Customer Relations Management, connect its different locations, dealers and vendors for efficient and seamless information exchange;
- An on-going program for reinforcement of the Tata Code of Conduct. The Code covers integrity of financial reporting, ethical conduct, regulatory compliance, conflict of interests review and reporting of concerns. All employees of the Company are regularly exposed to communications under this program;
- Bi-monthly meeting of the Management Committee at apex level to review operations and plans in key business areas;
- A well established multi-disciplinary Internal Audit team, which reviews and reports to management and the Audit Committee about the compliance with internal controls and the efficiency and effectiveness of operations and the key process risks;
- Audit Committee of the Board of Directors, comprising independent directors, which is functional since August 1988, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards as well as reasons for changes in accounting policies and practices, if any;
- A comprehensive information security policy and continuous upgrades to IT system;
- Documenting major business processes and testing thereof including financial closing, computer controls and entity level controls as part of compliance with Sarbanes-Oxley Act;

- Anti-fraud programme.

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

Material Developments in Human Resources/Industrial Relations

A cordial industrial relations environment prevailed at all the manufacturing units of the Company during the year. The permanent employees' strength of the Company (standalone) was 26,214 and of the Tata Motors' Group (consolidated) was 53,151 as on March 31, 2011. The Company entered into a three year wage settlement with its Union at Jamshedpur through amicable process of negotiations. Jaguar Land Rover signed a landmark settlement deal with the Unions which would lead to the creation of new jobs in the next decade, including 1,500 jobs at its Halewood facility, Liverpool in 2011.

CAUTIONARY STATEMENT

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

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

As part of the Tata group, the Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. As a global organisation the Corporate Governance practices followed by the Company and its subsidiaries are compatible with international standards and best practices. Through the Governance mechanism in the Company, the Board alongwith its Committees undertake its fiduciary responsibilities to all its stakeholders by ensuring transparency, fairplay and independence in its decision making.

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

As a good corporate governance practice, the Company has voluntarily undertaken an Audit by M/s Parikh & Associates, Practicing Company Secretaries, of the secretarial records and documents for the period under review in respect of compliance with the Companies Act, 1956, listing agreement with the Indian stock exchanges and the applicable regulations and guidelines issued by Securities and Exchange Board of India.

BOARD OF DIRECTORS

The Board of Directors alongwith its Committees provide leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. The Board currently comprises 13 Directors out of which eleven Directors (84.62%) are Non-Executive Directors. The Company has a Non-Executive Chairman and the seven Independent Directors comprise more than half the total strength of the Board. All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned under Clause 49 of the Listing Agreement.

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

The required information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board reviews the declaration made by the Managing Directors regarding compliance with all applicable laws on a quarterly basis as also steps taken to remediate instances of non compliance. The Managing Director & Group CEO, Managing Director - India Operations and Chief Financial Officer (CFO) have certified to the Board in accordance with Clause 49 V of the Listing Agreement pertaining to CEO and CFO certification for the Financial Year ended March 31, 2011.

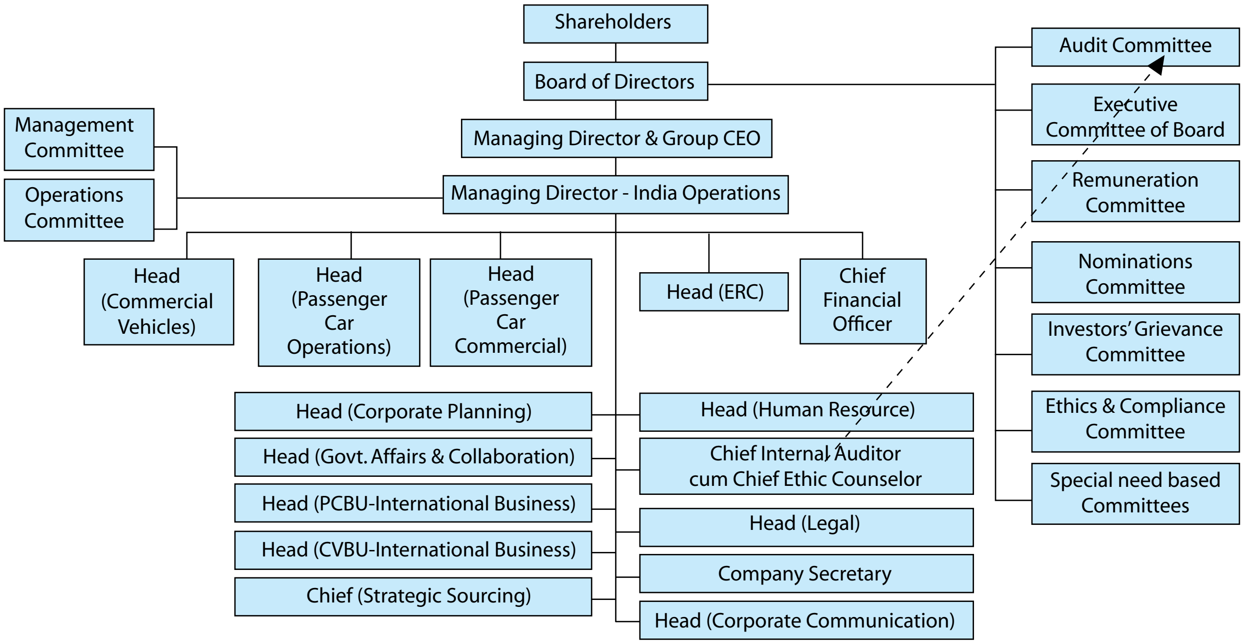
During the year under review, ten Board Meetings were held on April 27, 2010, May 27, 2010, June 28, 2010, August 10, 2010, August 25, 2010, August 31, 2010, October 22, 2010, November 9, 2010, February 11, 2011 and March 16, 2011. The maximum time-gap between any two consecutive meetings did not exceed four months. The composition of the Board, attendance at Board Meetings held during the Financial Year under review and at the last Annual General Meeting, number of directorships (including Tata Motors), memberships/ chairmanships of the Board and Committees of public companies and their shareholding as on March 31, 2011 in the Company are as follows:

Name of the Director	Director Indentification Number	Category	No. of Board Meetings attended in the year	Attendance at the last AGM	Directorships[1]		Committee positions[2]		Shareholding	
					Chairman	Member	Chairman	Member	Ordinary Shares	'A' Ordinary Shares
Ratan N Tata	00000001	Non-Executive Chairman	10	Yes	10	1	-	-	187346	21836
Ravi Kant	00016184	Non-Executive, Vice Chairman	10	Yes	3	3	-	1	-	-
J J Irani [3]	00311104	Non-Executive	9	Yes	4	7	-	2	4815	1300
R Gopalakrishnan[4]	00027858	Non-Executive	5	Yes	2	7	-	5	3750	-
N N Wadia	00015731	Non-Executive, Independent	5	No	3	5	-	-	-	-
S M Palia	00031145	Non-Executive, Independent	9	Yes	-	7	2	4	300	-
R A Mashelkar	00074119	Non-Executive, Independent	9	Yes	1	8	-	3	-	-
S Bhargava	00035672	Non-Executive, Independent	10	Yes	2	9	3	5	-	-
N Munjee	00010180	Non-Executive, Independent	10	Yes	1	14	4	5	-	-
V K Jairath	00391684	Non-Executive, Independent	9	Yes	-	2	1	3	50	-
R Sen	03043868	Non-Executive, Independent	8	Yes	-	1	-	-	-	-
Ralf Speth[5]	03318908	Non-Executive	1	No	-	1	-	-	-	-
Carl-Peter Forster	02986480	Managing Director & Group CEO	10	Yes	1	1	-	-	-	-
P M Telang	00012562	Managing Director - India Operations	10	Yes	3	7	-	-	3180	500

(1) excludes Directorships in private companies, foreign companies and associations
(2) includes only Audit and Investors' Grievance Committees
(3) Tata Steel Representative and would step down as Director w.e.f. June 2, 2011 as per Company's retirement policy.
(4) ceased to be a Director w.e.f. September 1, 2010
(5) appointed as Additional Director w.e.f. November 10, 2010

THE COMMITTEES OF THE BOARD

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



AUDIT COMMITTEE

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with the Companies Act, 1956, listing requirements and US regulations applicable to the Company and is reviewed from time to time. Whilst, the full Charter is available on the Company's website, given below is a gist of the responsibilities of the Audit Committee:

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

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

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

d. Recommending the appointment/removal of the statutory auditor, cost auditor, fixing audit fees and approving non-audit/consulting services provided by the statutory auditors' firms to the Company and its subsidiaries; evaluating auditors' performance, qualifications and independence. It shall also ensure that the cost auditors are independent, have arm's length relationship and are also not otherwise disqualified at the time of their appointment or during their tenure.

e. Reviewing the adequacy of internal audit function, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the chief internal auditor.

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

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

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

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

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

k. Reviewing the financial statements and investments made by subsidiary companies.

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

m. Reviewing the effectiveness of the system for monitoring compliance with laws and regulations.

n. Approving the appointment of CFO after assessing the qualification, experience and background etc of the candidate.

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

The Committee comprises four Independent Directors, all of whom are financially literate and have relevant finance and/or audit exposure. Mr S M Palia is the financial expert. The quorum of the Committee is two members or one-third of its members, whichever is higher. The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company. During the period under review, nine Audit Committee meetings were held on April 26, 2010, May 26, 2010, July 15, 2010, August 9, 2010, August 31, 2010, October 28, 2010, November 4, 2010, January 10, 2011 and February 10, 2011. The composition of the Audit Committee and attendance at its meetings is as follows:

Composition	**N Munjee (Chairman)**	**S M Palia**	**R A Mashelkar**	**V K Jairath***
Meetings attended	9	6	9	1

** Appointed as member of Audit Committee on January 14, 2011.*

The Committee meetings are held at the Company's Corporate Headquarters or at its plant locations and are usually attended by the Vice Chairman, Managing Director & Group CEO, Managing Director-India Operations, Chief Financial Officer, Chief Internal Auditor, Statutory Auditor and Cost Auditor. The Business and Operation Heads are invited to the meetings, as required. The Company Secretary acts as the Secretary of the Audit Committee. The Internal Audit function headed by the Chief Internal Auditor reports to the Audit Committee to ensure its independence.

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

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

REMUNERATION COMMITTEE

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

The Remuneration Committee comprises two Independent Directors (including the Chairman of the Committee) and two Non-Executive Directors. During the year under review, one Remuneration Committee meeting was held on May 27, 2010. The decisions are taken by the Committee at meetings or by passing circular resolutions. The composition of the Remuneration Committee and attendance at its meeting is as follows:

Composition	**N N Wadia (Chairman)**	**Ratan N Tata**	**S Bhargava**	**Ravi Kant**
Meetings attended	1	1	1	1

Remuneration Policy

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

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

c. The remuneration by way of commission to the non-executive directors is decided by the Board of Directors and distributed to them based on their participation and contribution at the Board and certain Committee meetings as well as time spent on matters other than at meetings. The Members had, at the Annual General Meeting held on July 24, 2008, approved the payment of remuneration by way of commission to the non-whole-time directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act, for a period of 5 years commencing April 1, 2008.

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

The Directors' remuneration and sitting fees paid/payable by the Company in respect of the Financial Year 2010-11, are given below:

Non-Executive Directors

(₹ in Lakhs)

Name	Commission	Sitting Fees	Name	Commission	Sitting Fees
Ratan N Tata (1)	200	3.20	R A Mashelkar	40	3.60
Ravi Kant (2)	100	3.35	N Munjee	72	4.00
J J Irani	26	2.20	S Bhargava	35	2.20
R Gopalakrishnan (3)	10	1.50	V K Jairath	23	2.10
N N Wadia	20	1.40	R Sen	18	1.60
S M Palia	56	3.40	R Speth (4)	-	-

(1) Apart from the above, Mr Ratan N. Tata, who was formerly the Executive Chairman of the Company is paid/provided ₹27.33 lakhs as retirement benefits as per Company's policy.

(2) Mr Ravi Kant, who was formerly the Managing Director of the Company is paid/provided ₹72.35 lakhs as retirement benefits as per Company's policy. As advisor to the Company for overseeing Jaguar Land Rover operations of the Company, Mr Ravi Kant is entitled to a fee equivalent to GB£ 75,000 p.a. and use of a Company Car. Both of these are not included in the above.

(3) Ceased to be a Director w.e.f. September 1, 2010.

(4) Dr Ralf Speth was appointed as a Non-Executive Director w.e.f. November 10, 2010. In view of his appointment as Chief Executive Officer and Director of Jaguar Land Rover PLC, Dr Speth is not paid any commission or sitting fees for attending Board meetings of the Company.

Managing Directors

(₹ in Lakhs)

Name	Salary	Perquisites & Allowances	Commission	Retirement Benefits[1]
Carl-Peter Forster	418.80	791.13[2]	–	50.26
P M Telang	63.00	48.63[3]	275[4]	17.01

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

(2) Includes variable incentive and guaranteed bonus paid/payable

(3) Includes leave encashment

(4) Payable in FY 2011-12

Service Contracts, Severance Fees and Notice Period

Terms of Agreement	Mr Carl-Peter Forster, Managing Director & Group CEO	Mr P M Telang, Managing Director–India Operations
Period of Contract	April 1, 2010 to March 31, 2013	June 2, 2009 to June 21, 2012
Severance fees	Either party may terminate the appointment with effect to the end of a month upon written notice to the other party. In case the contract is terminated by Mr Forster, he will pay the Company 6 month's basic salary. In case the contract is terminated by the Company, the Company will pay all salaries and benefits payable under the agreement for 3 years period. In the event Mr Forster takes up appropriate employment elsewhere, then the Company would pay 50% of basic salary and bonus entitlement for the remaining period. There is no separate provision for payment of Severance fees.	The Contract may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of Severance fees.

Retirement Policy for Directors

The Company has adopted the Guidelines for retirement age wherein Managing and Executive Directors retire at the age of 65 years whilst all the Non-Executive Directors retire at the age of 75 years. The Company has also adopted a Retirement Policy for Managing and Executive Directors which has also been approved by the Members of the Company, offering special retirement benefits including pension, ex-gratia, medical and other benefits. In addition to the above, the retiring Managing Director is entitled to residential accommodation or compensation in lieu of accommodation on retirement. The quantum and payment of the said benefits are subject to an eligibility criteria of the retiring director and is payable at the discretion of the Board in each individual case on the recommendation of the Remuneration Committee.

INVESTORS' GRIEVANCE COMMITTEE

The Investors' Grievance Committee comprises Mr S M Palia, Independent Director as the Chairman, Mr Ravi Kant, Vice Chairman and Mr V K Jairath*, Non-Executive Director. The Investors' Grievance Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to share/debenture transfers, non-receipt of annual reports, interest/dividend payments, issue of duplicate certificates, transmission (with and without legal representation) of shares and debentures matters pertaining to Company's fixed deposit programme and other miscellaneous complaints. During the year under review, two Investors' Grievance Committee meetings were held on September 1, 2010 and February 11, 2011. The composition of the Investors' Grievance Committee and attendance at its meeting is as follows:

Composition	S M Palia (Chairman)	Ravi Kant	R Gopalakrishnan#	V K Jairath*
Meetings attended	2	2	1	1

 # Ceased to be Member w.e.f. September 1, 2010 ** Appointed w.e.f. October 18, 2010*

Compliance Officer

Mr H K Sethna, Company Secretary, who is the Compliance Officer, can be contacted at:

Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai - 400 001, India.
Tel: 91 22 6665 8282, 91 22 6665 7824 / Fax: 91 22 6665 7260 / Email: inv_rel@tatamotors.com.

Complaints or queries relating to the shares can be forwarded to the Company's Registrar and Transfer Agents – M/s TSR Darashaw Ltd. at csg-unit@tsrdarashaw.com, whereas complaints or queries relating to the public fixed deposits can be forwarded to the Registrars to the Fixed Deposits Scheme – M/s TSR Darashaw Ltd. at tmlfd@tsrdarashaw.com. (Registrars for Fixed Deposits w.e.f. February 1, 2011).

The status on the total number of complaints received during the FY 2010-11 is as follows:

Type	Nos.
Complaints regarding non-receipt of dividend/interest, shares lodged for transfer	221
Complaints received from the shareholders through SEBI and other statutory bodies and resolved	66
Complaints redressed out of the above	286
Pending complaints as on 31.3.2011	1 (1)
Other Queries received from shareholders and depositors and replied	15377

(1) 1 SEBI complaint was replied within 1-7 days but the same has been reflected as unresolved as on 31.03.2011, as per the condition for complete resolution defined by SEBI.

All letters received from the investors are replied to and the response time for attending to investors' correspondence during FY2010-11 is shown in the following table:

	Number	%
Total number of correspondence received during 2010-2011	15664	100.00
Replied within 1 to 4 days of receipt	10411	66.46
Replied within 5 to 7 days of receipt	2493	15.92
Replied within 8 to 15 days of receipt	2534	16.18
Replied after 15 days of receipt(1)	82	0.52
Received in last week of March 2011 and replied in April 2011	144	0.92

(1) These correspondence pertained to court cases which involved retrieval of case files, cases involving reterival of very old records, co-ordination with the Company/Advocates etc, partial documents awaited from the Investors, cases involving registration of legal documents, executed documents received for issue of duplicate certificates and transmission of shares without legal representation which involved checking of the documents, sending notices to Stock Exchange and issue of duplicate certificates/transmission of shares after approval from the Company. However, all these cases have been attended to within the statutory limit of 30 days.

There were no pending share transfers and complaints pertaining to the Financial Year ended March 31, 2011. Out of the above, 147 complaints pertained to letters received through Statutory/Regulatory bodies and those related to Court/Consumer forum matters, fraudulent encashment and non-receipt of dividend amounts.

On recommendations of the Investors' Grievance Committee, the Company has taken various investor friendly initiatives like sending reminders to investors who have not claimed their dues, launching an odd lot scheme, sending nominations forms etc. Critical feedback, complaints and suggestions received from investors are considered and addressed appropriately.

OTHER COMMITTEES

The Executive Committee of Board reviews capital and revenue budgets, long-term business strategies and plans, the organizational structure of the Company, real estate and investment transactions, allotment of shares and/or debentures, borrowing and other routine matters. The Committee also discusses the matters pertaining to legal cases, acquisitions and divestment, new business forays and donations. During the year under review, four Committee meetings were held on April 12, 2010, July 28, 2010, October 11, 2010 and March 8, 2011.

The composition of the Executive Committee of Board and attendance at meetings is given hereunder:

Composition	Ratan N Tata	Ravi Kant	J J Irani	R Gopalakrishnan*	N N Wadia	N Munjee**	Carl-Peter Forster	P M Telang
Meetings attended	4	4	2	2	-	1	4	4

** Ceased to be a Director w.e.f. September 1, 2010* *** Appointed w.e.f. October 18, 2010*

The Executive Committee of the Board formed a **Donations Committee** in September 2003 and a **Corporate Social Responsibility (CSR) Committee** in January 2006, comprising the Managing Director and the Senior Management which meets from time to time to fulfill the community and social responsibilities of its stakeholders.

The Nominations Committee of the Board was constituted with the objective of identifying independent directors to be inducted on the Board and to take steps to refresh the constitution of the Board from time to time. During the year under review, meeting was held on May 27, 2010 and attended by all the members. The Nominations Committee comprises Mr N N Wadia as the Chairman, Mr Ratan N Tata, Mr S M Palia and Mr Ravi Kant (appointed w.e.f. April 23, 2010).

The Ethics and Compliance Committee was constituted to formulate policies relating to the implementation of the Tata Code of Conduct for Prevention of Insider Trading (the Code), take on record the monthly reports on dealings in securities by the "Specified Persons" and decide penal action in respect of violations of the applicable regulations/the Code. During the year under review, two meetings of the Committee were held on September 1, 2010 and February 11, 2011. The composition of the Ethics and Compliance Committee and attendance at meetings, is given hereunder:

Composition	S M Palia (Chairman)	Ravi Kant*	R Gopalakrishnan#	V K Jairath*
Meetings attended	2	1	1	1

*# Ceased to be Member w.e.f. September 1, 2010 * Appointed w.e.f. October 18, 2010.*

Mr C Ramakrishnan, Chief Financial Officer, acts as the Compliance Officer under the said Code. Apart from the above, the Board of Directors also constitutes Committee(s) of directors with specific terms of reference, as it may deem fit.

Code of Conduct: Whilst the Tata Code of Conduct is applicable to all Whole-time Directors and employees of the Company, the Board has also adopted a Code of Conduct for Non-Executive Directors, both of which are available on the Company's website. All the Board members and senior management of the Company as on March 31, 2011 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the CEO and Managing Director is annexed hereto.

SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian subsidiary company and hence, it is not required to have an Independent Director of the Company on the Board of such subsidiary company. The Audit Committee also has a meeting wherein the CEO and CFO of the subsidiary companies make a presentation on significant issues in audit, internal control, risk management, etc. Significant issues pertaining to subsidiary companies are also discussed at Audit Committee meetings. Apart from disclosures made in the Directors' Report there were no strategic investments made by the Company's non-listed subsidiaries during the year under review.

The minutes of the subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to significant transactions and arrangements entered into by the subsidiary companies. The performance of its subsidiaries is also reviewed by the Board periodically.

GENERAL BODY MEETINGS

Location and time of General Meetings in the past 3 years:

Date	Year	Type	Venue	Time
September 1, 2010	2009-2010	Annual General Meeting	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai – 400 020	3:00 p.m.
August 25, 2009	2008-2009			
July 24, 2008	2007-2008			

The following are the Special Resolutions passed at General Meetings held in the past 3 years:

Date of Meeting	Summary
September 1, 2010	No Special Resolution passed
August 25, 2009	No Special Resolution passed
July 24, 2008	Commission to non Whole time Directors

Postal Ballot

In August, 2010, the Company had obtained the approval of its Members under Section 192A of the Companies Act, 1956, pertaining to:-

(i) Resolution No. 1 : Raising of Additional long term resources upto a limit of ₹4,700 crores.

(ii) Resolution No. 2 : Issuance of 'A' Ordinary Shares on exercise of conversion option by holders of Zero Coupon Convertible Alternative Reference Securities (CARS)

(iii) Resolution No. 3 : Increase in borrowing limits up to ₹30,000 crores.

(iv) Resolution No. 4 : Creation of Charges on the Company's properties up to ₹30,000 crores.

(v) Resolution No. 5 : Payment of Advisory fees to Mr Ravi Kant, Vice Chairman.

Voting Pattern and Procedure for Postal Ballot:

1. The Board of Directors of the Company had, at its meeting held on June 28, 2010, appointed Ms.Shirin Bharucha, Advocate, as the Scrutinizer for conducting the postal ballot voting process.
2. The Postal Ballot process was carried out in a fair and transparent manner. The postal ballot forms had been kept under her safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
3. All postal ballot forms received up to the close of working hours on August 6, 2010 the last date and time fixed by the Company for receipt of the forms, had been considered.
4. The results of the Postal Ballot were announced on August 10, 2010 at the Registered Office of the Company as per the Scrutinizer's Report as under :

Resolutions	Type of Capital	In favour			Against			Invalid Votes			Total		
		No of Ballot Papers	No. of votes	%	No of Ballot Papers	No. of votes	%	No of Ballot Papers	No. of votes	%	No of Ballot Papers	No. of votes	%
No. 1: (Special Resolution)	OS	8752	318778404		293	20807279		646	115448		9691	339701131	
	AOS	975	2436990		23	288830		87	809		1085	2726629	
	Total	9727	321215394	93.81	316	21096109	6.16	733	116257	0.03	10776	342427760	100.00
No. 2: (Special Resolution)	OS	8496	338322830		288	13519166		907	164676		9691	352006672	
	AOS	976	2591661		14	134092		95	873		1085	2726626	
	Total	9472	340914491	96.10	302	13653258	3.85	1002	165549	0.05	10776	354733298	100.00
No. 3: (Ordinary Resolution)	OS	8336	320349476		424	19333042		931	164618		9691	339847136	
	AOS	958	2436760		29	288981		98	890		1085	2726631	
	Total	9294	322786236	94.22	453	19622023	5.73	1029	165508	0.05	10776	342573767	100.00
No. 4: (Ordinary Resolution)	OS	8299	319818937		441	19700376		951	205844		9691	339725157	
	AOS	956	2436775		28	288960		101	897		1085	2726632	
	Total	9255	322255712	94.10	469	19989336	5.84	1052	206741	0.06	10776	342451789	100.00
No. 5: (Special Resolution)	OS	8271	347217437		331	3482957		1089	230444		9691	350930838	
	AOS	932	2619684		38	105948		115	1000		1085	2726632	
	Total	9203	349837121	98.92	369	3588905	1.01	1204	231444	0.07	10776	353657470	100.00

OS = Ordinary Shares; AOS = 'A' Ordinary Shares

Note: 'A' Ordinary Shareholders are entitled to one vote for every ten 'A' Ordinary Shares held as per the terms of its issue and Articles of Association. Any fractions have been ignored. The voting rights for the 'A' Ordinary Shares have accordingly been reckoned.

All resolutions moved at the last Annual General Meeting were passed by a show of hands by the requisite majority of members attending the meeting. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

DISCLOSURES

- Details of related party transactions entered into by the Company are included in the Notes to Accounts. Material individual transactions with related parties are in the normal course of business on an arm's length basis and do not have potential conflict with the interests of the Company at large. Transactions with related parties entered into by the Company in the normal course of business are placed before the Audit Committee.
- As at March 31, 2011, deposits held by the directors of the Company amounted to ₹11.52 crores which were placed at the rate of interest which is as applicable to the public, employees and shareholders as per the terms of the fixed deposit scheme.
- The Company has complied with various rules and regulations prescribed by stock exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last 3 years. No penalties or strictures have been imposed by them on the Company.
- In October 2010, the Company raised ₹3,351.01 crores through Qualified Institutions Placement route (QIP). As on March 31, 2011, ₹2,846.01 crores were utilized out of the aforesaid funds for the purpose as specified in the offer document. Details of this issue and end use are provided to the Audit Committee on a quarterly basis..
- The Audit Committee and the Board have adopted a Whistle-Blower Policy which provides a formal mechanism for all employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no employee of the Company has been denied access to the Audit Committee.

The status of compliance in respect of non-mandatory requirements of Clause 49 of Listing Agreement is as follows:

Chairman of the Board: Being the Group Chairman, the Company does not reimburse expenses incurred by the Non-Executive Chairman for maintenance of a separate Chairman's office.

At its meeting held on July 25, 2006, the Board of Directors has adopted the Revised Guidelines (2006) regarding the retirement age of Directors. In line with best practice to continuously refresh the Board's membership, the Board is encouraged to seek a balance between change and continuity. A tenure of 9 years may be considered a threshold for granting further tenure for independent directors based, *inter alia*, on the merit and contribution of each Director. The Nomination Committee takes into consideration criteria such as qualifications and expertise whilst recommending induction of non-executive directors on the Board.

Remuneration Committee: Details are given under the heading "Remuneration Committee".

Shareholder Rights: Details are given under the heading "Means of Communications".

Audit Qualifications: During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

Training of Board Members: The Directors interact with the management in a very free and open manner on information that may be required by them. Orientation and factory visits are arranged for new Directors. The Independent Directors are encouraged to attend training programmes that may be of relevance and interest to the Directors in discharging their responsibilities to the Company's stakeholders.

Mechanism for evaluating non-executive Board members: The performance evaluation of non-executive members is done by the Board annually based on criteria of attendance and contributions at Board/Committee Meetings as also for the role played other than at Meetings.

Whistle Blower Mechanism: The Company has adopted a Whistle-Blower Policy. Please refer to 'DISCLOSURES' given above.

MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and are generally published in Indian Express, Financial Express and Loksatta (Marathi). The information regarding the performance of the Company is shared with the shareholders every six months through a half yearly communiqué and the Annual Report. The official news releases, including on the quarterly and annual results and presentations made to institutional investors analysts are also posted on the Company's website www.tatamotors.com.

The 'Investors' section on the Company's website keeps the investors updated on material developments in the Company by providing key and timely information like Financial Results, Annual Reports, Shareholding Pattern, presentations made to Analysts etc. A brief profile of Directors is also on the Company's website. Members also have the facility of raising their queries/complaints on share related matters through a facility provided on the Company's website.

The Annual Report, Quarterly Results, Shareholding Pattern of the Company are posted through Corporate Filing and Dissemination System (CFDS), a portal which is a single source to view information filed by listed companies. Hard copies of the said disclosures and correspondence are also filed with the Stock Exchanges.

GENERAL INFORMATION FOR MEMBERS

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28920MH1945PLC004520.

Annual General Meeting

Date and Time	Friday, August 12, 2011 at 3:00 p.m.
Venue	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020
Date of Book Closure	Tuesday, July 21 to Friday, August 12, 2011 (both days inclusive)
Dividend Payment Date	August 16, 2011. The Dividend warrants will be posted/dividend amount will be remitted into the shareholders account on or after August 16, 2011

Financial Calendar (Tentative)

Financial Year	ending March 31
Results for the Quarter ending	
June 30, 2011	before August 14, 2011
September 30, 2011	before November 14, 2011
December 31, 2011	before February 14, 2012
March 31, 2012	before May 30, 2012

Listing

The Company's securities are listed on the Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

The following are the details of the Company's shares:

Type	ISIN No.	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
		Stock Code	Address	Stock Code	Address
Ordinary Shares	INE155A01014	500570	Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 www.bseindia.com	TATAMOTORS	"Exchange Plaza" Bandra Kurla Complex, Bandra (E), Mumbai 400 051 www.nseindia.com
'A' Ordinary Shares	IN9155A01012	570001		TATAMTRDVR	

For details on listings of Non-Convertible Debentures on the Wholesale Debt market segment of the NSE, please refer to 'Outstanding Securities' section of this Report.

International Listing

There are two separate programs for the Company's Depositary Receipts.

- The American Depositary Shares (ADSs) (through the conversion of its International Global Depositary Shares into American Depositary Shares (ADSs) are listed on the New York Stock Exchange (NYSE) since September 27, 2004.
- The Global Depositary Shares (GDSs) issued in October 2009 are listed on the Luxembourg Stock Exchange since then. The said GDSs are also traded on London Stock Exchange on IOB platform. Please also refer to the section on 'Outstanding Depositary Receipts and Convertible Instruments' for details pertaining to international listing of Foreign Currency Convertible Notes.

The following are the details of the Company's ADSs/GDSs:

Type	Stock Exchange and Address	Ticker Symbol	Description	ISIN	CUSIP	SEDOL
ADS	New York SE, 20 Broad Street New York, NY 100 005	TTM	Common Shares	US8765685024	876568502	B02ZP96
GDS	Luxembourg SE, 11, Avenue de la porte – Neuve, L – 2227, Luxembourg.	TTMT LX	Common Shares	US8765686014	876568601	B4YT1P2

Two-way Fungibility of Depositary Receipts

The Company offers foreign investors a limited facility for conversion of Ordinary Shares into American Depositary Receipts/Global Depository Receipts within the limits permissible for two-way Fungibility, as announced by the Reserve Bank of India vide its operative guidelines for the limited two way fungibility under the "Issue of Foreign Currency Convertible Bond and Ordinary Shares (through Depository Receipt Mechanism) Scheme 1993", circular dated February 13, 2002.

Payment of Listing Fees

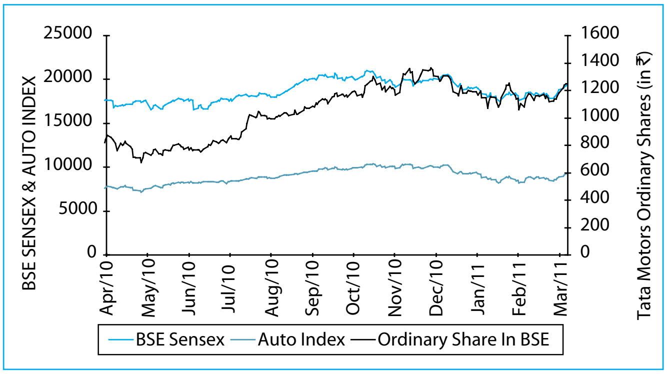
The Company has paid Annual Listing fees for FY 2011-12 to all the Stock Exchanges (both domestic and international) where the Company's securities are listed.

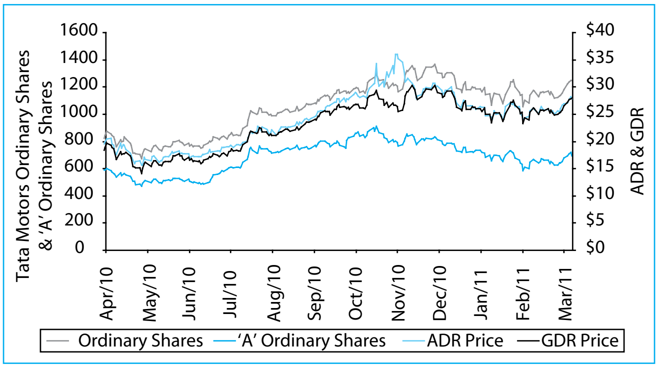
Market Information

Market price data - monthly high/low of the closing price and trading volumes on BSE/NSE depicting liquidity of the Company's Ordinary Shares and 'A' Ordinary Shares on the said exchanges is given hereunder:-

Month	Ordinary Shares						'A' Ordinary Shares					
	Bombay Stock Exchange Limited			National Stock Exchange of India Limited			Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
Apr-10	872.85	773.95	17147536	872.60	774.15	101471162	600.35	450.00	10121189	600.70	450.05	17234921
May-10	855.55	673.70	21522510	854.45	673.45	111787192	587.20	470.70	1600244	587.95	469.25	3807655
Jun-10	808.30	725.65	19576154	807.30	724.95	92842012	529.00	492.45	403961	529.35	492.20	1620321
Jul-10	865.70	750.90	12074924	866.70	750.95	60910683	609.30	488.35	991386	610.60	489.20	4379280
Aug-10	1047.60	841.90	24106892	1048.30	841.80	109553011	764.40	606.65	3263697	764.90	605.20	10038746
Sep-10	1106.65	1008.55	15698165	1106.45	1010.75	61529022	793.60	720.20	925737	799.15	720.20	5483486
Oct-10	1194.25	1104.90	8136586	1196.05	1102.95	55735635	868.80	752.50	3387039	871.05	754.00	13883922
Nov-10	1302.15	1153.90	11541487	1302.50	1154.25	67796791	909.45	768.00	3171556	909.65	768.50	14687610
Dec-10	1365.60	1248.10	13034385	1365.15	1247.60	88595099	855.05	772.20	2054694	854.80	772.60	10928607
Jan-11	1306.45	1145.70	9507436	1308.45	1147.05	60772907	788.30	682.10	785743	789.00	683.90	7706258
Feb-11	1250.80	1058.25	14783186	1248.60	1054.40	75472511	727.75	586.50	826276	727.65	588.30	7022706
Mar-11	1247.50	1117.95	8990876	1249.00	1117.45	48669066	718.90	627.55	1305694	719.90	628.40	6629218

The Performance of the Company's Stock Price vis-à-vis Sensex, Auto Index, ADR and GDR:





The monthly high and low of the Company's ADRs and GDRs is given below:

(in US $)

ADRs						GDRs					
Month	High	Low	Month	High	Low	Month	High	Low	Month	High	Low
April-10	20.60	18.74	October-10	28.95	25.59	April-10	19.74	17.36	October-10	26.83	24.87
May-10	20.60	15.65	November-10	36.00	27.99	May-10	19.24	14.12	November-10	29.33	25.44
June-10	18.21	16.22	December-10	31.65	27.86	June-10	17.74	15.41	December-10	30.30	27.75
July-10	19.24	17.16	January-11	30.06	24.26	July-10	18.60	15.99	January-11	29.25	25.04
August-10	22.73	19.31	February-11	27.07	23.93	August-10	22.53	18.26	February-11	27.62	23.27
September-10	25.52	21.90	March-11	28.16	25.02	September-10	24.64	21.57	March-11	28.01	24.82

Registrar and Transfer Agents

For Share related matters, Members are requested to correspond with the Company's Registrar and Transfer Agents – M/s TSR Darashaw Limited quoting their folio no./DP ID & Client ID at the following addresses:

1. For transfer lodgement, delivery and correspondence: TSR Darashaw Limited, Unit: Tata Motors Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E Moses Road, (Nr. Famous Studios) Mahalaxmi, Mumbai – 400 011.Tel: 022-6656 8484; Fax: 022- 6656 8494; e-mail : csg-unit@tsrdarashaw.com; website:www.tsrdarashaw.com
2. For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSR Darashaw Limited:
   (i) 503, Barton Centre, 5th Floor, 84, Mahatma Gandhi Road, Bangalore - 560 001. Tel: 080– 25320321, Fax : 080-25580019, e-mail : tsrdlbang@tsrdarashaw.com
   (ii) Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur – 831 001. Tel: 0657 – 2426616, Fax: 0657 – 2426937, email : tsrdljsr@tsrdarashaw.com
   (iii) Tata Centre, 1st Floor, 43, Jawaharlal Nehru Road, Kolkata – 700 071. Tel: 033 – 22883087, Fax: 033 – 22883062, e-mail: tsrdlcal@tsrdarashaw.com
   (iv) Plot No.2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi – 110 002. Tel : 011 – 23271805, Fax : 011 – 23271802, e-mail : tsrdldel@tsrdarashaw.com
   (v) Agent: Shah Consultancy Services Pvt Limited: 3-Sumathinath Complex, Pritam Nagar Akhada Road, Ellisbridge, Ahmedabad -380 006. Tel: 079–2657 6038, e-mail: shahconsultancy8154@gmail.com

For Fixed Deposits, the investors are requested to correspond with the Registrars to the Fixed Deposits Scheme – TSR Darashaw Limited at the same addresses as mentioned above. Our Registrars to the Fixed Deposits Scheme have been changed from M/s Linkintime India Private Limited to M/s TSR Darashaw Limited w.e.f. February 1, 2011.

Share Transfer System

Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Senior Executives of the Company are empowered to approve transfer of shares and debentures and other investor related matters. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 15 days.

Secretarial Audit

- Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.
- A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Shareholding Pattern as on March 31, 2011

Category	Ordinary Shares					'A' Ordinary Shares				
	As on March 31, 2011		As on March 31, 2010		%	As on March 31, 2011		As on March 31, 2010		%
	No. of shares	%	No. of shares	%	variance 11 v/s 10	No. of shares	%	No. of shares	%	variance 11 v/s 10
Promoters and Promoter Group	*187471466	34.83	*187376876	37.00	(2.17)	18210330	18.90	33934959	52.88	(33.98)
Mutual Funds and Unit Trust of India	7547665	1.40	10880291	2.15	(0.75)	24146102	25.06	4401585	6.86	18.20
Government Companies, Financial Institutions, Banks and Insurance cos	63584927	11.81	79913933	15.78	(3.97)	8586280	8.91	5133050	7.99	0.92
Foreign Institutional Investors	127020938	23.60	90289797	17.83	5.77	38650993	40.12	13166186	20.52	19.60
NRIs, Foreign companies and ADRs/GDRs	113434533	21.07	88151027	17.41	3.66	573162	0.60	681546	1.06	(0.46)
Others	39212755	7.29	49769246	9.83	(2.54)	6174839	6.41	6859048	10.69	(4.28)
Total	**538272284**	**100**	**506381170**	**100**	**0**		**100**		**100**	**0**

** Out of the Promoter holding, 4,40,00,000 shares (March 31, 2010 – 4,50,00,000 shares) aggregating 8.17% (March 31, 2010 – 8.89%) of the paid-up capital were pledged.*

Distribution of shareholding as on March 31, 2011

Ordinary Shares

Range of Shares	No. of shares				No. of shareholders			
	No. of shares	Physical form (%)	Demat form (%)	% of Capital	No. of Holders	Physical form (%)	Demat form (%)	% of Capital
1 - 500	20962820	0.93	2.96	3.89	315978	18.75	76.09	94.84
501 - 1000	7292249	0.29	1.07	1.36	10255	0.67	2.40	3.07
1001 - 2000	5700531	0.19	0.87	1.06	4080	0.23	1.00	1.23
2001 - 5000	5259898	0.16	0.82	0.98	1754	0.09	0.44	0.53
5001 -10000	2635364	0.06	0.43	0.49	370	0.02	0.10	0.12
Above 10000	496421422	0.15	92.07	92.22	739	0.01	0.21	0.22
Total	**538272284**	**1.78**	**98.22**	**100.00**	**333176**	**19.75**	**80.25**	**100.00**

'A' Ordinary Shares

Range of Shares	No. of shares				No. of shareholders			
	No. of shares	Physical form (%)	Demat form (%)	% of Capital	No. of Holders	Physical form (%)	Demat form (%)	% of Capital
1 - 500	1740331	0.06	1.74	1.80	23785	5.61	85.85	91.46
501 - 1000	746167	0.01	0.77	0.78	976	0.01	3.74	3.75
1001 - 2000	730998	0.00	0.76	0.76	496	0.00	1.90	1.90
2001 - 5000	1033843	0.00	1.07	1.07	333	0.00	1.28	1.28
5001 -10000	821740	0.00	0.85	0.85	114	0.00	0.44	0.44
Above 10000	91268627	0.00	94.74	94.74	305	0.00	1.17	1.17
Total	**96341706**	**0.07**	**99.93**	**100.00**	**26009**	**5.61**	**94.39**	**100.00**

Top shareholders (holding in excess of 1% of capital) as on March 31, 2011

Ordinary Shares			'A' Ordinary Shares		
Name of Shareholder	No. of shares held	% to paid-up capital	Name of Shareholder	No. of shares held	% to paid-up capital
Tata Sons Limited	137858939	25.61	Tata Sons Limited	16901979	17.54
Citibank N.A. New York, NYADR department	109422229	20.33	IVY Funds, Inc. Asset Strategy Fund	9298590	9.65
			HDFC Trustee Company Limited – HDFC TOP 200 FUND	4263310	4.43
Life Insurance Corporation of India Limited	40953666	7.61	PCA India Equity Open Limited	3880815	4.03
			HDFC Trustee Company Limited – HDFC EQUITY FUND	2974235	3.09
Tata Steel Limited	29562139	5.49	Birla Sun Life Insurance Company Limited	2462853	2.56
Tata Industries Limited	13687297	2.54	Deutsche Securities Mauritius Limited	2010920	2.09
Europacific Growth Fund	8244753	1.53	Government of Singapore	1934919	2.01
			SBI Life Insurance Company Limited	1671467	1.73
IVY Funds, Inc. Asset Strategy Fund	5784730	1.07	Dragon Peacock Investments Limited	1658805	1.72
			HDFC Trustee Company Limited – HDFC PRUDENCE FUND	1269080	1.32
The Hartford Capital Appreciation Fund	5544346	1.03	Swiss Finance Corporation (Mauritius) Limited	1177940	1.22
			Blackrock India Equities Fund (Mauritius) Limited	1115180	1.16

Dematerialisation of shares

The electronic holding of the shares as on March 31, 2011 through NSDL and CDSL are as follows:

Particulars	Ordinary Shares		'A' Ordinary Shares	
	2011 (%)	2010 (%)	2011 (%)	2010 (%)
NSDL	97.34	96.44	98.78	98.93
CDSL	0.88	1.51	1.15	0.96
Total	**98.22**	**97.95**	**99.93**	**99.89**

Outstanding Securities:

Outstanding Depositary Receipts/Warrants or Convertible instruments, conversion date and likely impact on equity:

A. Depositary Receipts

- 10,94,22,229 ADSs listed on the New York Stock Exchange.
- 3,06,164 GDSs listed on the Luxembourg Stock Exchange.

B. Foreign Currency Convertible Notes

- 4,730 - Zero Coupon Convertible Alternative Reference Securities (due 2012) of US$100,000 each (CARS) aggregating US$ 473 million issued in July 2007 which allow the Company to give the holder an option to convert the CARS, *inter alia*, into qualifying securities as per terms of issue.
- 1,174 - 4% Convertible Notes (due 2014) of US$100,000 each aggregating US$117.4 million issued in October 2009 may, at the option of the Note holders, be converted into 88,52,293 Ordinary Shares at ₹613.77 per share (Reset Price) at any time into GDSs during November 25, 2009 to October 16, 2014 and ADSs at anytime during October 15, 2010 to October 16, 2014.

The following are the relevant details of the notes:

Security Type	ISIN Nos.	CUSIP	Listing at
Zero Coupon Notes (due 2012)	XS0307881762	030788176	Singapore Stock Exchange, 2 Shenton Way, #19-00 SGX Center 1, Singapore 068804
4% Notes (due 2014)	XS0457793510	045779351	Luxembourg Stock Exchange, 11, Avenue de la porte – Neuve, L – 2227, Luxembourg

Overseas Depositary	Domestic Custodian
Citibank N.A. 388 Greenwich Street, 14th Floor New York, NY 10013	Citibank N.A., Trent House, 3rd floor, G-60, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

There are no outstanding warrants issued by the Company.

Apart from Shares and Convertible Instruments, the following Non Convertible Debentures (NCD) are listed on the National Stock Exchange under Wholesale Debt Market segment*:

ISIN Number	Principal Amount	Redemption Premium	Yield to Maturity (%)	Date of Maturity	Debenture Trustee
INE155A07177	₹350 crores	₹96.55 crores	8.40	March 31, 2013	Vijaya Bank, Merchant Banking Division, Head Office, 41/2, M.G. Road, Trinity Circle, Bangalore – 560 001
INE155A07185	₹1,800 crores	₹658.05 crores	8.45	March 31, 2014	
INE155A07193	₹1,250 crores	₹919.23 crores	10.03	March 31, 2016	
INE155A07219	₹200 crores	Nil	9.95	March 2, 2020	
INE155A07227	₹500 crores	Nil	10.25	₹100 crores – April 30, 2022, ₹100 crores – April 30, 2023, ₹150 crores – April 30, 2024, ₹150 crores – April 30, 2025	
INE155A08043	₹150 crores	Nil	9.90	May 7, 2020	
INE155A08050	₹100 crores	Nil	9.75	May 24, 2020	
INE155A08068	₹150 crores	Nil	9.70	July 18, 2020	

**Detailed information on the above debentures is included in the 'Notes to Accounts'.*

Plant Locations

Location	Range of Products Produced
Pimpri, Pune – 411 018; Chikhali, Pune – 410 501; Chinchwad, Pune – 411 033	Medium and Heavy Commercial Vehicles (M&HCVs), Light Commercial Vehicles (LCVs), Utility Vehicles (UVs) and Cars
Jamshedpur – 831 010	M&HCVs
Chinhat Industrial Area, Lucknow – 226 019	M&HCVs and LCVs
Plot No. 1, Sector 11 and Plot No. 14, Sector 12, I.I.E., Pantnagar, District Udhamsingh Nagar, Uttarakhand – 263145	LCVs & Cars
Revenue Survey No. 1, Village Northkotpura, Tal, Sanand, Dist. Ahmedabad - 380 015	Passenger Cars
KIADB Block II, Belur Industrial Area, Mummigatti Post, Dharwad – 580007	Project under construction / implementation

Address for correspondence

Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai - 400 001, India.

Action required regarding non-receipt of dividends, proceeds of matured deposits and interest and redeemed debentures and interest thereon:

(i) Pursuant to Sections 205A and 205C of the Act, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as principal amount of debentures and deposits pertaining to the Company and erstwhile Tata Finance Limited (TFL) remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, have been transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government.

(ii) In case of non receipt/non encashment of the dividend warrants, Members are requested to correspond with the Company's Registrars/the Registrar of Companies, as mentioned hereunder:

Dividend for	Whether it can be claimed	Contact Office	Action to be taken
2004-05 to 2009-10	Yes	TSR Darashaw Limited	Letter on plain paper.
2002-03 to 2003-04	No	-	None. Already transferred to IEPF.
2000-01 and 2001-02	N.A.	-	Not Applicable due to non declaration of dividend.
1995-96 to 1999-2000	No	-	None. Already transferred to IEPF.
1978-79 to 1994-95	Yes	Office of the Registrar of Companies, CGO Complex, 'A' Wing, 2nd floor, Next to RBI, CBD – Belapur, Navi Mumbai – 400614. Maharashtra 91 22 2757 6802	Claim in Form No. II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.

(iii) Following table gives information relating to outstanding dividend accounts and due dates for claiming dividend:

Financial Year	Date of Declaration	Last date for claiming dividend *
2003-04 (Final)	July 8, 2004	July 7, 2011
2004-05	July 11, 2005	July 10, 2012
2005-06	July 11, 2006	July 10, 2013
2006-07	July 9, 2007	July 8, 2014
2007-08	July 24, 2008	July 23, 2015
2008-09	August 25, 2009	August 24, 2016
2009-10	September 1, 2010	August 31, 2017

**Indicative dates. Actual dates may vary.*

(iv) Following amounts have been transferred to IEPF during the year:

(in ₹)

Particulars	As on March 31, 2010	FY 10-11	As at March 31, 2011
Unpaid dividend amounts of the Company	2,33,84,145.99	81,97,268	3,15,81,413.99
Application moneys received for allotment of any securities and due for refund	31,351.08	1,140	32,491.08
Unpaid matured deposit with the Company	3,33,83,729.00	40,32,916	3,74,16,645.00
Unpaid matured debentures with the Company	3,95,04,605.53	NIL	3,95,04,605.53
Interest accrued on matured deposits with Company	1,09,39,788.64	18,50,361	1,27,90,149.64
Interest accrued on matured debentures with Company	2,32,93,452.10	4,02,241	2,36,95,693.10
Total	**13,05,37,072.34**	**1,44,83,926**	**14,50,20,998.34**

(v) While the Company's Registrar has already written to the Members, Debenture holders and Depositors informing them about the due dates for transfer to IEPF for unclaimed dividends/interest payments, attention of the stakeholders is again drawn to this matter through the Annual Report.

(vi) Investors of the Company and of the erstwhile TFL who have not yet encashed their unclaimed/unpaid amounts are requested to do so at the earliest.

(vii) Other facilities of interest to shareholders holding shares in physical form

- As per Clause 5A of the Listing Agreement, the Company has sent reminders to those shareholders, who have not submitted their shares for exchange of share certificates upon, sub-division of face value of shares (Sub-division in 1989 from face value of ₹100/- each to ₹10/- each), conversion of convertible debentures and whose share certificates have been returned undelivered after transfer, change of address etc. These certificates are currently lying with the Registrar and Transfer Agents of the Company. Members, holding Company's shares in physical form, are requested to tally their holding with the certificates in their possession and revert in case of any discrepancy in holdings. In case there is no response after three reminders, the unclaimed shares shall be transferred to one folio in the name of "Unclaimed Suspense Account" and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.
- Nomination facility: Shareholders, who hold shares in single name and wish to make/change the nomination in respect of their shares as permitted under Section 109A of the Act, may submit to the Registrars and Transfer Agents, the prescribed Form 2B.
- Bank details: Shareholders are requested to notify/send the following to the Company's Registrars and Share Transfer Agents to facilitate better services:
  1. Any change in their address/mandate/NECS bank details; and
  2. Particulars of the bank account in which they wish their dividend to be credited, in case they have not been furnished earlier.

(viii) Shareholders are advised that respective bank details and address as furnished by them to the Company will be printed on their dividend warrants as a measure of protection against fraudulent encashment.

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2011.

For Tata Motors Limited

CARL-PETER FORSTER
Managing Director & Group CEO

Mumbai, May 26, 2011

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF TATA MOTORS LIMITED

We have examined the compliance of the conditions of Corporate Governance by Tata Motors Limited for the year ended on March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the 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.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Parikh & Associates
Practising Company Secretaries

P. N. PARIKH
FCS: 327 CP: 1228

Mumbai, May 26, 2011

FUNDS FLOW - LAST FIVE YEARS

(₹ in crores)

			2010-11	2009-10	2008-09	2007-08	2006-07
Sources of Funds							
1		Funds generated from operations					
	A.	Profit after tax	**1,811.82**	2,240.08	1,001.26	2,028.92	1,913.46
	B.	Depreciation (including Lease Equalisation)	**1,356.26**	1,029.36	870.05	647.82	582.51
	C.	Provision / (Reversal) for diminution in value of investments (net)	**34.00**	61.05	(1.96)	(62.93)	1.09
	D.	Net deferred tax charge	**376.30**	589.46	(2.50)	401.54	177.22
	E.	Adjustment in General Reserve for difference in opening liability for Employee Benefits [Note b(v)]	**-**	-	-	-	(27.12)
	F.	Credit for Dividend Distribution Tax of Subsidiary Companies	**-**	-	15.29	-	-
	G.	Exchange gain (net) on Long term Foreign currency monetary items deferred consequent to amendment to AS-11 [Note b(iii)]	**161.69**	(325.81)	106.23	-	-
	H.	Marked to Market Exchange loss on Forward contracts transferred to Hedging Reserve Account on adoption of principles of hedge accounting under AS30 [Note b(v)]	**-**	132.57	(132.57)	-	-
		Total	**3,740.07**	3,726.71	1,855.80	3,015.35	2,647.16
2		Proceeds from Rights issue of Ordinary shares and 'A' Ordinary shares	**-**	-	4,139.33	-	-
3		Proceeds from issue of Global Depository Shares	**-**	1,794.19	-	-	-
4		Proceeds from QIP issue	**3,351.01**	-	-	-	-
5		Proceeds from FCCN, Warrants and Convertible Debentures converted into Ordinary Shares and premium thereon	**1,493.32**	1,555.76	8.52	6.90	96.38
6	(a)	Decrease in Working Capital	**-**	2,145.94	-	1,348.30	-
	(b)	Decrease in Finance receivables	**366.41**	1,393.58	406.22	2,227.41	-
7		Increase in Borrowings (net of repayments)	**-**	3,460.35	6,885.04	2,271.38	1,072.30
8		Decrease in short term deposits with banks	**-**	-	1,081.85	-	508.72
			8,950.81	14,076.53	14376.76	8,869.34	4,324.56
Application of Funds							
9		Capital Expenditure (net)	**2,396.29**	2,873.33	5,118.13	4,705.95	2,456.30
10		Investments made (net of sales)	**321.31**	9,429.82	8,055.90	2,370.34	462.94
11		Payment of Redemption Premium on NCD	**71.96**	-	-	-	-
12		Increase in short term deposits with banks	**804.66**	490.67	-	1,122.40	-
13	(a)	Increase in Working Capital	**3,000.57**	-	830.47	-	728.26
	(b)	Increase in Finance receivables	**-**	-	-	-	4.61
14		Dividends (including tax thereon)	**1,467.03**	991.94	345.70	659.68	676.39
15		Miscellaneous Expenditure (to the extent not written off or adjusted) and utilisation of Securities Premium Account [Note (a) below]	**193.20**	290.77	26.56	10.97	(3.94)
			8,950.81	14,076.53	14,376.76	8,869.34	4,324.56
Notes :							
(a)		Utilisation of Securities Premium Account includes FCCN / CARS / Rights issue expenses and premium on redemption of Debentures	**193.20**	292.79	30.59	15.01	0.09
(b)		The Sources and Application of funds does not include					
	(i)	Provision for premium on redemption of CARS / FCCN	**941.08** *	1,001.46 *	835.19 *	675.19 *	284.25
	(ii)	Liability towards premium on redemption of NCD	**1,673.83**	1,745.79	-	-	-
	(iii)	Exchange gain (net) and depreciation thereon adjusted from General Reserve to Fixed Assets relating to FY 2007-08 consequent to amendment to AS11	**-**	-	85.09 *	-	-
	(iv)	Exchange gain (net) adjusted from General Reserve to Foreign Currency Monetary Item Translation Difference Account relating to FY 2007-08 consequent to amendment to AS11	**-**	-	57.89	-	-
	(v)	Exchange loss (net) on forward contracts adjusted to General Reserve on adoption of principles of hedge accounting under AS30	**-**	-	6.87 *	-	-
	(vi)	Deferred Tax on account of item 1(E) and 1(H)	**-**	(45.06)	45.06	-	12.93
	*	net of deferred tax					
(c)		Figures for the previous years have been regrouped wherever necessary.					

AUDITORS' REPORT

TO THE MEMBERS OF
TATA MOTORS LIMITED

1. We have audited the attached Balance Sheet of **TATA MOTORS LIMITED** ("the Company") as at March 31, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both 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 (CARO) issued by the Central Government in terms of Section 227(4A) 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.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
   (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 are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
   (e) 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 March 31, 2011;
      (ii) in the case of the Profit and Loss Account, of the profit of the Company 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.

5. On the basis of the written representations received from the Directors as on March 31, 2011 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2011 from being appointed as a director in terms of Section 274(1) (g) of the Companies Act, 1956.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

N. VENKATRAM
Partner
(Membership No.71387)

MUMBAI, May 26, 2011

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

(i) The nature of the Company's business activities during the year are such that clauses (xiii), and (xiv) of paragraph 4 of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.

(ii) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification;

(c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal, in our opinion, has not affected the going concern status of the Company.

(iii) In respect of its inventory:

(a) As explained to us, the stock of finished goods (other than a significant part of the spare parts held for sale) and work-in-progress in the Company's custody have been physically verified by the Management as at the end of the financial year, before the year-end or after the year-end, and in respect of stocks of stores and spares, the aforesaid spare parts held for sale, and raw materials in the Company's custody, there is a perpetual inventory system and a substantial portion of the stocks have been verified during the year. In our opinion, the frequency of verification is reasonable. In case of materials and spare parts held for sale lying with the third parties, certificates confirming stocks have been received in respect of a substantial portion of the stocks held during the year or at the year-end;

(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business;

(c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and have been properly dealt with in the books of account.

(iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

(a) the Company has granted unsecured loans aggregating ₹415.24 Crores to four parties covered in the register maintained under Section 301 of the Companies Act, 1956 (including ₹174.24 Crores granted during the year to four parties). At the year-end, the outstanding balances of such loans aggregated ₹434.41 Crores and maximum amount outstanding during the year was ₹ 434.41 Crores.

(b) the rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company having regard to the market yields and the business relationship with the Company to whom loans have been granted.

(c) The receipts of principal amounts have been as per stipulations however there have been delays in receipts of interests.

(d) There are no overdue amounts in respect of principal outstanding. In respect of overdue interest amounts of more than rupees one lakh remaining outstanding as at the year-end, the Management has taken reasonable steps for the recovery of the overdue interest amounts.

In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

(e) the Company has taken loans aggregating ₹11.52 Crores from six parties covered in the Register maintained under Section 301 of the Companies Act, 1956 (including ₹1 Crore from one party during the year). At the year-end, the outstanding balance of such loans taken aggregated ₹11.52 Crores and the maximum amount outstanding during the year was ₹18.04 Crores.

(f) the rate of interest and other terms and conditions of such loans taken are, in our opinion, *prima facie* not prejudicial to the interests of the Company.

(g) The principal amount is not due for repayment and the Company has been regular in payment of interest.

(v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.

(vi) In respect of contracts or arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:

(a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the register maintained under the said section have been so entered.

(b) Where each of such transaction is in excess of rupees five lakhs in respect of any party, and having regard to our comments in para (v) above, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

(vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(viii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(ix) We have broadly reviewed the books of account relating to the manufacture of motor vehicles pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records for any other product of the Company.

(x) According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing with the appropriate authorities undisputed dues, including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it. With regard to the contribution under the Employees' Deposit Linked Insurance Scheme, 1976 (the Scheme), we are informed that the Company has its own Life Cover Scheme, and consequently, an application has been made seeking an extension of exemption from contribution to the Scheme, which is awaited. Further, since the Central Government has till date not prescribed the amount of cess payable under Section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

(b) There were no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to the Company that were in arrears as at March 31, 2011 for a period of more than six months from the date they became payable.

(c) Details of dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited as on March 31, 2011 on account of any disputes are given below:

Name of the Statute	Nature of the Dues	Amount (₹ in crores)	Period to which the amount relates	Forum where pending
Income Tax Laws	Income Tax	27.94	1997-98, 2002-03 and 2005-06	Appellate Tribunal
	Income Tax	38.92	1984-85, 1985-86, 1986-87, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09	Commissioner
Central Excise Laws	Excise Duty & Service Tax	0.49	2010-11	High Court
	Excise Duty & Service Tax	481.22	1993-94 to 1994-95,1999-00, 2002-03 2004-05 to 2010-11	Appellate Tribunal
	Excise Duty & Service Tax	7.96	1984-85, 1994-95 to 1995-96, 2003-04, 2006-07 to 2007-08 and 2009-10 to 2010-11	Commissioner (Appeals)
	Excise Duty & Service Tax	0.18	2007-08, 2008-09	Additional Commissioner
Sales Tax Laws	Sales Tax	13.01	1995-96	Supreme Court
	Sales Tax	574.86	1984-85 to 1990-91,1993-94 to 2007-08	High Court
	Sales Tax	21.61	1988-89 to 1989-90, 1992-93, 1995-1996 to1996-97, 1999-2000 to 2000-01, 2004-05 to 2006-07	Appellate Tribunal
	Sales Tax	0.20	1996-97, 1998-99, 2001-02	Commissioner (Appeals)
	Sales Tax	216.79	1997-98 to 2008-09	Joint Commissioner
	Sales Tax	16.31	1979-80, 1986-87, 1992-93, 1994-95, 1996-97 1998-99 to 2000-01, 2003-04 to 2008-09	Deputy Commissioner
	Sales Tax	128.57	1988-89 to 1989-90, 1995-96, 1997-98, 2005-06 to 2010-11	Additional Commissioner
	Sales Tax	0.07	1986-87, 1988-89, 1990-91, 1995-96, 1997-98, 1999-2000	Assistant Commissioner
	Sales Tax	1.84	1986-87, 1990-91 to 1991-92, 1993-94, 1996-97, 1999-2000 to 2001-02	Trade Tax Officer

(xi) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.

(xiii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause (xv) of Paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, as at March 31, 2011, we report that funds raised on short term basis of ₹ 4,797.78 Crores have been used during the year for long-term investment. Further the Company has explained that steps are being taken to augment long term funds.

(xvii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(xviii) According to the information and explanations given to us, during the period covered by our audit report, the Company has issued 5,000 debentures of ₹10 lakhs each. The Company has created security in respect of 5,000 debentures issued in the current year and in respect of 2,000 debentures issued in month of March 2010.

(xix) According to the information and explanations given to us, during the year covered by our audit report, the Company has not raised any money by public issue.

(xx) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No. 117366W)

N. VENKATRAM
Partner
(Membership No.71387)

MUMBAI, May 26, 2011

Tata Motors Limited

Balance Sheet as at March 31, 2011

		Schedule	Page			(₹ in crores) As at March 31, 2010
SOURCES OF FUNDS						
1.	SHAREHOLDERS' FUNDS					
	(a) Share Capital	1	70	**637.71**		570.60
	(b) Reserves and Surplus	2	70	**19,375.59**		14,394.87
					20,013.30	14,965.47
2.	LOAN FUNDS					
	(a) Secured	3	72	**7,766.05**		7,742.60
	(b) Unsecured	4	72	**8,132.70**		8,851.94
					15,898.75	16,594.54
3.	DEFERRED TAX LIABILITY (NET) [Note A(3)(a)]		87		**2,023.16**	1,508.64
4.	TOTAL				**37,935.21**	33,068.65
APPLICATION OF FUNDS						
5.	FIXED ASSETS	5	73			
	(a) Gross Block			**21,883.32**		18,416.81
	(b) Less - Depreciation / Amortisation			**8,466.25**		7,212.92
	(c) Net Block			**13,417.07**		11,203.89
	(d) Capital Work-in-Progress			**4,058.56**		5,232.15
					17,475.63	16,436.04
6.	INVESTMENTS	6	74		**22,624.21**	22,336.90
7.	FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (NET) [Note A(9)]		94		-	161.69
8.	CURRENT ASSETS, LOANS AND ADVANCES					
	(a) Interest Accrued on Investments			**0.08**		0.11
	(b) Inventories	7	79	**3,891.39**		2,935.59
	(c) Sundry Debtors	8	79	**2,602.88**		2,391.92
	(d) Cash and Bank Balances	9	79	**2,428.92**		1,753.26
	(e) Loans and Advances	10	80	**5,167.34**		4,425.73
				14,090.61		11,506.61
9.	CURRENT LIABILITIES AND PROVISIONS					
	(a) Current Liabilities	11	82	**13,032.53**		14,609.16
	(b) Provisions	12	82	**3,222.71**		2,763.43
				16,255.24		17,372.59
10.	NET CURRENT ASSETS [(8) LESS (9)]				**(2,164.63)**	(5,865.98)
11.	TOTAL				**37,935.21**	33,068.65
12.	SIGNIFICANT ACCOUNTING POLICIES		83			
13.	NOTES TO BALANCE SHEET	13	86			

As per our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

RATAN N TATA
Chairman

RAVI KANT
Vice-Chairman

For and on behalf of the Board

J J IRANI
N N WADIA
S M PALIA
S BHARGAVA
N MUNJEE
V K JAIRATH
R SEN
R SPETH
Directors

CARL- PETER FORSTER
Managing Director & Group CEO

P M TELANG
Managing Director - India Operations

C RAMAKRISHNAN
Chief Financial Officer

H K SETHNA
Company Secretary

Mumbai, May 26, 2011

Mumbai, May 26, 2011

Profit and Loss Account for the year ended March 31, 2011

	Schedule	Page			(₹ in crores) 2009-2010
INCOME					
1. Sale of Products and Other Income from Operations	A (1)	66		**52,135.97**	38,364.10
Less : Excise Duty				**4,095.51**	2,771.05
				48,040.46	35,593.05
2. Dividend and Other Income	A (2)	66		**183.26**	1,853.45
				48,223.72	37,446.50
EXPENDITURE					
3. Manufacturing and Other Expenses	B	67	**44,086.83**		32,141.23
4. Expenditure Transferred to Capital and Other Accounts			**(817.68)**		(726.46)
				43,269.15	31,414.77
PROFIT BEFORE DEPRECIATION, INTEREST, EXCEPTIONAL ITEMS AND TAX				**4,954.57**	6,031.73
5. Product Development Expenses				**106.17**	144.03
6. Depreciation / Amortisation	5	73		**1,360.77**	1,033.87
7. Interest and Discounting Charges (net) [Note B(4)]		95		**1,143.99**	1,103.84
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX				**2,343.64**	3,749.99
8. Exchange Loss (net) on Revaluation of Foreign Currency Borrowings, Deposits and Loans				**(147.12)**	(69.59)
9. Loss on Redemption of Investment in Preference Shares Held in a Subsidiary Company [Note 15]		77		**-**	(850.86)
PROFIT BEFORE TAX				**2,196.52**	2,829.54
10. Tax Expense [Note A(3)(C)]		87		**(384.70)**	(589.46)
PROFIT AFTER TAX				**1,811.82**	2,240.08
11. Balance brought forward from Previous Year				**1,934.13**	1,685.99
AMOUNT AVAILABLE FOR APPROPRIATION				**3,745.95**	3,926.07
12. APPROPRIATIONS					
(a) Proposed Dividend				**1,274.23**	859.05
(b) Tax on Proposed Dividend				**192.80**	132.89
(c) Debenture Redemption Reserve				**-**	500.00
(d) General Reserve				**200.00**	500.00
(e) Balance carried to Balance Sheet				**2,078.92**	1,934.13
				3,745.95	3,926.07
13. EARNINGS PER SHARE [Note B (7)]		97			
I. Ordinary Shares					
(a) Basic	₹			**30.28**	42.37
(b) Diluted	₹			**28.92**	38.98
II. 'A' Ordinary Shares					
(a) Basic	₹			**30.78**	42.87
(b) Diluted	₹			**29.42**	39.48
14. SIGNIFICANT ACCOUNTING POLICIES		83			
15. NOTES TO PROFIT AND LOSS ACCOUNT	13 to 17	95			

As per our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

Mumbai, May 26, 2011

For and on behalf of the Board

RATAN N TATA
Chairman

RAVI KANT
Vice-Chairman

J J IRANI
N N WADIA
S M PALIA
S BHARGAVA
N MUNJEE
V K JAIRATH
R SEN
R SPETH
Directors

CARL- PETER FORSTER
Managing Director & Group CEO

P M TELANG
Managing Director - India Operations

C RAMAKRISHNAN
Chief Financial Officer

H K SETHNA
Company Secretary

Mumbai, May 26, 2011

Cash Flow Statement for the year ended March 31, 2011

			(₹ in crores)
		2010-2011	2009-2010
A. Cash flow from Operating Activities			
Profit after tax		**1,811.82**	2,240.08
Adjustments for:			
Depreciation / amortisation (including Lease Equalisation adjusted in income)	**1,356.26**		1,029.36
Loss on sale of assets (net) (including assets scrapped / written off)	**4.60**		38.40
Relocation expenditure, etc.	**0.58**		67.17
Profit on sale of investments (net)	**(2.28)**		(1,801.71)
Loss on redemption of investment in preference shares held in a subsidiary company	**-**		850.86
Provision for diminution in value of investments (net)	**34.00**		61.05
Impairment of loans to associates and subsidiaries	**-**		23.63
Reversal of provision for inter corporate deposits (net)	**(8.02)**		(0.16)
Wealth tax	**0.81**		0.90
Tax expense	**384.70**		589.46
Interest / Dividend (net)	**965.27**		1,054.48
Exchange differences	**108.97**		13.24
Employee Separation Cost	**-**		2.02
		2,844.89	1,928.70
Operating Profit before Working Capital changes		**4,656.71**	4,168.78
Adjustments for:			
Trade and other receivables	**(722.36)**		(1,601.82)
Inventories	**(955.80)**		(705.78)
Trade and other payables	**(1,334.54)**		3,664.63
	(3,012.70)		1,357.03
Vehicle loans and hire purchase receivables	**366.41**		1,393.58
		(2,646.29)	2,750.61
Cash generated from operations		**2,010.42**	6,919.39
Income taxes paid (net)		**(504.86)**	(519.21)
Net Cash from Operating Activities		**1,505.56**	6,400.18
B. Cash Flow from Investing Activities			
Purchase of fixed assets		**(2,391.12)**	(2,330.38)
Sale of fixed assets		**9.47**	20.21
Loans to associates and subsidiaries		**(174.24)**	(107.90)
Refund received against loan to associates and subsidiaries		**8.62**	-
Advance against investments in subsidiary companies and joint venture		**(20.00)**	(2.00)
Investments in subsidiary companies		**(463.36)**	(10,619.91)
Investments in associate companies		**(4.09)**	-
Investments in joint venture		**(200.00)**	(130.00)
Investments - others		**(106.08)**	-
Investments in Mutual Fund (made) / sold (net)		**437.28**	(519.43)
Decrease in Investments in retained interests in securitisation transactions		**3.20**	50.43
Sale / redemption of investments in subsidiary companies		**-**	1,185.80
Sale / redemption of investments - others		**0.75**	958.51
Decrease in short term Inter-corporate deposits		**34.11**	16.21
Deposits of Margin Money / Cash Collateral		**(59.89)**	(524.41)
Realisation of Margin Money / Cash Collateral		**215.74**	377.63
Fixed deposits with scheduled banks made		**(1,090.10)**	(412.20)
Fixed deposits with scheduled banks realised		**890.33**	2.15
Decrease / (Increase) in restricted deposits with scheduled banks		**4.35**	(7.08)
Interest received		**202.15**	135.54
Dividend / Income on investments received		**181.00**	58.54
Net Cash used in Investing Activities		**(2,521.88)**	(11,848.29)

Cash Flow Statement for the year ended March 31, 2011 (contd.)

		2010-2011	2009-2010
			(₹ in crores)
C.	**Cash Flow from Financing Activities**		
	Expenses on Foreign Currency Convertible Notes (FCCN) conversion	**(3.59)**	(0.03)
	Brokerage and other expenses on Non-Convertible Debentures (NCD)	**(90.66)**	(150.75)
	Proceeds from issue of shares through QIP (net of issue expenses)	**3,249.80**	-
	Proceeds from issue of shares held in abeyance	**3.08**	0.05
	Proceeds from Global Depository Shares (GDS) issue	**-**	1,794.19
	Reimbursement of expenses / (Expenses) incurred on issue of GDS and FCCN	**0.51**	(126.72)
	Proceeds from Fixed Deposits	**339.39**	2,039.11
	Repayment of Fixed Deposits	**(233.58)**	(75.96)
	Proceeds from long term borrowings	**1,221.68**	6,432.48
	Repayment of long term borrowings	**(1,274.56)**	(837.88)
	Premium paid on redemption of NCD	**(71.96)**	-
	Proceeds from short term borrowings	**8,223.64**	6,716.51
	Repayment of short term borrowings	**(7,023.49)**	(6,155.84)
	Net change in other short-term borrowings (with maturity up to three months)	**(494.70)**	(2,366.44)
	Dividend paid (including Dividend tax)	**(990.21)**	(344.90)
	Interest paid [including discounting charges paid, ₹ **418.50 crores** (2009-2010 ₹ 503.78 crores)]	**(1,206.93)**	(1,389.48)
	Net Cash from Financing Activities	**1,648.42**	5,534.34
	Net Increase in Cash and cash equivalents	**632.10**	86.23
	Cash and cash equivalents as at March 31, (Opening Balance) * #	**716.27**	668.74
	Exchange fluctuation on foreign currency bank balances	**3.77**	(38.70)
	Cash and cash equivalents as at March 31, (Closing Balance) * #	**1,352.14**	716.27
Non-cash transactions:			
	FCCN / CARS converted to Ordinary shares [Refer note (A)1(I)(d), page 86]	**1,490.25**	1,555.70
	Loan to subsidiary converted to equity	**-**	89.69

* Excludes Cash Collateral of ₹ **454.07 crores** (as at March 31, 2010 ₹ 609.70 crores, as at March 31, 2009 ₹ 462.92 crores)

Excludes Fixed / restricted deposits with scheduled banks ₹ **622.71 crores** (as at March 31, 2010 ₹ 427.29 crores, as at March 31, 2009 ₹ 10.16 crores)

Previous year's figures have been restated, wherever necessary, to conform to this year's classification.

As per our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

Mumbai, May 26, 2011

For and on behalf of the Board

RATAN N TATA
Chairman

RAVI KANT
Vice-Chairman

J J IRANI
N N WADIA
S M PALIA
S BHARGAVA
N MUNJEE
V K JAIRATH
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Directors

CARL- PETER FORSTER
Managing Director & Group CEO

P M TELANG
Managing Director - India Operations

C RAMAKRISHNAN
Chief Financial Officer

H K SETHNA
Company Secretary

Mumbai, May 26, 2011

Schedules forming part of the Profit and Loss Account

(₹ in crores)

"A" [Item no. 1 and 2]

		2010-2011	2009-2010
SALE OF PRODUCTS AND OTHER INCOME			
1.	**Sale of products and other income from operations**		
(a)	Sale of Products / Services (Schedule 14, page 100) [Note 1 below]	**51,788.43**	37,925.17
(b)	Income from Vehicle Loan contracts [Note 2 below]	**114.50**	219.66
	Sales / Income from Operations	**51,902.93**	38,144.83
(c)	Other operating income [Note 3 below]	**233.04**	219.27
		52,135.97	38,364.10
2.	**Dividend and other income**		
(a)	Trade investments (long term) [Note 4 below]	**157.79**	51.34
(b)	Other investments (long term)	**0.21**	0.19
(c)	Other investments (current)	**22.98**	0.21
(d)	Profit on sale of current investments [Note 5 below]	**2.28**	689.20
(e)	Profit on sale of investments (net) (trade, long term) [Note 6 below]	**-**	1,112.51
		183.26	1,853.45

			2010-2011	2009-2010
Notes :	(1)	Includes exchange gain / (loss) (net)	**64.38**	(24.27)
	(2)	Includes :		
		(i) Loss on securitisation of Loan contracts (net)	**(1.54)**	(1.59)
		(ii) Interest income from Loan contracts (net)	**104.94**	208.14
	(3)	Includes profit on sale of assets (net) [includes Capital Profits of ₹ **1.26 crores** (2009-2010 ₹ 0.88 crore)]	**3.72**	6.84
	(4)	Includes dividend from subsidiary companies	**92.33**	7.62
	(5)	Includes profit on sale of investment in Tata Steel Ltd.	**-**	688.61
	(6)	Includes profit on sale of controlling stake in a subsidiary company [Note C(iv), page 98]	**-**	1,112.51

Schedules forming part of the Profit and Loss Account

(₹ in crores)

"B" [Item no. 3]

			2010-2011	2009-2010
MANUFACTURING AND OTHER EXPENSES				
1.	**Purchase of products for sale etc.** [Note B(1), page 95]		**7,363.13**	4,513.23
2.	**Consumption of raw materials and components** [Schedule 17, page 103]		**27,058.47**	20,392.60
3.	**Processing charges**		**1,676.07**	1,212.90
4.	**Payments to and provisions for employees :** [Refer Note B(5), page 96]			
	(a) Salaries, wages and bonus	**1,808.29**		1,444.54
	(b) Contribution to provident and other funds	**219.49**		184.56
	(c) Workmen and staff welfare expenses [Note B(i), page 68]	**266.24**		207.03
			2,294.02	1,836.13
5.	**Expenses for manufacture, administration and selling :**			
	(a) Stores, spare parts and tools consumed	**625.45**		451.91
	(b) Freight, transportation, port charges, etc.	**743.90**		546.32
	(c) Repairs to buildings [Note B(ii), page 68]	**50.86**		56.13
	(d) Repairs to plant, machinery, etc. [Note B(iii), page 68]	**77.39**		76.70
	(e) Power and fuel	**471.28**		362.62
	(f) Rent	**52.43**		45.95
	(g) Rates and taxes	**27.88**		12.11
	(h) Insurance	**55.11**		44.76
	(i) Publicity	**724.52**		387.35
	(j) Incentive / Commission to dealers	**814.77**		644.47
	(k) Works operation and other expenses [Note B(iv), page 68]	**2,390.65**		2,135.63
			6,034.24	4,763.95
6.	**Excise Duty on change in Stock-in-trade**		**15.12**	29.05
7.	**Changes in Stock-in-trade and Work-in-progress :**			
	A Opening Stock			
	(i) Work-in-progress	**342.92**		245.95
	(ii) Stock-in-trade	**1,389.53**		879.87
		1,732.45		1,125.82
	B Closing Stock			
	(i) Work-in-progress	**423.80**		342.92
	(ii) Stock-in-trade	**1,662.87**		1,389.53
		2,086.67		1,732.45
			(354.22)	(606.63)
			44,086.83	32,141.23

Schedules forming part of the Profit and Loss Account

(₹ in crores)

"B" [Item no. 3] (contd.)

NOTES :

						2010-2011	2009-2010
(i)	Item 4	(c)	:	Workmen and staff welfare expenses include provisions for other employee benefit schemes		**25.72**	15.15
(ii)	Item 5	(c)	:	Repairs to buildings exclude amounts charged to other revenue accounts		**13.41**	9.28
(iii)	Item 5	(d)	:	Repairs to plant, machinery, etc. exclude amounts charged to other revenue accounts		**199.72**	139.78
(iv)	Item 5	(k)	:	Works operation and other expenses include :			
				(1)	Loss on assets scrapped / written off	**2.42**	45.24
				(2)	Commission and Brokerage on sales	**5.92**	5.10
				(3)	Provisions and write off for sundry debtors, vehicle loans and advances (net)	**184.08**	292.75
				(4)	Lease rentals in respect of plant and machinery	**0.09**	0.02

Schedules forming part of the Profit and Loss Account

(₹ in crores)

"B" [Item no. 3] (contd.)

MANAGERIAL REMUNERATION :

			2010-2011	2009-2010
1.	Managerial remuneration for directors (excluding provision for encashable leave and gratuity as separate actuarial valuation for whole-time directors is not available) #		**25.19**	12.90
2.	The above is inclusive of :			
	(a) Estimated expenditure on perquisites		**0.33**	0.17
	(b) Contribution to provident / superannuation funds		**0.67**	0.18
	(c) Commission to directors		**8.75**	9.90
3.	Directors' sitting fees		**0.29**	0.32
4.	Remuneration to directors :			
	(a) Profit after tax as per profit and loss account		**1,811.82**	2,240.08
	(b) Add: (i) Managerial remuneration	**25.19**		12.90
	(ii) Directors' sitting fees	**0.29**		0.32
	(iii) Tax expense	**384.70**		589.46
	(iv) Provision for diminution in value of investments	**34.00**		61.05
	(v) Loss on redemption of investment in preference shares	**-**		850.86
	(vi) Depreciation / Amortisation as per books	**1,360.77**		1,033.87
			1,804.95	2,548.46
			3,616.77	4,788.54
	(c) Less: (i) Capital profit :			
	(a) Profit (net) on sale of assets	**(1.26)**		(0.88)
	(b) Profit (net) on sale of investments	**(2.28)**		(1,801.71)
	(ii) Depreciation / Amortisation as per Section 350 of the Companies Act, 1956	**(1,360.77)**		(1,033.87)
			(1,364.31)	(2,836.46)
	Net Profit as per Section 349 / 350 of the Companies Act, 1956		**2,252.46**	1,952.08
	(d) Limit on remuneration to whole-time directors - 10% of net profit	**225.25**		195.21
	Remuneration to whole-time directors [includes commission payable to whole-time directors ₹ **2.75 crores** (2009-2010 ₹ 5.90 crores)]		**19.19**	8.90
	(e) Limit on commission to non-whole-time directors - 1% of net profit	**22.52**		19.52
	Commission payable to non-whole-time directors		**6.00**	4.00
	# Excludes retirement benefits / accruals thereof and fees for services		**2.09**	1.50

Schedules forming part of the Balance Sheet

(₹ in crores)

"1" [Item No. 1(a)]

		As at March 31, 2011	As at March 31, 2010
SHARE CAPITAL [Note (A) 1, page 86]			
Authorised:			
70,00,00,000	Ordinary shares of ₹ 10 each (as at March 31, 2010: 70,00,00,000 shares)	**700.00**	700.00
20,00,00,000	'A' Ordinary shares of ₹ 10 each (as at March 31, 2010: 20,00,00,000 shares)	**200.00**	200.00
30,00,00,000	Convertible Cumulative Preference shares of ₹ 100 each (as at March 31, 2010: 30,00,00,000 shares)	**3,000.00**	3,000.00
		3,900.00	3,900.00
Issued and subscribed:			
53,82,72,284	Ordinary shares of ₹ 10 each (as at March 31, 2010: 50,63,81,170 shares)	**538.27**	506.38
9,63,41,706	'A' Ordinary shares of ₹ 10 each (as at March 31, 2010: 6,41,76,374 shares)	**96.34**	64.18
		634.61	570.56
	Less: Calls in arrears - Ordinary shares	**0.01**	0.01
		634.60	570.55
Share Forfeiture - Ordinary shares		**0.05**	0.05
Amount received in respect of Ordinary shares pending allotment		**3.06**	-
		637.71	570.60

"2" [Item No. 1(b)]

			As at March 31, 2010	Additions	Deductions	As at March 31, 2011
RESERVES AND SURPLUS						
(a)	Securities Premium Account	[Note (i) and (ii), page 71]	**6,714.59**	**4,829.80**	**193.71**	**11,350.68**
			5,366.31	3,293.74	1,945.46	6,714.59
(b)	Capital Redemption Reserve		**2.28**	**-**	**-**	**2.28**
			2.28	-	-	2.28
(c)	Debenture Redemption Reserve		**1,102.15**	**-**	**-**	**1,102.15**
			602.15	500.00	-	1,102.15
(d)	Amalgamation Reserve		**0.05**	**-**	**-**	**0.05**
			0.05	-	-	0.05
(e)	Special Reserve		**-**	**-**	**-**	**-**
			55.05	-	55.05	-
(f)	Revaluation Reserve	[Note (iii), page 71]	**24.63**	**-**	**0.44**	**24.19**
			25.07	-	0.44	24.63
(g)	Hedging Reserve Account		**-**	**-**	**-**	**-**
			(87.51)	87.51	-	-
(h)	General Reserve	[Note (iv), page 71]	**4,617.04**	**200.28**	**-**	**4,817.32**
			4,066.71	555.05	4.72	4,617.04
			12,460.74	**5,030.08**	**194.15**	**17,296.67**
			10,030.11	4,436.30	2,005.67	12,460.74
(i)	Profit and Loss Account					**2,078.92**
						1,934.13
						19,375.59
						14,394.87

Schedules forming part of the Balance Sheet

(₹ in crores)

"2" [Item No. 1(b)] (contd.)

Notes:-

		2010-2011		2009-2010	
		Additions	**Deductions**	Additions	Deductions
(i)	The opening and closing balances of Securities Premium Account are net of calls in arrears of ₹ 0.03 crore				
(ii)	**Changes in Securities Premium Account**				
	(a) Premium on shares issued on conversion of Foreign Currency Convertible Notes (FCCN) (including premium on shares issued which were held in abeyance out of Rights issue of shares)	**1,466.70**	**-**	1,529.11	-
	(b) FCCN conversion expenses	**-**	**3.59**	-	25.57
	(c) Premium on issue of shares through Qualified Institutional Placement (QIP)	**3,310.52**	**-**	-	-
	(d) QIP issue expenses	**-**	**101.21**	-	-
	(e) Premium on issue of Global Depository Shares (GDS)	**-**	**-**	1,764.28	-
	(f) Recovery of expenses / Expenses on issue of GDS and FCCN	**0.51**	**-**	-	126.82
	(g) Brokerage, stamp duty and other fees on Non-Convertible Debentures [net of tax ₹ **1.77 crores** (2009-2010 ₹ Nil)]	**-**	**88.89**	-	140.40
	(h) Premium on redemption of Debentures / FCCN / Convertible Alternative Reference Securities (CARS) (net) (including exchange differences and withholding tax) [net of tax ₹ **139.99 crores** (2009-2010 ₹ 61.33 crores)]	**52.07**	**-**	-	1,652.67
	(i) Others	**-**	**0.02**	0.35	-
		4,829.80	**193.71**	3,293.74	1,945.46

		2010-2011		2009-2010	
		Additions	**Deductions**	Additions	Deductions
(iii)	**Change in Revaluation Reserve :**				
	Depreciation on revalued portion of assets taken over on amalgamation of a company	**-**	**0.44**	-	0.44
		-	**0.44**	-	0.44
(iv)	**Changes in General Reserve :**				
	(a) Amount recovered / paid (net) towards indemnity relating to business amalgamated in prior year	**0.28**	**-**	-	4.72
	(b) Amount transferred from Special Reserve	**-**	**-**	55.05	-
	(c) Amount transferred from Profit and Loss Account	**200.00**	**-**	500.00	-
		200.28	**-**	555.05	4.72

Schedules forming part of the Balance Sheet

"3" [Item no. 2(a)] **(₹ in crores)**

			As at March 31, 2011	As at March 31, 2010
LOANS - Secured [Note (A) 2, page 86]				
(a)	Privately placed Non-Convertible Debentures :			
	(i)	2% Non-Convertible Debentures (2011)	-	800.00
	(ii)	2% Non-Convertible Debentures (2013) [Note 2(i)(a), page 86 and Note 2(ii)(a), page 87]	350.00	350.00
	(iii)	2% Non-Convertible Debentures (2014) [Note 2(i)(a), page 86 and Note 2(ii)(a), page 87]	1,800.00	1,800.00
	(iv)	2% Non-Convertible Debentures (2016) [Note 2(i)(a), page 86 and Note 2(ii)(a), page 87]	1,250.00	1,250.00
	(v)	9.95% Non-Convertible Debentures (2020) [Note 2(i)(b), page 87 and Note 2(ii)(a), page 87]	200.00	200.00
	(vi)	10.25% Non-Convertible Debentures (2022) [Note 2(i)(c), page 87 and Note 2(ii)(a), page 87]	100.00	-
	(vii)	10.25% Non-Convertible Debentures (2023) [Note 2(i)(c), page 87 and Note 2(ii)(a), page 87]	100.00	-
	(viii)	10.25% Non-Convertible Debentures (2024) [Note 2(i)(c), page 87 and Note 2(ii)(a), page 87]	150.00	-
	(ix)	10.25% Non-Convertible Debentures (2025) [Note 2(i)(c), page 87 and Note 2(ii)(a), page 87]	150.00	-
(b)	From Banks :			
	(i)	Buyers line of credit (at floating interest rate) (long term) [Notes 2(i)(d) and 2(iii), page 87]	488.10	619.97
	(ii)	Loans, Cash Credit, Overdrafts Accounts and Buyers line of credit (short term) [Note 2(i)(d), page 87]	3,177.95	2,722.63
			7,766.05	7,742.60

"4" [Item no. 2(b)]

			As at March 31, 2011	As at March 31, 2010
LOANS - Unsecured				
(a)	Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS) [Note (C) (i), page 98]		2,636.60	4,161.86
(b)	Privately placed Non-Convertible Debentures :			
	(i)	9.90% Non-Convertible Debentures (2020) [Note 2(ii)(b), page 87]	150.00	-
	(ii)	9.75% Non-Convertible Debentures (2020) [Note 2(ii)(b), page 87]	100.00	-
	(iii)	9.70% Non-Convertible Debentures (2020) [Note 2(ii)(b), page 87]	150.00	-
(c)	Fixed Deposits * # :			
	(i)	From Public	2,435.51	2,333.05
	(ii)	From Shareholders	856.84	840.40
(d)	Commercial papers [maximum balance outstanding during the year **₹ 3,390 crores** (2009-2010 : ₹ 1,725 crores)]		1,519.82	768.63
(e)	Short term loans :			
	(i)	From Banks	200.00	625.00
	(ii)	From Subsidiaries	4.00	60.00
	(iii)	From Others	7.00	13.00
(f)	Other loans :			
	(i)	From Banks :		
		- Buyers' line of credit	22.93	-
	(ii)	From Others	50.00	50.00
			8,132.70	8,851.94
	*	Includes from Directors	11.52	16.12
	#	Includes repayable within one year	1,199.02	191.57

Schedules forming part of the Balance Sheet

(₹ in crores)
"5"[Item no. 5]

	FIXED ASSETS	Cost as at April 1, 2010	Additions / Adjustments [Note (iv)]	Deductions / Adjustments	Cost as at March 31, 2011	Depreciation / Amortisation for the year 2010-2011 [Note (vi) and (ix)]	Accumulated depreciation / amortisation up to March 31, 2011 [Note (v) and (ix)]	Net Book Value as at March 31, 2011
(a)	Land	**519.76**	**-**	**-**	**519.76**	**-**	**-**	**519.76**
		119.11	400.65	-	519.76	-	-	519.76
(b)	Buildings, etc. [Note (i) and (ii)(a)]	**1,542.80**	**521.03**	**0.37**	**2,063.46**	**58.16**	**411.90**	**1,651.56**
		1,209.22	335.55	1.97	1,542.80	42.41	353.82	1,188.98
(c)	Leasehold Land [Note (ii)(b)]	**102.47**	**16.26**	**-**	**118.73**	**1.57**	**10.08**	**108.65**
		77.10	25.37	-	102.47	2.58	8.51	93.96
(d)	Plant & Machinery and Equipment [Note (ii)(a) and (iii)]	**12,230.44**	**2,744.31**	**105.05**	**14,869.70**	**963.33**	**6,539.89**	**8,329.81**
		10,643.83	1,645.15	58.54	12,230.44	747.22	5,672.18	6,558.26
(e)	Water System and Sanitation [Note (ii)(a)]	**109.08**	**32.28**	**-**	**141.36**	**6.24**	**40.06**	**101.30**
		87.15	21.94	0.01	109.08	4.67	33.82	75.26
(f)	Furniture, Fixtures and Office Appliances [Note (iii)]	**106.07**	**18.21**	**0.35**	**123.93**	**5.57**	**55.45**	**68.48**
		100.38	5.75	0.06	106.07	4.87	50.21	55.86
(g)	Technical Know-how #	**34.51**	**-**	**-**	**34.51**	**-**	**34.51**	**-**
		34.51	-	-	34.51	-	34.51	-
(h)	Vehicles and Transport [Note (iii)]	**117.68**	**25.86**	**10.25**	**133.29**	**15.94**	**75.59**	**57.70**
		110.54	18.47	11.33	117.68	13.94	68.06	49.62
(i)	Plant taken on Lease [Note (viii)]	**36.43**	**-**	**-**	**36.43**	**2.55**	**27.86**	**8.57**
		42.10	-	5.67	36.43	2.93	25.30	11.13
(j)	IT Assets taken on lease	**53.22**	**10.70**	**-**	**63.92**	**12.65**	**42.58**	**21.34**
		52.25	0.97	-	53.22	11.62	29.93	23.29
(k)	Leased Premises	**31.28**	**-**	**-**	**31.28**	**0.08**	**3.21**	**28.07**
		31.28	-	-	31.28	0.08	2.70	28.58
(l)	Assets given on lease	**395.81**	**-**	**-**	**395.81**	**4.86**	**379.09**	**16.72**
		407.97	-	12.16	395.81	4.86	378.75	17.06
(m)	Software #	**259.82**	**47.74**	**-**	**307.56**	**38.74**	**235.79**	**71.77**
		252.96	6.92	0.06	259.82	44.58	194.67	65.15
(n)	Product Development Cost *	**2,877.44**	**173.33**	**7.19**	**3,043.58**	**251.08**	**610.24**	**2,433.34**
		736.77	2,140.67	-	2,877.44	154.11	360.46	2,516.98
	GRAND TOTAL	**18,416.81**	**3,589.72**	**123.21**	**21,883.32**	**1,360.77**	**8,466.25**	**13,417.07**
		13,905.17	4,601.44	89.80	18,416.81	1,033.87	7,212.92	11,203.89
(o)	Capital Work in Progress [Notes (vii) and (x)]							**4,058.56**
								5,232.15
								17,475.63
								16,436.04

* internally generated intangible asset
\# other than internally generated intangible asset

Notes :

(i) Buildings include ₹ **8,631** (as at March 31, 2010 ₹ 8,631) being value of investments in shares of Co-operative Housing Societies.

(ii) (a) Buildings, Water System and Sanitation and Plant and Machinery include Gross block ₹ **4.76 crores,** ₹ **1.93 crores and** ₹ **3.76 crores** (as at March 31, 2010 ₹ 4.76 crores, ₹ 1.93 crores and ₹ 3.76 crores) and Net Block ₹ **0.08 crore,** ₹ **0.26 crore** and ₹ **0.31 crore** respectively (as at March 31, 2010 ₹ 0.08 crore, ₹ 0.34 crore and ₹ 0.32 crore) in respect of expenditure incurred on capital assets, ownership of which does not vest in the Company.

(b) The registration of Leasehold Land of ₹ **10.80 crores** (as at March 31, 2010 ₹ 44.33 crores) is in process.

(iii) Includes Plant & Machinery and Equipment, Furniture, Fixtures and Office Appliances and Vehicles and Transport having Gross block of ₹ **295.79 crores,** ₹ **0.44 crore** and ₹ **0.40 crore** (as at March 31, 2010 ₹ 164.85 crores, ₹ 0.73 crore and ₹ 0.57 crore), and Net block of ₹ **6.28 crores,** ₹ **0.02 crore** and ₹ **0.01 crore** (as at March 31, 2010 ₹ 4.94 crores, ₹ 0.02 crore and ₹ 0.13 crore) respectively, held for disposal.

(iv) Additions / Adjustments include capitalisation of exchange loss (including loss on derivative contracts) of ₹ **53.49 crores** (2009-2010 decapitalisation of exchange gain (net of loss on derivative contracts) of ₹ 308.48 crores).

(v) Accumulated Depreciation includes :

(a) An adjustment of ₹ **103.37 crores** (as at March 31, 2010 ₹ 76.78 crores) on assets transferred / sold / discarded during the year.

(b) Lease equalisation of ₹ **4.51 crores** (2009-2010 ₹ 4.51 crores) adjusted in lease rental income.

(c) Depreciation of ₹ **0.44 crore** (2009-2010 ₹ 0.44 crore) on revalued portion of gross block transferred to Revaluation Reserve.

(vi) Depreciation for the year includes loss of ₹ **14.13 crores** (2009-2010 ₹ 23.96 crores) on assets held for disposal.

(vii) Capital Work-in-Progress includes :

(a) Product Development Cost ₹ **2,079.17 crores** (as at March 31, 2010 ₹ 1,399.26 crores).

(b) Advances for capital expenditure of ₹ **259.53 crores** (as at March 31, 2010 ₹ 264.91 crores).

(c) Exchange differences and net premiums on derivative contracts, Net loss of ₹ **11.58 crores** (as at March 31, 2010 Net loss of ₹ 58.55 crores).

(viii) The assets are under renewable secondary lease.

(ix) Depreciation for the year and Accumulated Depreciation includes amortisation, diminution in value of assets and write down of assets net of reversals.

(x) Capital Work-in-progress as of March 31, 2011 includes building under construction of ₹ 309.88 crores for the purposes of manufacturing automobiles. Consequent to the decision to relocate and construct a similar manufacturing facility at another location, the management is in the process of evaluating several options, under all of which, no adjustment to the carrying amount of the building is considered necessary based on the information available at the balance sheet date.

Schedules forming part of the Balance Sheet

(₹ in crores)

"6"[Item no. 6]

INVESTMENTS

Number		Face Value Per Unit	Description	As at March 31, 2011		As at March 31, 2010	
			I. Long Term Investments (at Cost)				
			(A) Trade Investments				
			(1) **Fully paid Ordinary / Equity shares (Quoted)**				
28,38,813		10	Automobile Corporation of Goa Ltd	**103.76**		99.67	
			(1,18,184 shares acquired during the year)				
44,32,497		10	Tata Steel Ltd	**245.04**		239.50	
			(4,40,882 shares classified as long term investment during the year)				
70,249		10	Tata Chemicals Ltd	**0.24**		0.24	
					349.04		339.41
			(2) **Investments in Subsidiary Companies**				
			Fully Paid Ordinary / Equity Shares				
			(Unquoted)				
75,00,000		100	Sheba Properties Ltd	**75.00**		75.00	
3,03,00,600		10	Tata Technologies Ltd	**224.10**		224.10	
24,48,120		10	Concorde Motors (India) Ltd	**29.63**		29.63	
6,50,00,000		10	TAL Manufacturing Solutions Ltd	**150.00**		150.00	
3,40,00,000		10	HV Transmissions Ltd	**68.00**		68.00	
3,82,50,000		10	HV Axles Ltd	**76.50**		76.50	
25,00,000		10	Tata Motors Insurance Broking and Advisory Services Ltd	**19.31**		17.31	
			(20,00,000 shares acquired during the year)				
30,16,060	(KRW)	5,000	Tata Daewoo Commercial Vehicle Co. Ltd (Korea)	**245.41**		245.41	
24,68,153	(GBP)	1	Tata Motors European Technical Centre Plc, UK [Note 6, page 77]	**19.85**		15.56	
			(6,04,529 shares acquired during the year)				
7,900		-	Tata Technologies Inc	**0.63**		0.63	
1,05,00,00,000		10	Tata Motors Finance Ltd	**1,750.00**		1,350.00	
			(20,00,00,000 shares acquired during the year)				
86,700,000		10	Tata Marcopolo Motors Ltd [Note 7, page 77]	**86.70**		86.70	
22,50,00,000		10	TML Distribution Company Ltd	**225.00**		225.00	
98,69,900	(THB)	100	Tata Motors (Thailand) Ltd [Note 8, page 77]	**135.15**		135.15	
1,19,02,000	(ZAR)	1	Tata Motors (SA) (Proprietary) Ltd	**7.81**		-	
			(1,19,01,400 shares acquired during the year)				
100	(SGD)	1	TML Holdings Pte Ltd, (Singapore) [₹ 2,778.73]	**-**		-	
2,63,83,26,018	(USD)	1	[Notes 9, 10 and 11, page 77]	**12,814.00**		12,814.00	
1,34,523	(EUR)	31.28	Tata Hispano Motors Carrocera S.A. [Note 12, page 77]	**17.97**		16.05	
1,83,59,203	(SGD)	1	Tata Precision Industries Pte. Ltd (Singapore)	**40.53**		-	
			(1,33,00,000 shares acquired during the year)				
			(Subsidiary company from current year)				
			Trilix Srl., Turin (Italy) [Note 14, page 77]	**11.94**		-	
					15,997.53		15,529.04
			Carried Forward		**16,346.57**		15,868.45

Schedules forming part of the Balance Sheet

(₹ in crores)

"6"[Item no. 6] (contd.)

INVESTMENTS (contd.)

Number		Face Value Per Unit		Description	As at March 31, 2011		As at March 31, 2010	
			I.	**Long Term Investments (at Cost)** (Contd.)				
				Brought forward		**16,346.57**		15,868.45
			(3)	**Fully Paid Ordinary / Equity Shares (Unquoted) in Others**				
-		-		Tata Precision Industries Pte. Ltd (Singapore) *(Subsidiary company from current year)*	**-**		3.11	
25,000		1,000		Tata International Ltd	**3.85**		3.85	
1,383		1,000		Tata Services Ltd	**0.14**		0.14	
350		900		The Associated Building Company Ltd	**0.01**		0.01	
1,03,10,242		100		Tata Industries Ltd (36,44,462 shares acquired during the year)	**183.19**		82.97	
1,35,000		100		Tata Projects Ltd	**4.68**		4.68	
16,000	(TK)	1,000		NITA Co. Ltd (Bangladesh)	**1.27**		1.27	
33,600		100		Kulkarni Engineering Associates Ltd	**0.67**		0.67	
9,00,00,000		10		Tata Cummins Ltd	**90.00**		90.00	
12,375		1,000		Tata Sons Ltd	**68.75**		68.75	
5,23,33,170		10		Tata AutoComp Systems Ltd	**77.47**		77.47	
2,25,00,001		10		Haldia Petrochemicals Ltd	**22.50**		22.50	
2,40,000		10		Oriental Floratech (India) Pvt. Ltd	**0.24**		0.24	
9,17,46,395		100		Fiat India Automobiles Ltd [Note 13, page 77] (2,00,00,000 shares acquired during the year)	**1,199.54**		999.54	
3,97,50,000		10		Telco Construction Equipment Company Ltd [Note 5, page 77]	**79.50**		79.50	
39,05,624		10		Tata Capital Ltd (39,05,624 shares acquired during the year)	**5.86**		-	
						1,737.67		1,434.70
			(4)	**Fully paid Cumulative Redeemable Preference Shares (Unquoted)**				
				(a) in Subsidiaries				
13,54,195		100		7% Concorde Motors (India) Ltd	**13.54**		13.54	
1,00,63,999	(USD)	100		6.25% TML Holdings Pte Ltd, (Singapore) [Note 15, page 77]	**4,487.03**		4,520.75	
13,63,624	(GBP)	1		6% Tata Motors European Technical Centre Plc, UK	**9.75**		9.28	
					4,510.32		4,543.57	
				(b) in Others				
1,00,000		1,000		7% Tata Sons Ltd	**10.00**		10.00	
2,10,00,000		10		8% Tata AutoComp Systems Ltd	**21.00**		21.00	
					31.00		31.00	
						4,541.32		4,574.57
			(5)	**Non Convertible Debentures (Unquoted)**				
5,000		3,000		8% Tata Projects Ltd (2,500 debentures redeemed during the year)		**1.50**		2.25
				Total - Trade Investments		**22,627.06**		21,879.97
			(B)	**Other Investments**				
			(1)	**Fully paid Equity Shares (Unquoted)**				
50,000		10		NICCO Jubilee Park Ltd		**0.05**		0.05
						22,627.11		21,880.02
				Less : Provision for Diminution in value of Long Term Investments		**108.73**		74.73
				Total - Long Term Investments		**22,518.38**		21,805.29

Schedules forming part of the Balance Sheet

(₹ in crores)

"6"[Item no. 6] (contd.)

INVESTMENTS (contd.)

Number	Face Value Per Unit			Description	As at March 31, 2011		As at March 31, 2010	
				Total - Long Term Investments (Brought forward)		**22,518.38**		21,805.29
		II.		**Current Investments - others (at Cost or Fair value whichever is lower)**				
			(A)	**Investments in Mutual Fund (Unquoted)**				
				Liquid/Liquid Plus Schemes				
2,50,00,000	10			SBI Debt Fund Series 90 Days - 38 Dividend	**25.00**		-	
1,50,00,000	10			Birla Sun Life Short Term FMP - Series 6 - Dividend Payout	**15.00**		-	
2,00,00,000	10			Tata Fixed Maturity Plan - Series 28 Scheme A - Dividend	**20.00**		-	
2,50,00,000	10			DSP Blackrock FMP - 3M Series 29 - Dividend Payout	**25.00**		-	
-	-			SBI Premier Liquid Fund - Super Institutional - Growth	**-**		100.00	
-	-			LIC MF Savings Plus Fund - Growth Option	**-**		100.02	
-	-			Tata Liquid Super High Investment Plan - Appreciation	**-**		100.00	
-	-			Reliance Liquid Fund - Treasury Plan-Institutional Plan - Growth	**-**		50.00	
-	-			Birla Sun Life Cash Plus - Institutional (Growth)	**-**		50.00	
-	-			IDFC Cash Fund-Super Institutional Plan - Plan C - Growth	**-**		50.00	
-	-			HDFC Cash Management Fund - Savings Plan - Growth	**-**		70.00	
						85.00		520.02
			(B)	**Investments in Equity shares (Quoted)**				
35,000	10			Elcot Power Control Ltd	**0.37**		0.37	
91,800	10			Munis Forge Ltd	**0.37**		0.37	
30,997	10			Roofit Industries Ltd	**0.19**		0.19	
-	-			Tata Steel Ltd	**-**		5.54	
						0.93		6.47
			(C)	**Investments in Government Securities (Quoted)**				
170	1,000			12.00% Uttar Pradesh 2011 Stock		**0.02**		0.02
			(D)	**Investments in Preference Shares (Unquoted)**				
1,00,000	100			15.50% Pennar Paterson Securities Ltd	**1.00**		1.00	
2,00,000	100			15.00% Atcom Technologies Ltd - Cumulative Preference Shares	**2.00**		2.00	
						3.00		3.00
						88.95		529.51
				Less : Provision for Diminution in value of Current Investments		**3.93**		3.93
				Total - Current Investments		**85.02**		525.58
		III.		Retained interest in securitisation transactions (Unquoted) (Long term)				
				- others		**0.81**		4.01
		IV.		**Advance against Investments**				
				Tata Motors (SA) (Proprietary) Ltd	**-**		0.02	
				Tata Motors Insurance Broking and Advisory Services Ltd	**-**		2.00	
				Concorde Motors (India) Ltd	**20.00**		-	
						20.00		2.02
				Total - Investments		**22,624.21**		22,336.90

Schedules forming part of the Balance Sheet

(₹ in crores)
"6"[Item no. 6] (contd.)

INVESTMENTS (contd.)

NOTES : (1) Face Value per unit is in Rupees unless stated otherwise

		As at March 31, 2011	As at March 31, 2010
(2)	Book Value of quoted investments	**349.06**	344.97
(3)	Book Value of unquoted investments	**22,275.15**	21,991.93
(4)	Market Value of quoted investments	**379.16**	345.53

(5) As per the shareholders agreement dated March 30, 2010, between Hitachi Construction Machinery Co. Ltd and the Company, these shares are under restriction for sale, assignment or transfer for a period of 3 years from the date of the agreement except under certain circumstances as provided in the said agreement.

(6) The Company has given a letter of comfort to Standard Chartered Bank, London for GBP 15 million (₹ 107.21 crores as on Mar 31, 2011) against loan extended by the bank to Tata Motors European Technical Centre Plc, UK (TMETC). Also the Company has given an undertaking to Standard Chartered Bank, London to retain 100% ownership of TMETC at all times during the tenor of the loan.

(7) The Company has given a letter of comfort of ₹ 120 crores to HDFC Bank against the short term and long term loans aggregating ₹ 235 crores given by HDFC Bank to Tata Marcopolo Motors Ltd (TMML). Also the Company has given an undertaking to HDFC Bank that it will not dilute its stake below 51% during the currency of the loan.

(8) The Company has given a letter of comfort to Citibank NA towards the short term and long term loans aggregating THB 705 million (₹ 103.89 crores as on March 31, 2011) given by Citibank NA to Tata Motors (Thailand) Ltd (TMTL). Further the Company has given an undertaking to Citibank NA for non-disposal of its shareholding in TMTL below 51% during the tenor of the loan.

(9) The Company has given a letter of comfort along with a letter of irrevocable undertaking to State Bank of India, Bank of Baroda and Bank of India totaling GBP 370 Million (₹ 2,644.42 crores as on Mar 31, 2011) against their guarantees to European Investment Bank for credit facilities availed by Land Rover.

(10) The Company has also given a Letter of Comfort to State Bank of India, Standard Chartered Bank and Bank of Baroda for GBP 175 Million (₹ 1,250.74 crores as on Mar 31, 2011), USD 40 million (₹ 178.36 crores as on Mar 31, 2011), GBP 70 million (₹ 500.29 crores as on Mar 31, 2011) respectively, for credit facilities given by them to Land Rover.

(11) The Company has given a letter of comfort to GE Commercial Distribution Finance Europe Ltd upto GBP 170 million (₹ 1,215.00 crores as on Mar 31, 2011) for revolving syndicated loan facility to Jaguar Cars Ltd and Land Rover. Also the Company has given an undertaking to GE Commercial Distribution Finance Europe Ltd to retain ultimate 100% ownership of Jaguar Cars Ltd and Land Rover at all times during the tenor of the loan.

(12) The Company has given a letter of comfort to Citibank NA against working capital loans extended by the bank to Tata Hispano Motors Carrocera, S.A. aggregating Euro 15 million (₹ 95.17 crores as on March 31, 2011). The Company has also given a letter of comfort to Banco de Valencia against bill discounting facility extended by the bank to Tata Hispano Motors Carrocera, S.A. aggregating Euro 2 million (₹ 12.69 crores as on March 31, 2011). The Company has also given an undertaking to Citibank NA for non-disposal of its shareholding in Hispano Carrocera, S.A. during the tenor of the loan.

(13) The Company has given letter of comfort to certain banks and other lenders against credit facilities extended to Fiat India Automobiles Ltd for ₹ 1,600 crores and Euro 130 million (₹ 824.78 crores as on March 31, 2011). The Letter of Comfort is restricted to 50% of the value of credit facilities extended i.e. ₹ 1,212.39 crores.

(14) Trilix Srl., Turin (Italy) is a limited liability company. The Company has acquired 80% of ownership of Trilix Srl., Turin (Italy) during the year.

(15) During the year 2009-2010, TML Holdings Pte Ltd, Singapore, a wholly owned subsidiary of the Company, has redeemed preference shares of the face value of USD 195.1 million at a discount of USD 189.2 million. Consequent to the redemption, the Company has recognized a loss of ₹ 850.86 crores.

(16) Trade Investments also include :

Number	Face Value Per Unit ₹	Description	₹	₹
5,000	10	Metal Scrap Trade Corporation Ltd	**25,000**	25,000
50	5	Jamshedpur Co-operative Stores Ltd	**250**	250
16,56,517	1(M$)	Tatab Industries Sdn. Bhd. Malaysia	**1**	1
-	-	American Express Services Ltd	**-**	1
4	25,000	ICICI Money Multiplier Bond	**1**	1
100	10	Optel Telecommunications	**1,995**	1,995
200	10	Punjab Chemicals	**1**	1

Schedule forming part of the Balance Sheet

(₹ in crores)

"6"[Item no. 6] (contd.)

INVESTMENTS (at cost) (contd.)

(17) Current Investments acquired and sold during the year :

Name	No. of Units	Face value per unit	Purchase Cost
Axis Liquid Fund - IP - Daily Dividend	13,49,908	1,000	135.00
Birla Sun Life Cash Manager - IP - Daily Dividend	9,49,82,456	10	95.01
Birla Sun Life Cash Plus - Institutional Premium Plan - Weekly Dividend	20,94,36,616	10	210.00
Birla Sun Life Cash Plus - Institutional Premium Plan - Daily Dividend	147,21,91,124	10	1,475.06
Birla Sun Life Floating Rate Fund - LTP - IP - Weekly Dividend	4,99,94,938	10	50.01
Birla Sun Life Savings Fund - IP - Growth	5,71,87,003	10	100.04
Birla Sun Life Savings Fund - IP - Daily Dividend	3,49,79,599	10	35.00
Birla Sun Life Ultra Short Term Fund - IP - Daily Dividend	9,49,68,007	10	95.02
Birla Sun Life Cash Plus - Institutional Premium Plan - Growth	3,39,28,438	10	50.00
Canara Robeco Liquid - Super IP - Daily Dividend	5,46,99,155	10	55.00
DSP BlackRock Liquidity Fund - IP - Daily Dividend	69,97,788	1,000	700.00
DSP BlackRock Liquidity Fund - IP - Weekly Dividend	24,47,479	1,000	245.00
DSP BlackRock Liquidity Fund - IP - Growth	12,89,999	1,000	170.00
DWS Insta Cash Plus Fund - Super IP - Growth	5,85,73,975	10	70.00
DWS Insta Cash Plus Fund - IP - Daily Dividend	9,47,12,075	10	95.00
DWS Insta Cash Plus Fund - Super IP - Daily Dividend	187,39,13,117	10	1,880.00
DWS Insta Cash Plus Fund - Super IP - Weekly Dividend	19,48,24,606	10	195.08
HDFC Cash Management Fund - Savings Plan - Daily Dividend	37,13,66,252	10	395.00
HDFC Cash Management Fund - Savings Plan - Weekly Dividend	8,94,18,439	10	95.08
HDFC Liquid Fund - Premium Plan - Weekly Dividend	5,00,00,000	10	50.00
HDFC Liquid Fund - Premium Plan - Daily Dividend	32,79,00,945	10	402.00
IDFC Cash Fund - Plan C - Super IP - Growth	4,46,31,301	10	50.00
IDFC Cash Fund - Plan C - Super IP - Daily Dividend	26,49,33,767	10	265.00
JM High Liquidity - Super IP - Daily Dividend	60,40,03,394	10	605.00
JP Morgan India Liquid Fund - Super IP - Daily Dividend	209,03,48,625	10	2,092.00
JP Morgan India Liquid Fund - Super IP - Weekly Dividend Reinvested	60,97,18,898	10	611.00
JP Morgan India Treasury Fund - Super IP - Daily Dividend	28,50,96,843	10	285.35
Kotak Floater - ST - Weekly Dividend	6,96,13,050	10	70.14
Kotak Floater - ST - Weekly Dividend	4,96,89,441	10	50.00
Kotak Floater - ST - Daily Dividend	156,18,51,288	10	1,580.00
Kotak Floater - ST - Growth	3,43,09,092	10	55.00
Kotak Floater - ST - Weekly Dividend	10,95,34,394	10	110.20
Kotak Liquid - Institutional Premium Plan - Daily Dividend	217,61,85,583	10	2,661.06
Kotak Liquid - Institutional Premium Plan - Growth	6,42,59,552	10	120.00
Kotak Liquid - Institutional Premium Plan - Weekly Dividend	19,43,86,701	10	195.64
Kotak Flexi Debt Fund - IP - Weekly Dividend	9,32,78,455	10	95.01
Kotak Floater - LT - Daily Dividend	18,85,24,561	10	190.03
LIC MF Income Plus Fund - Daily Dividend	5,50,04,684	10	55.00
LIC MF Liquid Fund - Daily Dividend	57,46,76,005	10	631.00
Principal Cash Management Fund - Daily Dividend	4,99,96,500	10	50.00
ICICI Prudential Flexible Income Plan - Premium - Growth	40,83,806	100	70.01
ICICI Prudential Liquid - Super IP - Daily Dividend	16,49,62,949	100	1,650.00
ICICI Prudential Liquid - Super IP - Growth	51,40,308	100	70.00
ICICI Prudential Liquid - Super IP - Weekly Dividend	1,14,91,358	100	115.05
ICICI Prudential FRF - Plan D - Daily Dividend	49,98,850	100	50.00
ICICI Prudential Ultra Short Term Plan - SP - Daily Dividend	9,48,10,391	10	95.01
ICICI Prudential Ultra Short Term Plan - SP - Weekly Dividend	9,48,21,332	10	95.23
Reliance Liquid Fund - TP - IP - Daily Dividend	58,23,70,516	10	890.29
Reliance Liquidity Fund - Weekly Dividend	6,49,51,537	10	65.00
Reliance Liquidity Fund - Daily Dividend	148,42,43,036	10	1,485.00
Reliance Medium Term Fund - Weekly Dividend	5,56,46,453	10	95.21
Reliance Money Manager Fund - IP - Daily Dividend	9,48,795	1,000	95.01
Reliance Liquid Fund - TP - IP - Growth	4,45,03,090	10	100.00
Reliance Liquid Fund - TP - IP - Weekly Dividend	6,85,79,360	10	105.03
Religare Liquid Fund - Super IP - Daily Dividend	2,05,83,942	100	80.00
SBI Magnum Insta Cash - Dividend Plan	10,20,42,710	10	110.00
SBI Magnum Insta Cash - Daily Dividend	41,49,17,942	10	695.00
SBI Magnum Insta Cash - Dividend Plan	18,09,48,728	10	195.06
SBI Premier Liquid Fund - Super IP - Daily Dividend	75,95,31,523	10	762.00
SBI Premier Liquid Fund - Super IP - Weekly Dividend	11,79,60,234	10	125.00
SBI Premier Liquid Fund - Super IP - Growth	6,90,70,791	10	100.00
Sundaram Money Fund - Super IP - Daily Dividend	18,32,53,593	10	185.00
Sundaram Money Fund - Super IP - Weekly Dividend	8,38,27,619	10	90.00
Tata Liquid Fund - SHIP - Daily Dividend	2,33,10,483	1,000	2,598.00
Tata Liquid Fund - SHIP - Growth	2,94,121	1,000	50.00
Tata Liquid Fund - SHIP - Weekly Dividend	25,49,655	1,000	293.42
Templeton India TMA - Super IP - Daily Dividend	2,07,86,011	1,000	2,080.00
Templeton India TMA - Super IP - Weekly Dividend	9,30,016	1,000	95.00
Templeton India TMA - Super IP - Weekly Dividend	82,81,899	1,000	845.78
Templeton India Ultra Short Bond Fund - Super IP - Weekly Dividend	9,41,10,671	10	95.01
UTI Liquid Fund - Cash Plan - IP - Growth	9,68,967	1,000	100.00
UTI Liquid Fund - Cash Plan - IP - Daily Dividend	54,44,135	1,000	555.00
UTI Money Market Fund- Daily Dividend	10,46,457	1,000	105.00
UTI Money Market Fund- Weekly Dividend	9,47,863	1,000	95.11

Schedules forming part of the Balance Sheet

(₹ in crores)

"7" [Item no. 8 (b)]

	As at March 31, 2011	As at March 31, 2010
INVENTORIES		
(as valued and certified by the Management)		
(a) Stores and spare parts (at or below cost)	**117.65**	95.76
(b) Consumable tools (at cost)	**17.75**	13.01
(c) Raw materials and components	**1,487.94**	887.25
(d) Work-in-progress	**423.80**	342.92
(e) Stock-in-trade	**1,662.87**	1,389.53
(f) Goods-in-transit (at cost)	**181.38**	207.12
	3,891.39	2,935.59

Note : Items (c), (d) and (e) above are valued at lower of cost and net realisable value.

"8" [Item no. 8(c)]

	As at March 31, 2011	As at March 31, 2010
SUNDRY DEBTORS		
(a) Over six months : (unsecured)		
Considered good	**501.37**	62.48
Considered doubtful	**135.66**	94.56
	637.03	157.04
(b) Others (unsecured)		
Considered good	**2,101.51**	2,329.44
	2,738.54	2,486.48
Less : Provision for doubtful debts	**135.66**	94.56
	2,602.88	2,391.92

"9" [Item no. 8(d)]

	As at March 31, 2011	As at March 31, 2010
CASH AND BANK BALANCES		
(a) Cash on hand	**3.22**	7.90
(b) Current Accounts with Scheduled Banks #	**635.57**	604.26
(c) Deposits with Scheduled Banks *	**1,336.06**	531.40
(d) Margin Money / Cash Collateral with Scheduled Banks	**454.07**	609.70
	2,428.92	1,753.26
# Includes :		
- In foreign currencies	**34.17**	55.22
- Cheques on hand	**173.23**	186.66
- Remittances in transit	**318.55**	239.34
* Includes unutilised proceeds from Qualified Institutional Placement issue	**505.00**	-

Schedules forming part of the Balance Sheet

"10" [Item no. 8(e)]

(₹ in crores)

		As at March 31, 2011	As at March 31, 2010
LOANS AND ADVANCES			
(A) Secured			
Vehicle loans [Note 1, page 81 and [Note (A) 4, page 88]]*			
Considered good	**246.91**		613.32
Considered doubtful	**291.48**		304.35
	538.39		917.67
Less: Provision for doubtful loans #	**291.48**		304.35
		246.91	613.32
* Includes ₹ **257.07 crores** (as at March 31, 2010 ₹ 350.98 crores) on account of overdue Securitised Receivables			
# Includes ₹ **154.57 crores** (as at March 31, 2010 ₹ 185.88 crores) towards Securitised Receivables			
(B) Unsecured - considered good			
(a) Claims / incentives recoverable, advances / loans to suppliers, contractors, employees and others, rent deposits and other amount due (Notes 2 and 3, page 81)		**1,843.58**	1,345.29
(b) Dues from subsidiary companies [Note 4, page 81]		**109.23**	106.56
(c) Loans and inter-corporate deposits [net of provision of ₹ **25.17 crores** (as at March 31, 2010 ₹ 33.19 crores)] [Note 5, page 81]		**735.13**	581.01
(d) Deposits with government, public bodies and others :			
(i) Balances with Customs, Port Trust, Excise, etc.	**298.58**		152.49
(ii) Others [net of provision of ₹ **0.10 crore** (as at March 31, 2010 ₹ 0.10 crore)] [Note 6, page 81]	**98.64**		177.99
		397.22	330.48
(e) Prepaid expenses		**65.08**	135.94
(f) Income tax refundable (net of provision) [Note 7, page 81]		**1,770.19**	1,313.13
		4,920.43	3,812.41
		5,167.34	4,425.73

Schedules forming part of the Balance Sheet

(₹ in crores)

"10" [Item no. 8(e)] (contd.)

			As at March 31, 2011	As at March 31, 2010
LOANS AND ADVANCES (contd.)				
Notes:	(1)	Loans are secured against hypothecation of vehicles.		
	(2)	Include :		
		Loans and advances due from Directors and Officers	**0.10**	0.10
		Maximum during the year	**0.10**	0.11
	(3)	Net of advances considered doubtful which have been provided for	**61.14**	63.44
	(4)	Dues from subsidiary companies :		
		(i) HV Axles Ltd	**2.34**	9.51
		(ii) HV Transmissions Ltd	**4.22**	9.88
		(iii) Tata Daewoo Commercial Vehicle Company Ltd	**1.00**	-
		(iv) Tata Marcopolo Motors Ltd	**59.86**	57.62
		(v) Tata Motors (Thailand) Ltd	**15.28**	8.86
		(vi) TML Distribution Company Ltd	**8.96**	4.10
		(vi) TML Holdings Pte. Ltd, Singapore	**2.13**	2.15
		(viii) TAL Manufacturing Solutions Ltd	**0.27**	1.20
		(ix) Tata Hispano Motors Carrocera S.A.	**15.17**	13.24
			109.23	106.56
	(5)	Includes given to subsidiaries :		
		(i) Tata Hispano Motors Carrocera S.A.	**236.27**	147.73
		(ii) Tata Motors (Thailand) Ltd	**138.04**	60.68
		(iii) Tata Motors European Technical Centre Plc, UK	**48.51**	32.59
		(iv) Tata Motors (SA) (Proprietary) Ltd	**6.41**	-
		(v) Tata Motors Insurance Broking and Advisory Services Ltd	**0.70**	-
		(vi) Concorde Motors (India) Ltd	**-**	31.00
		(vii) Tata Marcopolo Motors Ltd	**5.00**	10.00
		(viii) TAL Manufacturing Solutions Ltd	**12.00**	5.50
			446.93	287.50
	(6)	Includes Deposits given as collateral security to subsidiary :		
		- Tata Motors Finance Ltd	**-**	20.00
	(7)	Includes MAT credit entitlement	**1,158.16**	731.80

Schedules forming part of the Balance Sheet

"11" [Item no. 9(a)]

(₹ in crores)

			As at March 31, 2011	As at March 31, 2010
CURRENT LIABILITIES				
(a)	Acceptances		**4,864.17**	6,428.09
(b)	Sundry creditors			
	(i) Micro, Small and Medium Enterprises [Note 8, page 94]		**254.41**	233.70
	(ii) Others*		**5,228.63**	5,162.90
(c)	Advance and progress payments		**596.70**	826.40
(d)	Liability towards premium on redemption of Non-convertible Debentures [Note (A) 2(ii), page 87]		**1,673.83**	1,745.79
(e)	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due			
	(i) Unpaid dividends	**12.55**		10.82
	(ii) Application money pending refund **Rs. Nil** (as at March 31, 2010 ₹ 1,140)	**-**		-
	(iii) Unclaimed matured deposits	**9.66**		23.13
	(iv) Unclaimed matured debentures	**0.21**		0.25
	(v) Unclaimed interest on deposits and debentures	**0.92**		0.38
			23.34	34.58
(f)	Interest / commitment charges accrued on loans but not due		**391.45**	177.70
			13,032.53	14,609.16
*	Includes payable to subsidiary companies :			
	Concorde Motors (India) Ltd		**-**	5.13
	Sheba Properties Ltd		**0.52**	-
	TAL Manufacturing Solutions Ltd		**37.45**	15.96
	Tata Motors European Technical Centre Plc		**10.35**	24.21
	Tata Motors Finance Ltd		**62.05**	34.14
	Tata Technologies Ltd		**21.05**	9.99
	Jaguar Cars Ltd		**14.32**	3.22
	Land Rover		**24.51**	4.51
	Trilix Srl.		**2.30**	-
	Tata Daewoo Commercial Vehicle Co. Ltd		**-**	9.38

"12" [Item no. 9(b)]

		As at March 31, 2011	As at March 31, 2010
PROVISIONS			
(a)	Proposed dividend	**1,274.23**	859.05
(b)	Provision for tax on dividend	**192.80**	132.89
(c)	Provision for Taxation (net of payments)	**160.42**	199.82
(d)	Provision for retirement and other employee benefit schemes [Note B (5), page 96]	**385.96**	329.89
(e)	Provision for Warranty [Note B (6)(a), page 97]	**398.25**	248.63
(f)	Provision for premium on redemption of Foreign Currency Convertible Notes (FCCN) and Convertible Alternative Reference Securities (CARS) [Note B (6)(b), page 97]	**801.09**	993.15
(g)	Other Provisions	**9.96**	-
		3,222.71	2,763.43

Schedules forming part of the Balance Sheet and Profit and Loss Account

Significant Accounting Policies

(a) Basis of preparation

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions thereof.

(b) Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

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

(c) Sales

The Company recognises revenue on the sale of products, net of discounts, when the products are delivered to the dealer / customer or when delivered to the carrier for export sales, which is when risks and rewards of ownership pass to the dealer / customer.

Sales include income from services, transfer of technology relating to automotive products and exchange fluctuations relating to export receivables. Sales include export and other recurring and non-recurring incentives from the Government at the national and state levels. Sale of products is presented gross of excise duty where applicable, and net of other indirect taxes.

Revenues are recognised when collectibility of the resulting receivables is reasonably assured.

Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exits.

Interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

(d) Depreciation and Amortisation

(i) Depreciation is provided on straight line method (SLM), at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except in the case of :

- Leasehold Land – amortised over the period of the lease
- Technical Know-how – at 16.67% (SLM)
- Laptops – at 23.75% (SLM)
- Cars – at 23.75% (SLM)
- Assets acquired prior to April 1, 1975 – on Written Down Value basis at rates specified in Schedule XIV to the Companies Act, 1956.
- Software in excess of Rs. 25,000 is amortised over a period of sixty months or on the basis of estimated useful life whichever is lower.
- Assets taken on lease are amortised over the period of lease.

(ii) Product development cost are amortised over a period of 36 months to 120 months or on the basis of actual production to planned production volume over such period.

(iii) In respect of assets whose useful life has been revised, the unamortised depreciable amount has been charged over the revised remaining useful life

(iv) Depreciation is not recorded on capital work-in-progress until construction and installation are complete and asset is ready for its intended use. Capital-work-in-progress includes capital advances.

(e) Fixed Assets

(i) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortization.

(ii) The product development cost incurred on new vehicle platform, engines, transmission and new products are recognised as fixed assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future benefits.

(iii) Cost includes purchase price, taxes and duties, labour cost and directly attributable costs for self constructed assets and other direct costs incurred upto the date the asset is ready for its intended use. Borrowing cost incurred for qualifying assets is capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. The cost of acquisition is further adjusted for exchange differences relating to long term foreign currency borrowings attributable to the acquisition of depreciable asset w.e.f. April 1, 2007.

(iv) Software not exceeding Rs. 25,000 and product development costs relating to minor product enhancements, facelifts and upgrades are charged off to the Profit and Loss Account as and when incurred.

(f) Impairment

At each balance sheet date, the Company assesses whether there is any indication that the fixed assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

As per the assessment conducted by the Company at March 31, 2011, there were no indications that the fixed assets have suffered an impairment loss.

Significant Accounting Policies - (contd.)

(g) Leases

(i) Finance Lease

Assets acquired under finance leases are recognised at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability. Assets given under finance leases are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

(ii) Operating Lease

Leases other than finance lease, are operating leases, and the leased assets are not recognised on the Company's balance sheet. Payments under operating leases are recognised in statement of operations on a straight-line basis over the term of the lease.

(h) Transactions in Foreign Currencies and Accounting of Derivatives

(i) Exchange differences

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates.

(1) Exchange differences arising on settlement of transactions and translation of monetary items other than those covered by (2) below are recognized as income or expense in the year in which they arise. Exchange differences considered as borrowing cost are capitalized to the extent these relate to the acquisition / construction of qualifying assets and the balance amount is recognized in the Profit and Loss account.

(2) Exchange differences relating to long term foreign currency monetary assets / liabilities are accounted for with effect from April 1, 2007 in the following manner:

- Differences relating to borrowings attributable to the acquisition of the depreciable capital asset are added to / deducted from the cost of such capital assets.
- Other differences are accumulated in Foreign Currency Monetary Item Translation Difference Account, to be amortized over the period, beginning April 1, 2007 or date of inception of such item, as applicable, and ending on March 31, 2011 or the date of its maturity, whichever is earlier.

(ii) Hedge Accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. With effect from April 1, 2008, the Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in Accounting Standard 30- Financial Instruments: Recognition and Measurement.

These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognized directly in Hedging Reserve Account under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Profit and Loss Account.

Amounts accumulated in Hedging Reserve Account are reclassified to profit and loss in the same periods during which the forecasted transaction affects profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Hedging Reserve Account is retained there until the forecasted transaction occurs.

If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Hedging Reserve Account is immediately transferred to the Profit and Loss Account.

(iii) Premium or discount on forward contracts other than those covered in (ii) above is amortised over the life of such contracts and is recognised as income or expense. Foreign currency options and other derivatives are stated at fair value as at the year end with changes in fair value recognized in the Profit and Loss Account.

(i) Product Warranty Expenses

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years.

(j) Income on Vehicle Loan / Hire-Purchase Income / Finance Income from Lease

Interest income from hire purchase and loan contracts and finance income in respect of vehicles are accounted for by using the Internal Rate of Return method. Consequently, a constant rate of return on the net outstanding amount is accrued over the period of contract. The Company provides an allowance for hire purchase and loan receivables that are in arrears for more than 11 months, to the extent of an amount equivalent to the outstanding principal and amounts due but unpaid, considering probable inherent loss including estimated realisation based on past performance trends. In respect of loan contracts that are in arrears for more than 6 months but not more than 11 months, allowance is provided to the extent of 10% of the outstanding and amount due but unpaid.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials and consumables are ascertained on a moving weighted average / monthly moving weighted average basis. Cost, including variable and fixed overheads, are allocated to work-in-progress and stock-in-trade determined on full absorption cost basis. Net realisable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

Significant Accounting Policies - (contd.)

(l) Employee Benefits

(i) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established as trust. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation.

(ii) Superannuation

The Company has two superannuation plans, a defined benefit plan and a defined contribution plan. An eligible employee on April 1, 1996 could elect to be a member of either plan.

Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range from 0.75% to 2% of the annual basic salary for each year of service. The Company accounts for the liability for superannuation benefits payable in future under the plan based on an independent actuarial valuation.

With effect from April 1, 2003, this plan was amended and benefits earned by covered employees have been protected as at March 31, 2003. Employees covered by this plan are prospectively entitled to benefits computed on a basis that ensures that the annual cost of providing the pension benefits would not exceed 15% of salary.

The Company maintains a separate irrevocable trust for employees covered and entitled to benefits. The Company contributes up to 15% of the eligible employees' salary to the trust every year. The Company recognizes such contributions as an expense when incurred. The Company has no further obligation beyond this contribution.

(iii) Bhavishya Kalyan Yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan. The benefits of the plan include pension in certain case, payable upto the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the Company's Medical Board. The monthly payment to dependents of the deceased / disabled employee under the plan equals 50% of the salary drawn at the time of death or accident or a specified amount, whichever is higher. The Company accounts for the liability for BKY benefits payable in future based on an independent actuarial valuation.

(iv) Post-retirement Medicare Scheme

Under this scheme, employees get medical benefits subject to certain limits of amount, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The liability for post-retirement medical scheme is based on an independent actuarial valuation.

(v) Provident fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to the provident fund and pension fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

(vi) Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation.

(m) Investments

Long term investments are stated at cost less other than temporary diminution in value, if any. Current investments are stated at lower of cost and fair value. Fair value of investments in mutual funds are determined on a portfolio basis.

(n) Income Tax Expenses

Income tax expenses comprises current and deferred taxes.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax is net of credit for entitlement for Minimum Alternative tax.

Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

(o) Redemption premium / discount on Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS) / Non Convertible Debentures (NCD)

Premium payable on redemption of FCCN / CARS / NCD as per the terms of issue, is provided fully in the year of issue by adjusting against the Securities Premium Account (SPA). Any change in the premium payable, consequent to conversion or exchange fluctuations is adjusted to the SPA. Discount on redemption of FCCN, if any, will be recognised on redemption.

(p) Business Segments

The Company is engaged mainly in the business of automobile products consisting of all types of commercial and passenger vehicles including financing of the vehicles sold by the Company. These, in the context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standards) Rules, 2006, are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. Geographical Segment.

Schedules forming part of the Balance Sheet and Profit and Loss Account

"13" [Item no. 13]

(A) Notes to Balance Sheet

1 I. The Issued and subscribed capital includes :

(a) Ordinary Shares allotted as fully paid up shares for consideration other than cash:

- 7,53,470 Ordinary Shares allotted to Daimler – Benz AG in consideration of materials supplied to the Company in the financial year 1956-57,
- 3,00,000 Ordinary Shares allotted to the Shareholders of erstwhile Investa Machine Tools and Engineering Company Limited in terms of the Scheme of Amalgamation sanctioned by the Bombay High Court in the financial year 1966-67,
- 7,59,510 Ordinary Shares allotted to the Shareholders of the erstwhile Central Bank of India in terms of the Scheme of Amalgamation in the financial year 1970-71,
- 1,83,823 Ordinary Shares issued to the Shareholders of the erstwhile Noduron Founders Maharashtra Limited in terms of the merger in the financial year 1992-93,
- 15,24,30,083 Ordinary Shares issued to Financial Institutions and holders of convertible debentures / bonds on conversion of term loans / debentures / bonds,
- 1,45,04,949 Ordinary Shares issued to the Shareholders of the erstwhile Tata Finance Limited in terms of the merger in the financial year 2005-06.

(b) 11,12,92,760 Ordinary Shares issued as fully paid up Bonus Shares by utilising Securities Premium Account, Capital Reserve, Capital Redemption Reserve, Amalgamation Reserve, contribution for Capital Expenditure Account and General Reserve.

(c) 2,55,02,678 (as at March 31, 2010 2,55,02,622) Ordinary Shares allotted against the exercise of equivalent number of warrants pertaining to the rights issue of 2001 at Rs.120/- per share.

(d) 7,60,78,654 (as at March 31, 2010 5,25,08,228) Ordinary Shares issued upon conversions of Foreign Currency Convertible Notes (FCCNs). Details are as follows:

(i) 1% FCCN due 2008 :

1,83,98,095 (as at March 31, 2010 : 1,83,98,095) Ordinary Shares issued against 99,940 (as at March 31, 2010 : 99,940) Notes.

(ii) 0% FCCN due 2009 :

74,66,867 (as at March 31, 2010 : 74,66,867) Ordinary Shares issued against 97,590 (as at March 31, 2010 : 97,590) Notes.

(iii) 1% FCCN due 2011 :

2,29,50,915 (as at March 31, 2010 : 1,88,16,152) Ordinary Shares issued against 2,99,102 (as at March 31, 2010 : 2,29,634) Notes.

(iv) 0% FCCN due 2011

78,39,043 (as at March 31, 2010 : 78,27,114) Ordinary Shares issued against 1,074 (as at March 31, 2010 : 1,071) Notes.

(v) 4% FCCN due 2014 :

1,94,23,734 (as at March 31, 2010 : Nil) Ordinary Shares issued against 2,576 (as at March 31, 2010 : Nil) Notes.

(e) 6,42,77,215 (as at March 31, 2010 : 6,42,76,883) Ordinary Shares at ₹ 340 per share and 6,42,77,215 (as at March 31, 2010 : 6,42,76,883) 'A' Ordinary Shares at ₹ 305 per share were allotted on exercising of options pertaining to Rights issue of 2008.

(f) 2,99,04,306 Global Depository Shares (GDS) each representing one share at a price of US$ 12.54 per GDS, aggregating US$ 375 million (₹ 1794.19 crores), issued in the year 2009-2010.

(g) During the year, the Company has issued 8,320,300 Ordinary Shares at a price of ₹ 1,074 per Ordinary Share and 32,165,000 'A' Ordinary Shares at a price of ₹ 764 per 'A' Ordinary Share through Qualified Institutional Placement (QIP).

II. The entitlements to 99,310 (as at March 31, 2010 : 1,49,534) Ordinary Shares and 54,832 (as at March 31, 2010: 99,790) 'A' Ordinary Shares are subject matter of various suits filed in the courts / forums by third parties for which final order is awaited and hence kept in abeyance.

The application for 49,836 Ordinary Shares and 44,626 'A' Ordinary Shares have been received, to be issued out of shares kept in abeyance as on March 31, 2011, for which allotment is pending.

2 Secured Loans :

(i) Nature of Security (on loans including interest accrued thereon) :

(a) Rated, Listed, Secured, Credit Enhanced, 2% Coupon, Premium Redemption Non-Convertible Debentures amounting to ₹ 3,400 crores are secured by a second charge in favour of Vijaya Bank , Debenture Trustee and first ranking parri passu charge in favour of State Bank of India as Security trustee on behalf of the Guarantors, by way of English mortgage of the Company's lands, freehold and leasehold, together with all buildings, constructions and immovable and movable properties situated at Chinchwad, Pimpri, Chikhali and Maval in Pune District and plant and machinery and other movable assets situated at Pantnagar in the State of Uttarakhand and at Jamshedpur in the state of Jharkhand.

"13"[Item no 13] (contd.)

(A) Notes to Balance Sheet (contd.)

(b) Rated, Listed, Secured, 9.95% Coupon, Non-Convertible Debentures amounting to ₹ 200 crores is being secured by first ranking charge by way of an English mortgage of the Company's freehold land together with immovable properties, plant and machinery and other movable assets (excluding stock and book debts) situated at Sanand in the State of Gujarat.

(c) Rated, Listed, Secured, 10.25% Coupon, Non-Convertible Debentures amounting to ₹ 500 crores is being secured by first ranking charge by way of an English mortgage of the Company's freehold land together with immovable properties, plant and machinery and other movable assets (excluding stock and book debts) situated at Sanand in the State of Gujarat.

(d) Loans, Cash Credits, Overdrafts and Buyers line of credit from Banks are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from Hire Purchase / Leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

(ii) Schedule of repayment and redemption for Non-Convertible Debentures :

(₹ in crores)

Non Convertible Debentures (NCD's)	Redeemable on	Principal	Premium	Total
(a) Secured :				
2% Non-Convertible Debentures (2013)	March 31, 2013	350.00	96.55	446.55
2% Non-Convertible Debentures (2014)	March 31, 2014	1,800.00	658.05	2,458.05
2% Non-Convertible Debentures (2016)	March 31, 2016	1,250.00	919.23	2,169.23
9.95% Non-Convertible Debentures (2020)	March 2, 2020	200.00	-	200.00
10.25% Non-Convertible Debentures (2022) #	April 30, 2022	100.00	-	100.00
10.25% Non-Convertible Debentures (2023) #	April 30, 2023	100.00	-	100.00
10.25% Non-Convertible Debentures (2024) #	April 30, 2024	150.00	-	150.00
10.25% Non-Convertible Debentures (2025) #	April 30, 2025	150.00	-	150.00
# The Company has a call option to redeem, either in part or full, at the end of 8th year from the date of allotment i.e. April 30, 2018.				
(b) Unsecured :				
9.90% Non-Convertible Debentures (2020)	May 7, 2020	150.00	-	150.00
9.75% Non-Convertible Debentures (2020)	May 24, 2020	100.00	-	100.00
9.70% Non-Convertible Debentures (2020)	June 18, 2020	150.00	-	150.00

(iii) The Buyers line of credit from Banks is repayable within a maximum period of three years from the drawdown dates. All the repayments are due from 2011-12 to 2013-14.

(₹ in crores)

3 (a) **Major components of deferred tax arising on account of timing differences are [Item 3, Page 62]:**

	As at March 31, 2011	As at March 31, 2010
Liabilities:		
Depreciation	**(1,176.14)**	(980.72)
Product Development Cost	**(1,530.73)**	(1,317.78)
Others	**(1.29)**	(1.64)
	(2,708.16)	(2,300.14)
Assets:		
Employee Benefits / Expenses allowable on payment basis	**92.54**	76.12
Provision for Doubtful Debts	**157.69**	147.48
Premium on Redemption of CARS (including exchange fluctuation on premium)	**111.13**	251.11
Unabsorbed Depreciation and Business Losses	**281.83**	286.48
Others	**41.81**	30.31
	685.00	791.50
Net Deferred Tax Liability	**(2,023.16)**	(1,508.64)

(b) **Deferred Tax charge for the year**

	2010-2011	2009-2010
Opening Deferred Tax Liability	**1,508.64**	865.81
Debited / (Credited) to securities premium account	**138.22**	8.31
Debited / (Credited) to hedging reserve account	**-**	45.06
	1,646.86	919.18
Less : Closing Deferred Tax Liability	**2,023.16**	1,508.64
Deferred Tax charge for the year	**376.30**	589.46

(c) **Tax expense [Item 10, Page 63] :**

	2010-2011	2009-2010
(i) Current Tax (net of credit for Minimum Alternate Tax)	**8.40**	-
(ii) Deferred Tax	**376.30**	589.46
	384.70	589.46

Schedules forming part of the Balance Sheet and Profit and Loss Account

"13" [Item no. 13] (contd.) **(₹ in crores)**

(A) Notes to Balance Sheet (contd.)

4. Future instalments receivable in respect of vehicle loans [Schedule 10 (A), page 80] includes ₹ **452.13 crores** (as at March 31, 2010 ₹ 595.71 crores) in respect of instalments that have become due but have not been recovered. Out of these ₹ **337.85 crores** (as at March 31, 2010 ₹ 351.50 crores) are due for over six months. There is an aggregate provision of ₹ **245.77 crores** (as at March 31, 2010 ₹ 269.29 crores) made in respect of overdue instalments.

	As at March 31, 2011	As at March 31, 2010
5. I **Disclosure in respect of finance leases :**		
Assets taken on Lease :		
(a) (i) Total of minimum lease payments	**18.24**	25.87
Total of minimum lease payments for a period :		
Not later than one year	**6.85**	13.70
Later than one year and not later than five years	**11.39**	12.17
(ii) Present value of the minimum lease payments payable	**16.70**	24.11
Present Value of the minimum lease payments payable :		
Not later than one year	**6.21**	12.63
Later than one year and not later than five years	**10.49**	11.48
(b) A general description of significant leasing arrangements -		
The Company has entered into Finance lease arrangements for computers and data processing equipments from a vendor.		
II **Disclosure in respect of operating leases :**		
Assets given on Lease :		
(a) Total of minimum lease payments receivable	**59.18**	65.35
The total of minimum lease payments receivable for a period:		
Not later than one year	**3.81**	3.86
Later than one year and not later than five years	**15.23**	15.46
Later than five years	**40.14**	46.03
(b) Gross block	**75.78**	74.54
Accumulated depreciation	**10.43**	6.89
Depreciation for the year ₹ **3.63 crores** (2009-2010 ₹ 3.52 crores)		
(c) A general description of significant leasing arrangements -		
The Company has entered into Operating lease arrangements for buildings and plant & machinery.		

(A) Notes to Balance Sheet (contd.) **"13" [Item no. 13]** (contd.)

6 i) Related party disclosures for the year ended March 31, 2011

a) Related Party and their relationship

1. Subsidiaries :

Tata Technologies Ltd
TAL Manufacturing Solutions Ltd
H V Axles Ltd
H V Transmissions Ltd
Sheba Properties Ltd
Concorde Motors (India) Ltd
Tata Daewoo Commercial Vehicle Co. Ltd
Tata Motors Insurance Broking & Advisory Services Ltd
Tata Motors European Technical Centre Plc
Tata Motors Finance Ltd
Tata Marcopolo Motors Ltd
Tata Motors (Thailand) Ltd
Tata Motors (SA) (Proprietary) Ltd
TML Holdings Pte. Ltd, Singapore
TML Distribution Company Ltd
Tata Hispano Motors Carrocera S.A.
Trilix S.r.l *(w.e.f September 29, 2010)*
Tata Precision Industries Pte. Ltd
(w.e.f February 15, 2011)
JaguarLandRover Ltd
Jaguar Cars Overseas Holdings Ltd
Jaguar Land Rover Austria GmbH
Jaguar Belux NV
Jaguar Cars Ltd
Jaguar Land Rover Japan Ltd
Jaguar Cars South Africa (pty) Ltd
Jaguar Italia SpA
Jaguar Cars Exports Ltd
The Daimler Motor Company Ltd
The Jaguar Collection Ltd
Daimler Transport Vehicles Ltd
S.S. Cars Ltd
The Lanchester Motor Company Ltd
Jaguar Hispania Sociedad
Jaguar Deutschland GmbH
Land Rover
Land Rover Group Ltd
INCAT International Plc.
Tata Technologies Europe Ltd
INCAT SAS *(liquidated w.e.f. April 30, 2010)*
INCAT GmbH
Tata Technologies Inc
Tata Technologies de Mexico, S.A. de CV
Tata Technologies (Canada) Inc
Tata Technologies (Thailand) Ltd
Tata Technologies Pte Ltd
Miljobil Grenland AS
Tata Hispano Motors Carrocerries Maghreb
(Formerly known as Carrocerries Hispano Maghreb, Morocco)
Tata Daewoo Commercial Vehicles Sales and Distribution Co. Ltd
(Incorporated on April 9, 2010)
Tata Engineering Services (Pte) Ltd *(from February 15, 2011)*
Jaguar Land Rover North America LLC
Land Rover Belux SA/NV
Land Rover Ireland Ltd
Jaguar Land Rover Nederland BV
Jaguar Land Rover Portugal - Veiculos e Pecas, LDA
Jaguar Land Rover Australia Pty Ltd
Land Rover Exports Ltd
Land Rover Italia SpA
Land Rover Espana SL
Land Rover Deutschland GmbH
Jaguar Land Rover Mexico SA de CV *(upto July 12, 2010)*
Jaguar Land Rover Korea Co. Ltd
Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd
Jaguar Land Rover Canada ULC
Jaguar Land Rover France, SAS
Jaguar Land Rover (South Africa) (Pty) Limited
Jaguar Land Rover Brazil LLC
Limited Liability Company "Jaguar Land Rover" (Russia)
Land Rover Parts Ltd
Land Rover Parts US LLC

2. Associates :

Tata AutoComp Systems Ltd
Tata Cummins Ltd
Tata Precision Industries Pte. Ltd *(upto February 14, 2011)*
(subsidiary from February 15, 2011)
Tata Precision Industries (India) Ltd
(w.e.f. February 15, 2011)
Nita Company Ltd
Tata Sons Ltd *(Investing Party)*
Automobile Corporation of Goa Ltd
Telco Construction Equipment Co. Ltd
Jaguar Cars Finance Ltd

3. Joint Ventures :

Fiat India Automobiles Ltd
TATA HAL Technologies Ltd

4. Key Management Personnel

Mr. Carl-Peter Forster *(w.e.f. April 1, 2010)*
Mr. P M Telang

Schedules forming part of the Balance Sheet and Profit and Loss Account

"13" [Item no. 13] (contd.)

(A) Notes to Balance Sheet (contd.)

b) Transactions with the related parties

(₹ in crores)

	Subsidiaries	Joint Venture	Associates	Key Management Personnel	**2010-2011** Total
Purchase of goods	**1,819.45**	**4,400.87**	**3,232.28**	**-**	**9,452.60**
	786.99	3,190.61	2,445.98	-	6,423.58
Sale of goods (inclusive of sales tax)	**19,152.65**	**456.33**	**371.31**	**-**	**19,980.29**
	14,889.04	285.60	271.14	-	15,445.78
Purchase of fixed assets	**45.28**	**-**	**-**	**-**	**45.28**
	41.73	-	-	-	41.73
Purchese of Investment	**-**	**-**	**5.86**	**-**	**5.86**
	-	-	-	-	-
Sale of Investments	**-**	**-**	**-**	**-**	**-**
	-	-	693.39	-	693.39
Sale of fixed assets (including transfer of technology)	**-**	**-**	**-**	**-**	**-**
	1.34	-	-	-	1.34
Services received	**1,681.03**	**-**	**56.70**	**19.19**	**1,756.92**
	1,226.18	-	55.82	8.90	1,290.90
Services rendered	**109.32**	**0.02**	**15.84**	**-**	**125.18**
	74.60	1.53	8.31	-	84.44
Finance given (including loans and equity)	**2,087.49**	**200.00**	**126.42**	**-**	**2,413.91**
	12,268.71	395.00	38.81	-	12,702.52
Finance taken (including loans and equity)	**1,451.77**	**-**	**83.00**	**-**	**1,534.77**
	1,640.01	265.00	67.00	-	1,972.01
Interest / Dividend paid / (received) (net)	**(83.33)**	**(21.29)**	**177.93**	**-**	**73.31**
	836.91	(39.90)	86.40	-	883.41
Amount receivable	**1,159.70**	**2.09**	**56.29**	**-**	**1,218.08**
	809.21	-	47.78	-	856.99
Amount payable	**172.56**	**-**	**111.49**	**-**	**284.05**
	106.52	213.03	102.84	-	422.39
Amount receivable (in respect of loans, interest and dividend)	**459.75**	**289.89**	**30.83**	**0.10**	**780.57**
	293.81	275.59	32.07	0.10	601.57
Amount payable (in respect of loans, interest and dividend)	**4.00**	**-**	**-**	**-**	**4.00**
	60.01	-	13.01	-	73.02
Bank Guarantee / Other assets given as security	**194.89**	**-**	**3.00**	**-**	**197.89**
	318.16	-	-	-	318.16

(₹ in crores)
"13" [Item no. 13] (contd.)

(A) Notes to Balance Sheet (contd.)

(c) Disclosure in respect of material transactions with related parties

			2010-2011	2009-2010
(i)	**Purchase of goods**	Fiat India Automobiles Ltd	**4,400.87**	3,190.61
		Tata Cummins Ltd	**2,472.84**	1,809.42
		TML Distribution Company Ltd	**1,337.71**	359.38
		Tata AutoComp Systems Ltd	**455.51**	446.19
		Automobile Corporation of Goa Ltd	**300.09**	190.37
(ii)	**Sale of goods**	TML Distribution Company Ltd	**18,752.36**	14,518.42
		Fiat India Automobiles Ltd	**456.33**	285.60
		Tata Cummins Ltd	**227.49**	156.02
		Concorde Motors (India) Ltd	**168.30**	243.47
		Telco Construction Equipment Co. Ltd	**38.56**	30.54
(iii)	**Purchase of fixed assets**	Tata Technologies Ltd	**27.42**	10.27
		TAL Manufacturing Solutions Ltd	**17.85**	31.46
(iv)	**Purchase of Investments**	Tata Sons Ltd.	**5.86**	-
(v)	**Sale of Investments**	Tata Sons Ltd.	**-**	693.39
(vi)	**Sale of fixed assets (including transfer of technology)**	HV Transmissions Ltd	**-**	1.31
(vii)	**Services received**	HV Axles Ltd	**569.68**	398.44
		HV Transmissions Ltd	**367.20**	247.44
		Tata Technologies Ltd	**301.08**	235.54
		Tata Motors European Technical Centre Plc	**144.80**	170.56
		Tata Motors Finance Ltd	**117.72**	119.51
		Tata Sons Ltd.	**56.70**	55.82
(viii)	**Services rendered**	TML Distribution Company Ltd	**25.97**	25.47
		HV Axles Ltd	**19.86**	12.43
		HV Transmissions Ltd	**17.37**	12.37
		Tata Marcopolo Motors Ltd	**15.20**	6.22
		Tata Hispano Motors Carrocera S.A.	**12.02**	2.93
		Telco Construction Equipment Co. Ltd	**9.76**	10.20
		Tata Cummins Ltd	**6.03**	4.64
		Fiat India Automobiles Ltd	**0.02**	1.53
(ix)	**Finance given (including loans and equity)**			
	Investment in Equity	Tata Motors Finance Ltd	**400.00**	-
	Investment in Equity	TML Holdings Pte Ltd, (Singapore)	**-**	10,575.61
	Investment in Equity	Fiat India Automobiles Ltd	**200.00**	130.00
	Investment in Equity	Tata Motors (Thailand) Ltd	**-**	89.69
	Investment in Equity	Tata Precision Industries Pte Ltd	**37.42**	-
	Inter Corporate Deposit	TML Distribution Company Ltd	**585.00**	1,014.96
	Inter Corporate Deposit	Tata Technologies Ltd	**326.00**	216.00
	Inter Corporate Deposit	HV Axles Ltd	**222.00**	57.65
	Inter Corporate Deposit	Tata Motors Finance Ltd	**140.57**	100.00
	Inter Corporate Deposit	Automobile Corporation of Goa Ltd	**89.00**	-
	Loan	Tata Motors (Thailand) Ltd	**74.34**	46.85
	Subordinated loan #	Fiat India Automobiles Ltd	**-**	265.00

\# The loan of ₹ 265.00 crores to Fiat India Automobile Ltd (FIAL) is subordinated for all principal, interest, costs, fees, charges and expenses and other amounts incurred or to be incurred or at any time due and owing under the said subordinated loan to the repayments to be made by FIAL to certain specified lenders.

Schedules forming part of the Balance Sheet and Profit and Loss Account

"13" [Item no. 13] (contd.) **(₹ in crores)**

(A) Notes to Balance Sheet (contd.)

(c) Disclosure in respect of material transactions with related parties (contd.)

			2010-2011	2009-2010
(x)	**Finance taken (including loans and equity)**			
	Inter Corporate Deposit	TML Distribution Company Ltd	**585.00**	1,014.96
	Inter Corporate Deposit	Tata Technologies Ltd	**271.00**	229.00
	Inter Corporate Deposit	HV Axles Ltd	**221.00**	60.55
	Inter Corporate Deposit	HV Transmissions Ltd	**169.00**	29.00
	Inter Corporate Deposit	Tata Motors Finance Ltd	**160.57**	100.00
	Inter Corporate Deposit	Automobile Corporation of Goa Ltd	**83.00**	-
	Loan	Tata Motors (Thailand) Ltd	**-**	89.69
	Inter Corporate Deposit	Sheba Properties Ltd	**-**	5.00
	Inter Corporate Deposit	Fiat India Automobiles Ltd	**-**	265.00
(xi)	**Interest / Dividend paid / (received)**			
	Dividend paid	Tata Sons Ltd	**240.86**	108.50
	Dividend received	Tata Technologies Ltd	**(42.99)**	(6.06)
	Dividend received	Telco Construction Equipment Co. Ltd	**(23.86)**	-
	Dividend received	Tata Cummins Ltd	**(22.50)**	(6.75)
	Dividend received	HV Axles Ltd	**(19.13)**	-
	Dividend received	HV Transmissions Ltd	**(17.00)**	-
	Dividend received	Tata Daewoo Commercial Vehicle Co. Ltd	**(12.23)**	-
	Dividend received	Tata Sons Ltd	**(9.36)**	(9.36)
	Interest paid	Fiat India Automobiles Ltd	**45.30**	10.10
	Interest paid	TML Distribution Company Ltd	**6.53**	-
	Interest paid	Tata Technologies Ltd	**5.53**	5.81
	Interest paid	HV Axles Ltd	**5.43**	0.52
	Interest paid	HV Transmissions Ltd	**1.65**	0.15
	Interest received	Fiat India Automobiles Ltd	**(66.59)**	(49.99)
	Interest received	Tata Hispano Motors Carrocera S.A.	**(4.58)**	(4.81)
(xii)	**Bank Guarantee / other assets given as security**			
	Bank Guarantee / other assets given for Securitisation of debts	Tata Motors Finance Ltd	**194.89**	318.16
	Deposits given	Tata Sons Ltd	**3.00**	-

(A) Notes to Balance Sheet (contd.)

(ii) Disclosures required by Clause 32 of the Listing Agreement

Amount of loans / advances in nature of loans outstanding from Subsidiaries and Associates during 2010-2011

Name of the Company	**Outstanding as at March 31, 2011** ₹ **in crores**	**Maximum amount outstanding during the year** ₹ **in crores**	**Investment in shares of the Company No. of Shares**	**Direct Investment in shares of subsidiaries of the Company No. of Shares**
a) Subsidiaries				
HV Transmissions Ltd	-	-	-	-
	-	13.50	-	-
Sheba Properties Ltd	-	-	-	**8,11,992**
[Note (i) below]	-	5.00	-	-
TAL Manufacturing Solutions Ltd	**12.00**	**16.00**	**-**	**-**
	5.50	9.50	-	-
Concorde Motors (India) Ltd	-	**31.00**	-	-
	31.00	35.00	-	-
HV Axles Ltd	-	-	-	-
	-	9.00	-	-
Tata Motors European Technical Centre Plc., UK	**48.51**	**48.51**	**-**	**9,498**
[Note (ii) below]	32.59	38.06	-	9,498
Tata Marcopolo Motors Ltd	**5.00**	**10.00**	**-**	**-**
	10.00	21.00	-	-
Tata Motors (Thailand) Ltd	**138.04**	**138.04**	**-**	**-**
	60.68	106.95	-	-
Tata Motors Finance Ltd	-	-	-	-
	-	100.00	-	-
TML Distribution Company Ltd	**-**	**100.00**	**-**	**-**
	-	200.00	-	-
Tata Hispano Motors Carrocera S.A.	**236.27**	**236.27**	**-**	**40,000**
[Note (iii) below]	147.73	147.73	-	19,996
Tata Precision Industries Pte. Ltd. (Singapore)	**-**	**8.02**	**-**	**-**
(Subsidiary company w.e.f. February 15, 2011)	-	-	-	-
Tata Motors Insurance Broking and Advisory Services Ltd	**0.70**	**0.70**	**-**	**-**
	-	-	-	-
Tata Motors (SA) Proprietary Ltd	**6.41**	**6.41**	**-**	**-**
	-	-	-	-
b) Associates				
Tata Precision Industries Pte. Ltd. (Singapore)	**-**	**-**	**-**	**-**
(Subsidiary company w.e.f. February 15, 2011)	8.02	8.48	-	-
Tata AutoComp Systems Ltd	**23.83**	**23.83**	**-**	**-**
	23.83	23.83	-	-
c) Joint Ventures :				
Fiat India Automobiles Ltd	**265.00**	**265.00**	**-**	**-**
	265.00	265.00	-	-

Note :

(i) Shares in Tata Technologies Ltd

(ii) Shares in Miljobil Grenland AS

(iii) Shares in Tata Hispano Motors Carrocerries Maghreb

7. The Company has a joint venture with Fiat Group Automobiles S.p.A., Italy, Fiat India Automobiles Limited (FIAL), for manufacturing passenger cars, engines and transmissions at Ranjangaon in India. The Company has an investment of ₹ 1,199.54 crores as at March 31, 2011, representing 50% shareholding in FIAL .
The proportionate share of assets and liabilities as at March 31, 2011 and income and expenditure for the year 2010-11 of FIAL are given below :

(₹ in crores)

	As on March 31, 2011 (Unaudited)	As on March 31, 2010 (Audited)
RESERVES AND SURPLUS		
Reserves and Surplus	**(607.19)**	(484.31)
ASSETS		
Net Block (including CWIP)	**1,651.76**	1,769.34
Investments (Rs. 50.00)	**-**	-
Current Assets	**962.57**	983.88
	2,614.33	2,753.22
LIABILITIES		
Loan Funds	**1,150.51**	1,337.90
Current Liabilities	**997.99**	1,028.20
Provisions	**11.29**	9.71
	2,159.79	2,375.81
Claims not acknowledged as debts	**4.15**	3.14
Capital Commitments	**7.70**	50.01

	2010-2011 (Unaudited)	2009-2010 (Audited)
INCOME		
Sale of products and services	**2,039.97**	1,614.85
Less : Excise duty	**(324.04)**	(192.92)
Other operating income	**198.61**	146.31
	1,914.54	1,568.24
EXPENDITURE		
Manufacturing and other expenses	**1,766.43**	1,437.93
Expenditure transferred to capital and other accounts	**-**	-
Product Development Cost	**3.46**	0.48
Depreciation	**160.47**	140.79
Interest	**107.06**	124.18
Tax expenses	**-**	-
	2,037.42	1,703.38

Schedules forming part of the Balance Sheet and Profit and Loss Account

"13" [Item no. 13] (contd.) **(₹ in crores)**

(A) Notes to Balance Sheet (contd.)

8. Micro, Small and Medium Enterprise Development Act, 2006 :

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during 2010-2011 is given below :

			2010-2011	2009-2010
(i)	Amounts due but unpaid as at year end	- Principal	**0.06**	-
(ii)	Amounts paid after appointed date during the year	- Principal	**339.71**	350.51
(iii)	Amount of interest accrued and unpaid as at year end	- Interest	**1.58**	1.00

9. Foreign Currency Monetary Item Translation Difference Account (Net) [Item 7, Page 62]:

	As at March 31, 2011	As at March 31, 2010
Opening Balance [loss / (gain)]	**161.69**	(164.12)
Exchange loss / (gain) during the year	**(14.08)**	400.33
Amortisation of exchange fluctuation for the year	**(147.61)**	(74.52)
Closing Balance [loss]	**-**	161.69

	As at March 31, 2011	As at March 31, 2010
10. Claims against the Company not acknowledged as debts -		
(i) Sales Tax - Gross	**1,003.68**	460.47
- Net of Tax	**670.28**	307.51
(ii) Excise Duty - Gross	**492.55**	178.96
- Net of Tax	**328.94**	119.51
(iii) Others - Gross	**156.92**	145.11
- Net of Tax	**104.80**	96.92
(iv) Income tax (exclusive of the effect of similar matters in respect of assessments remaining to be completed) in respect of matters :		
(a) Decided in the Company's favour by Appellate authorities and for which the Department is in further appeal	**222.08**	100.79
(b) Pending before Appellate authorities in respect of which the Company is in appeal and expects to succeed, based on decision in earlier assessment years	**1.42**	132.86
(c) Pending in appeal / other matters	**177.69**	162.12
11. The claims / liabilities in respect of excise duty, sales tax and other matters where the issues were decided in favour of the Company for which the Department is in further appeal	**31.28**	35.74
12. Other money for which the Company is contingently liable -		
(i) In respect of bills discounted and export sales on deferred credit	**170.60**	1.78
(ii) The Company has given guarantees for liability in respect of receivables assigned by way of securitisation	**634.34**	1,075.69
(iii) Cash Margins / Collateral [Schedule 9 (d), page 79]	**428.82**	604.94
(iv) In respect of subordinate receivables	**37.16**	89.76
(v) Deposits given as collateral security	**-**	20.00
(vi) Others	**13.68**	26.61
13. Estimated amount of contracts remaining to be executed on capital account and not provided for	**1,857.43**	1,278.44

Schedules forming part of the Balance Sheet and Profit and Loss Account

(₹ in crores)

"13" [Item no. 15] (contd.)

	2010-2011	2009-2010
(B) Notes to Profit and Loss Account :		
(1) Purchase of products for sale etc. include [Also refer Schedule 13(E) and 14, page 100]:		
(a) Spare parts and accessories for sale	**1,350.25**	1,054.40
(b) Bodies and trailers for mounting on chassis	**956.50**	719.66
(c) Vehicles **82,563 nos.** (2009-2010 : 52,891 nos.)	**5,056.38**	2,739.17
	7,363.13	4,513.23

(2) The total expenditure incurred on Research and Development :

	2010-2011	2009-2010
(a) Expenditure charged to profit and loss account	**121.86**	78.36
(b) Expenditure capitalised during the year	**897.16**	1,002.13
(c) Fixed Assets	**168.19**	86.18
	1,187.21	1,166.67

	2010-2011 ₹	2009-2010 ₹
(3) (a) Auditors' Remuneration (excluding service tax) :		
(i) Audit Fees	**4,00,00,000**	3,75,00,000
(ii) Audit Fees for financial statements as per IFRS / US GAAP (including SOX certification) #	**3,75,00,000**	5,00,00,000
(iii) In other Capacities :		
Company Law Matters	**35,000**	35,000
Tax Audit	**45,00,000**	37,50,000
Transfer Pricing Audit *	**11,00,000**	-
Taxation Matters	**22,33,500**	11,26,500
(iv) Other Services @	**8,25,000**	5,27,000
(v) Reimbursement of travelling and out-of-pocket expenses	**13,99,491**	4,60,889
(b) Cost Auditors' Remuneration (excluding service tax) :		
(i) Cost Audit Fees	**10,00,000**	10,00,000
(ii) Reimbursement of travelling and out-of-pocket expenses	**46,700**	36,700

Notes :

@ Excludes audit fees debited to Securities Premium Account related to :		
(i) GDS and FCCN Issue	**-**	40,00,000
(ii) QIP Issue	**50,00,000**	-
# Represents amount paid for earlier years	**3,75,00,000**	5,00,00,000
* Includes amount paid for earlier years	**7,00,000**	-

(4) Interest and Discounting Charges [Item 7, page 63] :

(₹ in crores)

	2010-2011	2009-2010
(A) Interest :		
(a) On Debentures and fixed loans	**948.65**	880.53
(b) Others	**116.30**	113.01
	1,064.95	993.54
Less : (i) Transferred to Capital account	**148.00**	237.28
(ii) Interest received on bank and other accounts [tax deducted at source ₹ **12.09 crores** (2009-2010 ₹ 5.00 crores)]	**239.71**	142.39
	677.24	613.87
(B) Discounting charges (net)	**466.75**	489.97
	1,143.99	1,103.84

Schedules forming part of the Balance Sheet and Profit and Loss Account

"13" [Item no. 15] (contd.) (₹ **in crores)**

(B) Notes to Profit and Loss Account : (contd.)

(5) Defined benefit plans / Long term compensated absences - As per actuarial valuations as on March 31, 2011

		Gratuity, Superannuation and BKY					Compensated Absences					Post-retirement Medicare scheme				
		2011	**2010**	**2009**	**2008**	**2007**	**2011**	**2010**	**2009**	**2008**	**2007**	**2011**	**2010**	**2009**	**2008**	**2007**
i	**Components of employer expense**															
	Current Service cost	**29.63**	24.97	25.24	21.60	16.40	**18.41**	14.68	14.85	12.80	10.42	**2.88**	2.53	1.97	1.80	2.15
	Interest cost	**42.32**	38.09	37.42	34.65	27.44	**12.49**	10.30	10.69	9.60	5.96	**6.15**	5.86	4.72	4.19	2.73
	Expected return on plan assets	**(39.56)**	(35.46)	(32.56)	(30.70)	(25.41)	**-**	-	-	-	-	**-**	-	-	-	-
	Actuarial (Gains) / Losses	**53.84**	46.23	(4.26)	39.41	66.35	**34.05**	22.92	(9.80)	12.47	31.48	**4.21**	(1.74)	10.00	3.90	14.00
	Total expense recognised in the Statement of Profit & Loss Account in Schedule B, page 67 under item :	**86.23**	73.83	25.84	64.96	84.78	**64.95**	47.90	15.74	34.87	47.86	**13.24**	6.65	16.69	9.89	18.88
		4(b) & 4(c)					**4(a)**					**4(c)**				
ii	**Actual Contribution and Benefit Payments for year ended March 31,**															
	Actual benefit payments	**55.21**	54.15	57.20	54.98	58.26	**25.93**	18.24	22.49	21.42	17.72	**3.10**	3.17	3.43	3.75	3.66
	Actual Contributions	**78.11**	75.80	22.18	87.98	100.43	**25.93**	18.24	22.49	21.42	17.72	**3.10**	3.17	3.43	3.75	3.66
iii	**Net liability recognised in Balance Sheet as at March 31,**															
	Present Value of Defined Benefit Obligation	**606.73**	534.60	485.95	474.36	440.14	**198.97**	159.95	130.29	137.04	123.59	**84.13**	73.99	70.51	57.25	51.14
	Fair value of plan assets	**547.03**	483.02	432.39	424.45	367.21	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Net liability recognised in Balance Sheet	**(59.70)**	(51.58)	(53.56)	(49.91)	(72.93)	**(198.97)**	(159.95)	(130.29)	(137.04)	(123.59)	**(84.13)**	(73.99)	(70.51)	(57.25)	(51.14)
iv	**Change in Defined Benefit Obligations (DBO) during the year ended March 31,**															
	Present Value of DBO at the beginning of the year	**534.60**	485.95	474.36	440.14	385.20	**159.95**	130.29	137.04	123.59	93.45	**73.99**	70.51	57.25	51.11	35.92
	Current Service cost	**29.63**	24.97	25.24	21.60	16.40	**18.41**	14.68	14.85	12.80	10.42	**2.88**	2.53	1.97	1.80	2.15
	Interest cost	**42.32**	38.09	37.42	34.65	27.44	**12.49**	10.30	10.69	9.60	5.96	**6.15**	5.86	4.72	4.19	2.73
	Actuarial losses	**55.39**	39.74	6.13	32.95	69.36	**34.05**	22.92	(9.80)	12.47	31.48	**4.21**	(1.74)	10.00	3.90	14.00
	Benefits paid	**(55.21)**	(54.15)	(57.20)	(54.98)	(58.26)	**(25.93)**	(18.24)	(22.49)	(21.42)	(17.72)	**(3.10)**	(3.17)	(3.43)	(3.75)	(3.66)
	Present Value of DBO at the end of the year	**606.73**	534.60	485.95	474.36	440.14	**198.97**	159.95	130.29	137.04	123.59	**84.13**	73.99	70.51	57.25	51.14
v	**Change in Fair Value of Assets during the year ended March 31,**															
	Plan assets at the beginning of the year	**483.02**	432.39	424.45	367.21	296.62	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Actual return on plan assets	**41.11**	28.98	42.96	24.24	28.42	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Actual Company contributions	**78.11**	75.80	22.18	87.98	100.43	**25.93**	18.24	22.49	21.42	17.72	**3.10**	3.17	3.43	3.75	3.66
	Benefits paid	**(55.21)**	(54.15)	(57.20)	(54.98)	(58.26)	**(25.93)**	(18.24)	(22.49)	(21.42)	(17.72)	**(3.10)**	(3.17)	(3.43)	(3.75)	(3.66)
	Plan assets at the end of the year	**547.03**	483.02	432.39	424.45	367.21	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
vi	**Actuarial Assumptions**															
	Discount Rate (%)	**6.75-8.50**	6.75-8.50	6.75-8.50	7.75-8.50	8.00-8.50	**8.50**	8.50	8.50	8.50	8.50	**8.50**	8.50	8.50	8.50	8.50
	Expected Return on plan assets (%)	**8.00**	8.00	8.00	8.00	8.00	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Medical cost inflation (%)	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	**4.00**	4.00	4.00	4.00	4.00
vii	**The major categories of plan assets as percentage of total plan assets**															
	Debt securities	**75%**	74%	76%	68%	63%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Balances with banks	**25%**	26%	24%	32%	37%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
viii	**Effect of one percentage point change in assumed Medical inflation rate**						**One percentage point increase in Medical inflation rate**					**One percentage point decrease in Medical inflation rate**				
							2011	2010	2009	2008	2007	**2011**	2010	2009	2008	2007
	Revised DBO as at March 31,						**91.65**	81.48	77.68	58.11	56.39	**77.57**	67.49	64.29	52.10	46.55
	Revised service cost for the year						**3.37**	2.95	2.30	1.95	2.38	**2.48**	2.17	1.69	1.42	1.96
	Revised interest cost for the year						**6.79**	6.47	4.79	4.63	3.01	**5.60**	5.33	4.28	3.80	2.48

(a) **Defined Contribution Plans-**

The Company's contribution to defined contribution plan aggregated ₹ **144.97 crores** (2009-2010 ₹ 119.24 crores) for the year ended March 31, 2011 has been recognised in the statement of Profit and Loss Account under item 4 (b) in Schedule B on page 67.

(b) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.

(c) The assumption of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) The Company expects to contribute ₹ **85.23 crores** to the funded pension plans in the year 2011-12.

(₹ in crores)

"13" [Item no. 15] (contd.)

(B) Notes to Profit and Loss Account (contd.)

				2010-2011	2009-2010
(6)	(a)	Product warranty [Schedule 12(e), page 82] [Note (i), page 84] :			
		Opening Balance		**248.63**	134.19
		Provision during the year (net)		**376.47**	316.24
		Payments / debits (net of recoveries from suppliers)		**(226.85)**	(201.80)
		Closing Balance		**398.25**	248.63
	(b)	Premium on redemption of Foreign Currency Convertible Notes (FCCN) and Convertible Alternative Reference Securities (CARS) [Schedule 12(f), page 82] [Note (o), page 85 and Note (C)(i), page 98]:			
		Opening Balance		**993.15**	1,094.57
		Provision for premium on redemption of FCCN (including withholding tax)		**-**	257.46
		Foreign currency exchange gain		**(3.22)**	(133.38)
		Reversal of provision for premium due to conversion of FCCN		**(168.57)**	(225.50)
		Reversal of provision for WHT due to redemption of FCCN		**(20.27)**	-
		Closing Balance		**801.09**	993.15

				2010-2011	2009-2010
(7)		Earnings Per Share :			
	(a)	Profit after tax	₹ crores	**1,811.82**	2,240.08
	(b)	The weighted average number of Ordinary Shares for Basic EPS	Nos.	**51,77,60,138**	46,37,36,463
	(c)	The weighted average number of 'A' Ordinary Shares for Basic EPS	Nos.	**7,93,33,840**	6,41,76,028
	(d)	The nominal value per Share (Ordinary and 'A' Ordinary)	₹	**10.00**	10.00
	(e)	Share of Profit for Ordinary Shares for Basic EPS	₹ crores	**1,567.65**	1,964.94
	(f)	Share of Profit for 'A' Ordinary Shares for Basic EPS *	₹ crores	**244.17**	275.14
	(g)	Earnings Per Ordinary Share (Basic)	₹	**30.28**	42.37
	(h)	Earnings Per 'A' Ordinary Share (Basic)	₹	**30.78**	42.87
	(i)	Profit after tax for Basic EPS	₹ crores	**1,811.82**	2,240.08
	(j)	Add: Interest payable on outstanding Foreign Currency Convertible Notes	₹ crores	**53.98**	41.93
	(k)	Profit after tax for Diluted EPS	₹ crores	**1,865.80**	2,282.01
	(l)	The weighted average number of Ordinary Shares for Basic EPS	Nos.	**51,77,60,138**	46,37,36,463
	(m)	Add: Adjustment for Options relating to warrants, Ordinary Shares held in abeyance, Foreign Currency Convertible Notes and Convertible Alternative Reference Securities	Nos.	**4,65,77,982**	5,66,43,723
	(n)	The weighted average number of Ordinary Shares for Diluted EPS	Nos.	**56,43,38,120**	52,03,80,186
	(o)	The weighted average number of 'A' Ordinary Shares for Basic EPS	Nos.	**7,93,33,840**	6,41,76,028
	(p)	Add: Adjustment for 'A' Ordinary Shares held in abeyance	Nos.	**99,530**	1,00,136
	(q)	The weighted average number of 'A' Ordinary Shares for Diluted EPS	Nos.	**7,94,33,370**	6,42,76,164
	(r)	Share of Profit for Ordinary Shares for Diluted EPS	₹ crores	**1,632.10**	2,028.27
	(s)	Share of Profit for 'A' Ordinary Shares for Diluted EPS *	₹ crores	**233.70**	253.74
	(t)	Earnings Per Ordinary Share (Diluted)	₹	**28.92**	38.98
	(u)	Earnings Per 'A' Ordinary Share (Diluted)	₹	**29.42**	39.48

* 'A' Ordinary Share holders are entitled to receive dividend @ 5% points more than the aggregate rate of dividend determined by the Company on Ordinary Shares for the financial year.

Schedules forming part of the Balance Sheet and Profit and Loss Account

"13" [Item no. 13] (contd.)

(C) (i) Foreign Currency Convertible Notes (FCCN) and Convertible Alternative Reference Securities (CARS) :

The Company issued the FCCN and CARS which are convertible into Ordinary Shares or ADRs. Additionally, CARS can be converted into Qualifying Securities* in case there has been a Qualifying Issue as per the terms of Issue. The particulars, terms of issue and the status of conversion as at March 31, 2011 are given below :

Issue	1% FCCN (due 2011)	0% FCCN (due 2011)	0% CARS (due 2012)	4% FCCN (due 2014)
Issued on	April 27, 2004	March 20, 2006	July 11, 2007	October 15, 2009
Issue Amount (in INR at the time of the issue)	US $ 300 million (₹ 1,315.50 crores)	JP ¥ 11,760 million (₹ 450.03 crores)	US $ 490 million (₹ 1,992.71 crores)	US $ 375 million (₹ 1,794.19 crores)
Face Value	US $ 1,000	JP ¥ 10,000,000	US $ 100,000	US $ 100,000
Conversion Price per share at fixed exchange rate	₹ 780.400 US $ 1 = ₹ 43.85	₹ 1,001.39 ₹ 1 = JP ¥ 2.66	₹ 960.96 US $ 1 = ₹ 40.59	₹ 623.88 US $ 1 = ₹ 46.28
Reset Conversion Price (Due to Rights Issue and GDS Issue)	₹ 736.72 US $ 1 = ₹ 43.85	₹ 945.34 ₹ 1 = JP ¥ 2.66	₹ 907.17 US $ 1 = ₹ 40.59	₹ 613.77 US $ 1 = ₹ 46.28
Exercise Period	June 7, 2004 to March 28, 2011	May 2, 2006 to February 19, 2011	October 11, 2011 to June 12, 2012	November 25, 2009 (for conversion into shares or GDSs) and October 15, 2010 (for conversion into ADSs) to October 9, 2014
Early redemption at the option of the Company subject to certain conditions	any time (in whole but not in part) in the event of certain changes affecting taxation in India	i) after March 20, 2009 but prior to February 8, 2011 (in whole or in part) subject to certain conditions or ii) any time (in whole but not in part) in the event of certain changes affecting taxation in India	i) after October 11, 2011 at our option (in whole but not in part) or ii) any time (in whole but not in part) in the event of certain changes affecting taxation in India	i) any time on or after October 15, 2012 (in whole but not in part) at our option or ii) any time (in whole but not in part) in the event of certain changes affecting taxation in India
Redeemable on	April 27, 2011	March 21, 2011	July 12, 2012	October 16, 2014
Redemption percentage of the Principal Amount	121.781%	99.253%	131.820%	108.505%
Amount converted	US $ 299.10 million	JP ¥ 10,740 million	Nil	US $ 257.60 million
Aggregate conversion into Shares / ADRs	2,29,50,915	78,39,043		1,94,23,734
Aggregate Notes Redeemed	Nil	72	Nil	Nil
Aggregate Notes Bought Back	Nil	30	170	Nil
Notes Outstanding as at March 31, 2011	898	Nil	4,730	1,174
Amount outstanding as at March 31, 2011	US $ 0.898 million (₹ 4.00 crores)	Nil	US $ 473.00 million (₹ 2,109.11 crores)	US $ 117.40 million (₹ 523.49 crores)
Aggregate amount of shares that could be issued on conversion of outstanding notes	Nil	Nil	2,11,63,696	88,52,293 @

* Qualifying Securities holders will have no or differential voting rights in comparison to the existing shareholders and will have no rights to withdraw the underlying Shares except upon certain conditions as per the terms of issue.

@ Increased due to cash dividend distribution antidilution adjustment as per terms of issue.

(ii) During the year, the Company has issued shares aggregating US$ 750 million, comprising 'A' Ordinary Shares aggregating US$ 550 million and Ordinary Shares aggregating US$ 200 million. Consequently, the Company has allotted 32,165,000 'A' Ordinary Shares at a price of ₹ 764 per 'A' Ordinary Share (including a premium of ₹ 754 per 'A' Ordinary Share) and 8,320,300 Ordinary Shares at a price of ₹ 1,074 per Ordinary Share (including a premium of ₹ 1,064 per Ordinary Share) aggregating to a total issue size of ₹ 3,351.01 crores.

(iii) During the year the Company has acquired 80% stake in Trilix Srl., Turin (Italy), a design and engineering company, for a consideration of Euro 1.85 million (Rs. 11.94 crores). The acquisition is in line with the Company's objective to enhance its styling /design capabilities to global standards.

(iv) On March 30, 2010, the Company sold 20% stake in Telco Construction Equipment Company Limited (Telcon) to Hitachi Construction Machinery Co. Ltd for a consideration of ₹ 1159.50 crores. Consequently the Company holds 39.75% stake in Telcon.

(v) On March 23, 2010, the Company had offered to Non-U.S. Noteholders of outstanding 0% JPY 11,760 million (due 2011) and 1% USD 300 million (due 2011) Convertible Notes, an option to convert their Notes into Ordinary Shares during a limited offer period. During this period, as per the terms of Invitation Memorandum, Noteholders could opt to receive shares at enhanced conversion terms. Noteholders, who did not participate, would continue with all the terms of their notes as applicable prior to this limited period offer. Noteholders representing 93.62% of the JPY Notes (i.e. JPY10,710 million) and 76.54% of USD Notes (i.e. USD 229.63 million), outstanding prior to the offering, opted to convert their Notes into Ordinary Shares. As a result, the company has allotted 2,66,43,266 equity shares to the Noteholders, who exercised the option.

(vi) Subsequent to March 31, 2011, a subsidiary of the Company has redeemed 40,75,000 6.25% Cumulative Redeemable Preference Shares of USD 100 each at par, resulting in part redemption of the investment of the Company of ₹ 1,816.84 crores.

(vii) Previous year's figures have been regrouped where necessary.

(viii) Current year figures are shown in bold print.

(D) Derivative transactions

The Company uses forward exchange contracts, principal only swaps, interest rate swaps, currency swaps and currency options to hedge its exposure in foreign currency and interest rates. The information on derivative instruments is as follows :

(a) Derivative Instruments outstanding as at March 31, 2011

Currency	**Amount (Foreign Currency in millions)**	**Buy / Sell**	**Amount (₹ in crores)**
(i) Forward exchange contracts (net)			
US $ / IN ₹	**US $ 106.57**	**Buy**	**475.17**
	US $ 1.41	Sold	6.33
GBP / IN ₹	-	-	-
	£ 5.31	Buy	36.18
EUR / IN ₹	-	-	-
	€ 4.67	Buy	28.27
EUR / US $	-	-	-
	€ 4.00	Buy	24.23
(ii) Options (net)			
US $ / IN ₹	**US $ 39.00**	**To Sell**	**173.89**
	US $ 43.00	To Sell	193.17
(iii) Cross Currency Swaps			
US $ / IN ₹	**US $ 31.00**	**To Buy**	**138.22**
	-	-	-

(b) Foreign exchange currency exposures not covered by derivative instruments as at March 31, 2011

	Amount (Foreign Currency in millions)	**Amount (₹ in crores)**
(i) Amount receivable on account of sales of goods, investment in preference shares, loan and interest charges	**US $ 1,076.74**	**4,800.71**
	US $ 1,081.13	4,856.69
	€ 39.00	**247.04**
	€ 28.39	171.95
	£ 8.52	**61.34**
	£ 6.51	44.35
	-	**-**
	SGD 2.51	8.04
	THB 949.00	**139.66**
	THB 449.54	62.31
	ZAR 10.33	**6.78**
	-	-
(ii) Creditors payable on account of loan and interest charges and other foreign currency expenditure	**US $ 1,281.55**	**5,714.43**
	US $ 1,445.99	6,495.75
	€ 11.23	**71.27**
	€ 13.62	82.48
	£ 7.67	**54.81**
	£ 1.18	8.01
	¥ 574.08	**30.79**
	¥ 1,949.81	0.94
	THB 89.83	**13.24**
	-	-
	Others	**1.87**
	Others	12.25

Schedules forming part of the Profit and Loss Account

"13" [Item no. 15] (contd.) **(₹ in crores)**

(E) Information in regard to opening stock and closing stock :

	2010-2011 Quantity Nos.		2010-2011 Value	2009-2010 Quantity Nos.		2009-2010 Value
(a) Opening Stock -						
Light, medium and heavy commercial vehicles, jeep type vehicles, passenger cars, utility vehicles etc. and bodies thereon #	**12,545**		**983.31**	8,188		581.85
Vehicles purchased for resale	**973**		**83.86**	715		39.47
Manufactured and purchased components for sale : Spare Parts for Vehicles			**316.22**			253.77
Scrap			**6.14**			4.78
			1,389.53			879.87
(b) Closing Stock -						
Light, medium and heavy commercial vehicles, jeep type vehicles, passenger cars, utility vehicles etc. and bodies thereon #	**13,537**	*	**957.25**	12,545	*	983.31
Vehicles purchased for resale	**3,402**		**303.98**	973		83.86
Manufactured and purchased components for sale : Spare Parts for Vehicles			**397.71**			316.22
Scrap			**3.93**			6.14
			1,662.87			1,389.53

\# Includes chassis mounted with bodies / trailers.

* Excluding :

(i) Capitalised / transferred for internal use **874 vehicles** (2009-2010 : 1000 vehicles) including **4 vehicles** (2009-2010 : 4 vehicles) for homologation / testing.

(ii) Transferred on settlement of insurance claims for damaged vehicles : **70 vehicles** (2009-2010 : 56 vehicles).

(iii) Donated **Nil vehicles** (2009-2010 : 6 vehicles).

(iv) Sent for exhibition **4 vehicles** (2009-2010 : 4 vehicles)

"14" [Item no. 15] **(₹ in crores)**

Information in regard to Sales effected by the Company (excluding inter-divisional transfers, settlements for damaged goods and goods capitalised) :

	2010-2011 Quantity Nos.	2010-2011 Value	2009-2010 Quantity Nos.	2009-2010 Value
1. Light, medium and heavy commercial vehicles, jeep type vehicles, passenger cars, utility vehicles etc. and bodies thereon [including export and other incentives of ₹ **803.57 crores** (2009-2010 ₹ 561.55 crores)]	**836,629**	**47,507.65**	667,971	34,677.40
2. Spare Parts for Vehicles		**2,827.10**		2,263.54
3. Diesel Engines	**11,157**	**125.11**	8,970	95.43
4. Scrap		**150.34**		111.68
5. Castings and Forgings		**1,052.27**		695.39
6. Income from Services		**125.96**		81.73
		51,788.43		37,925.17

Schedules forming part of the Profit and Loss Account

"15" [Item no.15]

Quantitative information in regard to installed capacity and the goods manufactured by the Company :

		Unit of measurement	Installed capacity*	Actual production**
1.	On road automobiles having four or more wheels such as light, medium and heavy commercial vehicles, jeep type vehicles, passenger cars and chassis thereof (Jamshedpur Works)	**Nos.**	**1,44,000**	**1,03,445**
			1,26,000	89,215
2.	Motor Vehicles for transport of ten or more persons including the driver, motor cars and other motor vehicles for transport of persons, motor vehicles for transport of goods, chassis fitted with engine for motor vehicles (Pune Works)	**Nos.**	**5,44,000**	**3,22,299**
			5,44,000	2,99,251
3.	Motor Vehicles for transport of ten or more persons including the driver, motor cars and other motor vehicles for transport of persons, motor vehicles for transport of goods, chassis fitted with engine for motor vehicles (Lucknow Works)	**Nos.**	**90,000**	**51,093**
			90,000	34,893
4.	Motor Vehicles for transport of ten or more persons including the driver, motor cars and other motor vehicles for transport of persons, motor vehicles for transport of goods, chassis fitted with engine for motor vehicles (Uttarakhand Works)	**Nos.**	**5,00,000**	**2,24,712**
			5,00,000	1,97,402
5.	Motor Cars and other Motor Vehicles for transport of less than ten persons, jeep type vehicles and station wagons, special purpose motor cars (Sanand Works)	**Nos.**	**2,50,000**	**56,886**
			-	-
6.	Diesel Engines for Industrial and Marine applications	**Nos.**	*****	**11,157**
			***	8,970
7.	S. G. Iron Castings	**Tonnes**	**12,000**	**14,454**
			12,000	13,001
8.	Power Generation		**21.95 MW**	**2,92,60,986 kWh**
			(21.95) MW	3,19,58,127 kWh
9.	Manufactured Components for Sale ****	**₹ in crores**		**380.71**
				322.41

* On double shift basis for all plants (except Uttarakhand plant for which capacity is on three shift basis) including capacity for manufacture of replacement parts as certified by the management and relied upon by the Auditors.

** Includes production for internal use.

*** These are manufactured against spare capacity under (1) and (2) above.

**** The production disclosed against manufactured components is the value (as this is more meaningful than quantity) of such components transferred during the year to the warehouses for sale.

NOTE :

1. As per Industrial Entrepreneurs Memoranda (IEM), in respect of item (1) to (5) above, the licensed capacity for Jamshedpur works is 1,32,000 nos., Pune works is 6,12,000 nos., Lucknow works is 1,92,000 nos., Uttarakhand works is 5,00,000 nos. and Sanand works is 5,00,000 nos.
2. In addition to the above, the Company holds following industrial licenses / IEM for which there is no production during the year.
   (a) Special Purpose Motor Vehicle, other than those principally designed for the transport of persons or goods, Truck and Bus Bodies: 1,55,000 nos. (Dharwad Works)
   (b) Motor Cars & other Motor Vehicles for transport of less than 10 persons, jeep type vehicles & station wagons, special purpose motor cars: 3,50,000 nos. (Singur Works)
3. In addition to the above, the Company holds following industrial licences / IEM.
   - Automotive equipment for various defence applications such as different types of armoured vehicles, heavy tank carriers, shelters, containers, tactical floating bridges and ferries, bullet proof vehicles, high mobility vehicles, mechanised material handling and bridging equipment, mine protected vehicles, etc.

Schedules forming part of the Profit and Loss Account

"16" [Item no. 15] **(₹ in crores)**

Information regarding exports and imports and other matters :

				2010-2011	2009-2010
1.	Earnings in foreign exchange :				
	(i)	F.O.B. value of goods exported [including sales through Export House, Exports to Nepal, Bhutan and local sales eligible for export incentives and exchange differences (net) - gain of ₹ **3.00 crores** (2009-2010 loss of ₹ 36.01 crores)]		**3,339.03**	1,921.48
	(ii)	Profit on sale of investment		**-**	1,119.50
	(iii)	Interest and Dividend		**19.61**	6.58
2.	C.I.F. value of imports				
	(i)	Raw Materials and Components		**1,825.30**	1,189.89
	(ii)	Machinery spares and tools		**46.80**	33.33
	(iii)	Capital goods		**158.71**	374.16
	(iv)	Spare Parts for sale		**8.63**	20.99
	(v)	Jaguar and Land Rover Vehicles and Spare Parts for Sale		**265.04**	79.48
	(vi)	Other items		**12.39**	2.61
3.	(a)	Value of imported and indigenous raw materials and components consumed :			
		(i) Imported at Rupee cost		**1,598.91**	1,212.29
		(ii) Indigenously obtained		**25,459.56**	19,180.31
	(b)	Percentage to total consumption :			
		(i) Imported	%	**5.91**	5.94
		(ii) Indigenously obtained	%	**94.09**	94.06

Note : In giving the above information, the Company has taken the view that spares and components as referred to in Clause 4D(c) of Part II of Schedule VI covers only such items as consumed directly in production.

Schedules forming part of the Profit and Loss Account

(₹ in crores)

"16" [Item no. 15] (contd.)

			2010-2011	2009-2010
4.	Expenditure in foreign currency (subject to deduction of tax where applicable) :			
	(i) Technical Know-how / services / consultancy fees		**223.39**	217.59
	(ii) Interest		**136.57**	74.22
	(iii) Consultancy / Professional charges		**52.80**	113.44
	(iv) Payments on Other Accounts [including Exchange differences (net)]		**177.55**	216.34
5.	Remittances in foreign currencies for dividends :			
	The Company does not have complete information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident shareholders. The particulars of dividends declared during the year and payable to non - resident shareholders for the year 2009-2010 are as under :			
	(i) Number of non-resident shareholders			
	(a) For 2009-2010	Nos.	**7,406**	-
	(b) For 2008-2009	Nos.	**-**	7,647
	(ii) Number of shares held by them			
	(a) For 2009-2010	Nos.	**18,19,96,551**	-
	(b) For 2008-2009	Nos.	**-**	12,77,51,829
	(iii) Gross amount of dividend			
	(a) For 2009-2010		**272.99**	-
	(b) For 2008-2009		**-**	76.65

"17" [Item no. 15]

Information in regard to raw materials and components consumed :

		2010-2011		2009-2010	
	Unit of Measurement	**Quantity**	**Value**	Quantity	Value
Steel	Tonnes	**2,20,133**	**943.58**	1,85,205	717.08
Steel Tubes	Tonnes	**82**	**0.63**	30	0.18
Non-ferrous alloys/metals	Tonnes	**5,040**	**75.29**	3,339	43.99
Ferro Alloys	Tonnes	**1,716**	**23.93**	1,372	15.59
Steel Melting Scrap	Tonnes	**62,195**	**228.15**	53,418	152.93
Paints, Oils and Lubricants	Tonnes	**12,151**	**80.57**	7,684	43.79
	Kilo liters	**13,349**	**167.12**	10,024	140.18
Tyres, Tubes and Flaps	Nos.	**72,43,420**	**2,031.98**	45,55,111	1,484.40
Engines	Nos.	**1,35,181**	**2,115.33**	1,04,309	1,549.56
Other components			**21,391.88**		16,244.90
			27,058.47		20,392.60

Note : The Consumption figures shown above are after adjusting excesses and shortages ascertained on physical count, unserviceable items, etc. The figures of other components is a balancing figure based on the total consumption shown in the profit and loss account.

Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956

Balance Sheet Abstract and Company's General Business Profile:

I. Registration Details:

Registration No	4520
State Code	11
Balance Sheet Date	31.03.2011

II. Capital Raised during the Year

	(Amount in ₹ Thousand)
Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	4,04,853

III. Position of Mobilisation and Deployment of Funds

	(Amount in ₹ Thousand)
Total Liabilities	54,19,04,470
Total Assets	54,19,04,470
Sources of Funds:	
Paid-up Capital	63,77,104
Reserves & Surplus	19,37,55,883
Secured Loans	7,76,60,539
Unsecured Loans	8,13,26,958
Deferred Tax Liability	2,02,31,542
Application of Funds:	
Net Fixed Assets	17,47,56,377
Investments	22,62,42,127
Net Current Assets	(2,16,46,478)

IV. Performance of Company

	(Amount in ₹ Thousand)
Turnover	48,22,37,192
Total Expenditure	45,73,29,496
Profit Before Tax	2,49,07,697
Profit after Tax	1,81,18,232
Earning Per Share - Basic (Rs.):	
(i) Ordinary Share	30.28
(ii) 'A' Ordinary Share	30.78
Dividend Rate:	
(i) Ordinary Share	200%
(ii) 'A' Ordinary Share	205%

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

Item Code No. (ITC Code)	8702 to 8708 except 8707
Product Description	Chasis and Vehicles for transport of goods and passengers, including motor car and parts thereof.

RESEARCH AND DEVELOPMENT EXPENDITURE

(₹ in crores)

	2008-09	2007-08	2006-07	2005-06	2004-05
The total expenditure incurred on Research and Development :					
(a) Expenditure charged to profit and loss account	23.61	135.26	159.57	130.00	128.44
(b) Expenditure capitalised during the year	1,223.23	875.04	508.36	261.75	138.06
(c) Fixed Assets	190.52	182.6	129.95	87.04	126.83
Total	1,437.36	1,192.90	797.88	478.79	393.33

Note: For Research and Development Expenditure for the year 2010-11 and 2009-10, refer Note (B)(2), page 95.

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF
TATA MOTORS LIMITED

1. We have audited the attached Consolidated Balance Sheet of **TATA MOTORS LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at March 31, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other information regarding components. Our responsibility is to express an opinion on these Consolidated 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. (a) Attention is invited to Note k (i) under Significant Accounting Policies. As stated in the note, the actuarial losses and restriction on pension assets (net) amounting to ₹3,998.70 crores have been accounted in "Reserves and Surplus" in respect of a group of subsidiary companies.

   (b) We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets (net) of ₹12,959.17 crores as at March 31, 2011, total revenues of ₹74,367.77 crores and net cash inflows amounting to ₹1,826.13 crores; and of certain associates whose financial statements reflect the Group's share of profit of ₹31.95 crores for the year then ended and Group's share of loss (net) of ₹16.30 crores up to March 31, 2011. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Company's Management, and our opinion in so far as it relates to the amounts included in respect of these subsidiaries and associates is based solely on the reports of the other auditors.

   (c) As stated in note [C(3)(a), C(1) and C(3)(b)] of Schedule 13, the financial statements of certain subsidiaries, whose financial statements reflect total assets (net) of ₹19.82 crores as at March 31, 2011, total revenues of ₹9.86 crores and net cash inflows amounting to ₹11.82 crores; the financial statements of a joint venture, whose financial statements reflect the Group's share of total assets (net) of ₹454.54 crores as at March 31, 2011, total revenues of ₹1,914.54 crores and net cash inflows amounting to ₹103.52 crores and financial statements of certain associates, whose financial statements reflect the Group's share of profit for the year ended March 31, 2011 of ₹14.71 crores and Group's share of profit (net) of ₹155.69 crores upto March 31, 2011, are incorporated in the Consolidated Financial Statements based on management's estimates and are not audited by their auditors.

4. Subject to the matters referred to in paragraph 3(c) and read with our comments in paragraph 3(a) above:

   (a) we report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investment in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006;

   (b) based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, its aforesaid subsidiaries, joint ventures and associates and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

      (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2011;

      (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and

      (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No. 117366W)

N. VENKATRAM
Partner
(Membership No.71387)

MUMBAI, May 26, 2011

Consolidated Balance Sheet as at March 31, 2011

(₹ in crores)

	Schedule	Page			As at March 31, 2010
SOURCES OF FUNDS					
1. SHAREHOLDERS' FUNDS					
(a) Share Capital	1	112	**637.71**		570.60
(b) Reserves and Surplus	2	112	**18,533.76**		7,635.88
				19,171.47	8,206.48
2. MINORITY INTEREST				**246.60**	213.51
3. LOAN FUNDS					
(a) Secured	3	114	**19,927.13**		21,290.03
(b) Unsecured	4	114	**12,864.28**		13,818.33
				32,791.41	35,108.36
4. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (NET)				-	191.15
[Note A (1)]		124			
5. DEFERRED TAX LIABILITY				**2,096.13**	1,579.60
[Note A (7) (a) & (b)]		124			
6. TOTAL				**54,305.61**	45,299.10
APPLICATION OF FUNDS					
7. FIXED ASSETS	5	115			
(a) Gross Block				**71,462.93**	63,822.80
(b) Less - Depreciation				**39,698.67**	34,232.39
(c) Net Block				**31,764.26**	29,590.41
(d) Capital Work-in-Progress				**11,728.86**	8,915.92
				43,493.12	38,506.33
8. GOODWILL (On Consolidation)		125		**3,584.79**	3,422.87
[Note A (8)]					
9. INVESTMENTS	6	116		**2,544.26**	2,219.12
10. DEFERRED TAX ASSETS		124		**632.34**	425.97
[Note A (7) (a) & (b)]					
11. CURRENT ASSETS, LOANS AND ADVANCES					
(a) Interest accrued on investments				**1.90**	2.43
(b) Inventories	7	117		**14,070.51**	11,312.03
(c) Sundry Debtors	8	117		**6,877.36**	7,191.18
(d) Cash and Bank Balances	9	117		**10,947.93**	8,743.32
(e) Loans and Advances	10	118		**19,137.22**	15,196.68
				51,034.92	42,445.64
12. CURRENT LIABILITIES AND PROVISIONS					
(a) Current Liabilities	11	118		**37,114.65**	34,077.33
(b) Provisions	12	118		**9,869.17**	7,643.50
				46,983.82	41,720.83
13. NET CURRENT ASSETS [(11) LESS (12)]				**4,051.10**	724.81
14 TOTAL				**54,305.61**	45,299.10
15 BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES		119			
16 NOTES TO BALANCE SHEET	13	124			

As per our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

Mumbai, May 26, 2011

RATAN N TATA
Chairman

RAVI KANT
Vice-Chairman

J J IRANI
N N WADIA
S M PALIA
S BHARGAVA
N MUNJEE
V K JAIRATH
R SEN
R SPETH
Directors

For and on behalf of the Board

CARL- PETER FORSTER
Managing Director & Group CEO

P M TELANG
Managing Director - India Operations

C RAMAKRISHNAN
Chief Financial Officer

H K SETHNA
Company Secretary

Mumbai, May 26, 2011

Consolidated Profit and Loss Account for the year ended March 31, 2011

(₹ in crores)

	Schedule	Page			2009-2010
INCOME					
1. Sale of Products and Other Income from Operations	A (1)	110		**1,27,419.62**	95,567.42
Less: Excise Duty				**4,286.32**	3,048.17
				1,23,133.30	92,519.25
2. Dividend and Other Income	A (2)	110		**89.61**	1,793.12
				1,23,222.91	94,312.37
EXPENDITURE					
3. Manufacturing and Other Expenses	B	111	**1,11,094.58**		88,483.51
4. Expenditure Transferred to Capital and Other Accounts			**(5,741.25)**		(4,578.42)
				1,05,353.33	83,905.09
PROFIT BEFORE DEPRECIATION, INTEREST, AMORTISATION, EXCEPTIONAL ITEMS AND TAX				**17,869.58**	10,407.28
5. Product Development Expenses				**962.49**	498.20
6. Depreciation/Amortisation				**4,655.51**	3,887.13
7. Interest and Discounting Charges(net) [Note B (1)]		128		**2,045.42**	2,239.71
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX				**10,206.16**	3,782.24
8. (a) Exchange Gain (net) on Revaluation of Foreign Currency Borrowings, Deposits and Loans				**231.01**	84.47
(b) Others				**-**	(344.07)
PROFIT BEFORE TAX				**10,437.17**	3,522.64
9. Tax Expense [Note A (7)(d)]		124		**(1,216.38)**	(1,005.75)
PROFIT AFTER TAX				**9,220.79**	2,516.89
10. Share of Minority Interest				**(48.52)**	(30.33)
11. Share of Profit in respect of Investments in Associate Companies				**101.35**	84.50
PROFIT FOR THE YEAR				**9,273.62**	2,571.06
12. Balance brought forward from Previous Year				**(1,017.85)**	(1,553.66)
AMOUNT AVAILABLE FOR APPROPRIATION				**8,255.77**	1,017.40
13. APPROPRIATIONS					
(a) Tax on Interim Dividend by subsidiaries (including Group's share of subsidiaries' dividend tax)				**3.61**	-
(b) Proposed Dividend				**1,274.23**	859.05
(c) Tax on Proposed Dividend (including Group's share of subsidiaries' dividend tax)				**203.46**	142.80
(d) Debenture Redemption Reserve				**-**	500.00
(e) General Reserve				**228.78**	520.32
(f) Special Reserve				**26.80**	9.72
(g) Earned Surplus Reserve				**1.21**	2.97
(h) Restricted Reserve				**-**	0.39
(i) Reserve on Research and Human Resource Development				**56.19**	-
(j) Balance carried to Balance Sheet				**6,461.49**	(1,017.85)
				8,255.77	1,017.40
14. EARNINGS PER SHARE [Note B (3)]		132			
I. Ordinary Shares					
(a) Basic		₹		**155.25**	48.64
(b) Diluted		₹		**144.83**	44.64
II. 'A' Ordinary Shares					
(a) Basic		₹		**155.75**	49.14
(b) Diluted		₹		**145.33**	45.14
15. BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES		119			
16. NOTES TO PROFIT AND LOSS ACCOUNT	13	127			

As per our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

Mumbai, May 26, 2011

For and on behalf of the Board

RATAN N TATA
Chairman

RAVI KANT
Vice-Chairman

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CARL- PETER FORSTER
Managing Director & Group CEO

P M TELANG
Managing Director - India Operations

C RAMAKRISHNAN
Chief Financial Officer

H K SETHNA
Company Secretary

Mumbai, May 26, 2011

Consolidated Cash Flow Statement for the year ended March 31, 2011

(₹ in crores)

		2010-2011		2009-2010
A.	**Cash flow from Operating Activities**			
	Profit for the year		**9,273.62**	2,571.06
	Adjustments for:			
	Depreciation (including Lease Equalisation adjusted in income)	**4,651.00**		3,882.62
	Loss on sale of assets (including assets scrapped/written off)	**21.96**		74.48
	Relocation expenses	**0.58**		67.17
	Profit on sale of controlling stake in a subsidiary	**-**		(1,057.92)
	Profit on sale of investments (net)	**(17.35)**		(693.62)
	Impairment of goodwill	**19.37**		40.00
	Reversal of provision for inter corporate deposits (net)	**(8.02)**		(0.16)
	Gain on settlement of deferred sales tax liability	**(194.36)**		(143.95)
	Share of profit in respect of investments in associate companies	**(101.35)**		(84.50)
	Share of minority interest	**48.52**		30.33
	Tax expenses	**1,216.38**		1,005.75
	Interest / Dividend (net)	**1,978.14**		2,305.54
	Exchange difference	**(208.74)**		(448.90)
	Amortisation of Miscellaneous Expenditure / Employee Separation Cost	**-**		77.59
			7,406.13	5,054.43
	Operating Profit before Working Capital Changes		**16,679.75**	7,625.49
	Adjustments for:			
	Trade and other receivables	**(731.52)**		(4,342.63)
	Inventories	**(2,410.68)**		(1,244.53)
	Trade and other payables	**1,447.95**		8,709.11
		(1,694.25)		3,121.95
	Vehicle loans and hire purchase receivables	**(2,354.15)**		(521.10)
			(4,048.40)	2,600.85
	Cash generated from Operations		**12,631.35**	10,226.34
	Direct Taxes Paid (net)		**(1,391.20)**	(1,229.21)
	Net Cash from Operating Activities		**11,240.15**	8,997.13
B.	**Cash Flow from Investing Activities**			
	Purchase of fixed assets		**(8,123.98)**	(8,475.43)
	Sale of fixed assets		**11.21**	22.19
	Investments in associate companies		**(4.09)**	(1.44)
	Refund received against loan to associates		**8.62**	-
	Investments in Mutual funds made		**(32.14)**	(979.55)
	Investments in subsidiary companies		**(70.42)**	(56.30)
	Investments- others		**(114.76)**	(10.14)
	Proceeds from Sale of stake in Telcon		**-**	1,159.50
	Decrease in Investments in retained interests in securitisation transactions		**4.52**	51.38
	Sale/ redemption of investments-others		**7.44**	958.56
	Deposits of Margin Money / Cash Collateral		**(800.81)**	(613.95)
	Realisation of Margin Money / Cash Collateral		**1,828.30**	557.49
	Fixed deposits with scheduled banks made		**(1,091.00)**	(412.20)
	Fixed deposits with scheduled banks realised		**890.33**	2.15
	Increase/ (Decrease) in restricted deposits with scheduled banks		**4.35**	(7.08)
	Interest received		**313.64**	237.59
	Dividend received from associates		**40.07**	9.47
	Dividend / Income on investments received		**57.75**	31.51
	Increase/(Decrease) in short term Inter-corporate deposit		**5.30**	(6.80)
	Net Cash used in Investing Activities		**(7,065.67)**	(7,533.05)

Consolidated Cash Flow Statement for the year ended March 31, 2011

(₹ in crores)

	2010-2011	2009-2010
C. Cash Flow from Financing Activities		
Expenses on Foreign Currency Convertible Notes (FCCN) conversion / Non-Convertible Debentures	**(3.59)**	(0.04)
Brokerage and other expenses on Non-Convertible Debentures (NCD)	**(90.66)**	(150.75)
Reimursement of expenses / (Expenses) incurred on issue of GDS and FCCN	**0.51**	(126.72)
Proceeds from QIP issue (net of issue expenses)	**3,249.80**	-
Proceeds from GDS issue (net of issue expenses)	**-**	1,794.19
Premium Paid on redemption of NCD	**(71.96)**	-
Proceeds from issue of shares held in abeyance	**3.08**	0.05
Proceeds from issue of shares by Joint venture	**-**	17.68
Proceeds from long term borrowings	**5,413.62**	26,857.49
Repayment of long term borrowings	**(2,395.69)**	(20,917.40)
Decrease in short term borrowings (net)	**(4,128.80)**	(3,445.50)
Proceeds from Fixed Deposits	**339.39**	2,039.11
Repayment of Fixed Deposits	**(233.58)**	(75.96)
Proceeds from issue of shares to minority shareholders	**5.19**	54.50
Dividend paid (including Dividend Tax)	**(1,003.26)**	(346.24)
Dividend paid to minority shareholders	**(16.27)**	(3.33)
Interest paid [including discounting charges paid, ₹ **618.53 crores,** (2009-2010 ₹ 668.27 crores)]	**(2,469.07)**	(2,855.34)
Net Cash/(used in)/ from Financing Activities	**(1,401.29)**	2,841.74
Net Increase in Cash and cash equivalents	**2,773.19**	4,305.82
Cash and cash equivalents as at March 31 (Opening Balance) * #	**6,529.96**	2,381.60
Add /(Less) : Cash and bank balance taken over on acquisition of stake in subsidiaries/joint ventures	**2.47**	3.41
Add /(Less) : Cash and bank balance onsale of controlling stake of a subsidiary	**-**	(45.01)
Add /(Less) : Translation adjustment on opening cash and bank balance of foreign subsidiaries	**244.15**	(60.67)
Add /(Less) :Translation adjustment on reserves of foreign subsidiaries	**(0.49)**	(91.13)
Add /(Less) : Exchange fluctuation on foreign currency bank balances	**15.95**	35.94
Cash and cash equivalents as at March 31 (Closing Balance) * #	**9,565.23**	6,529.96

* Excludes Cash Collateral ₹ **759.09 crores** (as at March 31, 2010 ₹ 1,786.07 crores, as at March 31, 2009 ₹ 1,729.58 crores)

Excludes Fixed / restricted deposits with scheduled banks ₹ **623.61 crores** (as at March 31, 2010 ₹ 427.29 crores, as at March 31, 2009 ₹ 10.16 crores)

Previous period's /year's figures have been restated, wherever necessary, to conform to this period's / year's classification.

As per our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

Mumbai, May 26, 2011

RATAN N TATA
Chairman

RAVI KANT
Vice-Chairman

J J IRANI
N N WADIA
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For and on behalf of the Board

CARL- PETER FORSTER
Managing Director & Group CEO

P M TELANG
Managing Director - India Operations

C RAMAKRISHNAN
Chief Financial Officer

H K SETHNA
Company Secretary

Mumbai, May 26, 2011

Schedules forming part of the Consolidated Profit and Loss Account

(₹ in crores)

"A" [Item no. 1 & 2]

	2010-2011	2009-2010
SALE OF PRODUCTS AND OTHER INCOME		
1. Sale of products and other income from operations		
(a) Sale of products / Services (Note 1 below)	**1,25,244.28**	93,611.20
(b) Income from Vehicle loan contracts (Note 2 below)	**1,468.23**	1,330.42
Sales / Income from Operations	**1,26,712.51**	94,941.62
(c) Other operating income	**707.11**	625.80
	1,27,419.62	95,567.42
2. Dividend and other income (Note 3 below)	**89.61**	1,793.12
	1,27,509.23	97,360.54

	2010-2011	2009-2010
Notes: (1) Sale of products / Services includes :		
(i) Exchange gain (net)	**61.42**	106.24
(ii) Net of variable marketing expenses of some subsidiaries	**5,373.71**	5,308.87
(2) Income from Vehicle Loan contracts includes :		
(i) Income on securitisation / sale of receivables of Loan contracts (net)	**75.56**	151.33
(ii) Interest income on Loan contracts (net)	**1,264.94**	1,098.32
(3) Dividend and other income includes :		
(i) Profit on sale of current investments	**17.35**	693.62
(ii) Profit on sale of controlling stake in a subsidiary	**-**	1,057.92

Schedules forming part of the Consolidated Profit and Loss Account

(₹ in crores)
"B" [Item no. 3]

	2010-2011	2009-2010
MANUFACTURING AND OTHER EXPENSES		
1. Purchase of products for sale, etc.	**10,390.84**	8,538.52
2. Consumption of raw materials and components	**70,453.73**	54,105.54
3. Processing charges	**1,172.48**	878.99
4. Payments to and provision for employees:		
(a) Salaries, wages and bonus	**7,476.15**	6,865.82
(b) Contribution to provident and other funds	**877.13**	1,011.66
(c) Workmen and staff welfare expenses	**989.39**	874.29
	9,342.67	8,751.77
5. Expenses for manufacture, administration and selling:		
(a) Stores, spare parts and tools consumed	**1,189.24**	1,050.61
(b) Freight, transportation, port charges etc.	**2,436.93**	2,050.44
(c) Repairs to buildings	**69.85**	57.05
(d) Repairs to plant, machinery etc.	**228.45**	278.13
(e) Power and fuel	**851.60**	689.45
(f) Rent	**104.72**	106.71
(g) Rates and taxes	**192.58**	181.63
(h) Insurance	**161.71**	161.92
(i) Publicity	**4,089.95**	2,974.18
(j) Incentive / Commission to dealers	**868.13**	595.57
(k) Works operation and other expenses (Note 1 below)	**11,238.84**	9,124.72
	21,432.00	17,270.41
6. Excise duty on change in Stock-in-trade	**139.05**	86.95
7. Change in Stock-in-trade and Work-in-progress:		
A. Opening Stock		
(i) Work-in-progress	**998.46**	1,044.02
(ii) Stock-in-trade	**8,223.90**	7,572.56
	9,222.36	8,616.58
Stock acquired on acquisitions		
(i) Work-in-progress	**-**	5.89
(ii) Stock-in-trade	**-**	30.56
	-	36.45
Translation difference	**363.69**	(331.57)
Sale of controlling stake in a subsidiary		
(i) Work-in-progress	**-**	32.97
(ii) Stock-in-trade	**-**	214.80
	-	247.77
B. Closing Stock		
(i) Work-in-progress	**1,122.98**	998.46
(ii) Stock-in-trade	**10,299.26**	8,223.90
	11,422.24	9,222.36
	(1,836.19)	(1,148.67)
	1,11,094.58	88,483.51

	2010-2011	2009-2010
Notes : (1) Works operation and other expenses include:		
(i) Warranty and product liability expenses	**2,927.68**	2,524.70
(ii) Computer Expenses	**881.06**	592.91
(iii) Lease rentals in respect of plant and machinery, buildings and equipment	**117.62**	118.56
(iv) Provision and write off of sundry debtors, vehicle loans and advances (net)	**548.25**	786.88
(v) Reversal towards residual risk on vehicles sold	**(224.92)**	(439.20)
(vi) Exchange Gain	**(78.06)**	(665.89)
(vii) Loss on sale of assets	**11.96**	29.29
(viii) Loss on assets scrapped / written off	**4.10**	45.19

Schedules forming part of the Consolidated Balance Sheet

(₹ in crores)

"1" [Item no.1(a)]

		As at March 31, 2011	As at March 31, 2010
SHARE CAPITAL			
Authorised:			
70,00,00,000	Ordinary shares of ₹10 each (As at March 31, 2010: 70,00,00,000 shares)	**700.00**	700.00
20,00,00,000	'A' Ordinary shares of ₹ 10 each (As at March 31, 2010: 20,00,00,000 shares)	**200.00**	200.00
30,00,00,000	Convertible Cumulative Preference shares of ₹100 each (As at March 31, 2010: 30,00,00,000 shares)	**3,000.00**	3,000.00
		3,900.00	3,900.00
Issued and subscribed:			
53,82,72,284	Ordinary shares of ₹ 10 each fully paid (As at March 31, 2010: 50,63,81,170 shares)	**538.27**	506.38
9,63,41,706	'A' Ordinary shares of ₹ 10 each fully paid (As at March 31, 2010: 6,41,76,374 shares)	**96.34**	64.18
		634.61	570.56
	Less: Calls in arrears - Ordinary Shares	**0.01**	0.01
		634.60	570.55
Share Forfeiture - Ordinary Shares		**0.05**	0.05
Amount received in respect of Ordinary shares pending allotment		**3.06**	-
		637.71	570.60

"2" [Item no.1(b)]

RESERVES AND SURPLUS			As at March 31, 2010	Additions	Deductions/ Adjustments	As at March 31, 2011
(a)	Securities Premium Account	[Note (i) and (ii) Page 113]	**6,714.59**	**4,829.80**	**193.71**	**11,350.68**
			5,366.31	3,293.74	1,945.46	6,714.59
(b)	Capital Redemption Reserve		**2.28**	**-**	**-**	**2.28**
			2.28	-	-	2.28
(c)	Capital Reserve (on consolidation)	[Note (iii) Page 113]	**358.89**	**8.41**	**-**	**367.30**
			336.01	22.88	-	358.89
(d)	Debenture Redemption Reserve		**1,102.15**	**-**	**-**	**1,102.15**
			602.15	500.00	-	1,102.15
(e)	Amalgamation Reserve		**0.05**	**-**	**-**	**0.05**
			0.05	-	-	0.05
(f)	Special Reserve		**68.96**	**26.80**	**-**	**95.76**
			114.29	9.72	55.05	68.96
(g)	Revaluation Reserve	[Note (iv) Page 113]	**185.73**	**-**	**41.10**	**144.63**
			110.75	75.42	0.44	185.73
(h)	Hedging Reserve Account		**-**	**208.76**	**-**	**208.76**
			(87.51)	87.51	-	-
(i)	Pension Reserve	[Note (v) Page 113]	**(1,722.61)**	**-**	**2,276.09**	**(3,998.70)**
			(1,457.21)	481.33	746.73	(1,722.61)
(j)	General Reserve	[Note (vi) Page 113]	**4,582.91**	**234.48**	**-**	**4,817.39**
			4,075.18	575.37	67.64	4,582.91
(k)	Earned Surplus Reserve	[Note (vii) Page 113]	**10.62**	**1.21**	**-**	**11.83**
			7.65	2.97	-	10.62
(l)	Reserve on Research and Human Resource Development		**99.69**	**56.19**	**-**	**155.88**
			99.69	-	-	99.69
(m)	Restricted Reserve		**0.39**	**-**	**-**	**0.39**
			-	0.39	-	0.39
(n)	Translation Reserve	[Note (viii) Page 113]	**(2,749.92)**	**563.79**	**-**	**(2,186.13)**
			(2,189.39)	-	560.53	(2,749.92)
			8,653.73	**5,929.44**	**2,510.90**	**12,072.27**
			6,980.25	5,049.33	3,375.85	8,653.73
(o)	Profit and Loss Account					**6,461.49**
						(1,017.85)
						18,533.76
						7,635.88

Schedules forming part of the Consolidated Balance Sheet

(₹ in crores)

"2" [Item no.1(b)] (contd)

Notes:	2010-2011 Additions	2010-2011 Deductions	2009-2010 Additions	2009-2010 Deductions
(i) The opening and closing balances of Securities Premium Account are net of calls in arrears of ₹ 0.03 crore				
(ii) Changes in Securities Premium Account :				
(a) Premium on shares issued on conversion of Foreign Currency Convertible Notes (FCCN) (including premium on shares issued which were held in abeyance out of Rights issue of shares)	**1,466.70**	**-**	1,529.11	-
(b) FCCN Conversion expenses	**-**	**3.59**	-	25.57
(c) Premium on issue of shares through Qualified Institutional Placement (QIP)	**3,310.52**	**-**	-	-
(d) QIP issue expenses	**-**	**101.21**	-	-
(e) Premium on issue of Global Depository Shares (GDS)	**-**	**-**	1,764.28	-
(f) Recovery of expenses/ Expenses on issue of GDS and FCCN	**0.51**	**-**	-	126.82
(g) Brokerage, stamp duty and other fees on Non-Convertible Debentures [net of tax ₹ **1.77 crores** (2009-2010 ₹ Nil)]	**-**	**88.89**	-	140.40
(h) Premium on redemption of Debentures / FCCN /Convertible Alternative Reference Securities (CARS) (net)(including exchange differences and withholding tax) [net of tax ₹ **139.99 crores** (2009-2010 ₹ 61.33 crores)]	**52.07**	**-**	-	1,652.67
(i) Others	**-**	**0.02**	0.35	-
	4,829.80	**193.71**	3,293.74	1,945.46
(iii) The addition to Capital Reserve represents exchange gain (net) of ₹ **8.41 crores** (2009-2010 ₹ 22.88 crores) on opening balances in respect of foreign subsidiaries.				
(iv) Changes in Revaluation Reserve :				
(a) Depreciation on revalued portion of assets taken over on amalgamation of a company	**-**	**0.44**	-	0.44
(b) Revaluation of Jaguar and Land Rover assets	**-**	**-**	75.42	-
(c) Depreciation on revalued portion of Jaguar and Land Rover assets	**-**	**40.66**	-	-
	-	**41.10**	75.42	0.44
(v) Change in Pension Reserve : (Refer Note k(i), page 122)				
(a) Actuarial Losses	**-**	**1,387.42**	-	644.60
(b) Movement in restriction of pension assets	**-**	**888.67**	481.33	-
(c) Foreign Currency Translation	**-**	**-**	-	102.13
	-	**2,276.09**	481.33	746.73
(vi) Changes in General Reserve :				
(a) Amount recovered/paid (net) towards indemnity relating to business amalgamated in prior year	**0.28**	**-**	-	4.72
(b) Impact of amount written off by an associate against Securities Premium Account	**-**	**-**	-	24.96
(c) Impact of amount written back by a subsidiary against Securities Premium Account	**5.42**	**-**	-	37.96
(d) Amount transferred from Special Reserve	**-**	**-**	55.05	-
(e) Amount transferred from Profit and loss account	**228.78**	**-**	520.32	-
	234.48	**-**	575.37	67.64

(vii) Tata Daewoo Commercial Vehicle Company Ltd. (TDCV) under the Korean Commercial Code is required to appropriate annually at least 10% of cash dividend declared each year to a legal reserve until such reserve equals 50% of capital stock of TDCV. This reserve may not be utilized for cash dividends but may only be used to off-set against future deficit, if any, or may be transferred to capital stock of TDCV.

(viii) Translation Reserves represents conversion of balances in functional currency of foreign subsidiaries (net of minority share) and associates.(Note 2(f)(i) (3), page 121)

(ix) Profit and Loss Account balance is after considering the proportionate share of post acquisition loss of ₹ **607.19 crores** (as at March 31, 2010 ₹ 484.31 crores) of the Joint Venture, Fiat India Automobiles Ltd and ₹ **2.16 crores** (as at March 31, 2010 ₹ 1.86 crores) of the Joint Venture, Tata HAL Technologies Ltd. (Note (c) (1), Page 133).

Schedules forming part of the Consolidated Balance Sheet

"3" [Item no.3 (a)]

(₹ in crores)

		As at March 31, 2011	As at March 31, 2010
LOANS - Secured			
(a)	Privately placed Non - Convertible Debentures	**5,225.00**	5,417.20
(b)	Loans from Financial Institutions / Banks	**3,116.97**	1,951.43
(c)	From Banks:		
	(i) Buyers line of credit (long term)	**488.10**	619.97
	(ii) Loans, Cash Credit, Overdraft Accounts and Buyers line of credit (short term)	**7,891.86**	10,468.34
	(iii) Other Loans*	**3,205.20**	2,833.09
		19,927.13	21,290.03
*	Includes Loan from European Investment Bank	**2,415.72**	2,300.79

"4" [Item no.3(b)]

		As at March 31, 2011	As at March 31, 2010
LOANS - Unsecured			
(a)	Loans from Banks	**3,152.04**	3,007.39
(b)	Commercial Paper	**2,432.03**	2,841.00
(c)	Inter Corporate Deposit / Call Deposit	**57.00**	94.00
(d)	Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS)	**2,636.60**	4,161.86
(e)	Fixed Deposits:		
	(i) From Public	**2,435.51**	2,333.05
	(ii) From Shareholders	**856.84**	840.40
(f)	Privately placed Non - Convertible Debentures	**899.95**	288.95
(g)	Subordinated Perpetual Debentures	**150.00**	-
(h)	Loans from others	**244.31**	251.68
		12,864.28	13,818.33

Schedules forming part of the Consolidated Balance Sheet

(₹ in crores)

"5" [Item No. 7]

	FIXED ASSETS	Cost as at March 31, 2010	Acquisitions	Additions / Adjustments [Note (ii)]	Translation Adjustment	Deductions/ Adjustments	Cost as at March 31, 2011	Depreciation for the period Note (vi)]	Accumulated Depreciation on acquisitions during the period [Note (iii)]	Translation Adjustment- Accumulated Depreciation	Accumulated Depreciation up to March 31, 2011 [Note (iii) and (vi)]	Net Book Value as at March 31, 2011
(a)	**Land and Lease Hold Land**	**1,748.76**	**-**	**24.67**	**47.84**	**2.48**	**1,818.79**	**9.58**	**-**	**1.02**	**46.33**	**1,772.46**
		1,440.25	-	465.26	(48.82)	107.93	1,748.76	14.48	-	(9.19)	35.69	1,713.07
(b)	**Buildings**	**6,932.66**	**-**	**615.90**	**226.49**	**24.68**	**7,750.37**	**165.33**	**-**	**161.27**	**3,946.04**	**3,804.33**
		7,063.65	-	612.88	(285.37)	458.50	6,932.66	168.27	-	(154.05)	3,644.34	3,288.32
(c)	**Plant, Machinery and Equipment**	**43,237.44**	**2.50**	**4,146.41**	**1,401.43**	**453.29**	**48,334.49**	**2,874.96**	**0.82**	**1,086.31**	**31,524.06**	**16,810.43**
	[Note (i)]	42,137.49	77.67	4,254.50	(1,882.96)	1,349.26	43,237.44	2,794.93	63.19	(1,581.46)	27,953.64	15,283.80
(d)	**Furniture, Fixtures and**	**426.52**	**0.01**	**79.21**	**8.99**	**49.59**	**465.14**	**55.94**	**-**	**9.90**	**308.80**	**156.34**
	Office Appliances	479.58	5.28	69.98	(47.66)	80.66	426.52	57.23	4.88	(38.53)	283.96	142.56
	[Note (i)]											
(e)	**Technical Know how**	**36.87**	**-**	**0.83**	**-**	**0.41**	**37.29**	**0.81**	**-**	**-**	**26.29**	**11.00**
		38.56	-	1.77	0.07	3.53	36.87	11.98	-	-	26.29	10.58
(f)	**Vehicles and Transport**	**169.49**	**-**	**107.87**	**2.48**	**23.87**	**255.97**	**38.36**	**-**	**1.08**	**122.53**	**133.44**
	[Note (i)]	179.39	-	26.58	0.30	36.78	169.49	21.91	-	(0.02)	99.82	69.67
(g)	**Assets taken on Lease**	**155.12**	**0.30**	**14.80**	**0.29**	**23.59**	**146.92**	**22.77**	**0.26**	**0.07**	**78.42**	**68.50**
	[Note (v)]	174.15	-	4.68	1.49	25.20	155.12	26.34	-	0.54	77.77	77.35
(h)	**Assets given on Lease**	**398.96**	**-**	**-**	**-**	**-**	**398.96**	**4.86**	**-**	**-**	**382.24**	**16.72**
		411.50	-	-	1.91	14.45	398.96	4.86	-	-	381.90	17.06
(i)	**Product Development Cost**	**5,785.27**	**0.01**	**908.52**	**142.16**	**7.55**	**6,828.41**	**1,056.57**	**0.01**	**26.33**	**1,948.45**	**4,879.96**
		1,552.75	58.93	4,526.91	(346.07)	7.25	5,785.27	592.41	49.72	(46.69)	857.06	4,928.21
(j)	**Trade Marks and Brand**	**2,706.53**	**-**	**-**	**135.20**	**-**	**2,841.73**	**-**	**-**	**-**	**-**	**2,841.73**
		2,889.47	-	-	(182.94)	-	2,706.53	-	-	-	-	2,706.53
(k)	**Developed Technologies**	**859.72**	**-**	**-**	**39.07**	**-**	**898.79**	**101.07**	**-**	**7.59**	**259.30**	**639.49**
		946.91	0.09	-	(38.71)	48.57	859.72	73.23	-	(11.82)	150.00	709.72
(l)	**Software**	**1,365.46**	**3.00**	**313.13**	**53.04**	**48.56**	**1,686.07**	**325.23**	**1.91**	**26.42**	**1,056.21**	**629.86**
		974.56	6.48	516.07	(109.59)	22.06	1,365.46	121.49	5.73	(32.97)	721.92	643.54
	Total	**63,822.80**	**5.82**	**6,211.34**	**2,056.99**	**634.02**	**71,462.93**	**4,655.48**	**3.00**	**1,319.99**	**39,698.67**	**31,764.26**
		58,288.26	148.45	10,478.63	(2,938.35)	2,154.19	63,822.80	3,887.13	123.52	(1,874.19)	34,232.39	29,590.41
(m)	**Capital Work In progress**											**11,728.86**
	[Note (iv)]											8,915.92
												43,493.12
												38,506.33

Notes:

(i) Includes Plant, Machinery and Equipment, Furniture, Fixtures and Office Appliances and Vehicles and Transport having Gross block of ₹ **296.08 crores,** ₹ **0.67 crore and** ₹ **0.58 crores** (as at March 31, 2010 ₹165.40 crores, ₹ 0.73 crore and ₹ 0.57 crore) and net block of ₹ **6.78 crores,** ₹ **0.02 crore and** ₹ **0.02 crore** (as at March 31, 2010 ₹ 5.21 crores, ₹ 0.02 crore and ₹ 0.13 crore) respectively, held for disposal.

(ii) Additions / Adjustments include :

(a) capitalisation of exchange Loss (net of loss on derivative contract) of ₹ **53.49 crores** (2009-2010 decapitalisation of exchange gain of ₹ 308.48 crores).

(b) Deletion / Adjustments includes value of ₹ **Nil** due to sale of controlling stake in Telco Construction Equipment Company Limited. (as at March 31, 2010 ₹ 838.74 crores)

(iii) Accumulated Depreciation includes :

(a) an adjustment of ₹ **543.87 crores** (as at March 31, 2010 ₹ 726.00 crores) on Assets transferred/sold/discarded during the year.

(b) lease equalisation of ₹ **4.51 crores** (as at March 31, 2010 ₹ 4.51 crores) adjusted in lease rental income.

(c) depreciation of ₹ **41.10 crores** (2009-2010 ₹ 51.63 crores) on revalued portion of gross block transferred / credited to Revaluation Reserve.

(d) an adjustment of ₹ **Nil** (as at March 31, 2010 ₹ 261.16 crores) due to sale of controlling stake in Telco Construction Equipment Company Ltd.

(iv) Capital Work in Progress includes :

(a) Product Development Cost ₹ **9,212.25 crores** (as at March 31, 2010 ₹ 4,910.07 crores).

(b) advances for capital expenditure of ₹ **272.06 crores** (as at March 31, 2010 ₹ 294.31 crores).

(c) exchange loss of ₹ **11.58 crores** (as at March 31, 2010 Exchange loss of ₹ 58.55 crores).

(v) The Plant and Equipment taken on lease are under renewable secondary lease.

(vi) Depreciation for the year/accumulated depreciation includes amortization, diminution in value of assets and write down of assets net of reversals.

Schedules forming part of the Consolidated Balance Sheet

"6" [Item no. 9] **(₹ in crores)**

INVESTMENTS (at cost)	**As at March 31, 2011**	As at March 31, 2010
(A) In Associates		
(a) Carrying amount of investments in Associates (Note 7 below)	**664.64**	584.25
(b) Fully paid Cumulative Redeemable Preference shares (Unquoted)	**21.00**	21.00
(B) Others		
(I) Long Term Investments		
Quoted		
(a) Fully paid Ordinary/Equity shares	**285.64**	275.61
(b) Bonds	**2.44**	2.38
Unquoted		
(a) Fully paid Ordinary/Equity shares	**344.00**	231.26
(b) Fully paid Cumulative Redeemable Preference Shares	**12.00**	12.00
(c) Non Convertible Debentures	**5.00**	5.75
(d) Optionally Convertible Debentures	**8.04**	9.61
(e) Bonds	**-**	6.15
(f) Retained interest in securitisation transactions	**0.81**	5.33
(II) Current Investments		
Quoted		
(a) Fully paid Ordinary/Equity shares	**6.49**	6.47
(b) Investment in Securities	**0.02**	0.02
Unquoted		
(a) Fully paid Cumulative Redeemable Preference Shares	**3.00**	3.00
(b) Mutual Fund	**1,122.67**	1,064.62
(c) Fully paid Ordinary/Equity shares (Note 6 below)	**76.60**	-
	2,552.35	2,227.45
Less: Provision for diminution in value of Investments (net)	**8.09**	8.33
	2,544.26	2,219.12

Notes:

(1) Book value of quoted investments (other than in associates)	**294.59**	284.48
(2) Book value of unquoted investments (other than in associates)	**1,564.04**	1,329.39
(3) Market value of quoted investments (other than in associates)	**364.56**	360.85
(4) Investment in Mutual funds reinvested	**-**	8.08

(5) As per the shareholders agreement dated March 30, 2010, between Hitachi Construction Machinery Co. Ltd and the Company, Shares of Telcon Construction Equipment Company Limited owned by the Company are under restriction for sale, assign or transfer for a period of three years from the date of the agreement.

(6) One of the subsidiary company has exercised its right to transfer equity shares which were held as collateral towards trade receivables.The shares are in process of being sold.

(7) The particulars of investments in associate companies as of March 31, 2011 are as follows:

Sr. No.	Name of the Associates	Country of Incorporation	Ownership Interest (%)	Original Cost of Investment **	Amount of Goodwill/ (Capital Reserve) in Original Cost	Share of post acquisition Reserves and Surplus	Carrying amount of Investments
1)	Tata Cummins Ltd.	India	**50.00**	**90.00**	**-**	**155.09**	**245.09**
			50.00	90.00	-	119.20	209.20
2)	Tata AutoComp Systems Ltd.	India	**26.00**	**77.47**	**-**	**(22.97)**	**54.50**
			26.00	77.47	-	(50.72)	26.75
3)	NITA Company Ltd.	Bangladesh	**40.00**	**1.27**	**(0.43)**	**6.67**	**7.94**
			40.00	1.27	(0.43)	3.01	4.28
4)	Tata Precision Industries Pte. Ltd.	Singapore	-	-	-	-	-
	(Upto Feburary 15, 2011,thereafter subsidiary)		49.99	3.11	-	(3.11)	* -
5)	Automobile Corporation of Goa Ltd.	India	**44.21**	**103.76**	**54.01**	**16.95**	**120.71**
			42.37	99.67	52.78	7.71	107.38
6)	Jaguar Cars Finance Ltd	UK	**49.90**	**0.51**	**-**	**-**	**0.51**
			49.90	0.51	-	-	0.51
7)	Telco Construction Equipment Company Ltd.	India	**40.00**	**80.20**	**0.20**	**155.69**	**235.89**
			40.00	80.20	0.20	155.93	236.13
	Total			**353.21**	**53.78**	**311.43**	**664.64**
				352.23	52.55	232.02	584.25

* Share of loss restricted to the original cost of Investment as per the equity method of accounting for associates under AS -23 'Accounting for Investments in Associates in Consolidated Financial Statements'.

Schedules forming part of the Consolidated Balance Sheet

(₹ in crores)

"7" [Item no.11 (b)]

		As at March 31, 2011	As at March 31, 2010
INVENTORIES			
(a)	Stores and spare parts (at or below cost)	**172.36**	221.52
(b)	Consumable tools (at cost)	**68.30**	66.56
(c)	Raw materials and components	**1,964.57**	1,381.67
(d)	Work-in-progress	**1,122.98**	998.46
(e)	Stock-in-trade	**10,299.26**	8,223.90
(f)	Goods-in-transit (at cost)	**443.04**	419.92
		14,070.51	11,312.03

Note: Items (c), (d) and (e) above are valued at lower of cost and net realisable value.

"8" [Item no. 11 (c)]

		As at March 31, 2011	As at March 31, 2010
SUNDRY DEBTORS			
(a)	Over six months : (unsecured)	**946.16**	242.35
(b)	Others : (unsecured)	**6,167.97**	7,209.46
		7,114.13	7,451.81
	Less: Provision for doubtful debts	**236.77**	260.63
		6,877.36	7,191.18

"9" [Item no. 11 (d)]

		As at March 31, 2011	As at March 31, 2010
CASH AND BANK BALANCES			
(a)	Cash on hand	**24.61**	32.54
(b)	Current accounts with Banks #	**3,604.68**	2,784.44
(c)	Deposits with Banks *	**6,559.55**	4,140.27
(d)	Margin Money / Cash Collateral with Scheduled Banks	**759.09**	1,786.07
		10,947.93	8,743.32
#	Includes :		
	Cheques on hand	**231.55**	264.90
	Remittances in transit	**386.34**	398.06
*	Includes unutilised proceeds from Qualified Institutional Placement issue	**505.00**	-
	Restricted deposits	**623.61**	427.29

Schedules forming part of the Consolidated Balance Sheet

(₹ in crores)

"10" [Item no. 11 (e)]

			As at March 31, 2011	As at March 31, 2010
LOANS AND ADVANCES				
(A)	**SECURED**			
	Vehicle loans (Note 1 and 2 below)		**10,859.83**	8,466.50
	Less: Provision for doubtful loans (Note 3 below)		**847.32**	808.14
	Total (A)		**10,012.51**	7,658.36
(B)	**UNSECURED - considered good**			
	(a)	Claims / incentive recoverable, advances / loans to suppliers, contractors, employees and others, rent deposits and other amount due (Notes 4 to 6 below)	**3,090.30**	2,379.43
	(b)	Loan to Joint Venture and Associates[net of provision of ₹ **Nil** (as at March 31, 2010 ₹ 8.03 crores)]	**132.50**	132.50
	(c)	Deposits with government, public bodies and others	**3,107.50**	2,562.94
	(d)	Prepaid expenses	**749.44**	928.95
	(e)	Income tax refundable (net of provision) (Note 7 below)	**2,044.97**	1,534.50
		Total (B)	**9,124.71**	7,538.32
		Total (A) and (B)	**19,137.22**	15,196.68
Notes:	(1)	Loans are secured against hypothecation of vehicles		
	(2)	Includes on account of overdue Securitised Receivables	**477.41**	681.32
	(3)	Includes on account of Securitised Receivables	**272.62**	322.00
	(4)	Net of advances considered doubtful which have been provided for	**62.70**	64.68
	(5)	Includes amount due from customers in respect of contract works	**61.55**	45.09
	(6)	UK and other pension Plan (net)	**6.71**	2.98
	(7)	Includes MAT credit entitlement	**1,158.16**	731.80

"11" [Item no. 12 (a)]

		As at March 31, 2011	As at March 31, 2010
CURRENT LIABILITIES			
(a)	Acceptances	**5,389.03**	7,184.29
(b)	Sundry creditors	**26,684.78**	21,982.32
(c)	Liabilities for buyback arrangement	**867.80**	915.57
(d)	Advance and progress payments	**1,967.20**	1,981.80
(e)	Liability towards premium on redemption of Non-Convertible Debentures	**1,673.83**	1,745.79
(f)	Interest / commitment charges accrued on loans but not due	**508.17**	232.72
(g)	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due	**23.84**	34.84
		37,114.65	34,077.33

"12" [Item no. 12 (b)]

		As at March 31, 2011	As at March 31, 2010
PROVISIONS			
(a)	Proposed dividends	**1,274.23**	859.05
(b)	Provision for tax on dividends	**205.20**	144.66
(c)	Provision for Income tax (net of payments)	**506.90**	358.06
(d)	Provision for retirement and other employee benefit schemes [Note B(2),page 129,130 &131]	**2,747.93**	1,297.15
(e)	Provisions for Redemption of Foreign Currency Convertible Notes (FCCN) and Convertible Alternative Reference Securities(CARS) [Note B(4),page 132]	**801.09**	993.15
(f)	Provision for Warranty and product liability [Note B(4),page 132]	**4,126.19**	3,743.37
(g)	Other provisions [Note B(4),page 132]	**207.63**	248.06
		9,869.17	7,643.50

Schedules forming part of the Consolidated Balance Sheet and Profit and Loss Account
Basis of Consolidation and Significant Accounting Policies

(1) Basis of Consolidation:

The consolidated financial statements relate to Tata Motors Limited (the Company), its subsidiary companies, joint ventures and associates. The Company and its subsidiaries constitute the Group.

a) Basis of Accounting:

I. The financial statements of the subsidiary companies / joint ventures used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2011.

II. The financial statements of the Group have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India / notified under the Companies (Accounting Standards) Rules, 2006 and other generally accepted accounting principles in India.

b) Basis of preparation:

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions thereof.

c) Use of estimates:

The preparation of financial statements requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and future years affected.

d) Principles of consolidation:

The consolidated financial statements have been prepared on the following basis:

I. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealised profits or losses have been fully eliminated.

II. The consolidated financial statements include the share of profit / loss of the associate companies which has been accounted as per the 'Equity method', and accordingly, the share of profit / loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

An associate is an enterprise in which the investor has significant influence and which is neither a Subsidiary nor a joint venture of the investor.

III. The financial statements of the joint venture companies have been combined by using proportionate consolidation method and accordingly, venturer's share of each of the assets, liabilities, income and expenses of jointly controlled entity is reported as separate line items in the Consolidated Financial Statements. (Note C (1), Page 133)

IV. The excess of cost to the Company of its investments in the subsidiary companies / joint ventures over its share of equity of the subsidiary companies / joint ventures, at the dates on which the investments in the subsidiary companies / joint ventures are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies / joint ventures as on the date of investment is in excess of cost of investment of the Company, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

V. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments as stated above.

e) The following subsidiary companies are considered in the consolidated financial statements:

Sr No.	Name of the Subsidiary Company	Country of incorporation	% of holding either directly or through subsidiaries as at March 31, 2011	2010
	Direct Subsidiaries			
1	Tata Daewoo Commercial Vehicle Co. Ltd.	South Korea	**100**	100
2	HV Axles Ltd.	India	**85**	85
3	HV Transmissions Ltd.	India	**85**	85
4	TAL Manufacturing Solutions Ltd.	India	**100**	100
5	Sheba Properties Ltd.	India	**100**	100
6	Concorde Motors (India) Ltd.	India	**100**	100
7	Tata Motors Insurance Broking & Advisory Services Ltd	India	**100**	100
8	Tata Motors European Technical Centre Plc.	UK	**100**	100
9	Tata Technologies Ltd.	India	**83.38**	81.36
10	Tata Motors Finance Ltd.	India	**100**	100
11	Tata Marcopolo Motors Ltd.	India	**51**	51
12	Tata Motors (Thailand) Ltd.	Thailand	**86.78**	86.78
13	TML Holdings Pte Ltd, Singapore	Singapore	**100**	100
14	TML Distribution Company Ltd.	India	**100**	100
15	Tata Motors (SA) (Proprietary) Ltd.	South Africa	**60**	60
16	Tata Hispano Motors Carrocera S.A	Spain	**100**	100
17	Trilix S.r.l *(w.ef. September 29, 2010)*	Italy	**80**	-
18	Tata Precision Industries Pte Ltd *(w.e.f February 15, 2011)*	Singapore	**78.39**	-
	Indirect Subsidiaries **			
19	Tata Technologies (Thailand) Ltd	Thailand	**83.38**	81.36
20	Tata Technologies Pte. Ltd.	Singapore	**83.38**	81.36
21	INCAT International PLC.	UK	**83.38**	81.36
22	Tata Technologies Europe Ltd	UK	**83.38**	81.36

Basis of Consolidation and Significant Accounting Policies (contd.)

Sr No.	Name of the Subsidiary Company	Country of incorporation	% of holding either directly or through subsidiaries as at March 31, 2011	2010
23	INCAT SAS *(Liquidated w.e.f April 30,2010)*	France	-	81.36
24	INCAT GmbH.	Germany	**83.38**	81.36
25	Tata Technologies Inc	USA	**83.51**	81.50
26	Tata Technologies de Mexico, S.A. de C.V.	Mexico	**83.51**	81.50
27	Tata Technologies Canada Inc.	Canada	**83.51**	81.50
28	Miljobil Greenland AS	Norway	**71.69**	71.69
29	JaguarLandRover Ltd Plc *(formely known as JaguarLandRover Ltd)*	UK	**100**	100
30	Jaguar Cars Overseas Holdings Ltd	UK	**100**	100
31	Jaguar Land Rover Austria GmbH	Austria	**100**	100
32	Jaguar Belux NV	Belgium	**100**	100
33	Jaguar Cars Ltd	UK	**100**	100
34	Jaguar Land Rover Japan Ltd	Japan	**100**	100
35	Jaguar Cars South Africa (pty) Ltd	South Africa	**100**	100
36	Jaguar Italia SpA	Italy	**100**	100
37	Jaguar Cars Exports Ltd	UK	**100**	100
38	The Daimler Motor Company Ltd	UK	**100**	100
39	The Jaguar Collection Ltd	UK	**100**	100
40	Daimler Transport Vehicles Ltd	UK	**100**	100
41	S.S. Cars Ltd	UK	**100**	100
42	The Lanchester Motor Company Ltd	UK	**100**	100
43	Jaguar Hispania Sociedad	Spain	**100**	100
44	Jaguar Deutschland GmbH	Germany	**100**	100
45	Land Rover	UK	**100**	100
46	Land Rover Group Ltd	Jersey	**100**	100
47	Jaguar Land Rover North America LLC	USA	**100**	100
48	Land Rover Belux SA/NV	Belgium	**100**	100
49	Land Rover Ireland Ltd	Ireland	**100**	100
50	Jaguar Land Rover Nederland BV	Netherlands	**100**	100
51	Jaguar Land Rover Portugal - Veiculos e Pecas, LDA	Portugal	**100**	100
52	Jaguar Land Rover Australia Pty Ltd	Australia	**100**	100
53	Land Rover Exports Ltd	UK	**100**	100
54	Land Rover Italia SpA	Italy	**100**	100
55	Land Rover Espana SL	Spain	**100**	100
56	Land Rover Deutschland GmbH	Germany	**100**	100
57	Jaguar Land Rover Mexico SA de CV *(Upto July 12, 2010)*	Mexico	**–**	100
58	Jaguar Land Rover Korea Co. Ltd	South Korea	**100**	100
59	Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd	China	**100**	100
60	Jaguar Land Rover Canada ULC	Canada	**100**	100
61	Jaguar Land Rover France, SAS	France	**100**	100
62	Jaguar Land Rover South Africa (pty) Ltd	South Africa	**100**	100
63	Jaguar Land Rover Brazil LLC	Brazil	**100**	100
64	Limited Liability Company "Jaguar Land Rover" (Russia)	Russia	**100**	100
65	Land Rover Parts Ltd	UK	**100**	100
66	Land Rover Parts US LLC	USA	**100**	100
67	Tata Hispano Motors Crrosseries Hispano Maghreb *(formely known as Crrosseries Hispano Maghreb, Morroco)*	Spain	**100**	100
68	Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd. *(Incorporated on April 9, 2010)*	South Korea	**100**	-
69	Tata Engineering Services (Pte) Ltd *(w.e.f February 15, 2011)*	Singapore	**78.39**	-
**	Effective holding % of the Company directly and through its subsidiaries.			

The following Joint Venture companies are considered in the consolidated financial statements:

Sr. No.	Name of the Joint Venture Company	Country of incorporation	% of holding as at March 31 2011		2010
1	Fiat India Automobiles Limited	India	**50.00**		50.00
2	Tata HAL Technologies Ltd	India	**41.69**	*	40.68

* Effective holding % of the Company as it is a Joint Venture of Tata Technologies Ltd

(2) Significant Accounting Policies :

(a) Revenue Recognition

(i) Sale of products

The Company recognises revenue on the sale of products,net of discounts, when the products are delivered to the dealer / customer or when delivered to the carrier for exports sales, which is when risks and rewards of ownership pass to the dealer / customer. Sales include income from services, transfer of technology relating to automotive products and exchange fluctuations relating to export receivables. Sales include export and other recurring and non-recurring incentives from the Government at the national and state levels. Sale of products is presented gross of excise duty where applicable, and net of other indirect taxes. Discount and variable marketing expenses pertaining to Jaguar and Land Rover group are netted off against sales. Revenues are recognised when collectibility of the resulting receivables is reasonably assured.

(ii) Revenue from sale of vehicles with guaranteed repurchase option /repurchase arrangement

Some of the subsidiary companies sell vehicles to daily rental car companies and other fleet customers subject to guaranteed repurchase options and to Ford Motor Group management employees, with repurchase arrangements. At the time of sale, the proceeds are recorded as deferred revenue in current liabilities and the cost of the vehicles are recorded as inventories. The difference between the proceeds and the guaranteed repurchase amount is recognised in Sales over the term of the arrangement, using a straight-line method. The difference between the cost of the vehicle and the estimated auction value is netted off against revenue over the term of the lease.

(iii) Revenue from software consultancy on time and materials contracts is recognised based on certification of time sheet and billed to clients as per the terms of specific contracts. On fixed price contracts, revenue is recognised based on milestone achieved as specified in the contracts on the proportionate completion method on the basis of the work completed. Foreseeable losses on such contracts are recognized when probable. Revenue from rendering annual maintenance services is recognised proportionately over the period in which services are rendered. Revenue from third party software products and hardware sale is recognised upon delivery.

(iv) Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exits.

(v) Interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

Basis of Consolidation and Significant Accounting Policies (contd.)

(b) Depreciation and Amortisation

i) Depreciation is provided on straight line method basis (SLM) over the estimated useful lives of the assets. Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life
Leasehold Land	amortised over the period of the lease
Factory Building	20 to 40 years
Plant and Equipment	9 to 30 years
Computers	3 to 6 years
Vehicles	3 to 10 years
Furniture and Fixtures	3 to 20 years
Technical know-how	2 to 10 years
Developed Technologies	10 years
Software	1 to 8 years

Special tools are amortised on a straight line basis over the lives of the model concerned, which is 7 to 10 years.

Capital assets, the ownership of which does not vest with the Company, other than leased assets, are depreciated over the estimated period of their utility or five years, whichever is less.

ii) Product development cost are amortised over a period of 36 months to 120 months or on the basis of actual production to planned production volume over such period.

iii) In respect of assets whose useful life has been revised, the unamortised depreciable amount has been charged over the revised remaining useful life.

iv) Depreciation is not recorded on capital work-in-progress until construction and installation are complete and asset is ready for its intended use. Capital-work-in-progress includes capital advances.

(c) Fixed Assets

(i) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation.

(ii) The product development cost incurred on new vehicle platform, engines, transmission and new products are recognised as fixed assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future benefits.

(iii) Cost includes purchase price, taxes and duties, labour cost and directly attributable costs for self constructed assets and other direct costs incurred upto the date the asset is ready for its intended use. Borrowing cost incurred for qualifying assets is capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. The cost of acquisition is further adjusted for exchange differences relating to long term foreign currency borrowings attributable to the acquisition of depreciable asset w.e.f. April 1, 2007.

(iv) Software not exceeding Rs. 25,000 and product development costs relating to minor product enhancements, facelifts and upgrades are charged off to the Profit and Loss Account as and when incurred.

(d) Impairment

At each balance sheet date, the Company assesses whether there is any indication that the fixed assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. As per the assessment conducted by the Company at March 31, 2011, there were no indications that the fixed assets have suffered an impairment loss.

(e) Leases

(i) **Finance Lease**

Assets acquired under finance leases are recognised at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability. Assets given under finance leases except for those stated in (b)(ii) above, are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

(ii) **Operating Lease**

Leases other than finance lease ,are operating leases and the leased assets are not recognised on the Company's balancesheet. Payments under operating leases are recognised in the Profit and Loss account on a straight line basis over the lease term.

(f) Accounting of Transactions in Foreign Currencies

(i) **Exchange differences**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates.

(1) Exchange differences arising on settlement of transactions and translation of monetary items other than those covered by (2) below are recognised as income or expense in the year in which they arise. Exchange differences considered as borrowing cost are capitalised to the extent these relate to the acquisition / construction of qualifying assets and the balance amount is recognised in the Profit & Loss account.

(2) Exchange differences relating to long term foreign currency monetary assets / liabilities are accounted for with effect from April 1, 2007 in the following manner:

- Differences relating to borrowings attributable to the acquisition of the depreciable capital asset are added to / deducted from the cost of such capital assets.
- Other differences are accumulated in Foreign Currency Monetary Item Translation Difference Account, to be amortised over the period, beginning April 1, 2007 or date of inception of such item, as applicable, and ending on March 31, 2011 or the date of its maturity, whichever is earlier.

(3) On consolidation, the assets, liabilities and goodwill or capital reserve arising on the acquisition, of the Group's overseas operations are translated at exchange rates prevailing on the balance sheet date. Income and expenditure items are translated at the average exchange rates for the year/month. Exchange differences arising in case of Integral Foreign operations are recognised in the Profit and Loss account and Exchange differences arising in case of Non integral Foreign Operations are recognised in the Group's Translation Reserve classified under Reserves and Surplus.

(ii) Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. With effect from April 1, 2008, the Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in Accounting Standard 30- Financial Instruments: Recognition and Measurement.

These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in Hedging Reserve Account under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Profit and Loss account.

Amounts accumulated in Hedging Reserve Account are reclassified to profit and loss in the same periods during which the forecasted transaction affects profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Hedging Reserve Account is retained there until the forecasted transaction occurs.

If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Hedging Reserve Account is immediately transferred to the Profit and Loss account for the period.

(iii) Premium or discount on forward contracts other than those covered in (ii) above is amortised over the life of such contracts and is recognised as income and expense. Foreign currency options and other derivatives are stated at fair value as at the year end with change in fair value recognised in the Profit & Loss Account.

Basis of Consolidation and Significant Accounting Policies (contd.)

(g) Product Warranty Expenses

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto five years.

(h) Income on Vehicle Loan / Hire-Purchase Income / Finance Income from Lease

Interest income from hire purchase and loan contracts and finance income in respect of vehicles and income from plant given on lease, are accounted for by using the Internal Rate of Return method. Consequently, a constant rate of return on the net outstanding amount is accrued over the period of contract. The Company and its subsidiary provides an allowance for hire purchase and loan receivables that are in arrears for more than 11 months, to the extent of an amount equivalent to the outstanding principal and amounts due but unpaid considering probable inherent loss including estimated realisation based on past performance trends. In respect of loan contracts that are in arrears for more than 6 months but not more than 11 months, allowance is provided to the extent of 10% of the outstanding and amount due but unpaid.

(i) Sale of Vehicle Loans

The Company and its subsidiary sells Vehicle Loans to Special Purpose Entities ("SPE") in securitisation transactions. Recourse is in the form of the Company and its subsidiary's investment in subordinated securities issued by these special purpose entities, cash collateral and bank guarantees. The loans are derecognised in the balance sheet when they are sold and consideration has been received by the Company and its subsidiary. Sales and transfers that do not meet the criteria for surrender of control are accounted for as secured borrowings.

Gains or losses from the sale of loans are recognised in the period the sale occurs based on the relative fair value of the portion sold and the portion allocated to retained interests, except for subsidiaries which are governed by prudential norms for income recognition issued by the Reserve Bank of India for Non Banking Financial Companies (NBFC), where gains or losses on sale are accounted for as per these norms.

In case of a subsidiary, the estimated liability for servicing expenses in respect of assigned receivables is made based on the ratio between the cost incurred for servicing current receivables and the collection made during the year.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials and consumables are ascertained on a moving weighted average / monthly moving weighted average basis, except for Jaguar and Land Rover which is on FIFO basis. Cost, including variable and fixed overheads, are allocated to work-in-progress and stock-in-trade determined on full absorption cost basis. Net realisable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

(k) Employee Benefits

i) Pension Plans

One of the major subsidiary group, Jaguar Land Rover, operates several defined benefit pension plan, which are contracted out of the second state pension scheme. The assets of the plan are held in separate trustee administered funds. The plans provide for monthly pension after retirement as per salary drawn and service period as set out in rules of each fund.

Contributions to the plans by the subsidiary group take into consideration the results of actuarial valuations. The plans with a surplus position at the year end have been limited to the maximum economic benefit available from unconditional rights to refund from the scheme or reduction in future contributions. Where the subsidiary group is considered to have a contractual obligation to fund the pension plan above the accounting value of the liabilities, an onerous obligation is recognised.

The actuarial losses (net) of ₹ **3,998.70 crores** of pension plans of Jaguar Cars Ltd and Land Rover,UK, have been accounted in "Reserves and Surplus" in the consolidated financial statements in accordance with IFRS principles and permitted by AS21.

A separate defined contribution plan is available to employees of a major subsidiary group, Jaguar Land Rover. Costs in respect of this plan are charged to the statement of operations as incurred.

ii) Gratuity

The Company and some of its subsidiaries in India have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company and the said subsidiaries make annual contributions to gratuity funds established as trusts. Some subsidiaries have obtained insurance policies with the Life Insurance Corporation of India. The Company and some of its subsidiaries account for the liability for gratuity benefits payable in future based on an independent actuarial valuation.

iii) Superannuation

The Company and some of its subsidiaries have two superannuation plans, a defined benefit plan and a defined contribution plan. An eligible employee on April 1, 1996 could elect to be a member of either plan.

Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range from 0.75% to 2% of the annual basic salary for each year of service. The Company and the said subsidiaries account for superannuation benefits payable in future under the plan based on an independent actuarial valuation.

With effect from April 1, 2003, this plan was amended and benefits earned by covered employees have been protected as at March 31, 2003. Employees covered by this plan are prospectively entitled to benefits computed on a basis that ensures that the annual cost of providing the pension benefits would not exceed 15% of salary.

The Company and some of its subsidiaries maintain separate irrevocable trusts for employees covered and entitled to benefits. The Company and its subsidiaries contributes up to 15% of the eligible employees' salary to the trust every year. Such contributions are recognised as an expense when incurred. The Company and the said subsidiaries have no further obligation beyond this contribution.

iv) Bhavishya Kalyan Yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan. The benefits of the plan include pension in certain case, payable upto the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the Company's Medical Board. The monthly payment to dependents of the deceased / disabled employee under the plan equals 50% of the salary drawn at the time of death or accident or a specified amount, whichever is higher. The Company accounts for the liability for BKY benefits payable in future based on an independent actuarial valuation.

v) Severance indemnity

Tata Daewoo Commercial Vehicle Company Limited, TDCV and Tata Daewoo Commercial Vehicle Service Company Limited, a subsidiary company incorporated in Korea has an obligation towards severance indemnity, a defined benefit retirement plan, covering eligible employees. The plan provides for a lump sum payment to all employees with more than one year of employment equivalent to 30 days' salary payable for each completed year of service.

Basis of Consolidation and Significant Accounting Policies (contd.)

vi) Post-retirement Medicare Scheme

Under this scheme, employees of the Company and some of its subsidiaries get medical benefits subject to certain limits of amount, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The Company and the said subsidiaries account for the liability for post-retirement medical scheme based on an independent actuarial valuation.

vii) Provident fund and family pension

The eligible employees of the Company and some of its subsidiaries are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the company/subsidiaries make monthly/annual contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, as specified under the law, are made to the provident fund and pension fund set up as irrevocable trust by the Company and its subsidiaries or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. The Company and some of its subsidiaries are generally liable for monthly/annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

viii) **Compensated absences**

The Company and some of its subsidiaries provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on basis of an independent actuarial valuation.

l) Investments

i. Long term investments are stated at cost less other than temporary diminution in value, if any.

ii. Investment in associate companies are accounted as per the 'Equity method', and accordingly, the share of post acquisition reserves of each of the associate companies has been added to / deducted from the cost of investments.

iii. Current investments are stated at lower of cost and fair value. Fair value of investments in mutual funds are determined on portfolio basis.

m) Income Tax Expenses

Income tax expenses comprises current and deferred taxes. Current taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions. Current tax is net of credit for entitlement for Minimum Alternative tax.

Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

n) Issue expenses / Redemption premium / discount on Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS) / Non Convertible Debentures (NCD)

Issue expenses and premium payable on redemption of FCCN / CARS / NCD as per the terms of issue, is provided fully in the year of issue by adjusting against the Securities Premium Account (SPA). Any change in the premium payable, consequent to conversion or exchange fluctuations is adjusted to the SPA. Discount on redemption of FCCN, if any, will be recognised on redemption.

o) Borrowing costs

Fees towards structuring / arrangements and underwriting and other incidental costs incurred in connection with borrowings are amortised over the period of the loan.

Schedules forming part of the Consolidated Balance Sheet and Profit and Loss Account

"13" [Item no. 16] **(₹ in crores)**

(A) Notes to Balance Sheet

		As at March 31, 2011	As at March 31, 2010
(1)	**Foreign Currency Monetary Item Translation Difference Account (Item 4 , Page 106)**		
	Opening Balance [loss/(gain)]	**(191.15)**	636.48
	(a) Exchange loss/(gain) during the year	**(83.90)**	(613.08)
	(b) Amortisation of exchange fluctuation for the year	**275.05**	(214.55)
	Closing Balance [gain]	**-**	(191.15)

		As at March 31, 2011	As at March 31, 2010
(2)	(a) Claims not acknowledged as debts	**1,807.28**	1,039.81
	(b) Provision not made for income tax matters in dispute	**452.05**	425.38
(3)	The claims / liabilities in respect of excise duty, sales tax and other matters where the issues were decided in favour of the Company for which department is in further appeal	**133.82**	39.54
(4)	Estimated amount of contracts remaining to be executed on capital account and not provided for	**5,025.31**	2,720.87
(5)	Other money for which the Company is contingently liable:		
	(a) In respect of bills discounted and export sales on deferred credit	**181.46**	3.49
	(b) The Company has given guarantees for liability in respect of receivables assigned by way of securitisation	**3,416.43**	2,970.56
	(c) Cash Margin / Collateral	**731.93**	1,779.91
	(d) In respect of retained interest in securitisation transactions	**0.81**	1.32
	(e) In respect of subordinated receivables	**69.91**	139.30
	(f) Inter corporate deposits placed as collateral security	**-**	20.00
	(g) Others	**93.09**	55.19

(6) Concorde Motors (India) Limited (CMIL), a subsidiary company acquired certain immovable properties pursuant to a scheme of Arrangement in the year 2004. Stamp duty is payable on conveyance of properties in favour of CMIL.The stamp duty adjudication order has been passed by District Registrar (DUS) for Bangalore property fixing the market value of the immovable property situated at Bangalore as on the date of acquisition at ₹11.65 crores on which Stamp duty @ 7% amounting to ₹ 0.82 crore has been paid by CMIL during the year 2007-08 and has been capitalised under Land & Building. CMIL is in the process of completing similar formalities in respect of the Hyderabad Property that was acquired by CMIL pursuant to the scheme referred above . It is not possible to quantify the amount of duty payable, and adjustments, as and when effected, will be carried out to the cost of land and building relating the property at Hyderabad.

(7) (a) Major components of deferred tax arising on account of timing differences are:

	As at March 31, 2011	As at March 31, 2010
Liabilities:		
Depreciation	**(1,271.81)**	(1,085.26)
Intangibles	**(1,375.52)**	(1,114.80)
Product development cost and Reserves for Research and Development Expenses	**(1,545.93)**	(1,332.47)
Others	**(30.17)**	(20.69)
	(4,223.43)	(3,553.22)
Assets:		
Depreciation	**1,376.50**	1,092.07
Unabsorbed depreciation/ business loss	**301.98**	315.56
Employee benefits / Expenses allowable on payment basis	**543.75**	315.58
Provision for doubtful debts	**346.53**	327.51
Premium on redemption of CARS (net of exchange fluctuation on premium)	**111.13**	251.11
Others	**79.75**	97.76
	2,759.64	2,399.59
Net Deferred Tax Liability	**(1,463.79)**	(1,153.63)

(b) Classified on a company wise basis :

	As at March 31, 2011	As at March 31, 2010
(i) Deferred Tax Asset	**632.34**	425.97
(ii) Deferred Tax Liability	**(2,096.13)**	(1,579.60)
Net Deferred Tax Liability	**(1,463.79)**	(1,153.63)

(c) **Deferred Tax (charge) / credit for the year**

	2010-2011	2009-2010
Opening net Deferred Tax Liability	**1,153.63**	680.21
Debited/(Credited) to Securities Premium Account	**138.22**	8.31
Debited /(Credited) to Hedging Reserve	**-**	45.06
Translation differences on opening balances in respect of foreign subsidiaries	**(13.24)**	4.98
Sale of controlling stake in a subsidiary	**-**	(18.88)
	1,278.61	719.68
Less:- Closing net Deferred Tax Liability	**(1,463.79)**	(1,153.63)
Deferred Tax (charge) / credit for the year	**(185.18)**	(433.95)

As at March 31, 2011 temporary differences, unused tax losses and tax credits for which no deferred tax asset is recognised amount to **GBP 594.0 million (₹4,245.12 crores)** in relation to accelerated capital allowances **GBP 85.0 million(₹ 607.47 crores)**, accruals **GBP 14.0 million (₹100.05 crores)**, employee benefits **GBP 87.2 million (₹ 623.19 crores)** and carried tax losses **GBP 407.8million (₹ 2,914.41 crores)**. The deferred tax asset has not been recognised on the basis that its recovery is not virtually certain.

(d) **Tax expense [Item 9, Page 107] :**

	2010-2011	2009-2010
i) Current Tax (net of credit for Minimum Alternate Tax)	**1,031.20**	571.80
ii) Deferred Tax	**185.18**	433.95
	1,216.38	1,005.75

"13" [Item no. 16] (contd.)

(A) Notes to Balance Sheet (contd.)

(₹ in crores)

(8) **Disclosure of Goodwill (On Consolidation)**

	As at March 31, 2011	As at March 31, 2010
Opening Balance	**3,422.87**	3,718.65
Add: Goodwill on acquisitions	**27.67**	187.90
Less: Sale of controlling stake in a subsidiary	**-**	(212.90)
Less: Impairment	**(19.37)**	(40.00)
Less: Impact of Foreign Currency Translation	**153.62**	(230.78)
Closing Balance	**3,584.79**	3,422.87

	As at March 31, 2011	As at March 31, 2010
(9). (A) **Disclosure in respect of finance leases:**		
Assets taken on lease:		
(a) (i) Total of minimum lease payments	**21.04**	35.26
The total of minimum lease payments for a period :		
Not later than one year	**7.34**	20.72
Later than one year and not later than five years	**13.16**	13.64
Later than five years	**0.54**	0.90
(ii) Present value of minimum lease payments	**18.92**	32.61
Present value of minimum lease payments for a period :		
Not later than one year	**6.54**	19.24
Later than one year and not later than five years	**11.90**	12.57
Later than five years	**0.48**	0.80
(b) A general description of the significant leasing arrangements -		
The Company has entered into Finance lease arrangements for computers and data processing equipments from a vendor		
(B) **Disclosure in respect of operating leases:**		
(a) **Assets taken on lease:**		
(i) Total of minimum lease payments	**255.64**	196.14
The total of minimum lease payments for a period :		
Not later than one year	**91.88**	67.82
Later than one year and not later than five years	**162.54**	128.32
Later than five years	**1.22**	-

(ii) A general description of significant leasing arrangements-
The Company has entered into Finance lease arrangements for computers and data processing equipments from a vendor

Schedules forming part of the Consolidated Balance Sheet and Profit and Loss Account

"13" [Item no. 16] (contd.)

(A) Notes to Balance Sheet (contd.)

(10) Related party disclosures for the year ended March 31, 2011

(A) Related Party and their relationship

Associates
Tata AutoComp Systems Ltd
Tata Cummins Ltd
Tata Precision Industries Pte. Ltd *(Upto February 14,2011,thereafter subsidiary)*
Tata Hispano Motors Carrocera S.A. *(Upto October 15, 2009)*
Tata Sons Ltd *(Investing Party)*
Nita Company Ltd
Tata Precision Industries (India) Ltd. *(w.e.f. February 15, 2011)*
Automobile Corporation of Goa Ltd
Jaguar Cars Finance Limited
Telco Construction Equipment Co Ltd *(w.e.f. March 30, 2010)*

Joint Ventures
Fiat India Automobiles Ltd.
Tata HAL Technologies Ltd

Key Management Personnel
Mr. P M Telang
Mr. Carl Peter Forster *(w.e.f. April 1, 2010)*

In Subsidiary Companies
Dr. Ralf Speth

(B) Transactions with the related parties

(₹ in crores)

	Joint Venture	Associates	Key Management Personnel	2010-2011 Total
Purchase of goods	**2,200.44**	**3,232.32**	-	**5,432.76**
	1,595.31	2,463.58	-	4,058.89
Sale of goods (inclusive of sales tax)	**228.46**	**371.37**	-	**599.83**
	142.98	271.64	-	414.62
Sale of Investments	-	-	-	-
	-	693.39	-	693.39
Purchase of Investments	-	**5.86**	-	**5.86**
	-	-	-	-
Services received	**1.35**	**63.36**	**29.02**	**93.73**
	0.08	62.66	8.90	71.64
Services rendered	**1.53**	**21.85**	-	**23.38**
	2.59	9.59	-	12.18
Finance given (including loans and equity)	-	**89.00**	-	**89.00**
	132.50	42.08	-	174.58
Finance taken (including loans and equity)	-	**83.00**	-	**83.00**
	132.50	67.00	-	199.50
Interest / Dividend paid/(received) (net)	**(10.65)**	**177.93**	-	**167.28**
	(19.95)	86.05	-	66.10
Amount Receivable	**1.33**	**57.01**	-	**58.34**
	0.22	49.20	-	49.42
Amount Payable	**0.36**	**117.82**	-	**118.18**
	106.56	113.19	-	219.75
Amount Receivable (in respect of loans, interest & dividend)	**149.27**	**30.83**	**0.10**	**180.20**
	140.53	33.79	0.10	174.42
Amount Payable (in respect of loans, interest & dividend)	-	-	-	-
	-	13.01	-	13.01
Deposits given	-	**3.00**	-	**3.00**
	-	-	-	-

(C) Disclosure in respect of material transactions with related parties

		2010-2011	2009-2010
i) Purchase of Goods	Tata Cummins Ltd	**2,472.84**	1,809.42
	Fiat India Automobiles Ltd	**2,200.44**	1,595.31
	Automobile Corporation of Goa Ltd	**300.13**	190.37
	Tata AutoComp Systems Ltd.	**455.51**	446.19
ii) Sale of Goods	Tata Cummins Ltd	**227.49**	156.02
	Fiat India Automobiles Ltd	**228.17**	142.80
	Nita Company Ltd	**105.24**	110.46
	Telco Construction Equipment Co. Ltd	**38.62**	-
iii) Sale of Investments	Tata Sons Ltd	-	693.39
iv) Purchase of Investments	Tata Sons Ltd	**5.86**	-
v) Services received	Tata Sons Ltd	**63.06**	62.66
	Tata HAL Technologies Ltd.	**1.35**	0.08
vi) Services rendered	Tata Cummins Ltd	**6.03**	4.65
	Tata AutoComp Systems Ltd.	**3.29**	1.27
	Telco Construction Equipment Co. Ltd	**12.49**	-
	Tata Hispano Motors Carrocera S.A.	-	3.61
	Fiat India Automobiles Ltd	**1.52**	0.77
vii) Finance given including Loan and Equity	Fiat India Automobiles Ltd	-	132.50
	Tata Hispano Motors Carrocera S.A.	-	38.81
	Automobile Corporation of Goa Ltd	**89.00**	-
viii) Finance taken including Loan and Equity	Fiat India Automobiles Ltd	-	132.50
	Automobile Corporation of Goa Ltd	**83.00**	67.00
ix) Interest/Dividend paid/(received)			
Dividend paid	Tata Sons Ltd.	**240.86**	108.50
Dividend received	Tata Cummins Ltd	**(22.50)**	(6.75)
Dividend received	Tata Sons Limited	**(9.36)**	(9.36)
Dividend received	Telco Construction Equipment Co. Ltd	**(23.86)**	-
Interest received	Tata AutoComp Systems Ltd.	**(2.44)**	(2.72)
Interest received	Fiat India Automobiles Ltd	**(33.29)**	(25.00)
Interest received	Tata Hispano Motors Carrocera S.A.	-	(2.80)
Interest paid	Fiat India Automobiles Ltd	**22.65**	5.05
Deposits given	Tata Sons Ltd	**3.00**	-

"13"[Item no.16](contd.)

8. Consolidated Segment Information for the year ended March 31, 2011

Primary segment

(₹ in crores)

		Automotive				Others	Inter-Segment Eliminations	Total
		Tata Vehicles / spares and financing thereof*	Jaguar and Land Rover	Intra Segment Eliminations	Total			
a)	**Revenue**							
	External sales and income from other operations	**52,297.12**	**69,941.66**	**-**	**1,22,238.78**	**894.52**	**-**	**1,23,133.30**
		40,320.59	49,255.78	-	89,576.37	2,942.88	-	92,519.25
	Inter segment/Intra segment sales and other income	**33.65**	**276.97**	**(305.75)**	**4.87**	**635.97**	**(640.84)**	**-**
		38.70	88.43	(88.43)	38.70	495.08	(533.78)	-
	Total Revenue	**52,330.77**	**70,218.63**	**(305.75)**	**1,22,243.65**	**1,530.49**	**(640.84)**	**1,23,133.30**
		40,359.29	49,344.21	(88.43)	89,615.07	3,437.96	(533.78)	92,519.25
b)	**Segment results before other income, interest, tax and exceptional items**	**4,342.44**	**7,699.84**	**(17.40)**	**12,024.88**	**203.48**	**(66.39)**	**12,161.97**
		3,758.12	53.84	(9.77)	3,802.19	288.99	(101.38)	3,989.80
c)	(i) Dividend and other income							**89.61**
								1,793.12
	(ii) Interest and discounting charges							**(2,045.42)**
								(2,239.71)
	(iii) Exceptional items							
	Exchange gain (net) on revaluation of							**231.01**
	foreign currency borrowings, deposits and loans							84.47
	Others- debt prepayment cost							**-**
								(105.04)
d)	**Profit before tax**							**10,437.17**
								3,522.64
	Tax expense							**(1,216.38)**
								(1,005.75)
e)	**Profit / (Loss) after tax**							**9,220.79**
								2,516.89
f)	**Segment assets**	**44,365.44**	**46,954.90**	**(83.06)**	**91,237.28**	**1,244.97**	**(436.30)**	**92,045.95**
		39,008.50	39,651.28	(11.90)	78,647.88	1,090.97	(295.82)	79,443.03
g)	**Segment liabilities**	**14,932.69**	**26,368.16**	**(55.59)**	**41,245.26**	**407.83**	**(128.01)**	**41,525.08**
		16,369.38	20,245.43	(2.13)	36,612.68	381.87	(68.59)	36,925.96
h)	**Other information**							
	(i) Depreciation	**1,709.86**	**2,925.67**	**-**	**4,635.53**	**19.98**	**-**	**4,655.51**
		1,324.94	2,515.86	-	3,840.80	46.33	-	3,887.13
	(ii) Capital expenditure	**2,701.77**	**6,355.56**	**-**	**9,057.33**	**33.22**	**(66.27)**	**9,024.28**
		3,477.94	5,440.37	-	8,918.31	70.25	(127.01)	8,861.55
i)	**Segment assets exclude:**							
	(i) Deferred Tax Assets							**632.34**
								425.97
	(ii) Investments							**2,544.26**
								2,219.12
	(iii) Short Term deposits with Banks							**2,261.49**
								897.30
	(iv) Margin Money / Cash Collateral with Scheduled Banks							**759.09**
								1,786.07
	(v) Loans to Employees							**67.32**
								76.75
	(vi) Income tax refundable							**2,044.97**
								1,534.50
	(vii) Interest accrued on Investments							**1.90**
								2.43
	(viii) Interest receivable and interest accrued on employee loans							**2.00**
								2.74
	(iX) Prepaid debt issue cost and loans given							**488.16**
								576.25
	(x) Interest accrued on deposit and loans							**69.31**
								41.67
	(xi) Marked to Market Derivative Assets and Others							**372.64**
								14.10
								9,243.48
								7,576.90

* Tata Vehicles includes Tata Daewoo and Fiat traded vehicles

Schedules forming part of the Consolidated Balance Sheet and Profit and Loss Account

"13"[Item no.16] (contd.)

(A) Notes to Balance Sheet (contd.)

8. Consolidated Segment Information for the year ended March 31, 2011 (contd.) **(₹ in crores)**

Primary segment (contd.)

j) Segment liabilities exclude:

(i)	Minority interest	**246.60**
		213.51
(ii)	Loans secured	**19,927.13**
		21,290.03
(iii)	Loans unsecured	**12,864.28**
		13,818.33
(iv)	Foreign Currency Monetary Item Translation Difference Account	**-**
		191.15
(v)	Deferred tax liability	**2,096.13**
		1,579.60
(vi)	Liability for purchase of fixed assets	**403.61**
		433.75
(vii)	Liability towards premium on redemption of Non-Convertible Debentures	**1,673.83**
		1,745.79
(viii)	Provision for premium on redemption of Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS)	**801.09**
		993.15
(ix)	Proposed dividend and tax thereon	**1,479.43**
		1,003.71
(x)	Provision for Income Tax	**506.90**
		358.06
(xi)	Marked to market on Derivatives liability and others	**61.88**
		(7.15)
(xii)	Interest / commitment charges accrued on loans but not due	**508.17**
		232.72
(xiii)	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due	**23.84**
		34.84
		40,592.89
		41,887.49

(B) Secondary segment

	United States	UK	Rest of Europe	India	Rest of World	Total
Revenue from external customers	**14,765.34**	**13,850.20**	**15,060.59**	**45,990.78**	**33,466.39**	**123,133.30**
	10,106.57	11,569.61	13,146.08	37,760.63	19,936.36	92,519.25
Carrying amount of segment assets	**2,302.41**	**37,920.36**	**1,987.31**	**40,982.08**	**8,853.79**	**92,045.95**
	2,453.54	33,203.90	1,926.49	36,146.74	5,712.36	79,443.03
Capital expenditure	**16.42**	**6,305.72**	**74.42**	**2,410.34**	**217.38**	**9,024.28**
	32.99	5,382.48	64.76	3,215.01	166.31	8,861.55

Notes:

(1) The Company has disclosed business segment as primary segment. Automotive segment consists of business of automobile products consisting of all types of commercial and passenger vehicles including financing of the vehicles sold by the Company, wherever applicable. Others primarily include construction equipment, engineering solutions and software operations.

(2) Segment revenues, expenses and results include transfer between business segments. Such transfers are undertaken either at competitive market prices charged to unaffiliated customers for similar goods or at contracted rates. These transfers are eliminated on consolidation.

(B) Notes to the Profit and Loss Account

		2010-2011	2009-2010
(1) Interest and Discounting Charges			
(a) Interest		**2,229.72**	2,126.34
Less : (i) Transferred to Capital Account	**511.23**		332.32
(ii) Interest received on bank and other accounts	**339.85**		225.61
		851.08	557.93
(b) Discounting Charges (net)		**666.78**	671.30
		2,045.42	2,239.71

Schedules forming part of the Consolidated Balance Sheet and Profit and Loss Account

(B) Notes to the Profit and Loss account: (contd.) **"13" [Item no.16]**

(2) (a) Defined benefit plans / Long term compensated absences **(₹ in crores)**

	Particulars	Gratuity, Superannuation and BKY / PSY					Compensated Absences					Post-retirement Medicare scheme				
	As at / for the year ended on March 31,	**2011**	2010	2009	2008	2007	**2011**	2010	2009	2008	2007	**2011**	2010	2009	2008	2007
i	**Components of employer expense**															
	Current Service cost	**35.79**	31.60	31.60	26.75	20.06	**22.29**	18.66	18.31	15.22	12.83	**3.67**	3.27	2.79	2.93	2.69
	Interest cost	**47.96**	44.96	43.98	40.55	32.14	**14.07**	12.16	12.53	11.22	7.17	**7.23**	7.05	5.80	5.03	3.22
	Expected return on plan assets	**(44.70)**	(42.18)	(38.49)	(36.09)	(29.66)	**-**	-	-	-	-	**-**	-	-	-	-
	Past Service Cost	**0.07**	0.57	3.07	-	-	**-**	-	-	-	(0.25)	**-**	-	-	-	-
	Actuarial Losses/(Gains)	**59.49**	50.90	(5.57)	52.77	68.40	**40.45**	29.16	(8.89)	18.34	36.77	**3.80**	(0.14)	10.57	5.74	16.89
	Total expense recognised in the Statement of Profit & Loss Account in Schedule B, Page 111 under item :	**98.61**	85.85	34.59	83.98	90.94	**76.81**	59.98	21.95	44.78	56.52	**14.70**	10.18	19.16	13.70	22.80
		4 (b)										4 (a)				
ii	**Actual Contribution and Benefit Payments**															
	Actual benefit payments	**64.43**	63.95	67.01	68.43	69.02	**33.00**	23.60	29.55	28.77	20.47	**4.13**	4.38	4.51	4.65	3.34
	Actual Contributions	**84.77**	86.78	37.10	104.37	109.51	**33.00**	23.60	29.55	28.77	20.47	**4.13**	4.38	4.51	4.65	3.34
iii	**Net asset/(liability) recognised in balance sheet**															
	Present value of Defined Benefit Obligation	**688.63**	607.16	574.18	558.32	513.74	**225.76**	181.95	154.81	162.41	146.40	**97.74**	87.17	85.18	70.53	61.48
	Fair value of plan assets	**616.11**	548.41	515.83	497.46	433.21	**-**	-	-	-	-	**-**	-	-	-	-
	Net asset/(liability) recognised in balance sheet	**(72.52)**	(58.75)	(58.35)	(60.86)	(80.53)	**(225.76)**	(181.95)	(154.81)	(162.41)	(146.40)	**(97.74)**	(87.17)	(85.18)	(70.53)	(61.48)
iv	**Change in Defined Benefit Obligations (DBO)**															
	Present Value of DBO at beginning of year	**607.16**	574.18	558.32	513.74	451.08	**181.95**	154.81	162.41	146.40	110.35	**87.17**	85.18	70.53	61.48	42.02
	Liability on Acquisitions	**-**	-	-	0.73	-	**-**	-	-	-	-	**-**	-	-	-	-
	Current Service cost	**35.79**	31.60	31.60	26.75	20.06	**22.29**	18.66	18.31	15.22	12.83	**3.67**	3.27	2.79	2.93	2.69
	Interest cost	**47.96**	44.96	43.98	40.55	32.14	**14.07**	12.16	12.53	11.22	7.17	**7.23**	7.05	5.80	5.03	3.22
	Plan amendments	**-**	0.65	3.07	-	-	**-**	-	-	-	(0.72)	**-**	-	-	-	-
	Actuarial (gains)/ losses	**62.15**	46.15	4.22	44.98	79.48	**40.45**	29.16	(8.89)	18.34	37.24	**3.80**	(0.14)	10.57	5.74	16.89
	Benefits paid	**(64.43)**	(63.95)	(67.01)	(68.43)	(69.02)	**(33.00)**	(23.60)	(29.55)	(28.77)	(20.47)	**(4.13)**	(4.38)	(4.51)	(4.65)	(3.34)
	Sale of stake in Subsidiary	**-**	(26.43)	-	-	-	**-**	(9.24)	-	-	-	**-**	(3.81)	-	-	-
	Present Value of DBO at the end of year	**688.63**	607.16	574.18	558.32	513.74	**225.76**	181.95	154.81	162.41	146.40	**97.74**	87.17	85.18	70.53	61.48
v	**Change in Fair Value of Assets**															
	Plan assets at beginning of year	**548.41**	515.83	497.46	433.21	351.98	**-**	-	-	-	-	**-**	-	-	-	-
	Actual return on plan assets	**47.36**	37.43	48.28	28.31	40.74	**-**	-	-	-	-	**-**	-	-	-	-
	Actual Company contributions	**84.77**	86.78	37.10	104.37	109.51	**33.00**	23.60	29.55	28.77	20.47	**4.13**	4.38	4.51	4.65	3.34
	Benefits paid	**(64.43)**	(63.95)	(67.01)	(68.43)	(69.02)	**(33.00)**	(23.60)	(29.55)	(28.77)	(20.47)	**(4.13)**	(4.38)	(4.51)	(4.65)	(3.34)
	Sale of stake in Subsidiary	**-**	(27.68)	-	-	-	**-**	-	-	-	-	**-**	-	-	-	-
	Plan assets at the end of year	**616.11**	548.41	515.83	497.46	433.21	**-**	-	-	-	-	**-**	-	-	-	-
vi	**Actuarial Assumptions**															
	Discount Rate (%)	**6.75-8.50**	6.75-8.50	6.75-8.50	7.75-8.50	8.00-8.50	**8.50**	8.50	8.50	8.50	8.50	**8.50**	8.50	8.50	8.50	8.50
	Expected Return on plan assets (%)	**8.00**	8.00	8.00	8.00	8.00	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Medical cost inflation (%)	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	**4.00**	4.00	4.00	4.00	4.00
vii	**The major categories of plan assets as percentage to total plan assets**															
	Debt securities	**75%**	76%	78%	69%	64%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Balances with banks	**25%**	24%	22%	31%	36%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
viii	**Effect of one percentage point change in assumed Medical inflation rate**	**One percentage point increase in Medical inflation rate**										**One percentage point decrease in Medical inflation rate**				
		2011	2010	2009	2008	2007						**2011**	2010	2009	2008	2007
	Revised DBO	**104.57**	100.15	93.68	72.10	67.78						**88.49**	82.98	77.74	64.68	56.00
	Revised service cost	**4.30**	3.78	3.21	3.12	2.97						**3.16**	2.80	2.50	2.35	2.47
	Revised interest cost	**7.97**	7.78	5.96	5.54	3.55						**6.59**	6.42	5.30	4.54	2.93

(a) Defined Contribution Plans-

The Company's contribution to defined contribution plan aggregated ₹ **193.23 crores** (2009-2010 ₹ 215.90 crores) for the year ended March 31, 2011 has been recognised in the statement of Profit and Loss Account under item 4 (b) in Schedule B on page 111.

(b) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.

(c) The assumption of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) The Company expects to contribute ₹ **89.11 crores** to the funded pension plans in the year 2011-2012.

Schedules forming part of the Consolidated Balance Sheet and Profit and Loss Account

(B) Notes to the Profit and Loss account: (contd.)

"13" [Item no.16] (contd.)

(2) (b) Details of Severance Indemnity plan applicable to Tata Daewoo Commercial Vehicle Co. Ltd.and Tata Daewoo Service Vehicle Co. Ltd., Korea.

(₹ in crores)

	Particulars					
	As at / for the year ended on March 31,	**2011**	2010	2009	2008	2007
i	**Components of employer expense**					
	Current Service cost	**20.32**	17.54	14.75	18.90	15.88
	Interest cost	**10.28**	8.85	7.64	6.87	6.25
	Actuarial losses	**(23.38)**	19.75	19.96	7.69	23.51
	Total expense recognised in the Statement of Profit & Loss Account in Schedule B, Page 111 under item 4 (b)	**7.22**	46.14	42.35	33.46	45.64
ii	**Actual Contribution and Benefit Payments**					
	Actual benefit payments	**8.96**	16.26	10.16	7.87	9.43
	Actual Contributions	**8.96**	16.26	10.16	7.87	9.43
iii	**Net liability recognised in Balance Sheet**					
	Present value of Defined Benefit Obligation	**220.62**	217.23	174.83	156.50	149.63
	Fair value of plan assets	**-**	-	-	-	-
	Net liability recognised in Balance Sheet	**(220.62)**	(217.23)	(174.83)	(156.50)	(149.63)
iv	**Change in Defined Benefit Obligations**					
	Present Value of DBO at the beginning of the year	**217.23**	174.83	156.50	149.63	113.73
	Current Service cost	**20.32**	17.54	14.75	18.90	15.88
	Interest cost	**10.28**	8.85	7.64	6.87	6.25
	Actuarial losses	**(23.38)**	19.75	19.96	7.69	23.51
	Benefits paid	**(8.96)**	(16.26)	(10.16)	(7.87)	(9.43)
	Exchange fluctuation	**5.13**	12.52	(13.86)	(18.72)	(0.31)
	Present Value of DBO at the end of the year	**220.62**	217.23	174.83	156.50	149.63
v	**Change in Fair Value of Assets**					
	Plan assets at the beginning of the year	**N/A**	N/A	N/A	N/A	N/A
	Acquisition Adjustment	**N/A**	N/A	N/A	N/A	N/A
	Actual return on plan assets	**N/A**	N/A	N/A	N/A	N/A
	Actual Company Contributions	**8.96**	16.26	10.16	7.87	9.43
	Benefits paid	**(8.96)**	(16.26)	(10.16)	(7.87)	(9.43)
	Plan assets at the end of the year	**-**	-	-	-	-
vi	**Actuarial Assumptions**					
	Discount Rate	**4.53%**	4.84%	5.00%	5.38%	5.00%
	Expected return on plan assets	**N/A**	N/A	N/A	N/A	N/A
	Medical cost inflation	**N/A**	N/A	N/A	N/A	N/A

The assumption of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Schedules forming part of the Consolidated Balance Sheet and Profit and Loss Account

(B) Notes to the Profit and Loss account: (contd.) "13" [Item no.16]

(2) (c) Details of Defined benefit plans applicable to Jaguar and Land Rover group.

(₹ in crores)

	Particulars	Post-retirement Pension scheme			Post-retirement Medicare scheme		
	As at / for the year ended on March 31,	**2011**	2010	2009	**2011**	2010	2009
i	**Components of employer expense**						
	Current Service cost	**752.63**	480.03	483.89	**0.64**	0.53	0.47
	Interest cost	**1,529.40**	1,555.04	1,263.37	**0.71**	0.61	0.47
	Expected return on plan assets	**(1,711.20)**	(1,314.87)	(1,713.44)	**-**	-	-
	Amortisation of past service cost	**35.41**	13.63	-	**-**	-	-
	Curtailment	**-**	(5.45)	-	**-**	-	-
	Settlement	**(1.20)**	-	-	**-**	-	-
	Asset restriction	**-**	-	(14.62)	**-**	-	-
	Actuarial Losses	**-**	-	16.25	**-**	-	-
	Total expense recognised in the Statement of Profit & Loss Account in Schedule B, Page 111 under item 4 (b):	**605.04**	728.38	35.45	**1.35**	1.14	0.94
ii	**Actual Contribution and Benefit Payments**						
	Actual benefit payments	**910.70**	826.05	563.68	**-**	-	-
	Actual Contributions	**1,545.97**	398.06	552.64	**-**	-	-
iii	**Amount recognised in Pension Reserve**						
	Actuarial loss	**1,391.86**	642.93	2,585.69	**(4.39)**	1.67	-
	Movement in restriction of pension assets	**888.67**	(481.33)	(959.22)	**-**	-	-
	Exchange Fluctuation	**-**	102.13	(169.26)	**-**	-	-
	Amount recognised in Pension Reserve	**2,280.53**	263.73	1,457.21	**(4.39)**	1.67	-
iv	**Net liability recognised in balance sheet**						
	Present value of Defined Benefit Obligation	**30,723.35**	26,340.24	22,119.55	**7.69**	10.76	8.65
	Fair value of plan assets	**29,816.11**	25,908.86	22,591.74	**-**	-	-
	Restriction of pension asset	**(235.84)**	(17.64)	(290.37)	**-**	-	-
	Unrecognised actuarial gains and losses	**-**	-	(3.42)	**-**	-	-
	Onerous Obligation	**(902.99)**	(233.72)	(436.01)	**-**	-	-
	Exchange Fluctuation	**(15.28)**	5.10	-	**-**	-	-
	Net asset recognised in balance sheet	**6.72**	3.06	261.67	**-**	-	-
	Net (Liability) recognised in balance sheet	**(2,068.07)**	(680.70)	(519.28)	**(7.69)**	(10.76)	(8.65)
v	**Change in Defined Benefit Obligations (DBO)**						
	Present Value of DBO at beginning of year	**26,340.24**	22,119.55	-	**10.76**	8.65	-
	Liability on Acquisition	**-**	-	26,595.11	**-**	-	7.59
	Current Service cost	**752.63**	480.03	483.89	**0.64**	0.53	0.47
	Interest cost	**1,529.40**	1,555.04	1,263.37	**0.71**	0.61	0.47
	Amendments	**35.41**	12.25	-	**-**	-	-
	Actual Member Contributions	**46.39**	147.81	237.87	**-**	-	-
	Actuarial losses	**1,608.01**	4,902.21	(2,462.41)	**(4.39)**	1.67	(1.02)
	Benefits paid	**(910.70)**	(826.05)	(563.69)	**-**	-	-
	Expenses paid	**(0.99)**	(0.15)	(0.07)	**-**	-	-
	Plan combinations	**-**	2.72	57.41	**-**	-	-
	Plan curtailment	**-**	(5.45)	-	**-**	-	-
	Plan settlement	**(9.42)**	(0.68)	-	**-**	-	-
	Exchange Fluctuation	**1,332.38**	(2,047.05)	(3,491.93)	**(0.03)**	(0.70)	1.14
	Present Value of DBO at the end of year	**30,723.35**	26,340.23	22,119.55	**7.69**	10.76	8.65
vi	**Change in Fair Value of Assets**						
	Plan assets at beginning of year	**25,908.88**	22,591.74	-	**N/A**	N/A	N/A
	Plan assets on Acquisition	**-**	-	29,341.88	**N/A**	N/A	N/A
	Actual return on plan assets	**1,927.28**	5,574.15	(3,520.28)	**N/A**	N/A	N/A
	Actual Company Contributions	**1,545.97**	398.06	552.64	**N/A**	N/A	N/A
	Actual Member Contributions	**46.39**	147.81	237.87	**N/A**	N/A	N/A
	Benefits paid	**(910.70)**	(826.04)	(563.68)	**N/A**	N/A	N/A
	Expenses paid	**(0.99)**	(0.15)	(0.07)	**N/A**	N/A	N/A
	Plan combinations	**-**	-	54.50	**N/A**	N/A	N/A
	Plan settlement	**(8.22)**	(0.68)	-	**N/A**	N/A	N/A
	Exchange Fluctuation	**1,307.50**	(1,976.01)	(3,511.12)	**N/A**	N/A	N/A
	Plan assets at the end of year	**29,816.11**	25,908.88	22,591.74	**N/A**	N/A	N/A
vii	**Actuarial Assumptions**						
	Discount Rate (%)	**5.19- 5.50**	5.50- 5.60	6.70-7.16	**5.74**	6.22	7.77
	Inflation (%)	**2.00-3.40**	2.00-3.50	2.52-3.30	**N/A**	N/A	N/A
	Expected Return on plan assets (%)	**5.75-6.57**	6.50	5.80-6.40	**N/A**	N/A	N/A
	Medical cost inflation (%)	**N/A**	N/A	N/A	**4.20**	7.80	4.90-8.10
viii	**The major categories of plan assets as percentage to total plan assets**						
	Equity securities	**20%-40%**	39%-53%	27%-36%	**N/A**	N/A	N/A
	Debt securities	**40%-63%**	39%-56%	36%-62%	**N/A**	N/A	N/A
	Other	**2.4%-20%**	1%-23%	3%-29%	**N/A**	N/A	N/A

(a) Defined Contribution Plans-
Jaguar and Land Rover group's contribution to defined contribution plan aggregated ₹ **24.03 crores** (₹1.70 crores for the year ended March 31, 2010) has been recognised in the statement of Profit and Loss Account under item 4 (b) in Schedule B on Page 111

(b) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.

(c) The assumption of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) The Company expects to contribute ₹ **825.92 crores** to the funded pension plans in the year 2011-2012.

Schedules forming part of the Consolidated Balance Sheet and Profit and Loss Account

(B) Notes to the Profit and Loss Account :(contd.)

				2010-2011	2009-2010
(3)		Earnings Per Share:			
	(a)	Profit for the year	₹ crores	**9,273.62**	2,571.06
	(b)	The weighted average number of Ordinary Shares for Basic EPS	Nos.	**51,77,60,138**	46,37,36,463
	(c)	The weighted average number of 'A' Ordinary Shares for Basic EPS	Nos.	**7,93,33,840**	6,41,76,028
	(d)	The nominal value per Share (Ordinary and 'A' Ordinary)	₹	**10.00**	10.00
	(e)	Share of Profit for Ordinary Shares for Basic EPS	₹ crores	**8,038.03**	2,255.69
	(f)	Share of Profit for 'A' Ordinary Shares for Basic EPS*	₹ crores	**1,235.59**	315.37
	(g)	Earnings Per Ordinary Share (Basic)	₹	**155.25**	48.64
	(h)	Earnings Per 'A' Ordinary Share (Basic)	₹	**155.75**	49.14
	(i)	Profit for the year for Basic EPS	₹ crores	**9,273.62**	2,571.06
	(j)	Add: Interest payable on outstanding Foreign Currency Convertible Notes	₹ crores	**53.98**	41.93
	(k)	Profit for the year for Diluted EPS	₹ crores	**9,327.60**	2,612.99
	(l)	The weighted average number of Ordinary Shares for Basic EPS	Nos.	**51,77,60,138**	46,37,36,463
	(m)	Add: Adjustment for Options relating to warrants, Foreign Currency Convertible Notes and Convertible Alternative Reference Securities	Nos.	**4,65,77,982**	5,66,43,723
	(n)	The weighted average number of Ordinary Share for Diluted EPS	Nos.	**56,43,38,120**	52,03,80,186
	(o)	The weighted average number of 'A' Ordinary Share for Basic EPS	Nos.	**7,93,33,840**	6,41,76,028
	(p)	Add: Adjustment for 'A' Ordinary Shares held in abeyance	Nos.	**99,530**	1,00,136
	(q)	The weighted average number of 'A' Ordinary Share for Diluted EPS	Nos.	**7,94,33,370**	6,42,76,164
	(r)	Share of Profit for Ordinary Shares for Diluted EPS	₹ crores	**8,173.21**	2,322.86
	(s)	Share of Profit for 'A' Ordinary Shares for Diluted EPS*	₹ crores	**1,154.39**	290.13
	(t)	Earnings Per Ordinary Share (Diluted)	₹	**144.83**	44.64
	(u)	Earnings Per 'A' Ordinary Share (Diluted)	₹	**145.33**	45.14

* 'A' Ordinary Share Holders are entitled to receive dividend @ 5% points more than the aggregate rate of dividend determined by the Company on Ordinary Shares for the financial year

(₹ in crores)

			2010-2011	2009-2010
(4)		Other provisions include:		
	(a)	**Product warranty and Liability**		
		Opening Balance	**3,743.37**	4,384.91
		Add: On acquisition of subsidiaries	**-**	0.95
		Add: Provision for the year (net) (including additional provision for earlier years)	**2,927.68**	2,524.70
		Less: Payments / debits (net of recoveries from suppliers)	**(2,690.66)**	(2,991.61)
		Less: Sale of controlling stake in a subsidiary	**-**	(23.52)
		Less: Reclassification	**(143.41)**	-
		Foreign currency translation	**289.21**	(152.06)
		Closing Balance	**4,126.19**	3,743.37
		The provision is expected to be utilized for settlement of warranty claims within a period of 2 to 4 years.		
	(b)	**Provision for Residual Risk:**		
		Opening Balance	**106.91**	693.25
		Add: Provision for the year (net)	**(221.83)**	(439.20)
		Less: Payments / debits	**166.03**	(115.39)
		Foreign currency translation	**(0.88)**	(31.75)
		Closing Balance	**50.23**	106.91
	(c)	**Provision towards Environmental Cost :**		
		Opening Balance	**128.11**	151.54
		Add: (Reversal) / Provision for the year (net)	**-**	(13.79)
		Less: Payments / debits	**(3.54)**	(1.59)
		Foreign currency translation	**6.33**	(8.05)
		Closing Balance	**130.90**	128.11
	(d)	**Premium on redemption of Foreign Currency Convertible Notes (FCCN) and Convertible Alternative Reference Securities (CARS):**		
		Opening Balance	**993.15**	1,094.57
		Foreign currency exchange gain	**(3.22)**	(133.38)
		Premium on redemption of FCCN (including withholding tax)	**-**	257.46
		Reversal of provision for premium due to conversion of FCCN	**(168.57)**	(225.50)
		Reversal of provision for WHT due to redemption of FCCN	**(20.27)**	-
		Closing Balance	**801.09**	993.15

(5) The additional disclosure as required by AS 7 (Revised) on Construction Contracts are as follows:

(a) Advance received is ₹**13.57 crores** (as at March 31, 2010 ₹12.01 crores)

(b) Retention money is ₹**17.61 crores** (as at March 31, 2010 ₹ 15.45 crores)

(c) Contract revenue recognised during the year is ₹ **116.74 crores** (2009-2010 ₹ 81.03 crores)

(d) Aggregate amount of costs incurred and recognised profits (less recognised losses) ₹ **305.63 crores** (as at March 31, 2010 ₹ 242.67 crores)

(C) Other notes: **(₹ in crores)**

(1) The proportionate share of assets and liabilities as at March 31, 2011 and income and expenditure for the year ended March 31, 2011 of the joint venture companies based on financial statements are given below:

	As at March 31, 2011 Unaudited	As at March 31, 2010 Unaudited
RESERVES AND SURPLUS		
Reserves and Surplus	**(609.35)**	(486.17)
ASSETS		
Net Block (including CWIP)	**1,652.46**	1,769.90
Investments (₹ 50)	**-**	-
Current Assets	**964.46**	984.69
	2,616.92	2,754.59
LIABILITIES		
Loan Funds	**1,150.51**	1,337.90
Current Liabilities	**998.32**	1,028.62
Provisions	**11.38**	9.76
	2,160.21	2,376.28
Claims not acknowledged as debts	**4.15**	3.14
Capital Commitments	**7.70**	50.01

	2010-2011 Unaudited	2009-2010 Unaudited
INCOME		
Sale of products and services	**2,041.51**	1,614.85
Less : Excise duty	**(324.04)**	(192.92)
Other Operating Income	**198.75**	146.31
	1,916.22	1,568.24
EXPENDITURE		
Manufacturing and other expenses	**1,768.24**	1,437.93
Product Development Cost	**3.46**	0.48
Depreciation	**160.64**	140.79
Interest	**107.06**	124.18
	2,039.40	1,703.38

(2) During the year ended March 31, 2011, the Company has issued shares aggregating US$ 750 million, comprising 'A' Ordinary Shares aggregating US$ 550 million and Ordinary Shares aggregating US$ 200 million.Consequently, the Company has allotted 32,165,000 'A' Ordinary Shares at a price of ₹ 764 per 'A' Ordinary Share (including a premium of ₹ 754 per 'A' Ordinary Share) and 8,320,300 Ordinary Shares at a price of ₹ 1,074 per Ordinary Share (including a premium of ₹ 1,064 per Ordinary Share) aggregating to a total issue size of ₹ 3,351.01 crores.

(3) The following subsidiaries/associate have been considered on Unaudited basis. Details for the same are as under :

	Tata Precision Industries Pte Ltd	**Tata Motors (SA) (Proprietary Ltd.**	**Trilix S.r. l**
(a) **As at March 2011**			
Net Worth	1.03	13.02	5.77
For the year ended March 31, 2011			
Total Revenue	-	-	9.86
Net Increase/(Decrease) in Cash & Cash equivalent	1.11	7.89	2.82

(b) The share of profit / (loss) in respect of investments in associate companies include figures which are considered as per unaudited financial statements/profit and loss account for the year ended March 31,2011, as per the details given :

Name of the Associate	**Share in Post acquisition Reserves and Profit and Loss account upto March 31, 2011**	**Profit / (Loss) for the year ended March 31, 2011**
Telco Construction Equipment Co Ltd	155.69	14.71

(4) On March 23, 2010, the Company had offered to Non-U.S. Noteholders of outstanding 0% JPY 11,760 million (due 2011) and 1% USD 300 million (due 2011) Convertible Notes, an option to convert their Notes into Ordinary Shares during a limited offer period. During this period, as per the terms of Invitation Memorandum, Noteholders could opt to receive shares at enhanced conversion terms. Noteholders, who did not participate, would continue with all the terms of their notes as applicable prior to this limited period offer. Noteholders representing 93.62% of the JPY Notes (i.e. JPY 10,710 million) and 76.54% of USD Notes (i.e. USD 229.64 million), outstanding prior to the offering, opted to convert their Notes into Ordinary Shares. As a result, the company has allotted 2,66,43,266 equity shares to the Noteholders, who exercised the option.

(5) Subsequent to the year ended March 31, 2011, Jaguar Land Rover Plc., an indirect subsidiary of the Company has issued GBP 1,000 million equivalent Senior Notes (Notes). The Notes issued includes GBP 500 million Senior Notes due 2018 at a coupon of 8.125% per annum, USD 410 million Senior Notes due 2018 at a coupon of 7.75% per annum and USD 410 million Senior Notes due 2021 at a coupon of 8.125% per annum. The proceeds will be used to refinance existing debt and for general corporate purposes.

(6) Previous year figures have been re-grouped where necessary.

(7) Current year figures are shown in bold prints.

SUBSIDIARY COMPANIES : FINANCIAL HIGHLIGHTS- 2010-11

(₹ in Crores)

Sr. No	Subsidiary	Country of Incorporation	Reporting currency #	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/ (Loss) Before Tax	Tax Expense/ (Credit)	Profit/(Loss) after tax	Profit/ (Loss)for the period/ year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)
I	**Details of Subsidiaries**													
1	TAL Manufacturing Solutions Ltd.	India	INR	65.00	34.96	288.63	188.67	249.59	18.51	3.81	14.70	14.70	5.67	-
2	HV Axles Ltd.	India	INR	45.00	286.67	429.59	97.92	306.32	139.80	45.59	94.21	94.21	31.38	91.89
3	HV Transmissions Ltd.	India	INR	40.00	202.87	343.78	100.91	293.12	135.07	44.31	90.76	90.76	27.89	5.00
4	Concorde Motors (India) Ltd.	India	INR	46.80	25.46	236.02	163.76	879.58	3.98	1.19	2.79	2.79	2.27	-
5	Sheba Properties Ltd.	India	INR	75.00	78.37	156.61	3.24	9.58	8.28	1.37	6.91	6.91	-	146.23
6	Tata Daewoo Commercial Vehicle Co. Ltd.	South Korea	KRW	57.35	1,005.83	2,181.42	1,118.24	2,890.12	86.18	13.23	72.95	72.95	-	79.04
7	Tata Technologies Ltd.	India	INR	37.32	403.55	603.82	162.96	504.75	127.10	30.06	97.05	97.05	21.66	319.31
8	Tata Motors Insurance Broking & Advisory Services Ltd	India	INR	2.50	1.31	10.23	6.41	23.16	0.85	-	0.85	0.85	-	0.77
9	Tata Motors European Technical Centre Plc.	UK	GBP	29.60	(16.32)	259.34	246.07	191.70	(45.40)	3.04	(48.45)	(48.45)	-	-
10	TML Distribution Company Ltd.	India	INR	225.00	32.16	1,991.45	1,734.29	17,390.42	16.22	5.45	10.77	10.77	-	-
11	Tata Motors (SA) (Proprietary) Ltd.	South Africa	ZAR	13.00	0.02	22.12	9.10	-	(0.03)		(0.03)	(0.03)	-	-
12	Tata Motors Finance Ltd.	India	INR	1,050.00	808.12	11,461.79	9,603.67	1,428.47	202.60	75.49	127.11	127.11	-	58.04
13	Tata Marcopolo Motors Ltd.	India	INR	170.00	(57.15)	374.77	261.93	469.67	(8.56)	-	(8.56)	(8.56)	-	-
14	Tata Motors (Thailand) Ltd.	Thailand	THB	154.56	(254.96)	369.50	469.91	406.49	(63.93)	-	(63.93)	(63.93)	-	-
15	TML Holdings Pte Ltd, Singapore	Singapore	USD	17,304.38	671.08	17,977.21	1.75	-	269.28	-	269.28	269.28	-	-
16	Tata Hispano Motors Carrocera S.A	Spain	EURO	3.70	(260.37)	311.66	568.33	208.05	(63.74)	(3.13)	(60.60)	(60.60)	-	-
17	Trilix S.r.l (w.ef. September 29, 2010)	Italy	EURO	0.61	5.16	19.15	13.38	9.86	0.42	0.21	0.21	0.21	-	0.67
18	Tata Precision Industries Pte Ltd (w.e.f February 15, 2011)	Singapore	SGD	74.21	(73.19)	1.37	0.34	-	-	-	-	-	-	-
19	INCAT International PLC.	U.K.	GBP	1.73	33.59	48.14	12.82	-	(0.89)	(0.29)	(0.61)	(0.61)	-	-
20	Tata Technologies Inc	USA	USD	199.26	(375.15)	140.39	316.28	441.02	18.54	5.96	12.58	12.58	-	-
21	Tata Technologies Canada Inc.	Canada	USD	-	(4.28)	5.25	9.52	2.72	0.21	-	0.21	0.21	-	-
22	Tata Technologies de Mexico, S.A. de C.V.	Mexico	USD	0.69	1.57	3.96	1.69	8.78	(0.10)	(0.03)	(0.07)	(0.07)	-	-
23	Tata Technologies Europe Ltd	UK	GBP	0.07	36.68	164.11	127.36	383.51	27.97	4.93	23.04	23.04	-	-
24	INCAT GmbH	Germany	EURO	1.04	12.82	14.40	0.54	0.95	1.06	-	1.06	1.06	-	-
25	INCAT SAS (Liquidated w.e.f April 30,2010)	France	EURO	-	-	-	-	-	-	-	-	-	-	-
26	Tata Technologies (Thailand) Ltd	Thailand	THB	5.19	(3.44)	3.13	1.37	7.84	0.68	-	0.68	0.68	-	-
27	TATA Technologies Pte Ltd.	Singapore	SGD	310.71	286.03	608.70	11.97	34.31	10.99	0.17	10.82	10.82	-	-
28	Miljobil Greenland AS	Norway	NOK	6.83	(40.62)	53.23	87.02	15.89	(27.72)	-	(27.72)	(27.72)	-	-
29	JaguarLandRover Ltd Plc (formely known as JaguarLandRover Ltd)	UK	USD	17,754.19	(1,933.69)	15,820.69	0.19	-	67.69	-	67.69	67.69	-	-
30	Jaguar Cars Limited	UK	GBP	15,502.20	(14,515.48)	5696.43	4,709.70	20,521.38	(550.90)	(0.04)	(550.86)	(550.86)	-	-
31	Land Rover	UK	GBP	4,809.72	2,377.69	16,911.77	9,724.36	38,600.83	6,610.11	-	6,610.11	6,610.11	-	752.72
32	Jaguar Cars Exports Limited	UK	GBP	-	(183.96)	974.94	1,158.90	8,962.82	16.54	0.65	15.90	15.90	-	-
33	The Jaguar Collection Limited	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
34	Jaguar Land Rover North America, LLC.	USA	USD	195.98	(96.86)	2,656.34	2,557.22	13,443.40	137.82	29.04	108.78	108.78	-	-
35	Jaguar Hispania Sociedad	Spain	EUR	5.09	11.15	83.87	67.62	244.08	3.53	0.08	3.45	3.45	-	-
36	Jaguar Deutschland GmbH	Germany	EUR	14.45	106.31	157.25	36.50	244.03	(4.05)	2.01	(6.06)	(6.06)	-	-
37	Jaguar Belux NV	Belgium	EUR	7.08	21.15	58.20	29.97	264.77	7.60	(0.03)	7.62	7.62	-	-
38	Jaguar Land Rover Austria GmbH	Austria	EUR	0.82	6.73	140.72	133.17	526.26	(23.84)	0.76	(24.60)	(24.60)	-	-
39	Jaguar Cars Overseas Holdings Limited	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
40	Jaguar Italia SpA	Italy	EUR	4.96	68.98	170.68	96.75	398.09	(16.06)	0.26	(16.32)	(16.32)	-	-
41	Land Rover Group Limited	UK	GBP	-	162.69	412.06	249.38	-	2.31		2.31	2.31	-	-
42	Land Rover Ireland Limited	Ireland	EUR	-	16.80	13.27	(3.53)	-	(1.76)	(0.27)	(1.49)	(1.49)	-	-
43	Jaguar Land Rover Australia Pty Limited	Australia	AUD	-	95.42	802.56	707.14	1,859.77	58.98	20.51	38.47	38.47	-	-
44	Land Rover Exports Limited	UK	GBP	-	1,140.71	7,781.77	6,641.05	35,134.44	(1,268.38)	-	(1,268.38)	(1,268.38)	-	-
45	Land Rover Espana SL	Spain	EUR	284.57	16.95	472.96	171.44	1,212.67	5.12	1.69	3.43	3.43	-	-
46	Land Rover Deutschland GmbH	Germany	EUR	73.55	153.42	617.85	390.89	1,876.82	28.32	2.79	25.53	25.53	-	-
47	Land Rover Nederland BV	Netherlands	EUR	0.31	49.26	145.92	96.34	538.42	88.62	2.49	86.12	86.12	-	-
48	Land Rover Belux SA/NV	Belgium	EUR	1.39	12.94	176.48	162.14	736.84	7.68	0.12	7.56	7.56	-	-
49	Land Rover Italia SpA	Italy	EUR	2.65	225.58	939.90	711.67	2,625.85	78.14	(19.35)	97.49	97.49	-	-
50	Jaguar Land Rover Portugal-Veiculos e Pecas, Lda.	Portugal	EUR	81.81	(84.64)	66.84	69.67	143.50	12.28	2.13	10.15	10.15	-	-
51	Jaguar Land Rover Mexico, SA de CV	Mexico	USD	-	-	-	-	26.34	(7.18)	(0.34)	(6.84)	(6.84)	-	-
52	Jaguar Land Rover automotive trading (Shanghai) Co. Ltd)	China	CNY	-	670.31	2,857.58	2,187.27	11,139.35	788.71	204.29	584.42	584.42	-	-
53	Jaguar Land Rover Japan Limited	Japan	JPY	-	205.43	560.17	354.74	768.45	(15.94)	17.40	(33.34)	(33.34)	-	-
54	Jaguar Land Rover Korea Co. Ltd	Korea	KRW	0.19	35.17	221.33	185.96	613.85	3.44	1.09	2.35	2.35	-	-
55	Jaguar Land Rover Canada ULC	Canada	CAD	11.87	5.57	371.86	354.43	1,163.09	16.77	6.82	9.95	9.95	-	-
56	Jaguar Land Rover France SAS	France	EUR	35.59	43.66	416.19	336.94	2,031.29	30.75	5.09	25.65	25.65	-	-
57	Jaguar Land Rover (South Africa) (Pty) Ltd	South Africa	ZAR	-	306.28	668.25	361.96	1,918.40	317.29	106.88	210.41	210.41	-	-
58	The Lanchester Motor Company Ltd	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
59	The Daimler Motor Company Ltd	UK	GBP	10.72	-	10.72	-	-	-	-	-	-	-	-
60	S.S. Cars Ltd	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
61	Daimler Transport Vehicles Ltd	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
62	Jaguar Land Rover Brazil LLC	Brazil	BRL	-	90.20	308.24	218.04	1,834.22	252.10	54.62	197.49	197.49	-	-
63	Jaguar Land Rover Russia	Russia	RUR	-	733.18	1,380.09	646.91	3,655.64	599.82	149.84	449.98	449.98	-	-
64	Land Rover Parts Ltd	UK	GBP	-	151.49	483.68	332.19	3,799.49	85.30	-	85.30	85.30	-	-
65	Land Rover Parts North America LLC	USA	USD	202.60	25.40	313.14	85.15	788.18	14.25	-	14.25	14.25	-	-
66	Limited Liability Company "Jaguar Land Rover" (Russia)	Russia	RUR	-	-	-	-	-	-	-	-	-	-	-
67	Tata Hispano Motors Crrosseries Hispano Maghreb, Morroco	Spain	EUR	23.05	(26.38)	91.41	94.75	47.97	(8.81)	-	(8.81)	(8.81)	-	-
68	Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd.	Korea	KRW	4.00	2.52	24.86	18.33	70.59	6.85	1.62	5.23	5.23	-	-
69	Tata Engineering Services (Pte) Limited	Singapore	SGD	-	-	-	-	-	-	-	-	-	-	-
	Details of Direct subsidiaries, on consolidated basis including their respective subsidiaries included above													
1	Tata Technologies Limited (Note A, page 135)			37.32	430.45	1,041.93	574.16	1,256.45	179.92	40.90	139.02	139.02	21.66	96.09
2	Tata Motors European Technical Centre Plc.(Note B, page 135)			29.60	(64.27)	219.32	253.99	196.49	(73.12)	3.04	(76.17)	(76.17)	0.87	-
3	Tata Hispano Motors Carrocera S.A. (Note C, page 135)			3.70	(260.37)	311.38	568.33	208.05	(63.74)	(3.13)	(60.60)	(60.60)	-	-
4	Tata Daewoo Commercial Vehicle Co. Ltd. (Note D, page 135)			61.07	885.42	2,069.97	1,123.49	2,880.24	93.09	14.91	78.18	78.18	-	79.04
5	TML Holdings Pte Ltd, Singapore (Note E, page 135)			17,304.38	(1,146.89)	48,805.03	32,647.54	70,235.36	7,929.24	591.93	7,337.31	7,337.31	-	752.72

Notes:

		Country of Incorporation
(A)	**List of Subsidiaries of Tata Technologies Limited that have been consolidated**	
1	INCAT International PLC.	U.K.
2	Tata Technologies Inc	USA
3	Tata Technologies Canada Inc.	Canada
4	Tata Technologies de Mexico, S.A. de C.V.	Mexico
5	Tata Technologies Europe Ltd	UK
6	INCAT GmbH	Germany
7	INCAT SAS (Liquidated w.e.f April 30,2010)	France
8	Tata Technologies (Thailand) Ltd	Thailand
9	TATA Technologies Pte Ltd.	Singapore
(B)	**List of Subsidiaries of Tata Motors European Technical Centre Plc that have been consolidated**	
1	Miljobil Greenland AS	Norway
(C)	**List of Subsidiaries of Tata Hispano Motors Carrocera S.A. that have been consolidated**	
1	Tata Hispano Motors Crrosseries Hispano Maghreb, Morroco	Spain
(D)	**List of Subsidiaries of Tata Daewoo Commercial Vehicle Co. Ltd. that have been consolidated**	
1	Tata Daewoo Commercial Sales and Distribution Co. Ltd.	Korea
(E)	**List of Subsidiaries of TML Holdings Pte Ltd, Singapore that have been consolidated**	
1	JaguarLandRover Ltd Plc (formely known as JaguarLandRover Ltd)	UK
2	Jaguar Cars Limited	UK
3	Land Rover	UK
4	Jaguar Cars Exports Limited	UK
5	The Jaguar Collection Limited	UK
6	Jaguar Land Rover North America, LLC.	USA
7	Jaguar Hispania Sociedad	Spain
8	Jaguar Deutschland GmbH	Germany
9	Jaguar Belux NV	Belgium
10	Jaguar Land Rover Austria GmbH	Austria
11	Jaguar Cars Overseas Holdings Limited	UK
12	Jaguar Italia SpA	Italy
13	Land Rover Group Limited	UK
14	Land Rover Ireland Limited	Ireland
15	Jaguar Land Rover Australia Pty Limited	Australia
16	Land Rover Exports Limited	UK
17	Land Rover Espana SL	Spain
18	Land Rover Deutschland GmbH	Germany
19	Land Rover Nederland BV	Netherlands
20	Land Rover Belux SA/NV	Belgium
21	Land Rover Italia SpA	Italy
22	Jaguar Land Rover Portugal-Veiculos e Pecas, Lda.	Portugal
23	Jaguar Land Rover Mexico, SA de CV	Mexico
24	Jaguar Land Rover automotive trading (Shanghai) Co. Ltd	China
25	Jaguar Land Rover Japan Limited	Japan
26	Jaguar Land Rover Korea Co. Ltd	Korea
27	Jaguar Land Rover Canada ULC	Canada
28	Jaguar Land Rover France SAS	France
29	Jaguar Land Rover (South Africa) (Pty) Ltd	South Africa
30	The Lanchester Motor Company Ltd	UK
31	The Daimler Motor Company Ltd	UK
32	S.S. Cars Ltd	UK
33	Daimler Transport Vehicles Ltd	UK
34	Jaguar Land Rover Brazil LLC	Brazil
35	Jaguar Land Rover Russia	Russia
36	Land Rover Parts Ltd	UK
37	Land Rover Parts North America LLC	USA
38	Limited Liability Company “Jaguar Land Rover” (Russia)	Russia

The financial statements of subdsidiaries whose reporting currency are other than INR are converted into Indian Rupees on the basis of appropriate exchange rates.

* Profit for the year is after share of minority interest and share of profit/(loss) in respect of investment in associate companies.

FINANCIAL STATISTICS

Year	Capital	Reserves and Surplus	Borrowings	Gross Block	Depreciation	Net Block	Turnover	Depreciation	Profit/ (Loss) Before Taxes	Taxes	Profit/ (Loss) After Taxes	Dividend including tax	PAT to Sales	Earnings Per Share (Basic)* (₹)		Dividend Per Share*# (₹)		Net Worth Per Share* (₹)
	CAPITAL ACCOUNTS (₹ in lakhs)						REVENUE ACCOUNTS (₹ in lakhs)						RATIOS					
														Ordinary Share	'A' Ordinary Share	Ordinary Share	'A' Ordinary Share	
1945-46	100	1	-	31	2	29	12	2	1	0	1	0	8.3%	0.07	-	-	-	10
1949-50	200	11	94	233	44	189	167	15	11	5	6	0	3.6%	0.03	-	-	-	10
1953-54	500	27	412	731	270	461	321	97	3	0	3	0	0.9%	0.11	-	-	-	11
1954-55	627	27	481	792	303	489	445	35	0	0	0	0	0.0%	0.00	-	-	-	11
1955-56	658	120	812	1010	407	603	1198	105	125	32	93	59	7.8%	1.32	-	0.60	-	12
1956-57	700	149	1382	1352	474	878	2145	70	116	27	89	44	4.1%	1.64	-	0.80	-	13
1957-58	700	117	1551	1675	668	1007	2694	129	99	6	93	52	3.5%	1.72	-	0.90	-	12
1958-59	1000	206	1245	2050	780	1270	2645	113	155	13	142	56	5.4%	1.68	-	0.90	-	12
1959-60	1000	282	1014	2201	940	1261	2825	161	222	93	129	108	4.6%	1.50	-	1.25	-	13
1960-61	1000	367	1263	2593	1118	1475	3735	180	313	122	191	126	5.1%	2.26	-	1.45	-	14
1961-62	1000	432	1471	2954	1336	1618	4164	220	378	188	190	124	4.6%	2.28	-	1.45	-	15
1962-63	1000	450	1758	3281	1550	1731	4364	223	327	185	142	124	3.3%	1.68	-	1.45	-	15
1963-64	1198	630	2470	3920	1802	2118	5151	260	404	200	204	144	4.0%	1.97	-	1.45	-	16
1964-65	1297	787	3275	4789	2144	2645	6613	345	479	208	271	157	4.1%	2.39	-	1.45	-	17
1965-66	1640	995	3541	5432	2540	2892	7938	398	477	189	288	191	3.6%	2.20	-	1.45	-	18
1966-67	1845	1027	4299	6841	3039	3802	9065	505	620	192	428	235	4.7%	2.80	-	1.45+	-	17
1967-68	1845	1121	5350	7697	3608	4089	9499	572	395	66	329	235	3.5%	2.10	-	1.45	-	18
1968-69	1845	1295	5856	8584	4236	4348	10590	630	582	173	409	235	3.9%	2.66	-	1.45	-	19
1969-70	1845	1333	6543	9242	4886	4356	9935	662	274	0	274	221	2.8%	1.72	-	1.35	-	19
1970-71	1845	1516	6048	10060	5620	4440	13624	749	673	270	403	251	3.0%	2.49	-	1.45	-	20
1971-72	1949	2020	6019	10931	6487	4444	15849	758	885	379	506	273	3.2%	3.04	-	1.50	-	23
1972-73	1949	2194	5324	12227	7491	4736	15653	820	832	360	472	266	3.0%	2.87	-	1.50	-	24
1973-74	1949	2394	6434	13497	8471	5026	16290	902	1007	450	557	180	3.4%	3.43	-	0.93	-	26
1974-75	1949	2827	9196	15838	9593	6245	22510	1134	677	136	541	266	2.4%	3.32	-	1.50	-	28
1975-76	2013	3691	9399	18642	10625	8017	27003	1054	855	91	764	276	2.8%	4.60	-	1.50	-	33
1976-77	2328	3833	11816	20709	11685	9024	28250	1145	1056	0	1056	323	3.7%	5.38	-	1.50+	-	30
1977-78	2118	4721	11986	22430	12723	9707	28105	1101	1044	0	1044	313	3.7%	5.37	-	1.50	-	35
1978-79	3151	5106	11033	24900	13895	11005	37486	1200	1514	0	1514	467	4.0%	5.36	-	1.60+	-	27
1979-80	3151	6263	17739	28405	15099	13306	44827	1300	1762	0	1762	605	3.9%	5.96	-	2.00	-	31
1980-81	3151	8095	15773	33055	16496	16559	60965	1616	2437	0	2437	605	4.0%	8.27	-	2.00	-	38
1981-82	4320	10275	25476	38819	18244	20575	79244	1993	4188	0	4188	839	5.3%	10.18	-	2.00+	-	35 $
1982-83	4226	12458	23361	43191	20219	22972	86522	2187	3481	460	3021	827	3.5%	7.34	-	2.00	-	40
1983-84	5421	14103	25473	46838	23078	23760	85624	2923	2163	235	1928	923	2.3%	3.61	-	2.00	-	37 @
1984-85	5442	15188	30226	52819	26826	25993	93353	3895	2703	390	2313	1241	2.5%	4.32	-	2.30	-	39

Year	CAPITAL ACCOUNTS (₹ in lakhs)						REVENUE ACCOUNTS (₹ in lakhs)						RATIOS					
	Capital	Reserves and Surplus	Borrowings	Gross Block	Depreciation	Net Block	Turnover	Depreciation	Profit/ (Loss) Before Taxes	Taxes	Profit/ (Loss) After Taxes	Dividend including tax	PAT to Sales	Earnings Per Share (Basic)* (₹)		Dividend Per Share*# (₹)		Net Worth Per Share* (₹)
														Ordinary Share	'A' Ordinary Share	Ordinary Share	'A' Ordinary Share	
1985-86	5452	16551	44651	61943	29030	32913	102597	3399	1832	215	1617	1243	1.6%	3.00	-	2.30	-	41
1986-87	5452	15886	53476	68352	30914	37438	119689	2157	293	0	293	552	0.2%	0.51	-	1.00	-	40
1987-88	6431	17491	44406	75712	34620	41092	140255	3822	3205	510	2695	1356	1.9%	4.25	-	2.30	-	38 @
1988-89	10501	30740	32396	83455	38460	44995	167642	4315	8513	1510	7003	2444	4.2%	6.74	-	2.50	-	40 @
1989-90	10444	37870	48883	91488	43070	48418	196910	4891	14829	4575	10254	3126	5.2%	9.87	-	3.00	-	47
1990-91	10387	47921	48323	100894	48219	52675	259599	5426	23455	9250	14205	4154	5.5%	13.69	-	4.00	-	56
1991-92	11765	61863	105168	123100	54609	68491	317965	6475	20884	7800	13084	4389	4.1%	12.45	-	4.00	-	67 @
1992-93	12510	64207	144145	153612	61710	91902	309156	7456	3030	26	3004	3642	1.0%	2.47	-	3.00	-	63
1993-94	12867	70745	141320	177824	70285	107539	374786	9410	10195	20	10175	5020	2.7%	7.91	-	4.00	-	65
1994-95	13694	128338	115569	217084	81595	135489	568312	11967	45141	13246	31895	8068	5.6%	23.29	-	6.00	-	104
1995-96	24182	217400	128097	294239	96980	197259	790967	16444	76072	23070	53002	14300	6.7%	21.92	-	6.00	-	100
1996-97	25588	339169	253717	385116	117009	268107	1012843	20924	100046	23810	76236	22067	7.5%	30.40	-	8.00	-	143
1997-98	25588	349930	330874	487073	141899	345174	736279	25924	32880	3414	29466	15484	4.0%	11.51	-	5.50	-	147
1998-99	25590	350505	344523	569865	165334	404531	659395	28132	10716	970	9746	8520	1.5%	3.81	-	3.00	-	147
1999-00	25590	349822	300426	581233	182818	398415	896114	34261	7520	400	7120	7803	0.8%	2.78	-	2.50	-	147
2000-01	25590	299788	299888	591427	209067	382360	816422	34737	(50034)	0	(50034)	0	-	(18.45)	-	-	-	127
2001-02	31982	214524	230772	591006	243172	347834	891806	35468	(10921)	(5548)	(5373)	0	-	(1.98)	-	-	-	77 @
2002-03	31983	227733	145831	608114	271307	336807	1085874	36213	51037	21026	30011	14430	2.8%	9.38	-	4.00	-	81
2003-04	35683	323677	125977	627149	302369	324780	1555242	38260	129234	48200	81034	31825	5.2%	24.68	-	8.00	-	102 @
2004-05	36179	374960	249542	715079	345428	369651	2064866	45016	165190	41495	123695	51715	6.0%	34.38	-	12.50!	-	114 @
2005-06	38287	515420	293684	892274	440151	452123	2429052	52094	205338	52450	152888	56778	6.3%	40.57	-	13.00	-	145 @
2006-07	38541	648434	400914	1128912	489454	639458	3206467	58629	257318	65972	191346	67639	6.0%	49.76	-	15.00	-	178 @
2007-08	38554	745396	628052	1589579	544352	1045227	3357711	65231	257647	54755	202892	65968	6.0%	52.64	-	15.00	-	203 @
2008-09	51405	1171610	1316556	2085206	625990	1459216	2949418	87454	101376	1250	100126	34570	3.4%	22.70	23.20	6.00	6.50	238 **
2009-10	57060	1439487	1659454	2364896	721292	1643604	4021755	103387	282954	58946	224008	99194	5.6%	42.37	42.87	15.00	15.50	262 ^
2010-11	63771	1937559	1589875	2594188	846625	1747563	5231923	136077	219652	38470	181182	146703	3.5%	30.28	30.78	20.00	20.50	315 ^^

Notes :

@ On increased capital base due to conversion of Bonds / Convertible Debentures / Warrants / FCCN into shares.

$ On increased capital base due to issue of Bonus Shares. Net Worth excludes ordinary dividends.

* Equivalent to a face value of ₹10/- per share.

\# Includes Interim Dividend where applicable.

\+ Including on Bonus Shares issued during the year.

! Includes a special dividend of ₹2.50 per share for the Diamond Jubilee Year.

++ On increased capital base due to Rights issue and conversion of FCCN into shares.

^ On increased capital base due to GDS issue and conversion of FCCN into shares.

^^ On increased capital base due to QIP issue and conversion of FCCN into shares.

Tata Motors Awards list 2010-11

1. Tata Motors broke into the **Fortune Global 500,** an annual ranking of the world's largest corporations, for the year 2010, with a rank of 442.
2. Tata Motors received **The Most Respected Company of 2011 in the Automobiles Sector Award** from Union Finance Minister Pranab Mukherjee.
3. Tata Motors was ranked the 2nd among four- wheelers in The Economic Times Brand Equity 'Most Trusted Brands' survey 2010.
4. Mr. Ravi Kant received the **Golden Peacock Corporate Award for Business Leadership – 2010** for his outstanding contribution in transforming Tata Motors.
5. CNBC TV18 conferred Mr. C. Ramakrishnan with the award of **Indian Industry's Best CFO,** in the CNBC TV18 CFO Award 2010.
6. Tata Nano bagged the **Gold Prize in the 2010 Edison Awards** in the Best New Product segment under the Transportation category.
7. Tata Nano's design received world's oldest and coveted **GOOD DESIGN™ Award for 2010,** in the category of transportation.
8. Tata Nano received the **Best Car Advertisement of the year** in the Bloomberg UTV | Autocar India Awards 2011.
9. Tata Aria bagged **NDTV Viewers' Choice Car of the Year Award** in the NDTV Car and Bike Awards 2011.
10. Tata Magic won **Pitch's India Top 50 Marketers award.**
11. Indica Vista EVX, bagged the **Most Economic Small Passenger EV** and the **Most Economical & Environment Friendly Small Passenger EV** under the Small Passenger EV Category at the inaugural RAC (Royal Automobile Club) Brighton to London Future Car Challenge.
12. Tata Motors, CVBU was awarded with the **Golden Peacock Award for Occupational Health and Safety for the year 2010** by the Golden Peacock Award Jury, under the Chairmanship of Justice P. N. Bhagwati, former Chief Justice of India and Member of UN Human Rights Commission.
13. Tata Hispano received the **Silver Bus Award** from the Spanish Public Transport Corporation in recognition of its long association as the best bodybuilder of its fleet, with almost 300 buses.
14. CVBU Customer Support division won the prestigious Indian Achievers – **Excellence in Customer Satisfaction Award 2011** by the Indian Achievers Forum.
15. Delhi Government appreciates Tata Motors bus service during Commonwealth Games.
16. Range Rover Evoque won the **Best Production Car Award** in the 2010 Car Design News, Car Design of the Year awards.
17. Land Rover's Freelander 2 and Discovery 4 models won the Auto Express 2010 New Car Awards, with the Freelander 2 winning Best Compact SUV and the Discovery 4 bagging Best Large SUV.
18. Jaguar Land Rover was awarded **National Standard of Excellence for community investment** by Business in the Community, in recognition of Jaguar Land Rover's considerable investment in community programmes, including five Education Business Partnership Centres, employee volunteering programmes, national educational initiatives and a wide range of community partnership.

TATA

TATA MOTORS LIMITED

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

Attendance Slip

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the SIXTY-SIXTH ANNUAL GENERAL MEETING of the Company at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai-400 020 at 3.00 p.m. on Friday, August 12, 2011.

....

Full name of the Member (in block letters) Signature

Folio No.: .... DP ID No.* .... Client ID No.* ....

**Applicable for member holding shares in electronic form*

....

Full name of the Proxy (in block letters) Signature

NOTES : 1. Member/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting.

2. Member/ Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

TATA

TATA MOTORS LIMITED

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

Proxy Form

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/her .... of .... in the district of ....

.... as my/our Proxy to attend and vote for me/us and on my/our behalf at the Sixty-sixth Annual General Meeting of the Company, to be held on Friday, August 12, 2011 or at any adjournment thereof.

Signed this .... day of 2011

Folio No.: .... DP ID No.* .... Client ID No.* ....

** Applicable for members holding shares in electronic form*

No. of Ordinary Shares ....

Signature

Affix Revenue Stamp

No. of 'A' Ordinary Shares ....

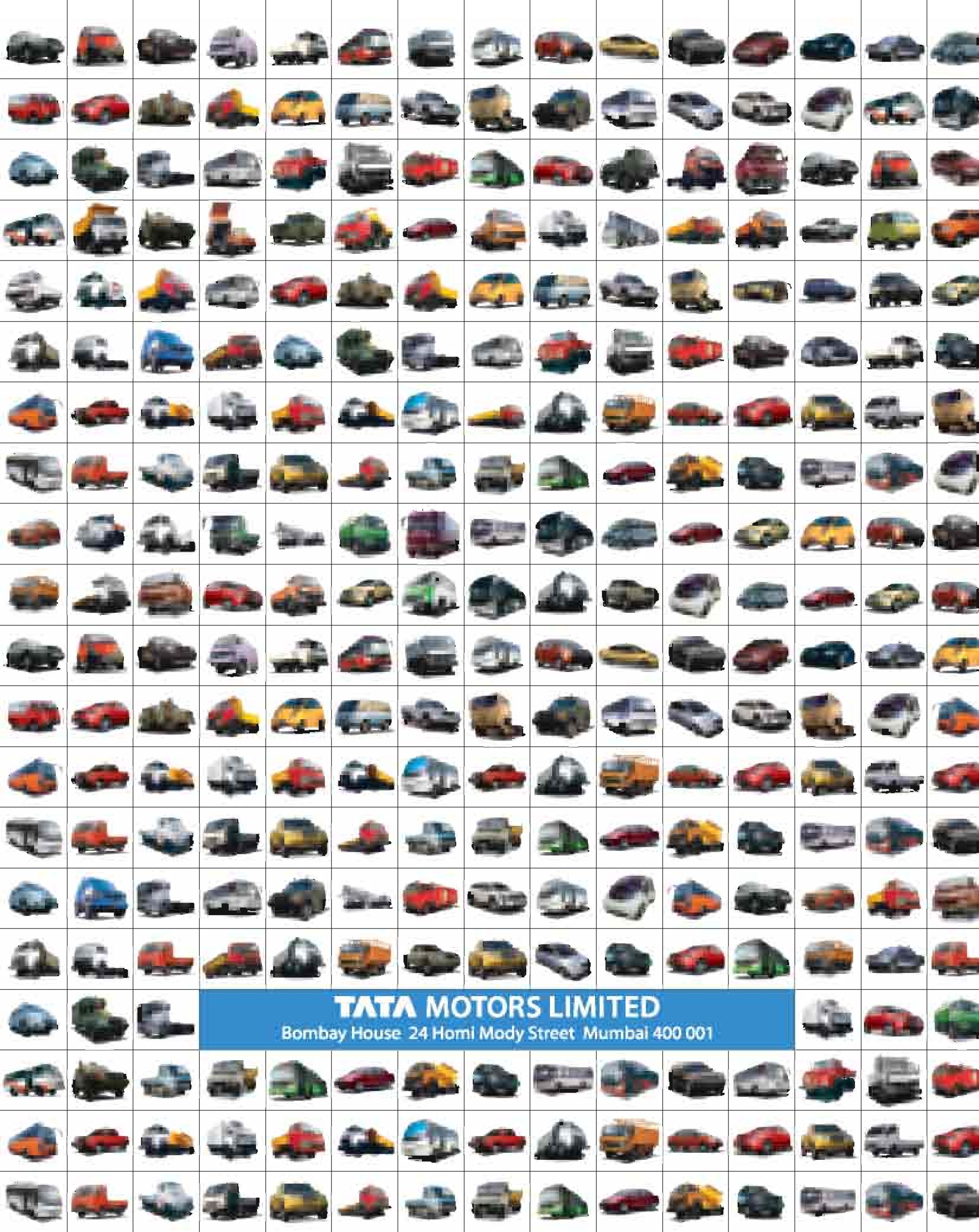
This form is to be used ** in favour / ** against of the resolution. Unless otherwise instructed, the Proxy will act as he thinks fit.

***Strike out whichever is not desired.*

NOTES : (i) The Proxy must be returned so as to reach the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Mumbai - 400 001, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.

(ii) Those members who have multiple folio with different jointholders may use copies of this Attendance Slip/Proxy.

MANUFACTURING



TATA MOTORS LIMITED

Bombay House 24 Homi Mody Street Mumbai 400 001