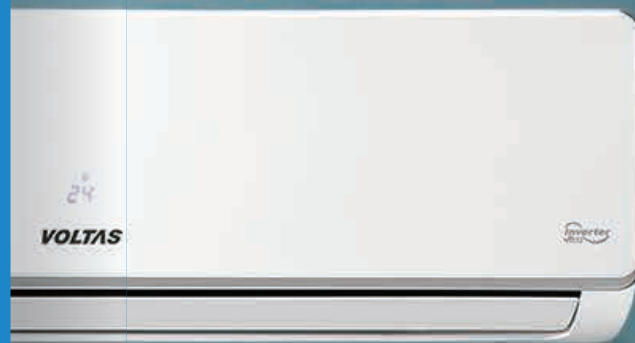
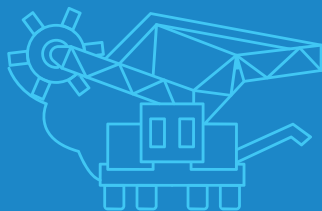
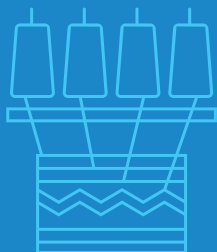
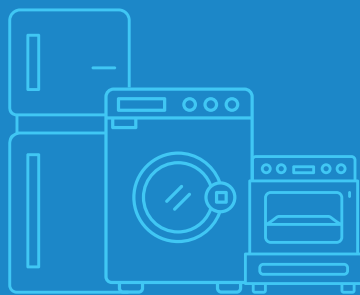


VOLTAS

A TATA Enterprise

Opportunities INVEST. DELIVER. GROW



VOLTAS QUICK FACTS



**AMONG THE TOP 10
COMPANIES WITHIN
THE TATA GROUP**

**UNDISPUTED
MARKET LEADER IN
ROOM AIR CONDITIONERS**

**LEADING PLAYER IN
THE COMMERCIAL
REFRIGERATION SEGMENT**

**EXPANDED MARKET
PRESENCE THROUGH
JOINT VENTURE COMPANY**

**INTERNATIONALLY
RECOGNISED MECHANICAL
ELECTRICAL
PLUMBING (MEP)
CONTRACTOR**

**PARTICIPATING IN INDIA'S
GROWTH THROUGH
PROJECTS IN URBAN & BUILT
INFRASTRUCTURE AND
RURAL ELECTRIFICATION**

What's inside

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ABOUT THE REPORT

We have taken a step to move towards Integrated Reporting (IR), in line with our continuous commitment to voluntarily disclose more information to our stakeholders on all aspects of our business. Accordingly, we have introduced key content elements aligned to the International Integrated Reporting Council framework (IIRC) and Securities and Exchange Board of India (SEBI) circular dated 6th February 2017. We will add more such elements over the years as we go forward. It is possible that some IR related data are management estimates.

Reporting scope and boundary

The Report for Financial Year 2018-19, covers information on the Company's business segments in India and abroad, along with associated activities that enable short, medium and long-term Value Creation. The Company's senior management, under supervision of the Managing Director & CEO, have reviewed the Report content. The Board members of the Company have provided the required governance oversight.

Reporting standards and frameworks

Through this Report, we have attempted to enhance our disclosures and information in the non-statutory section of the Report, following some of the guiding principles of the IIRC recommended framework. The other statutory reports, including the Director's Report, Management Discussion and Analysis (MD&A) Corporate Governance Report and the Business Responsibility Report are as per the Companies Act, (2013), Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements Regulations, 2015 and the prescribed Secretarial Standards.

Opportunities

INVEST. DELIVER. GROW.

For over six decades, we have believed that identifying the right opportunities to invest in people, processes, technology, manufacturing and relationships are the foundation of sustained growth. This year too, we have invested in our businesses to deliver long-term, sustainable and profitable growth to all our stakeholders.

While we continue to build on our leadership position in the room air conditioning business, our recent investment in the Joint Venture Company – Voltbek Home Appliances Private Limited (Voltbek) will enhance our product portfolio and foot print across the white goods category. We have launched several 'Make in India' initiatives - our upcoming, modern state-of-the-art manufacturing unit in Sanand (which caters to Voltbek), in Renigunta (near Tirupati, for our cooling products including ACs, Air Coolers and Commercial Refrigeration), and in Waghodia, Gujarat, (for our higher tonnage commercial cooling products including VRFs and Chillers), will build a solid foundation for the future.

We are partners in the infrastructure growth of India and the Middle East; our iconic Projects in Urban Infrastructure and Rural electrification are helping communities build a better livelihood. Our risk mitigated approach in selecting Projects, and our continued focus on driving margins, help us build a robust balance sheet. Simultaneously, the addition of Principals and the expansion of the Sales & Service network in both the Textile and Mining & Construction Equipment Divisions, have enabled strengthening the businesses further.



PERFORMANCE HIGHLIGHTS OF THE YEAR



Market Share
23.7%

in room air conditioners



Total Income
₹ 7,310 Crores

up 11% y-o-y



PBT 18-19
₹ 677 Crores



Market Capitalisation
₹ 20,828 Crores

as at 31st March 2019

About Voltas

OVERVIEW

Incorporated in 1954, Voltas is India's largest air conditioning company and one of the world's premier engineering solutions provider and projects specialist. At Voltas, our focus is to drive value through smart engineering and provide best-in-class business solutions to consumers and industries.

Our operations are classified under three major business segments: Unitary Products, Engineering Projects, and Engineering Products and Services. Our Unitary Products business deals with a wide variety of cooling appliances such as air conditioners (ACs), air coolers, commercial refrigeration products including freezers, visi coolers and water dispensers, among others. As the undisputed market leaders in the air conditioning space, we provide smart cooling solutions across various price points, and our brand continues to enjoy a leading position in the commercial refrigeration and air coolers segments. We enjoy a leadership position in the room ACs segment with a market share of 23.7% and a sale of over 1.2 million AC products annually. Our distribution network covers an enviable 15,000 touch points in India.

Our Projects business operates both within the country - Domestic Projects Group (DPG) and overseas - International Operations Business Group (IOBG). In DPG, we are executing projects as MEP operators in the areas of infrastructure and built environment, including metros, stations, airports, malls, hotels, hospitals, educational institutions and water management; and as the last mile contractor in rural electrification. In IOBG, we are the preferred MEP service provider in the countries within which we operate. The Engineering Products and Services business has carved its niche in the Textile Machinery and Mining & Construction Equipment segments.



OUR STRENGTHS

#1 Player

In room air conditioners

Preferred MEP contractor

In GCC and India

Strong parentage

>8,000 Dedicated employees

Empowering the communities around us

Assessed 'Emerging Industry Leader'

In the Tata Business Excellence Process



VOLTBEK HOME APPLIANCES PRIVATE LIMITED

To leverage our strong brand equity and garner additional share of mind and wallet from consumers in India, we entered the consumer durables market through a 50:50 Joint Venture Company (JVC) with Ardutch B.V. (a subsidiary of Arçelik A.S.; part of the Koç Group – Turkey's largest industrial and services group). The JVC - Voltbek Home Appliances Private Limited (Voltbek) has started selling white goods products under the brand name Voltas Beko in India including refrigerators, washing machines, microwave/ovens and dishwashers. The upcoming manufacturing facility is located in Sanand, Gujarat and is expected to start production by end of 2019.

OUR VISION

Driving value through smart engineering

OUR MISSION

We will offer our customers appropriate engineering solutions in the form of Products, Projects and Services of superior value in our area of expertise and experience - air conditioning, refrigeration, electro-mechanical works, water management and industrial capital equipment - so as to build and sustain market leadership.

**TATA VALUES**

Integrity



Responsibility



Excellence



Pioneering



Unity

**Smart Thinking**

- Fact based analysis
- Using Logic & Customer Insights

**Winning Attitude**

- Taking responsibility for customers
- Seizing every opportunity

**Innovative**

- Look at things with a fresh perspective
- Find alternative & better ways

**Flexible**

- Adapt to every change
- Be prepared to face surprises

**Teamwork**

- Act, think & work together
- Always in the interest of the Company

Awards & Accolades

THE MOMENTS WE CHERISH



Dun & Bradstreet Best Corporate Award, 2018 in the 'Consumer Durables & Appliances' category



Mint-EY Emerging Technology Award, 2018



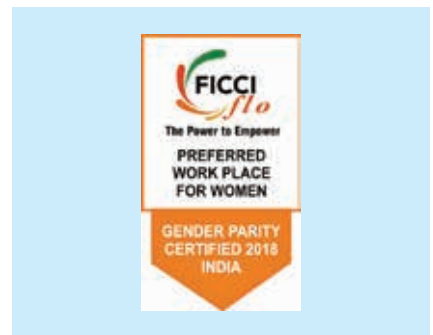
Green Building Category award for the 'Paryavaran Bhavan' project, which is the first 'Net Zero' building in India with LEED Platinum certification



'Best Brand in Digital Marketing Excellence in Consumer Durables Category' at DigiXX, 2018



Ranked by the Brand Trust Report India Study, 2018 as 'India's most Trusted Air Conditioner Brand' in a study covering 9,000 brands across 16 cities



Certified as a 'Preferred Work Place for Women' as per the FICCI industry survey for the gender parity index



Voltas wins five major honours at Construction Week Oman Award 2019 including, Contractor of the Year, Construction Executive of the Year, Hospitality Project of the Year, Sustainability Initiative of the Year, and Engineer of the Year



Voltas UPBG received the 'Best Fulfilment Partner, Award' at the Reliance Retail Annual Partners Award, 2018



Team DAICEC DPG achieves 5 Million Man Hours of Safety without any LTI and is the proud winner of the 'Kavach' award



Voltas Domestic Projects Group recognised at the Indywood Built In India Excellence Awards, 2018



Voltas IOBG won several awards including the MEP 'Contractor of the Year' at the MEP Middle East Awards



Voltas IOBG recognised at the 8th Annual Climate Control Awards, 2018



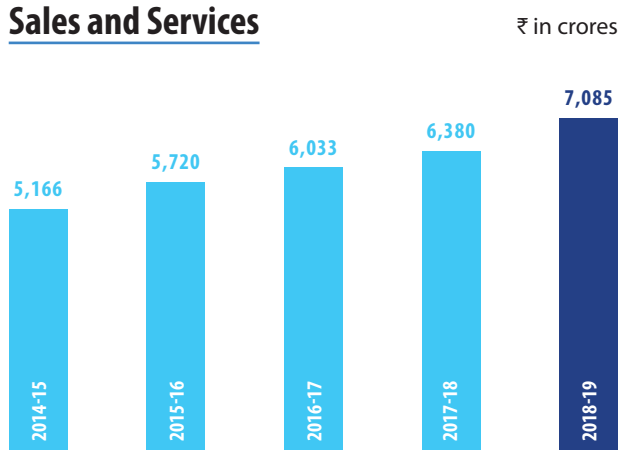
Voltas proud winner at Dossier Construction's Infrastructure Awards & Summit, Oman

Key Performance Indicators

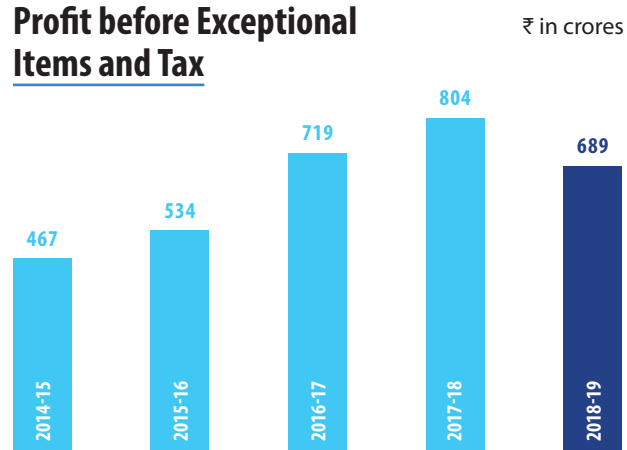
OUR STORY IN NUMBERS

CONSOLIDATED FINANCIALS

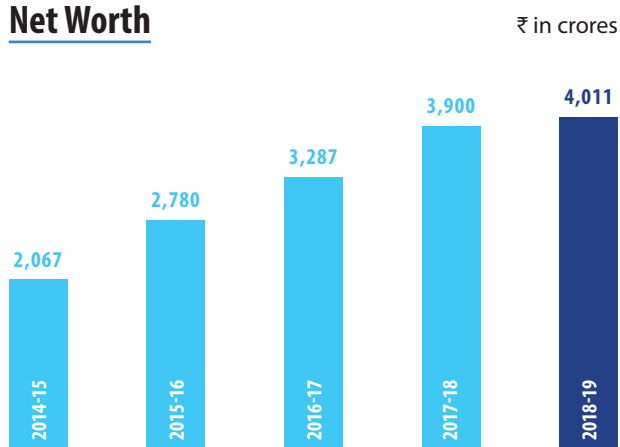
Sales and Services



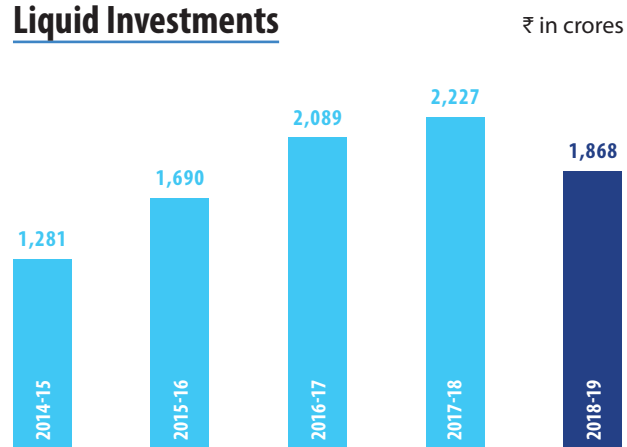
Profit before Exceptional Items and Tax

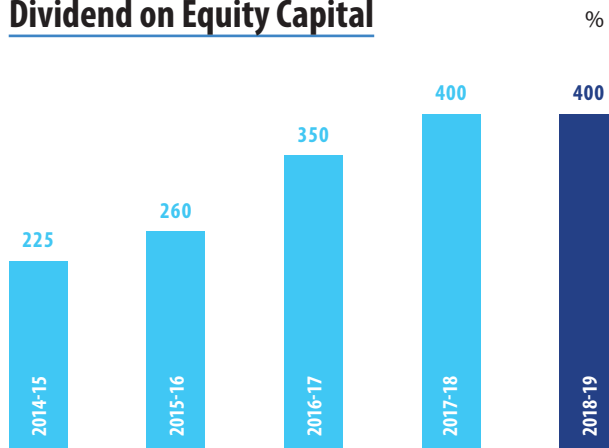
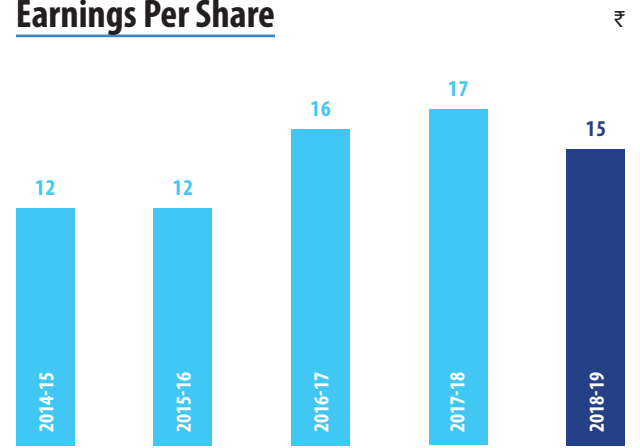
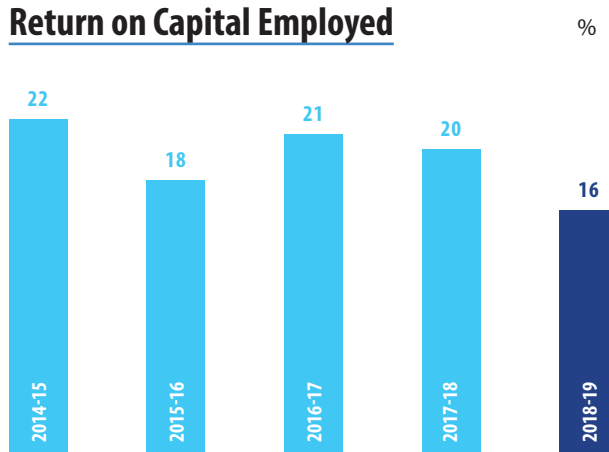
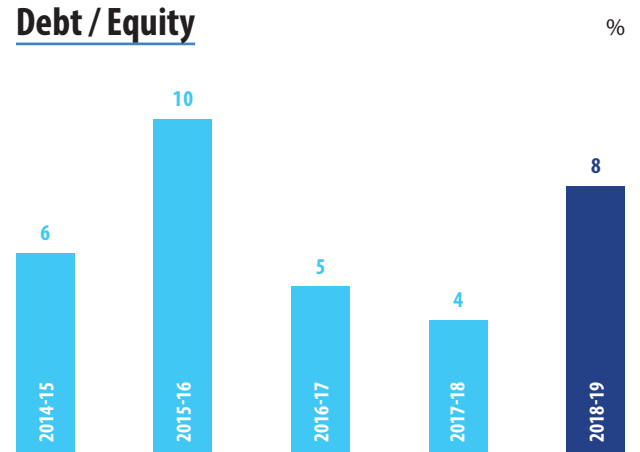


Net Worth

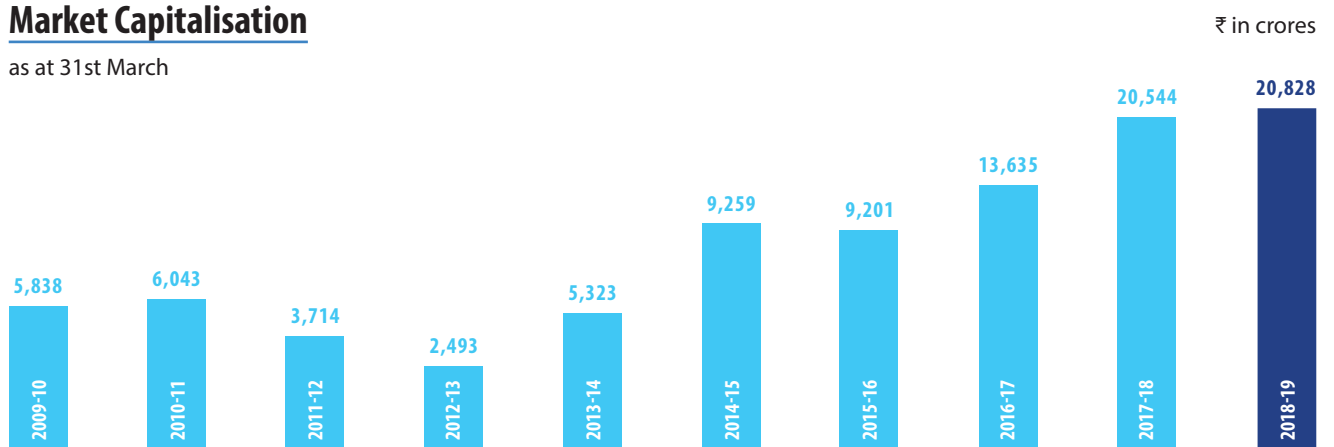


Cash and Bank with Liquid Investments



Dividend on Equity Capital**Earnings Per Share****Return on Capital Employed****Debt / Equity****Market Capitalisation**

as at 31st March



Our Presence

BUSINESS REACH



HEADQUARTERS

Mumbai



ZONAL HEADQUARTERS

1. Delhi
2. Kolkata
3. Chennai



FACTORY LOCATIONS

1. Thane
Maharashtra
2. Dadra
Union Territory
3. Pantnagar
Uttarakhand
4. Waghodia
Gujarat



LOCATIONS IN GCC AND ASIA

1. UAE
2. Abu Dhabi
3. Dubai
4. Muscat
5. Kingdom of Bahrain
6. Qatar
7. Kingdom of Saudi Arabia
8. Singapore

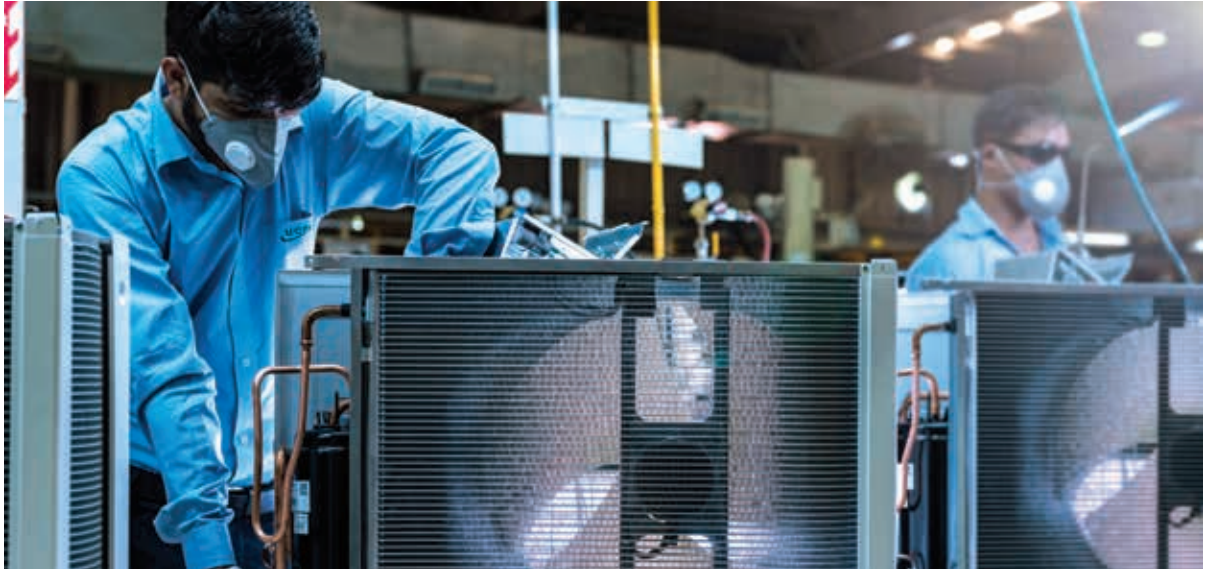


UPCOMING PLANTS

1. Tirupati
Cooling Products
2. Sanand
White Goods



23 LOCATIONS ACROSS INDIA



Hard at work in Pantnagar



A brand new site at Waghodia



Bhoomi Puja at the Renigunta Plant (near Tirupati)

New Product Launches

LEVERAGING OUR BRAND EQUITY

ADJUSTABLE INVERTER ACS

Key Features

Adjustable mode

Intelligent option to switch from 1.5 ton usage to 1 ton, basis ambient heating and number of people in the room

Cleaner air

By reducing levels of CO₂

Eco-friendly refrigerant

Green refrigerant, which is environment friendly

Stabilizer free operation

Protects the AC from wider range voltage fluctuations

High ambient cooling

Keeps user comfortable even at 52 degree celsius

WiFi ENABLED SMART ACS

Key Features

Voice control

Operations controlled through voice using English and Hindi commands

WiFi enabled

Smart control using android mobile app

4 stage filtration

Maintains indoor air quality by providing dust free air

ECO- friendly refrigerant

Green refrigerant, which is environment friendly

Stabilizer free operation

Protects the AC from wider range voltage fluctuations

High ambient cooling

Keeps user comfortable even at 52 degrees celsius



FRESH AIR COOLERS

Key Features

Smart humidity controller

Optimizes the humidity in the air

Turbo air throw

Large fan size delivers powerful air throw to cool, large spaces

Triple filter advantage

Helps to remove dust particles, micro-organisms and other hazardous particles

Anti-bacterial tank

Reduces bacteria formation in the tank and limits algae growth

Honeycomb cooling pads

More durable, and provides uniform cooling without letting dirt and sediment deposit

COMMERCIAL REFRIGERATION PRODUCTS

Key Features

Convertible chest freezers and coolers

Dual temperature freezing/cooling

Can be used as a freezer & cooler as per the requirement

ECO-friendly

CFC free insulation, which is environment friendly

Energy efficient

Up to 40% electricity saving with longer cooling retention

RO based water dispenser

RO and UV filtration for cleaner water

Stainless steel tank

Energy efficient

Corrosion resistant

Child Lock



VOLTAS BEKO HOME APPLIANCES

Key Features

Refrigerators

StoreFresh+ technology

Up to 30 days freshness of fruits and vegetables.

Neofrost Dual Cooling technology

Maintains same temperature, ensuring no mixing of odours between compartments.

Active Fresh Blue Light technology

Simulates natural lighting conditions, keeps food fresh.

Dishwashers

Aqua Intense technology

Cleans heavily soiled pots and pans.

Aqua Flex technology

Efficient and gentle washing for all kinds of dishes.

Microwaves/Ovens

Auto cooking, cooks food at the touch of a button.

Active defrosting, retains freshness and nutrition.

Washing Machine

Stain Expert function

Helps remove 26 types of Indian stains.

Hygiene+

99.9% anti-allergic wash for sensitive skin.

Auto Dosing feature

Determines amounts of exact liquid detergent and fabric softener.

Air Therapy

Helps avoid humidity and prevents creasing.

Dual Power Rain

Tackles stubborn stains.



NEW STORE LAUNCHES

Voltas launched Exclusive Brand Outlets (EBO) across Tier II and III cities in India. We have over 100 EBOs today, which deliver a unique customer walk-through experience, displaying the entire range of Voltas and VoltasBeko products.



Business Model

OUR VALUE CREATION FRAMEWORK

AVAILABLE RESOURCES

Financial Capital



OPTIMISING OUR FINANCIAL RESOURCES

We are focused on maintaining the right balance of equity and debt funding, managing costs prudently and maximising value creation.

Manufactured Capital



SUPERIOR MANUFACTURING CAPABILITIES

Prudent procurement policies and state-of-the-art manufacturing capabilities enable us to produce best-in-class products at optimum cost.

Human Capital



DISTINGUISHED AND DIVERSIFIED SKILL SET OF PEOPLE

We have a diversified and specialised workforce across different businesses that are driving our strategies ahead.

Intellectual Capital



LEADING THROUGH INNOVATIONS

Our innovation spectrum span products, processes as well as branding and marketing initiatives.

Natural Capital



PRESERVING OUR NATURAL RESOURCES

We are committed to deploying our natural resources in an optimal manner and manage our ecological footprint efficiently.

Social and Relationship Capital



BUILDING AND NURTURING RELATIONSHIPS

We conduct our business responsibly and act as facilitators for our communities, business partners, customers, suppliers, government authorities, lenders and all other stakeholder groups.

INPUTS

₹ 4,110 Crores Owners Funds

₹ 315 Crores Debt (mainly overseas operations)

₹ 224 Crores Property, Plant and Equipment

₹ 197 Crores Investment in the VoltBek JV

₹ 52 Crores Investment in the Waghodia facility

4 Existing manufacturing locations

2 Upcoming plants

₹ 10 Crores Investment in employee engagement initiatives

Total training man-days:

10,973 India

20,233 Overseas

₹ 5 Crores R&D spends

Multiple innovation projects across Divisions

3.3 m KWH Energy consumed

3160 kilolitres Total waste water generated

Distribution Network 15,000+ touch points

Customer care 1,280+ centres

Total CSR Spends ₹ 12.26 Crores

BUILDING BLOCKS

OUR VISION, MISSION, VALUES AND CULTURAL PILLARS 'SWIFT'



Pg 3

CORPORATE GOVERNANCE



Pg 32

OUR BUSINESSES



Air conditioners, air coolers, commercial refrigeration and other cooling products



HVAC and MEP services for domestic and international projects. Rural electrification, Water and Facility management



Dealership, Distribution and After Sales & Services for Textiles and Mining (India & Mozambique)

OUR EXTERNAL ENVIRONMENT AND OPPORTUNITIES



Pg 37-40

OUR STRATEGIES



Pg 14

RISK MANAGEMENT



Pg 30-31

OUR STAKEHOLDERS

Customers	Communities	Government
Investors	Suppliers & Partners	Lenders
Employees	Principals	

OUTPUTS

(Consolidated for FY19)

₹ 7,310 Crores Total income ↑ 11% y-o-y

₹ 4 Dividend per share on face value of ₹ 1

16% ROCE

₹ 20,828 Crores Market Capitalisation (as at 31st March, 2019)



1.58 Million No. of cooling products sold



New Products/SKUs launched:

44 Refrigerators

40 Washing machines

12 Microwaves/Ovens

7 Dishwashers

7 Chillers

~₹ 5,000 Crores Pending Projects Order Book

Attrition: 12.5% Voltas (13.4% Industry average attrition)



40% Productivity improvement over five years

Product innovation features:

Air conditioner with adjustable features and voice control

Commercial refrigeration products with 2 in 1 features

UV water coolers

Smart touch air coolers



Saving in electricity consumption

40% waste water recycled



Green establishment at Waghodia and Coimbatore

23.7% AC market share (up from 22.1% in FY18)

17,437 Beneficiaries from CSR activities



Strategic Priorities

EYE ON THE FUTURE

We are focused on Driving Value through Smart Engineering and our SWIFT philosophy enables us to make steady progress. Being connected closely with the realities of the world around us, our strategies enable us to maximise the value we create for all stakeholders.

Foster Sustainable Profitable Growth

Balance Business Priorities with Community Outreach

UNITARY PRODUCTS



Leverage customer insights optimally to launch new products that are in sync with their emerging needs and preferences.



Ramp up the share of high-potential inverter-based products.



Strengthen our innovation capabilities to further differentiate our products in a crowded market place.



Imbibe best-in-class service practices with an aim to drive higher customer delight and strengthen customer trust in our brand.

ENGINEERING PROJECTS - DOMESTIC



Work on high-priority government projects with well-defined completion time frame and reasonable visibility on cashflows.



Deploy technology, particularly IoT enabled offerings to provide consistent, superior services (remote monitoring, for instance) as a key differentiator.



Make our products more energy efficient and introduce new products that are smart yet sustainable in nature.



ENGINEERING PROJECTS - INTERNATIONAL



Continue to grow in existing markets and venture in select, new markets to capitalise emerging opportunities in infrastructure development.



Further build the services business, with higher emphasis on facilities management.



Continue to selectively pick risk mitigated projects with the assurance of cash.

ENGINEERING PRODUCTS AND SERVICES - TEXTILE MACHINERY



Offer a greater number of products in the post-spinning segment by adding principals manufacturing high-end products.



Improve the business of after sales and special services.



Build market share in Spinning

ENGINEERING PRODUCTS AND SERVICES - MINING AND CONSTRUCTION EQUIPMENT



Tap into emerging opportunities post clearance of mining ban in India.



Venture into new African countries that are witnessing healthy growth in mining activities.



Increase share and profitability of longer term maintenance contracts.

Our Brand Journey

EXPANDING LEADERSHIP



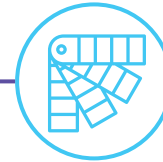
FY03-06

- Pioneered star rated, energy efficient ACs in the industry even before the energy ratings became mandatory
- Set up a new facility at Pantnagar
- Targeted the popular segment and launched affordable models of window air conditioners and split air conditioners



FY10-11

- Ramped up market share in room air conditioners through distribution expansion
- Partial outsourcing



FY11-12

- Launched 70 colour panel AC models



FY18-19

- Voltbek Home Appliances Private Limited (Voltbek) set-up
- Launched a wide range of white goods products under the Voltas Beko brand
- Commenced work on manufacturing facility at Sanand for JV
- Increased market share to 23.7% in Room ACs
- Plans to set up an AC factory at Tirupati in Andhra Pradesh



FY15-17

- Launched air coolers
- Launched inverter ACs
- AC sales crossed the one million mark
- International business witnessed a turnaround

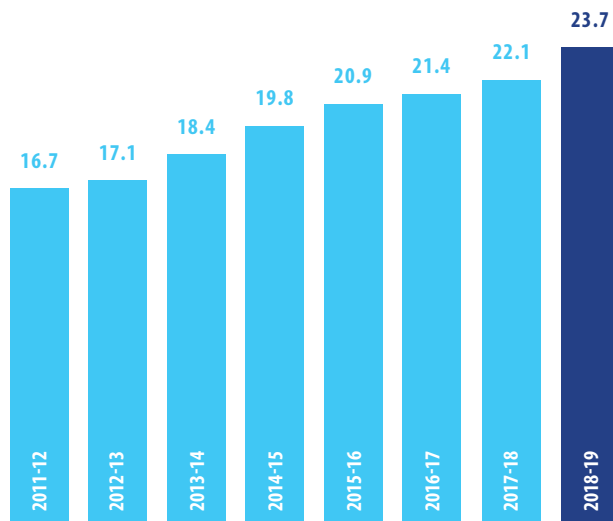


FY12-14

- Launched 40 All-Weather AC models, first of its kind in the country – became market leader overtaking formidable local and international players

Market Share

%



We have remained the undisputed leader in the room air conditioners segment over the past six years with increasing market share.

This leadership position is a consequence of our SWIFT (Smart Thinking, Winning Attitude, Innovative, Flexibility, Team Work) approach to operations and value creation. The adoption of an asset-light outsourcing model, consistent focus on our chosen consumer segments, rapid ramp-up in stock-keeping units (SKUs), efficient supply chain and logistics management, effective and award winning communication and expanding distribution network are the critical drivers behind our sustained leadership position in the room air conditioners market.

In a short span of three years since our product launch in 2015, we are among the Top three players in the air coolers segment today.

A TATA Product

VOLTAS

Presenting the All New
Voltas Adjustable Inverter AC.
 Runs at different cooling capacities for your different cooling needs.

INVTAS INVTAC INVTAC

ADJUSTABLE MODE

PM2.5 FILTRATION

CO₂ REDUCTION

SLEEPY

100% COPPER

VOLTAS ADJUSTABLE
 INVERTER AC

Our Brand Journey

DELIGHTING CUSTOMERS

Customer centricity continues to be at the heart of our overall strategy. Our innovations, technology adoption and brand communication are aligned in step with changing customer aspirations.

The result is that our products enjoy high brand recall in the minds of consumers and the TATA parentage further reinforces their trust in our offerings. Our wide range of products cater to the varied needs of our customers and go a long way in cementing our bond with them.



WIDE RANGE OF COOLING PRODUCTS

- Fixed speed split air conditioners
- Inverter air conditioners
- Window air conditioners
- Air Coolers
- Commercial Refrigeration Products



LEVERAGING CUSTOMER INSIGHTS

We conduct periodic consumer research and brand track surveys to stay closer to the consumers and understand their evolving needs and preferences. Basis these customer insights, in 2015, we forayed in to the air coolers category with the intent of catching our customers young and extending our brand.



488,555

Followers on
Facebook



65,523

Followers on
LinkedIn



4,151

Followers on
Instagram

MAKING PRODUCTS FOR INDIA

'Made for India' is the brand proposition for the larger consumer durable products umbrella under brand Voltas Beko. We are offering dual benefits of advanced capabilities and reasonable pricing. Our campaigns centre around Indian mothers who wear multiple hats with relative ease and efficiency, at the same time creating a strong brand identity in the minds of consumers. Our high quality smart products, embedded with IoT and other technologies, are not only personalised to suit Indian tastes, but also priced at attractive levels to stay relevant.

VOLTAS · beko

Customer value proposition



Nutrition & Preservation
Refrigerators
30-day freshness



Clean & Fresh
Washing machines
26 stain removals

Our Brand Journey

OUR MARKETING CAMPAIGNS

A customer-centric and agile brand needs to continuously speak to a wide and diverse audience comprising of multiple stakeholders.



FY2003

The 'ACs with IQ' campaign successfully launched our 'Sensicool' range of air conditioners.



FY2004

Aimed at starting the consumers' AC journey with a simple window AC and then moving them up the chain towards split ACs.



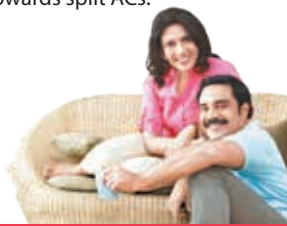
FY2005

Reasonably priced split ACs that were made in India and for Indians. Positioned differently to compete better with our MNC peers.



FY2017

Used the 'Mr. Murthy' campaign to launch inverter ACs showcasing the various consumer financing schemes and cashback offers.



FY2012

Enter Mr. Murthy. Communicated the strong message that our ACs can run efficiently across all the different climate-zones in India.



FY2010-11

Promoted the cause of educating consumers on best practices to use AC optimally via the campaign 'Sensible Cooling'.



FY2018

Introduced thematic and tactical campaigns to launch adjustable ACs. Adjustable ACs provide distinct benefits and superior experience to consumers.

Our uniform tone of voice and personality for the Voltas brand, with a simple yet contemporary allure works across different categories and media. Over years, we have continuously reimagined our brand positioning as a provider of smart, 'value for money' products in the air conditioners category.



FY2006

Launched campaigns highlighting the Indianness of Voltas with the theme 'India ka dil, India ka AC'.

Helped us respond well to intensifying competition from the MNCs.



FY2007

Pioneered the Star ACs proposition by launching 17 star rated models with the 'Save karo' campaign.



FY2019

Positioned fresh air coolers with smart humidity controller benefit as 'Har garmi ka cooler'. Communicated the ability of the cooler to work efficiently in both dry heat and sticky heat regions.



Our attractive consumer offers

- Cashback on easy EMI offer
- 0% consumer finance through NBFCs
- Attractive standard installation offers
- Enhanced presence of well-trained In-shop Demonstrators (ISD)

OUR OMNI-CHANNEL PRESENCE

Our distribution network comprises over 15,000 touch points with a robust presence in multi brand outlets (MBOs) in tier 1 cities. We are present in tier 2 and tier 3 cities through large distributors, retailers and Exclusive Brand Outlets (EBO). We are represented on e-commerce platforms such as Tata Cliq, Amazon, and Flipkart.

Our Brand Journey

PARTNERING IN NATION BUILDING

Over the past six decades our Projects businesses both in India and the Middle East have contributed to building robust infrastructure networks.

India



PROJECTS

- Built infrastructure sector
- HVAC solutions
- Customer care



ROHINI INDUSTRIAL ELECTRICALS LIMITED (RIEL)

- Rural electrification projects
- Industrial electrical projects



WATER MANAGEMENT

- Effluent treatment plants
- Sewage treatment plants
- Water filtration
- Water pipelines



PRODUCTS AND CUSTOMER CARE

- VRFs
- Chillers
- Ducted systems
- Remote monitoring of Chillers

Our marquee MEP projects include



DOHA FESTIVAL CITY
Qatar



BURJ KHALIFA
Dubai



EMIRATES PEARL HOTEL
Abu Dhabi



FERRARI WORLD
Abu Dhabi



DUBAI WORLD TRADE CENTRE
Phases 1, 2 and 3



KEMPINSKI HOTEL
Muscat

Our Brand Journey

STRENGTHENING RELATIONSHIPS; OPTIMISING OPPORTUNITIES

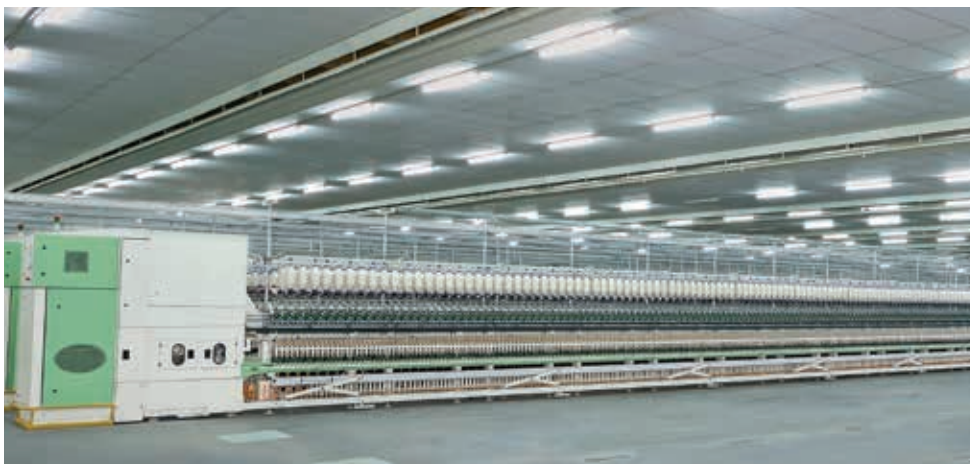
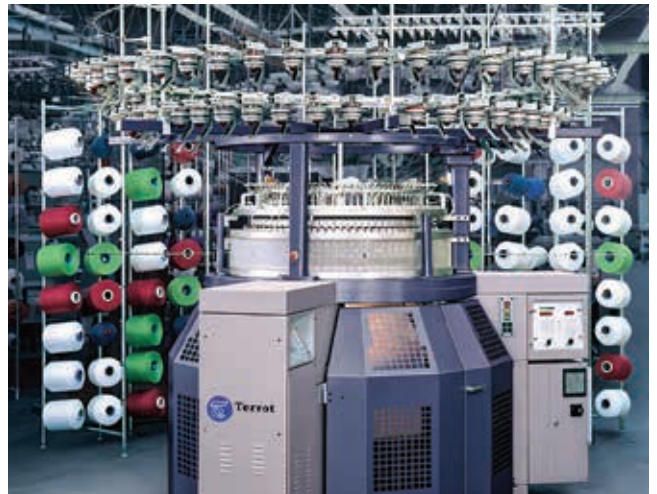
By offering both capital equipment solutions and after sales services, we have positioned ourselves as a 'one stop' destination in Textile Machinery and Mining & Construction Equipment sectors





BUSINESS PRIORITIES

- The focus remains on providing relevant and smart solutions including energy audits, entering into longer term Maintenance Contracts and other activities that support a strong bottom line



BUSINESS ALLIANCES

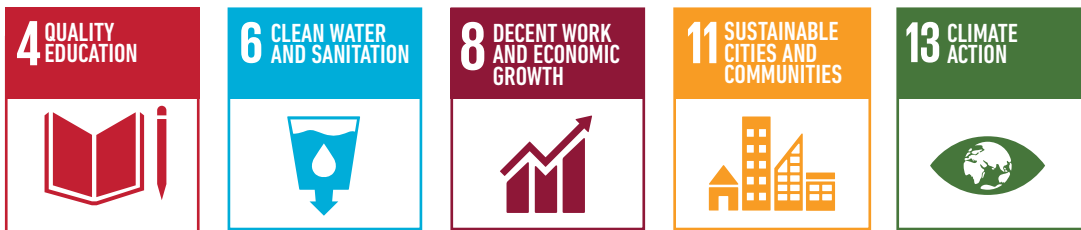
- A strong, six decade old partnership with Laxmi Machine Works (LMW) has ensured that we have a significant market share in spinning
- Strategic alliances with global leaders in different areas such as Knitting, Weaving, Processing and Finishing will build a robust Post-Spinning business

CSR and Sustainability

GROWING RESPONSIBLY

At Voltas, we are championing the cause of growing sustainably. Today sustainability forms the core of all our activities and our approach is based on the three Es of Engage, Equip and Empower.

Sustainable livelihood, Community development and Issues of national importance are our chosen areas of focus.



We work closely with trustworthy organisations to implement our various CSR programmes.

SUSTAINABLE LIVELIHOODS



Provided technical and non-technical skill training to under-privileged youth.



Partnered with National Skill Development Corporation (NSDC) to provide certificate courses.



Initiated a programme called Recognition of Prior Learning (RPL) to acknowledge and upgrade skills of existing technicians via short term trainings.

16

Reputed NGOs

37

Technical and non-technical skill training centres

14

States in India



Trained women and girls in non-technical courses such as tailoring, accounts, paramedical and nursing courses and retail.

3,390

Youth provided with training and placement support during FY19

80%+

Students placed during FY 19

1,180

RPL trained technicians and operators across India

CSR and Sustainability

COMMUNITY DEVELOPMENT



Enhanced community development by focusing on education, water, health and hygiene.



Addressed issues of lack of quality education, English proficiency in regional language schools, among others.



Provided career guidance and counselling for under-privileged youth.



Engaged closely with tribal communities in Dadra and Nagar Haveli to promote sustainable agriculture practices in the areas of water harvesting and conservation, goat rearing and poultry farming, cultivation of mushrooms and organic vegetables and kitchen gardens.



Constructed poly farm ponds and trained farmers on how to increase water availability to resolve the acute water shortage in Dadra.

284

Teachers trained through a teacher training programme, benefiting 10,131 school children directly

ISSUES OF NATIONAL IMPORTANCE



Emphasis on disaster management, affirmative action and sanitation.



Implemented a water conservation and management project aimed at increasing harvested water storage capacity in the target villages of Osmanabad.



Several projects that include SC/ST communities in the areas of education, nutrition and skill development in Thane, Palghar and Raigad.

Risks and Mitigation

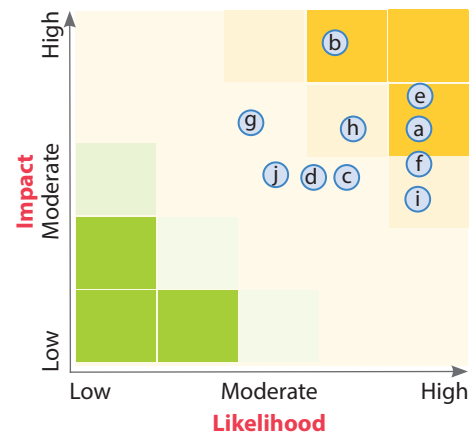
PROFITABLE SUSTAINABLE GROWTH

At Voltas, we have put in place a robust risk management policy and framework which operates across Business units and Corporate.

Individual business units along with corporate management undertake periodic reviews of the major risks and concern area facing the Company and accordingly formulate mitigation plans.

Based on these inputs, a corporate risk matrix is developed, reviewed and monitored at an entity level by the Risk Management Committee of the Board.

An indicative sample of a typical risk matrix, which correlates the likelihood of a risk occurring and the impact thereof, is shown alongside.



RISKS

MITIGATION ACTIONS

Increasing competitive intensity in the room AC segment may impact our sales

- Maintaining and strengthening our Dealer relationships with focus on increasing geographical reach across touch points to increase our access to potential Customers
- Targeted marketing and advertisement campaigns with continued focus on branding and superior product features
- Steadfast focus on Customer service to promote brand loyalty

Climate change causing shorter summers may, in turn, affect the cooling product sales and hamper channel sentiments

- Foray into consumer durables by launching the Voltas Beko brand via a JV with Arçelik, a renowned global company, in order to mitigate the impact of seasonal variations
- Engagement with trade channel throughout the year with a larger product portfolio and a basket of SKUs

Higher tariffs such as a custom duty hike on imports may affect our profitability

- Driving indigenisation ('Make in India') through our upcoming manufacturing facility at Renigunta
- Taking measured price increases in our products by leveraging our market leadership
- Targeting local vendor development to reduce our dependence on imports

Economic slowdown and geo-political risks in the GCC might affect our International Business

- Securing repeat orders on the back of our strong customer relationships
- Growing our recurring annuity business of Facility Management Services through better execution and business development
- Applying our expertise developed domestically in order to diversify our offerings in allied sectors like Water Management

Economic headwinds in India may affect our growth plans in the short term

- Our USP of being present in both the drivers of India's economy, viz. the infrastructure sector and consumption sector, mitigates this risk to a certain extent
- Our presence in the Middle East acts as a natural hedge against factors which adversely affect the Indian economy, such as, fluctuations



RISKS

MITIGATION ACTIONS

Slowdown in Government spend on Infrastructure may affect the Projects Business

- Diversifying our Order Book in other sectors, such as Water Management and Rural Electrification
- Focusing on recurring annuity business such as operations and maintenance contracts and retrofit business

Adverse movement in commodity prices may impact profitability

- Following a robust contract management system, such as price variation clauses, in order to reduce our exposure to such risks
- Ongoing value engineering projects to offset the impact of higher input costs on our products
- Establishing adequate commodity risk management framework and hedging policies

Increased volatility in the currency may pose challenges to our operations, diluting our earnings

- Well defined forex policy which ensures timely monitoring and coverage of foreign exchange exposures
- Our presence in the Middle East acts as a natural hedge against currency fluctuations

Risks around health and safety of employees in plants and other facilities

- Institutionalizing various steps to improve safety culture, including training and improving awareness around Safety
- Regularly tracking and reviewing any instances of slippage in safety practices and using our learnings to make the processes more robust
- Appointment of a qualified full-time Corporate Safety Officer to oversee the entire process

Exposure of our sensitive data and operations due to cyber attacks

- Constantly improving our control procedures to have a comprehensive Information technology (IT) policy in place
- Regular penetration testing and evaluation of systems used by the employees in order to flag off any risks
- Off-site data back up and recovery systems

Governance at Voltas

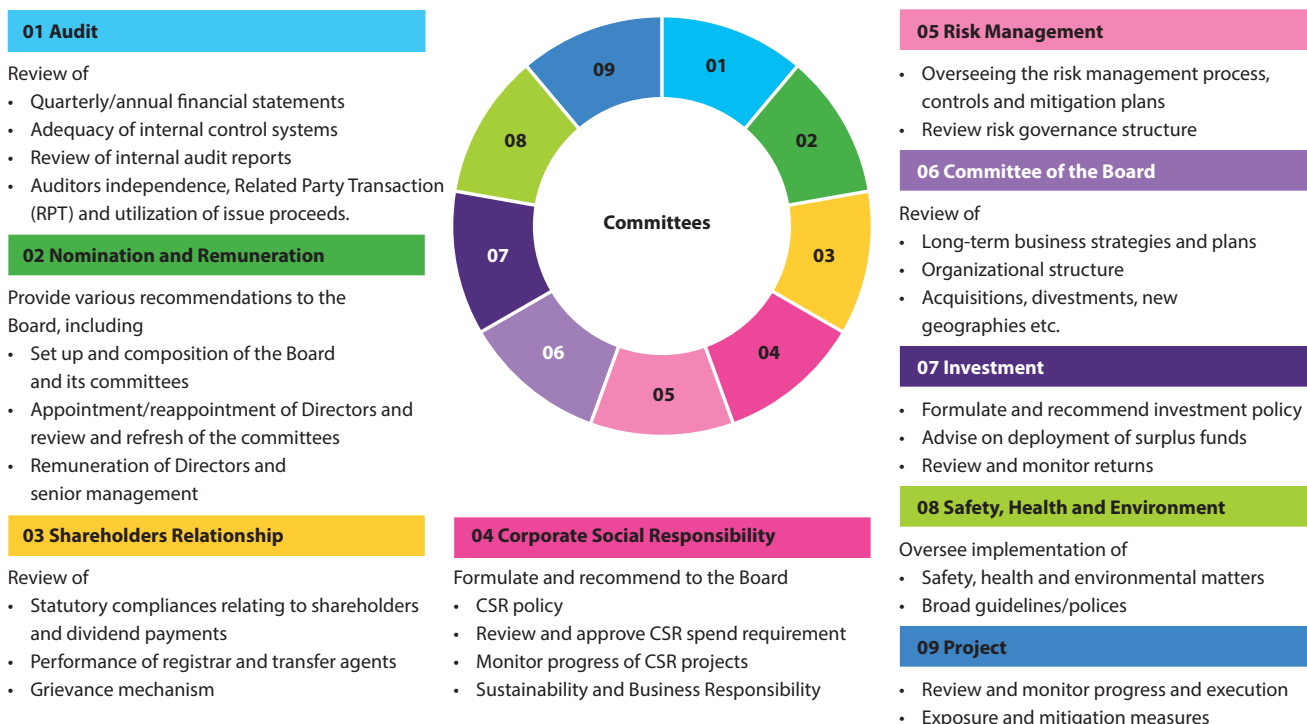
IN THE TATA TRADITION

Good Corporate Governance is an integral part of the Company's management and business philosophy. The Company subscribes fully to the spirit of good Corporate Governance and embeds the principles of independence, integrity, accountability and transparency into the value system driving the Company.

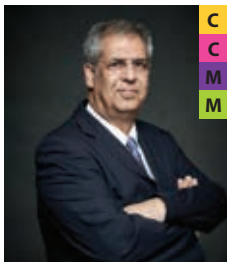
The Board of Directors exercise their fiduciary responsibilities towards all stakeholders by ensuring transparency and independence in the decision making process. The Company has adopted the Tata Business Excellence Model as a means of driving excellence and for tracking progress on long term strategic goals. The Company has also adopted the Tata Code of Conduct which serves as a guide to each employee at every level of management, on the standards of values, ethics and business principles. The Whistle Blower Policy of the Company provides a mechanism for the employees to approach the Chairman of Board Audit Committee / Ethics Counsellor and disclose information that may evidence unethical or improper activity concerning the Company.

Committees of the Board and their responsibilities

The Board of Directors carry out annual evaluation of its performance, including that of its committees as well as individual Directors. This involves inputs from all the Directors. A separate meeting of Independent Directors is also held to review the performance of Non-independent Directors, the performance of our Board of Directors and the performance of the Chairman.



BOARD OF DIRECTORS



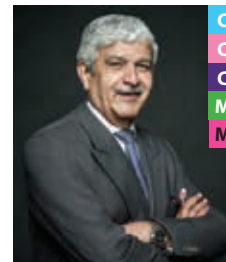
Noel N Tata
Chairman



Pradeep Bakshi
Managing Director & CEO



Anil George
Deputy Managing Director



Nani Javeri
Director



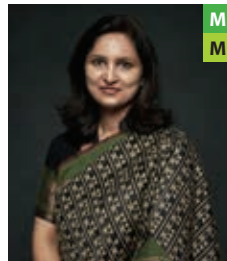
Vinayak K. Deshpande
Director



Debendranath Sarangi
Director



Bahram N. Vakil
Director



Anjali Bansal
Director



Hemant Bhargava
Director



Arun Kumar Adhikari
Director

C Chairman M Member

CORPORATE MANAGEMENT TEAM



Pradeep Bakshi
Managing Director & CEO



Anil George
Deputy
Managing Director



Narendren Nair
Chief Human
Resources Officer



Abhijit Gajendragadkar
Chief Financial Officer



Dinesh Singh
Chief Strategy Officer

Management Discussion and Analysis

ECONOMIC ENVIRONMENT

GLOBAL

The year in review

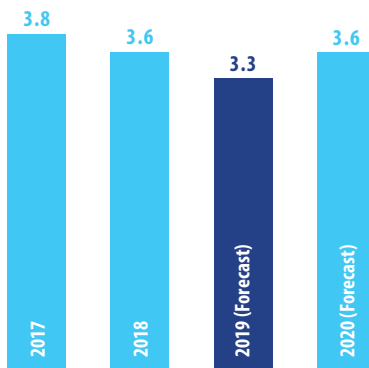
According to the International Monetary Fund (IMF), the global economy grew by around 3% in 2018 and was weighed down by weaker sentiments in financial markets, heightened trade tensions between the United States of America (USA) and China and volatility in crude prices. The United States was an outlier among advanced economies as its Gross Domestic Product (GDP) grew by 2.9%. A strengthening US Dollar, neutral unemployment and minimal inflation were the primary catalysts behind this growth.

At 6.6%, China's economic growth was lower than the 6.9% level recorded in 2017.

While downside risks continue to be a challenge to global economic expansion, acceleration is expected in the second half of 2019-20. This will be supported by significant policy accommodation by major economies and muted inflationary pressures. China and India are projected to experience robust growth going forward.

Global Growth (GDP)

%



Highlights of the key overseas markets of Voltas

- United Arab Emirates (UAE) grew by 1.7%, an improvement from 0.8% growth in 2017 on the back of comparatively higher crude oil prices and rising oil production.
- Qatar grew by 2.2% as compared to 1.6% growth in 2017 due to prudent macroeconomic policies largely overcoming political issues.
- Oman has shown a resilient growth of 2.1% in 2018 on the back of investment in infrastructure activities and other government led projects.
- Saudi Arabia recovered from a recession (GDP fell 0.7% in 2017) to grow by 2.2% in the year.
- Mozambique recorded a lower growth of 3.3%, down from 3.7% in 2017 owing to constrained availability of credit, subdued demand and weakening employment.

Source: International Monetary Fund, World Economic Outlook, April 2019



INDIA

The year in review

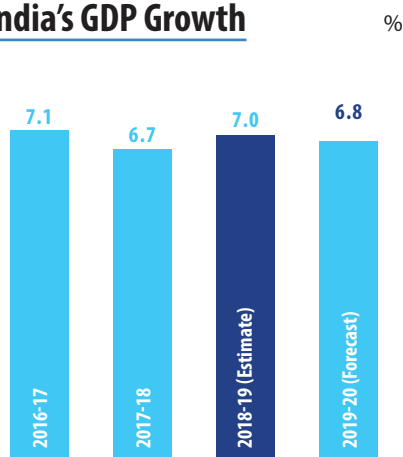
In India, a recent Ministry of Finance report has pointed out a slowdown in economy across 2018-19 due to declining growth of private consumption, a tepid increase in fixed investments, and muted exports. However, India continues to be one of the fastest growing major economies and is expected to largely maintain the trajectory.

Inflation, as measured by the Consumer Price Index (CPI) and the Wholesale Price Index (WPI), remained in low single digits for most part of 2018-19. Consequently, the Reserve Bank of India (RBI) reverted to 'neutral' stance from 'calibrated tightening' (briefly adopted between October 2018 and December 2018). The apex bank announced a 25 basis points cut in repo rate during

2018-19 to fast-track economic growth and usher in enhanced liquidity in the ecosystem. Meanwhile, the Government of India (GoI) adopted prudent policies to try and restrict fiscal deficit. The economy also faced many other challenges including certain structural issues in Banking, impacting the flow of finance to the private sector.

The Indian Rupee (INR) depreciated against the US dollar (USD) for most part of the year and hit an all-time low of 74.48 vis-à-vis the USD due to higher oil prices, improving US yields, increasing trade tensions between the US and China, weak domestic fundamentals, and outflows from domestic markets. The exchange rate however stabilised to USD1 = ₹70 by end of the financial year.

India's GDP Growth



Source: CSO, RBI

Favourable demographics are likely to propel the Indian consumption story.

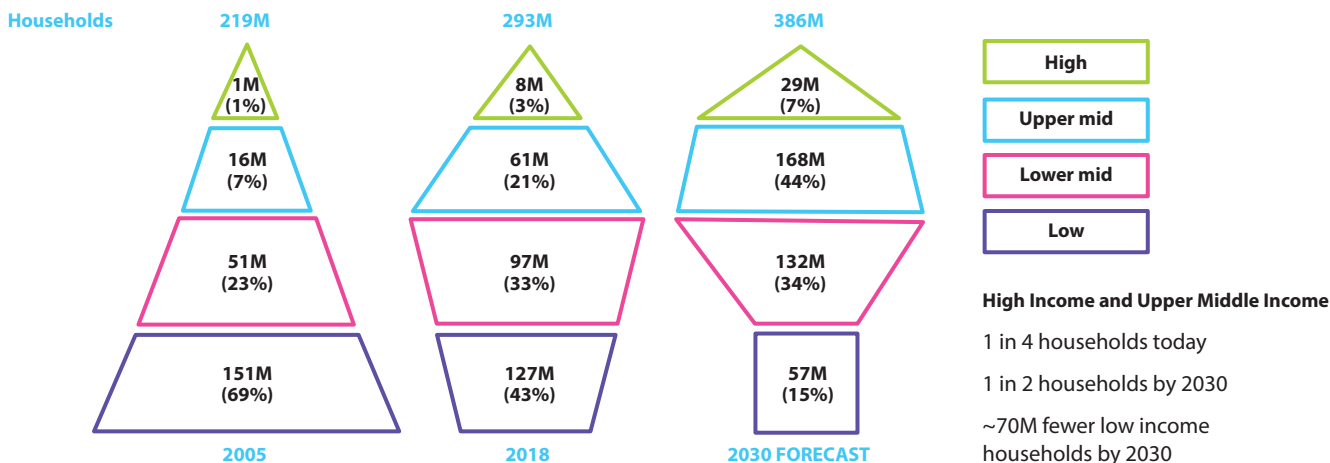
This, supported by a stable and reform focused policy framework is expected to drive business and private investments. Some of the major drivers of consumption in India include:

- **Growing disposable income:** Since the last decade, there has been a steady growth in disposable income in India. The result is that consumer spending is likely to grow from US\$1.5 trillion today to nearly US\$6 trillion by 2030.
- **Burgeoning middle class:** It is estimated that by 2030, India will add approximately 140 million middle-income and 21 million high-income households, nearly doubling the total share of these segments to 51%.
- **Accelerated urbanisation:** New urban clusters are catalysing India's growth and more consumers with greater purchasing power are emerging beyond the metros, particularly in Tier II/III cities. Semi-urban and rural areas are also getting connected with better roads and related infrastructure, creating an enormous consumer market.
- **Digital-first economy:** By 2030, over one billion citizens from semi-urban and rural areas are expected to have access to the internet. This digital inclusion is likely to contribute favourably to India's consumption trajectory.



Management Discussion and Analysis

Evolution of the household-income profile in India



Source: WEF Future of Consumption in Fast-Growth Consumer Markets: India, January 2019

OUTLOOK

India's economy is likely to grow at over 7% in FY20, driven by wide-ranging reforms undertaken by the Government of India such as Goods and Services Tax (GST), Housing for All by 2022, Ease of Foreign Direct Investment (FDI) norms and Smart Cities

mission. These reforms are expected to help drive consumption and investments in the country, as also benefit the larger consumer durable industry.

BUSINESS OVERVIEW

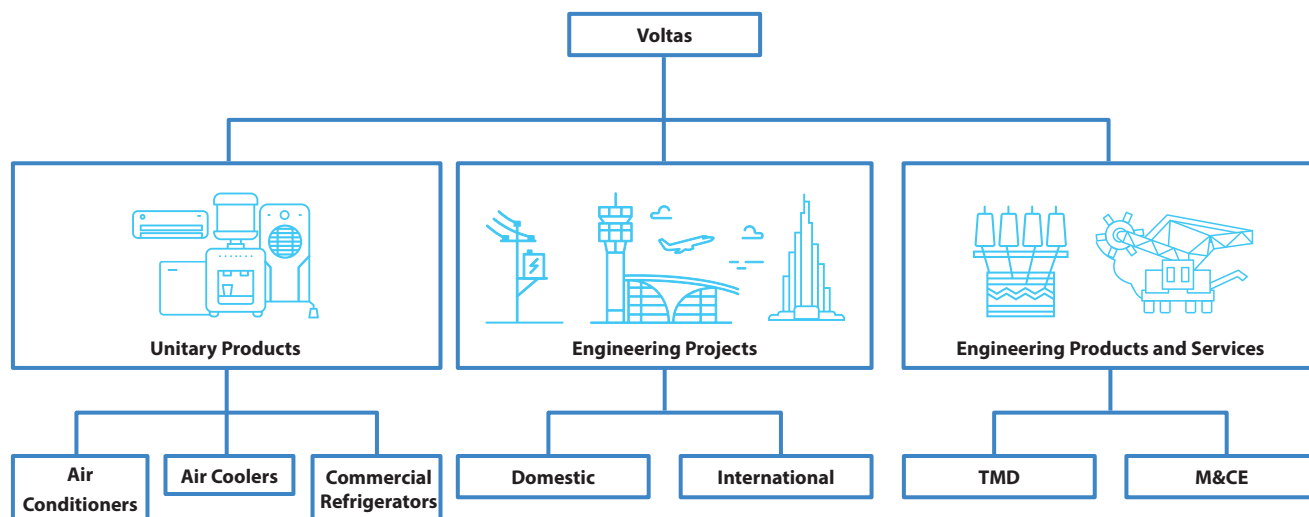
Voltas is India's undisputed market leader in room air conditioners and is also recognised globally for its engineering prowess. It is a preferred solutions provider and projects specialist in India, the Middle East, South East Asia, and Africa, undertaking iconic Electro-mechanical projects.

The Company's Unitary Cooling Products Business offers a comprehensive range of cooling solutions including air conditioners, air coolers and commercial refrigeration products. Through its 50:50 joint venture with the Turkish-based company Arcelik, Voltas has forayed into consumer durable products

such as refrigerators, washing machines, microwave ovens, and dishwashers. Launched in the second half of 2018, these products are sold under the brand Voltas Beko.

The Engineering Projects business provides MEP and HVAC solutions and has successfully implemented several landmark projects in India and overseas. The Company closely works with the Government of India for various rural electrification programmes. The Engineering Products and Services business represents leading equipment manufacturers in Textile Machinery and Mining & Construction Equipment for sale, distribution and after sales service.

Our organisational structure



UNITARY COOLING PRODUCTS

Air Conditioners

This segment is crowded with over 25 well known players, including serious global and Indian corporates with the top five players accounting for about 60% of the market share. In recent years, there has been a shift towards energy efficient inverter air conditioners in the more urban parts of the country. Fixed speed split air conditioners as well as Window ACs are usually preferred in Tier-II and Tier-III cities due to higher power fluctuation, the type of accommodation and the perception that these are easier to repair.

Notwithstanding, the semi-urban and rural markets are showing healthy demand momentum, and now account for almost 50% of overall industry volumes. Companies like Voltas with a robust distribution network and last-mile connectivity are best placed to make the most of this trend.

FY19 was a challenging year for the industry owing to unseasonal rains and erratic weather conditions in some parts of the country, especially the Northern part which accounts for

more than 40% of the demand and a subdued festive season. As a result, the industry has de-grown by around 3% during the year. Despite these conditions, Voltas continued to be a strong Market Leader, increasing its annual market share across Multi Brand Outlets to 23.7%.

Given their very seasonal nature, 2018-19 has been even difficult for Air Coolers, and Voltas too has registered a de-growth along with Industry. Even during this period, the good news is that, there is a shift of preference from unorganized to organized sector. The Company has launched 39 SKUs of its new Voltas Fresh Air Coolers with Smart Humidity Controller under various categories such as Personal, Window, Tower and Desert Air Coolers. In the Commercial Refrigeration space, the Company further strengthened its position by introducing new products such as Convertible Freezer, Freezer on Wheels and Curved Glass Freezer, apart from newer models of Water Dispensers and Water Coolers.

Outlook and Opportunities

Going forward, demand for air conditioners will be driven by first-time users, replacement/second buy users and high-end buyers, who look for exclusive additional features.

At the same time owing to rising temperatures, increasing disposable incomes and aspirational levels, a stronger rural demand is anticipated. Moreover, environment friendly and more efficient products with greener gases will push demand. Voltas being the market leader is well poised to take advantage of these trends and expand its reach across the country.

Threats

The increasing cum aggressive competitive environment along with uncertainty on currency, duties and commodity prices may impact pricing, resulting in lower margins. However, improved focus on value engineering, cost innovation, customer service and logistics should help Voltas sustain its market dominance.

Management Discussion and Analysis

ENGINEERING PROJECTS

Domestic Projects

Rising urbanisation across India and favourable government policies for infrastructure, rural electrification, revamping of railway stations, development of metros, roads, airports and ports are driving demand for this segment. In electrification, opportunities are increasing in two major segments of providing electricity to villages and modernisation of existing electrical networks.

Further, policy measures such as Make in India, introduction of Bharat-Stage VI (leading to large scale modernisation of refineries) are creating long-term enablers for this industry. However, private

sector spend continues to remain subdued, although the industry is hopeful that it will recover soon.

The Domestic Projects Group (DPG) continued its steady performance this year with majority of orders coming in from the electrification sector and the infrastructure space. The Company's subsidiary, Rohini Industrial Electricals Limited, which executes electrical projects now contributes 40% to the Domestic Order book.

Outlook and Opportunities

The Company has strategically increased focus on Government funded projects emphasising inclusive growth. Given the policy impetus on certain key sectors, there are upcoming opportunities in areas of built infrastructure, water and electrification.

Threats

Weak private investment remains a cause for concern, along with delays in project completion and receivables. The Company, thus, continues to focus on risk mitigated opportunities which are priority projects for the Government, with assured funding and certainty of completion. While fluctuations in commodity prices and input cost increase is a cause of concern, the Company has adequate risk mitigation processes for the same.

Growth Segments

1. HVAC solutions

- Educational institutions, hospitals and government buildings
- Railway station redevelopment projects
- Tunnel ventilation for Metro works, HVAC for underground metro stations
- Smart cities
- Cold chains

2. Water Treatment Solutions

- Zero Liquid discharge
- Rural water networks
- Sewage Treatment Plants (STPs)

3. Electrification

- Rural electrification across the schemes of DDUGJU as well as Saubhagya
- Feeder Separation



Tata Medical Centre Kolkata



International Projects

In the run-up to vision 2030, many of the Middle Eastern countries continue to invest in infrastructure. Accordingly, multiple significant projects were announced and awarded in both infrastructure and built-environment with the UAE, maintaining its leadership position.

With two important events namely, Expo 2020 and FIFA World Cup 2022, lined up in Dubai and Qatar, numerous projects in the hospitality, leisure, retail, commercial and residential sectors have been announced. Considerable work is also being done in the areas of smart cities, e-trade and services, transportation infrastructure and renewable energy such as solar power plants.

Facilities management and water solutions represent yet another growth opportunity.

During the year, the International Operations Business Group (IOBG), was recognised for its thrust on effective execution through numerous prestigious awards. This sought-after status will also enable strengthening the order book with a choice of appropriately risk mitigated projects.

Outlook and Opportunities

As the preferred contractor, Voltas is recognised to have expertise and resources for executing mid to large size projects in Gulf Cooperation Council (GCC) countries. At the same time, the Company is also looking to foray into new geographies such as Bahrain and Kuwait.

Threats

The threats to this business are from political upheaval in the GCC countries and a significant fall in crude oil prices that tend to postpone announcement of infrastructure projects. Changes in financial conditions of main contractor or main client could lead to payment delays in longer term contracts.

ENGINEERING PRODUCTS AND SERVICES

Textile Machinery

Challenges continued for the Indian Textile Industry in FY19 as exports of garment and apparel declined due to competition from Bangladesh, Vietnam and other countries, which have entered into Free Trade Agreements with buyer states. Subdued yarn demand in domestic and international markets and sharp escalation in the minimum support price for cotton further aggravated the situation

for industry players. In this scenario, it was not surprising that industry capex remained muted during the year.

The Textile Machinery Division (TMD), maintained a steady performance despite external headwinds and continues its focus on after-sales business to mitigate reduced sales of capital equipment.

Outlook and Opportunities

The long-term growth potential of the textiles industry continues to be positive, owing to significant opportunities in the domestic and international markets. To revive exports of apparel and garments, the Government of India (GoI) announced several measures to revive growth. State governments of Maharashtra and Tamil Nadu, among others have also announced new policies to promote investments in the textile sector.

Being a one-stop destination that provides capital equipment solutions as well as after-sales services to textile industry, Voltas is poised to benefit from tail winds in the sector.

Threats

Increasing import of textile and garments in India may lead to lower demand for end products and reduced investments in the sector. Free trade agreements with major buyer countries by other countries could lower exports from India. Non-availability of finance has been a deterrent in the past for the Textile Industry, and continued delays in disbursement of loans by banks can slow down conversion orders into dispatches.

Management Discussion and Analysis

Mining & Construction Equipment

With uncertainty clouding the re-opening of the mines in India, the Mining sector continued to face challenges. However, thrust on road building by the Government under the Bharatmala scheme has ensured increased business in this sector. Meanwhile, business in Mozambique continued to drive the revenues for the Company, as more machines were added, and services income improved.



Outlook and Opportunities

Voltas continues to be the preferred partner for Vale in Mozambique and is well placed to benefit from their ramp up in production.

The award of contracts in roads and infrastructure segment, impacted in the short term owing to elections, is expected to gather momentum post monsoons. As the activities in mining industry pick up, there will be opportunities for the India business. The Company is selectively participating in tenders leveraging on its service expertise and network of depots.

Threats

The India mining business has been impacted during the last three to four years due to environmental concerns including the suspension of EMTA mines on the basis of the Supreme Court order. At the same time, global consolidation of mining principals has led to the discontinuation of certain lines of business. However, Mining & Construction Equipment (M&CE) business is poised to identifying new mining sector OEMs which seek representation in the Indian market.

VOLTBEK HOME APPLIANCES PRIVATE LIMITED (VOLTBEK)

The 50:50 Joint Venture Company (JV) between Voltas Limited and Arçelik, launched its product range in a glittering ceremony in September 2018. Post the product launch, the feedback from trade for Voltbek products has been encouraging and end-users have particularly appreciated the 'Made for India' features such as the '30 days Store Fresh' for Refrigerators and '26 Stain Remover' for Washing Machines.

The newly launched brand is steadily making progress in increasing its distribution reach to more outlets, particularly, in Tier-II and Tier-III cities, in addition to enhancing its presence with Power

Retailers in the main metros. The products are competitively priced, and the product range has been widened with the launch of 31 new SKUs of refrigerators including bottom-mount and side-by-side refrigerators.

Further, Voltas Beko has also launched five new SKUs of Front Load Washing Machines with AutoDose Technology (first in the Industry), 12 SKUs of Top Load Washing Machines with Dual Power Rain and a Table Top Dishwasher suited for Indian kitchens. The thrust of the JV in the current year is to expand its distribution, widen the product range and build the manufacturing site at Sanand, Gujarat.



FINANCIAL PERFORMANCE: CONSOLIDATED

Financial performance as a measure of operational performance.

(A) GROSS SALES/INCOME FROM OPERATIONS (SEGMENT REVENUES)

	2018-19	2017-18	Change	Change%
Segment-A (Unitary Cooling Products)	3,154	3,225	(71)	(2)
Segment-B (Engineering Projects)	3,619	2,845	774	27
Segment-C (Engineering Products)	312	310	2	1
Total	7,085	6,380	705	11

The consolidated segment revenue for 2018-19 was higher by 11% at ₹7,085 crores as compared to ₹6,380 crores last year mainly due to higher turnover in the Electro-mechanical Projects business.

(B) EXCEPTIONAL ITEMS

	2018-19	2017-18	Change	Change%
Exceptional items	(12)	1	(13)	(1,300)

Net Exceptional loss during 2018-19 was primarily on account of provision for contract assets due to delays in certification arising out of liquidation filing by a joint venture partner of main contractor.

(C) EMPLOYEE BENEFITS EXPENSE

	2018-19	2017-18	Change	Change%
Employee benefits expense	642	587	55	9

Employee benefits expense comprise salary, wages, and commission to Company's contribution to Provident Fund and other funds, gratuity and staff welfare expenses. There has been an overall 9% increase in employee benefits expense during the year as compared to the previous year, due to higher mobilisation of workers for project business and annual increments to the employees.

(D) FINANCE COSTS

	2018-19	2017-18	Change	Change%
Interest	33	12	21	175

Finance costs pertain to interest paid on borrowings from banks for execution of overseas projects and higher working capital levels during the year in Unitary Cooling Products business.

(E) PROFITABILITY

	2018-19	2017-18	Change	Change%
Profit before tax	677	805	(128)	(16)
Profit attributable to Owners of the Company	508	572	(64)	(11)

Consolidated profit before tax in 2018-19 was ₹677 crores due to lower profits in Unitary Cooling Products business and losses in new JV (investment phase), which was partially offset by increase in the Projects business. On the domestic front, Universal Comfort Products Limited reported profit before tax of ₹75 crores in 2018-19 and Rohini Industrial Electricals Limited reported profit of ₹13 crores.

Management Discussion and Analysis

FINANCIAL POSITION: CONSOLIDATED

(A) BORROWINGS

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Borrowings	315	142	173	122

Borrowings were higher by 122% primarily for Projects business (including subsidiary companies) as compared to last year.

(B) INVESTMENT

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Non-current investments	1,150	2,266	(1,116)	(49)
Current investments	1,236	488	748	153
Total	2,386	2,754	(368)	(13)

Current investments include liquid funds (dividend schemes) and debt mutual funds (growth schemes). The non-current investments comprise investments in joint ventures and associates, investment properties, other investments and debt mutual funds (growth schemes). Current Investments have increased due to reclassification of mutual funds based on planned redemption. The Company had in 2018-19 partially redeemed Mutual funds to meet Capital expenditure and working capital requirements.

(C) INVENTORIES

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Raw materials, components, stores and spares	198	199	(1)	(1)
Work-in-progress (net)	13	6	7	117
Finished goods	223	183	40	22
Stock-in-trade of goods (for trading)	657	424	233	55

Stock of finished goods was at a higher level, mainly in the Unitary Cooling Products business.

(D) TRADE RECEIVABLES

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Current trade receivables (net)	1,803	1,570	233	15
Non-Current trade receivables (net)	30	-	30	100

The increase in current trade receivables is mainly owing to Projects business.

(E) OTHER ASSETS

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Other current financial assets	86	82	4	5
Other non-current financial assets	74	35	39	111
Contract assets	785	-	785	100
Other current assets	314	1,357	(1,043)	(77)
Other non-current assets	99	88	11	13

Other financial assets (current and non-current) comprise security deposits, deposits with customer and fixed deposits. Other assets (current and non-current) mainly include balance with Government authorities and capital advance. Contract assets represent contract revenues recognised in excess of certified bills in Projects business (grouped under 'Other Current Assets' last year). In the Projects business, revenues are recognised on the basis of percentage of completion method, in line with accounting standards.

(F) LIABILITIES AND PROVISIONS

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Current liabilities	3,285	3,271	14	-
Non-current liabilities	92	102	(10)	(10)

Current liabilities include contract liabilities, borrowings, trade payables, short-term provisions, income tax liabilities and other current liabilities. The increase in current liabilities was mainly due to an increase in short-term trade payables in the Products business. Non-current liabilities consist of long-term provisions, trade payables and deferred tax liabilities. Provisions (long-term and short-term) are towards employee benefits – gratuity, pension, medical benefits, compensated absences, etc., and for trade guarantees, contingencies.

FINANCIAL PERFORMANCE: STANDALONE

Financial performance as a measure of operational performance.

(A) GROSS SALES/INCOME FROM OPERATIONS (SEGMENT REVENUES)

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Segment-A (Unitary Cooling)	3,207	3,306	(99)	(3)
Segment-B (Engineering Projects)	3,140	2,180	960	44
Segment-C (Engineering Products)	311	310	1	-
Total	6,658	5,796	862	15

The segment revenue for 2018-19 was higher by 15% at ₹6,658 crores as compared to ₹5,796 crores last year mainly due to higher turnover recorded by Electro-mechanical Projects.

(B) OTHER INCOME

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Other income	263	237	26	11

Other income comprise rental income, dividend from investments, interest income and profit from sale of investments.

(C) EXCEPTIONAL ITEMS

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Exceptional items	26	(4)	30	750

Exceptional Items during 2018-19 was on account of reversal of provision for diminution in value of investment in a subsidiary company.

(D) EMPLOYEE BENEFITS EXPENSE

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Employee Benefits Expense	489	422	67	16

Employee benefits expense comprise salary, wages, commission to Company's contribution to Provident Fund and other funds gratuity and staff welfare expenses. There has been an overall 16% increase in employee benefits expense during the year under review as compared to the previous year, due to mobilisation of workers for project business and annual increments to the employees.

Management Discussion and Analysis

(E) FINANCE COSTS

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Interest	23	8	15	188

Finance costs comprise interest paid on borrowings from banks for execution of overseas projects and higher working capital levels during the year in Unitary Cooling Products business.

(F) DEPRECIATION AND AMORTISATION EXPENSES

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Depreciation and Amortisation Expenses	20	19	1	5

The charge for depreciation on fixed assets is marginally higher for the year as compared to previous year.

(G) OTHER EXPENSES

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Other expenses	579	513	66	13

Other expenses include repairs and maintenance, travel and communication costs, service maintenance charges, other selling expenses, external services/contract labour charges, subscriptions, e-auction charges, C&F charges, moving and shifting expenses, staff selection expenses, brand equity expenses and commission paid to Non-Executive Directors.

(H) PROFITABILITY

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Profit Before Tax	631	683	(52)	(8)
Profit After Tax (Net Profit)	464	501	(37)	(7)

Profit before tax for the year was mainly impacted due to challenges in the Unitary Cooling Products business.

FINANCIAL POSITION: STANDALONE

(A) BORROWINGS

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Borrowings	114	28	86	307

Borrowings were primarily for execution of overseas projects.

(B) INVESTMENT

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Non-current investments	1,390	2,384	(994)	(42)
Current investments	1,236	510	726	142

The Company's Non-current investment comprise investment in subsidiaries, joint ventures, associates and investment in mutual funds bonds and preference shares. Current investment comprise investment in Mutual Funds and Bonds/Debentures. During the year, the Company has made additional investment of ₹118 crores in Voltbek Home Appliances Private Ltd. Non-current investments are lower as compared to previous year due to reclassification of mutual funds where long-term capital gains benefits were available during the year.

(C) INVENTORIES

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Raw materials, components, stores and spares	142	155	(13)	(8)
Work-in-progress (net)	13	6	7	117
Finished goods	192	158	34	22
Stock-in-trade of goods (for trading)	657	424	233	55

Stock of finished goods was at higher level as compared to 2017-18 due to building up of inventory for peak season by Unitary Cooling Products business.

(D) TRADE RECEIVABLES

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Current trade receivables (net)	1,395	1,277	118	9

Current trade receivables were higher by 9% as compared to previous year primarily in the domestic operations, both in projects and products.

(E) CASH AND CASH EQUIVALENTS

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Cash and cash equivalents	227	174	53	30

Cash and bank balance at the year-end was higher by ₹53 crores.

(F) OTHER ASSETS

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Other current financial assets	121	81	40	49
Contract assets	676	--	676	100
Other non-current financial assets	67	23	44	191
Other current assets	226	948	(722)	(76)
Other non-current assets	85	79	6	8

Other financial assets (current and non-current) mainly comprise security deposit and fixed deposit with maturity of more than 12 months and security deposits. Other assets (current and non-current) comprise balance with government authorities, capital advance and advance to suppliers. Contract assets are contract revenues recognized as being in excess of the certified bills (grouped under Other Current Assets last year). Revenues are recognised on the basis of percentage completion method, in line with the relevant accounting standards.

(G) LIABILITIES AND PROVISIONS

	₹ in Crores			
	2018-19	2017-18	Change	Change%
Current liabilities	3,003	2,887	116	4
Non-current liabilities	74	74	-	-

Current liabilities comprise contract liabilities, short term borrowings, trade payables, short-term provisions, income tax liabilities and other current liabilities. Non-Current liabilities consist of long-term provisions and trade payables. The increase in current liabilities was due to an increase in short-term trade payables.

Management Discussion and Analysis

LIQUIDITY AND CAPITAL RESOURCES

The management continues focusing on maintaining a robust Balance Sheet. The Company had cash and cash equivalents/liquid investments of ₹1,868 crores as on 31 March 2019. The Company has limited borrowings, mainly working capital finance for International Projects.

RISKS AND CONCERNS

Refer to page numbers 30-31 for more details.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has a robust system of internal controls in place. Policies and procedures covering all financial and operating functions have been documented. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting records for ensuring reliability of financial reporting, monitoring of operations and compliance with applicable laws and regulations.

The Company's Internal Audit team comprises qualified professionals and is headed by the Chief Internal Auditor who reports to the Board Audit Committee. A leading firm of Chartered Accountants has been engaged as a co-sourcing partner for internal audit. Internal Audit provides assurance to the Board and the Audit Committee on the design, adequacy and operating effectiveness of the internal control system.

The annual audit plan, prepared on the basis of potential risks, is discussed and approved by the Board Audit Committee at the beginning of the financial year. The scope and coverage

of audits include review and reporting on key process risks, adherence to operating guidelines, statutory compliances, recommending improvements for monitoring and enhancing efficiency of operations and ensuring reliability of financial and operational information.

The Board Audit Committee is regularly presented with significant internal audit findings, agreed upon remediation plans and actions taken on issues highlighted in earlier internal audit reports. The Board Audit Committee reviews and monitors the adequacy and reliability of financial reporting, internal control and risk management systems.

Internal audit has been entrusted with independent testing of operating effectiveness of internal controls. Based on the assessment carried out and evaluations of the results of the assessment, the Company has an adequate Internal Financial Controls system that is operating effectively as on 31 March 2019.



HUMAN RESOURCES

At Voltas, it is a constant endeavour to provide people with a nurturing, motivating and rewarding work environment. The Company's people management policies are based on the following pillars.

HR strategy pillars- 2016-2021- Unleashing people potential to purpose

<p>Organization design</p> <p>Span and layer productivity, Resource optimization, Key partnerships</p>	<p>Capacity building</p> <p>Leadership development, Customized training, Succession planning and Strategic hiring</p>	<p>Employee engagement</p> <p>Engaged workforce, Engagement activities calendar, Engagement survey</p>	<p>Total rewards</p> <p>Competitive pay, High performance culture, Wellness policies and benefits</p>	<p>Simplification and digitization</p> <p>Policies, Social media, Employee life cycle management policies and benefits</p>	<p>Employer branding</p> <p>University relations, Social media presence</p>	<p>Sustainability CSR</p> <p>Livelihood education, Employability, Affirmative action, Environmental sustainability</p>
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During the year, Voltas conducted several employee engagement activities. These include:

1. A total of nine events in the four broad areas of volunteering, sports, wellbeing and cultural activities under the annual employee engagement calendar
2. 'Employee Nite' celebrations across ten cities
3. Recognition and rewarding for their exemplary performance

Every two years, Voltas conducts an employee engagement survey for its management employees using PB Coffman EE 2.0 model. Voltasites Connected and Satisfied (V-CAS) findings are communicated across levels and improvement action plans are developed/implemented at manager and business unit level. Non-management employees at overseas locations are assessed using various productivity measures.

The safety of Voltas' employees is of utmost importance to the Company and some of the initiatives are highlighted below.

- Conducted 12,971 safety trainings during the year
- Undertook safety sensitisation programmes covering 97 staff and 4,950 service franchise technicians
- Hosted Monthly corporate safety meetings for all businesses
- Celebrated Safety week to improve awareness
- Hosted health and wellness sessions via expert dietician, Rujuta Diwekar
- Conducted health check-up camps regularly

Attrition rate

down from 16% in FY2013 to 12.5%

New reward categories

Subject Matter Experts, Best V-CAS Manager, etc.

Internal Safety Audits

across 89 sites

Lost Time Injuries Frequency Rate

now 0.32 down from 0.50 in FY2018

Safety recognition

Received 16 awards and appreciations

Management Discussion and Analysis

LEARNING AND DEVELOPMENT (L&D) INITIATIVES

L&D forms a crucial part of Voltas' human capital practices. It provides L&D solutions through the four broad modes, namely, class room, E-learning, on-the-job and action learning. L&D initiatives span the entire spectrum of organisation-related training through various programmes and policy frameworks such as Parichay, Prevention of Sexual Harassment, Tata Code of Conduct as well as individual-related training around Safety, Technical, Functional and Behavioural aspects. These programmes are designed to address the gaps and areas of improvement identified during performance reviews of employees.

These trainings also extend to Voltas' senior management team via various online programmes conducted in partnership with Ivy Leagues campuses such as Wharton, MIT, University of Columbia, Harvard, among others.

Out of the 37 participants trained in Middle Management Leadership Development programme (MMLP) since its launch in FY18, 29 have evolved into new/enhanced roles. Voltas has partnered with National Institute of Construction Management and Research (NICMAR) and S.P. Jain Institute of Management and Research to launch its Junior Management Leadership Development programme (JMLP) in FY19. About 51 participants are covered in the course so far.

FUTURE STRATEGY

As Voltas braces up for the next level, it will be focusing on capability building. To this end, it has adopted a balanced strategy of hiring industry experts from outside and promoting promising talent within the Company. Voltas has hired market experts from the industry to lead different business verticals and has also promoted internal employees to leadership positions. In order to create a strong talent pipeline, the Company has brought on-board fresh engineering graduates and management trainees under its university relations programme.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions 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 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 other incidental factors.

REPORTS AND FINANCIAL STATEMENTS

HIGHLIGHTS

		2018-19	2017-18	2016-17	2015-16	2014-15
1. SALES AND SERVICES	₹	7,085	6,380	6,033	5,720	5,166
2. OTHER INCOME (INCLUDING OTHER OPERATING INCOME)	₹	225	222	274	164	148
3. COST OF SALES AND SERVICES (incl. Excise Duty)	₹	5,262	4,591	4,298	4,114	3,619
4. OPERATING, ADMINISTRATION AND OTHER EXPENSES	₹	1,307	1,210	1,271	1,242	1,227
5. Staff Expenses (included in 3 & 4)	₹	(642)	(587)	(618)	(635)	(590)
Number of Employees (including Contract Staff)	Nos.	8261	8118	8429	8741	8424
6. PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX	₹	689	804	719	534	468
7. EXCEPTIONAL INCOME/(EXPENSES)	₹	(12)	1	1	29	46
8. PROFIT BEFORE TAXATION	₹	677	805	720	563	514
Percentage to Sales and Services	%	9.6	12.6	11.9	9.8	9.9
Percentage to Total Net Assets	%	15.3	19.9	20.7	18.3	23.1
9. TAXATION	₹	163	227	200	170	128
10. PROFIT AFTER TAXATION	₹	514	578	520	393	386
Percentage to Sales and Services	%	7.3	9.1	8.6	6.9	7.5
Percentage to Shareholders' Funds	%	12.5	14.8	15.7	14.0	18.4
11. PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY	₹	508	572	517	387	384
12. RETAINED PROFIT	₹	353	437	414	309	286
13. DIVIDEND ON EQUITY CAPITAL	₹	132	132	116	86	74
Percentage	%	400	400	350	260	225
14. PROPERTY, PLANT AND EQUIPMENT INCLUDING OTHER INTANGIBLE ASSETS (AT COST)	₹	518	470	460	484	459
15. DEPRECIATION	₹	294	290	278	280	266
16. INVESTMENTS	₹	2,386	2,754	2,268	1,946	1,094
17. NET CURRENT AND NON-CURRENT ASSETS	₹	1,716	1,108	1,008	901	902
18. DEFERRED TAX ASSET (NET)	₹	99	5	20	31	35
19. TOTAL NET ASSETS	₹	4,425	4,047	3,478	3,082	2,224
20. SHARE CAPITAL	₹	33	33	33	33	33
21. OTHER EQUITY	₹	4,077	3,872	3,274	2,778	2,069
22. EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	₹	4,110	3,905	3,307	2,811	2,102
Equity per Share (Book Value)	₹ †	*121.21	*117.88	*99.93	*84.96	*55.59
Earnings per Share	₹ †	*15.35	*17.30	*15.64	*11.70	*11.62
Number of Shareholders	Nos.	119915	107457	108646	105465	99973
Share Prices on Stock Exchange - High	₹ †	*665	*675	*425	*360	*301
- Low	₹ †	*471	*401	*267	*211	*149
23. BORROWINGS	₹	315	142	171	271	122
Debt/Equity Ratio	%	8	4	5	10	6
(Percentage to Shareholders' Funds)						

* Face Value of ₹ 1 each. (Shares of ₹ 100 each split into Shares of ₹ 10 each in 1990 and thereafter, into Shares of ₹ 1 each in 2006).

- Notes: 1. All amounts are Rupees in Crores except those marked †
 2. Figures from 2009-10 onwards are based on Consolidated Financial Statements.
 3. Previous year's figures have been regrouped / reclassified, wherever necessary.
 4. Figures for 2015-16 onwards are as per Ind AS. The figures for preceding years are as per old IGAP.
 5. Operating profit from 2015-16 onwards includes share of profit / (loss) of joint ventures and associates.
 6. ** denotes value below ₹ 50 Lakhs.

2013-14	2012-13	2011-12	2010-11	2009-10	1994-95	1984-85	1974-75	1964-65	1954-55	
5,280	5,567	5,208	5,211	4,782	811	266	159	42	10	1
123	107	109	73	78	8	2	**	**	**	2
3,891	4,220	3,813	3,715	3,312	604	211	138	35	8	3
1,194	1,186	1,135	1,085	1,041	192	56	19	5	2	4
(595)	(633)	(600)	(556)	(545)	(100)	(32)	(10)	(4)	(1)	5
9101	10191	11611	13345	9627	10667	8147	7252	5082	2324	
318	268	369	484	507	23	1	2	2	**	6
22	12	(150)	40	25	(1)	—	—	—	—	7
340	280	219	524	532	22	1	2	2	**	8
6.4	5.0	4.2	10.1	11.1	2.7	0.5	1.0	5.9	2.5	
16.3	14.8	12.9	35.0	47.5	5.0	1.1	4.6	18.3	6.5	
94	73	57	172	147	**	—	1	1	**	9
246	207	162	352	385	22	1	1	1	**	10
4.7	3.7	3.1	6.7	8.0	2.7	0.5	0.5	2.3	1.4	
13.5	12.7	11.0	25.8	35.4	13.2	4.1	6.7	17.6	9.1	
245	207	162	357	381	—	—	—	—	—	11
174	146	101	280	304	10	**	**	1	**	12
61	53	53	66	66	12	1	1	**	**	13
185	160	160	200	200	35	10	12	15	5.5	
461	451	424	410	408	307	50	12	4	1	14
251	240	219	188	182	107	16	6	1	**	15
732	407	312	269	234	82	5	1	1	—	16
1,116	1,247	1,160	994	640	149	66	29	9	3	17
24	22	24	15	20	—	—	—	—	—	18
2,082	1,887	1,701	1,500	1,120	431	105	36	13	4	19
33	33	33	33	33	34	10	6	3	2	20
1,786	1,593	1,445	1,329	1,052	131	20	6	3	**	21
1,819	1,626	1,478	1,362	1,085	165	30	12	6	2	22
*48.29	*44.81	*41.21	*38.43	*30.08	50	305	191	216	1,027	
*7.42	*6.28	*4.90	*10.80	*11.51	7	12	13	38	93	
103543	116804	120098	93220	98788	84180	45237	14395	7356	150	
*164	*138	*189	*263	*190	176	470	211	276		
*63	*73	*72	*147	*46	92	356	125	183		
263	261	223	138	35	266	75	24	7	2	23
14	16	15	10	3	162	253	200	136	151	

REPORT OF THE BOARD OF DIRECTORS

To The Members

Your Directors present their Sixty-Fifth Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2019.

1. Financial Results

	Consolidated		Standalone	
	2018-19	2017-18	2018-19	2017-18
Total Income	7,310	6,602	6,956	6,069
Profit for the year after meeting all expenses but before interest, depreciation and exceptional items	798	836	648	714
Interest	33	12	23	8
Depreciation and amortization	24	24	20	19
Profit before share of profit/(loss) of Joint Venture and Associates and exceptional items	741	800	605	687
Share of profit/(loss) of Joint Venture and Associates	(52)	4	—	—
Exceptional items (Net)	(12)	1	26	(4)
Profit before tax	677	805	631	683
Tax expenses	163	227	166	182
Profit after tax	514	578	465	501
Other Comprehensive Income (Net)	(24)	163	(36)	158
Total Comprehensive Income	490	741	429	659

₹ in crores

2. Reserves

An amount of ₹ 20 crores was transferred to the General Reserve out of Profit available for appropriation.

3. Dividend

The Company's Dividend Policy which is uploaded on the Company's website, is based on the need to balance the twin objectives of appropriately rewarding its shareholders with dividend and of conserving resources to meet its future needs. Based on Company's performance, the Directors recommend dividend of ₹ 4 per equity share of ₹ 1 each (400%) for the year 2018-19 aggregating ₹ 132.35 crores (2017-18: 400%). The Dividend Distribution Tax is ₹ 27.21 crores, which would get reduced to the extent of dividend received by the Company from its subsidiary companies. The dividend pay-out is in accordance with the Company's Dividend Policy.

4. Operations

During 2018, world growth was estimated at around 3%, lower than growth rate for the previous years. In recent months, geo-political events such as trade tensions, sanctions, etc. have further affected global growth. In India also, there was a slowdown in the economy across 2018-19 due to the declining

growth of private consumption, a tepid increase in fixed investment, and muted exports. However, India continues to be the fastest growing major economy and is expected to largely maintain the trajectory.

During 2018-19, the Company reported consolidated total income of ₹ 7,310 crores, with income from operations of ₹ 7,085 crores and profit after tax of ₹ 514 crores.

There have been no material changes and commitments, that affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

Unitary Cooling Products Business Group (UPBG)

The year 2018-19 was very challenging with the AC industry recording a de-growth of 3%. The segment performance was muted due to erratic summer conditions and a soft festive season. With higher inventory in the channel as well as with manufacturers, the pressure on prices and thus on margins continued to be high. Increasing input costs and depreciated rupee, added to the industry's woes.

Despite a challenging and competitive environment, Voltas continued to be the undisputed Market Leader with sales of over 1.2 million units and increased its market share (across

Multi-Brand outlets) to 23.7% from 22.1% in the same period last year. The Company is focussed on expanding its reach across cities by appointing Distributors, Dealers and opening Brand Shops. The brand shops house the latest consumer durable products including ACs, Air Coolers, Commercial Refrigeration Products from Voltas as well as White Goods such as Refrigerators, Washing Machines, Microwaves/Ovens and Dishwashers from Voltas Beko.

Voltas has also acquired land admeasuring 65 acres approx. near Tirupati for manufacture and assembly of air conditioners and other related cooling products. Continuing its thrust on Research and Development, Voltas aims to create technologically advanced products which are expected to start rolling out from the later half of 2020. The chosen location provides dual benefits of superior market access and cost effective connectivity via road and port. The proposed factory will cater primarily to the South and West markets. The Company plans to invest over ₹ 500 crores in phases, while simultaneously creating local employment opportunities in the region.

Air Coolers faced a more difficult year given their very seasonal nature. Nonetheless, based on a recent independent retail audit, Voltas is now the No. 2 player in the Air Cooler category having sold around 1.3 lakhs Fresh Air Coolers during 2018-19.

Despite headwinds of the current year, longer term industry prospects will be driven by the increasing consumer confidence, higher disposable incomes, lower penetration, better availability of power and many other positive factors. The Company's thrust on introducing energy efficient products and expanding its enviable distribution network will enable the business to further improve its position.

Domestic Projects Group (DPG)

With its strategic focus on procuring and executing Government backed projects, the Domestic Projects business continued its steady performance during 2018-19. The majority of orders came from the electrification sector and infrastructure space along with reasonable assurance of cash. The recent investment announcements in infrastructure (Metros, Airports), smart cities, cleaner water, healthcare and educational institutions is expected to increase opportunities. During the year, the Company has set up a manufacturing plant for higher tonnage cooling products such as VRF (Variable Refrigerant Flow) products and Chillers in Waghodia, Gujarat.

International Operations Business Group (IOBG)

During 2018-19, the Company has continued to selectively and cautiously pick and choose projects that are commercially viable, in a risk mitigated manner. It is gratifying to note that the Division was recognised with a number of external awards, including the *District Cooling Company of the Year*, the *Facilities*

Management Company of the Year and *MEP Contractor of the Year*. As an adjunct to MEP, the business is also focussing on booking orders for Facility Management and Water Management solutions. Meanwhile, the Expo 2020 in UAE has given rise to certain project opportunities and the Company has also extended its reach to a new geography, having secured an order in Bahrain. It also appears that the hitherto deeper concerns on Qatar due to political issues are beginning to abate.

Engineering Products and Services – Textile Machinery Division (TMD) and Mining and Construction Equipment Division (M&CE)

The Textile Machinery business faced pressure on margins due to the declining yarn prices and the withdrawal of certain specific spinning based State policies apart from the generic issues of credit disbursement affecting capital expenditure. Timely focus on the after-sales business helped compensate. In the Mining and Construction Equipment business, Mozambique operations contributed a significant share to the Division's performance. Mining activity in India however remains tepid, as the re-auctioned mines are yet to commence operations. Meanwhile, the Government announcements on increasing spend on road infrastructure (*Bharatmala project*) augurs well over the medium term for the sale of Crushing and Screening equipment.

5. Finance

The year 2018-19 was challenging for the Company as the AC industry faced headwinds due to weak summer and soft festive season. Most of the Industry players, including Voltas were saddled with additional inventory, leading to higher working capital.

The year witnessed volatile interest rates impacting debt instruments, particularly during the first three quarters as a result of mark-to-market valuation. The Company is re-engineering its portfolio to reduce market driven volatility.

As part of its commitment, the Company has invested ₹ 118 crores during 2018-19 in the share capital of the Consumer Durable JV – Voltbek Home Appliances Private Limited. This alongside the accumulation of inventory and capex investments in the Waghodia facility, led to a reduction in the overall cash position. Notwithstanding, the liquidity position remains strong with overall cash of ₹1,868 crores as on 31st March, 2019.

6. Tata Business Excellence Model

Tata Business Excellence Model has been used as a successful initiative by the Tata Group to drive Business Excellence across companies. In order to assess the progress made by various

companies, the Group conducts external assessments bringing together more than 300 Assessors and 30 Mentors from across 60 Tata companies.

During 2018-19, the Company participated in the formal assessment. It is a matter of pride that the Company was adjudged at a higher maturity level of **'Emerging Industry Leader'** score band, a significant improvement over the last assessment.

Based on the Assessment, the Company has developed a comprehensive action plan to take its Business Excellence journey even more strongly forward in the years ahead. Voltas has also developed many Business Excellence champions to facilitate a seamless journey, nine of whom were also External assessors at the Tata Group level.

Innovation is one of the key determinants of long term value creation and is a continual quest at the Tata Group. Tata companies are supported in their efforts to achieve world-class standards in all aspects of operations through group-level processes and systems that encourage innovation. During 2018-19, the Company successfully participated in Tata Innovista with company innovations being assessed by panel of Subject Matter Experts from within and outside the Tata Group.

7. IT Initiatives

'Business Ready' was the focus of Voltas IT this year, ensuring secure, seamless and timely adoption of technology across platforms. SAP ECC, Payroll and HCM were rolled out for Voltbek as per the planned schedule along with Siebel CRM. Additionally, all the Modules of SAP were deployed for the new Waghodia factory as also Costing and Profitability (COPA) modules at Weathermaker Limited in UAE. Two major capabilities were simultaneously added - the E Way Bill system and E Merge (a solution for financial consolidation for JVs and subsidiaries), apart from a number of additional solutions to facilitate operational efficiency across different businesses. Ensuring appropriate focus in the IT Infrastructure and Security space, many Data Centre Servers and Network equipment were upgraded.

Digitization is an important part of forward strategy and the Company firmed up plans across Mobility, Analytics and RPA (Robotic Process Automation). For example, in Analytics, MIS Dashboard was developed on the Power BI platform and in RPA, the Service Registration process was automated through a Bot.

8. Safety and Health

Safety is a priority and of prime importance at Voltas. While a Board Committee comprising 3 Directors reviews Safety performance,

a Steering Committee comprising the Corporate Management Group periodically reviews the implementation of various initiatives.

In order to ensure consistency and resilience of Safety controls, 89 major projects were audited, with a weighted score on the Tata Group Safety Standards compliances. This was in addition to the regular Safety inspections and audit of sites, Customer care premises, offices and warehouses. Training was an area of focus - Awareness training was stepped up to cover approx. 2,27,000 personnel, an increase of 13% over last year. At the same time, 100% Induction training is ensured for all personnel at project sites.

Internal Auditors certification program (ISO 14001 and ISO 45001) covered 135 personnel across business units together with Behaviour Based Safety and First Aid (CPR certification) programs. Unfortunately, during 2018-19, there were two fatal incidents at project sites. A serious note has been taken along with appropriate internal action and measures to prevent recurrence.

The Company has improved the communication channels to capture S-H-E related observations through creation of a 'WhatsApp' group of Safety practitioners. The improved communication mechanisms have helped increase workmen engagement in Safety meetings and trainings at project sites, apart from an increase in the reporting of Safety observations, Lost Time Injury (LTI) incidents and Near Misses from the project sites.

The Company has received appreciation letters and awards in recognition of enhancing the Safety standards. Clients like Reliance Industries, have recognised Voltas for achieving 5 million safe man hours without LTI at DAICEC project in BKC, Mumbai. Bihar Urban Infrastructure Development Corporation Limited also appreciated Voltas for achieving 2.5 million safe man hours without LTI.

9. Sustainable Development

The Company through its CSR initiatives, strives to engage with the segment at the bottom of the pyramid and build capabilities in youth and women to ensure sustainable livelihood. It also focusses on education, health, water and disaster relief for communities through its other CSR verticals. The CSR interventions are strategic long-term projects with end-to-end intervention based on community participation and ownership. The need-based projects bring in all the crucial stakeholders together through better community participation, for sustainable development outcomes.

(a) Sustainable Livelihood

Sustainable livelihood, the flagship program of Voltas, has 37 partnership Skill Training Centres across India. The Skill

Training Centres create pools of trained Room AC (RAC) and Central AC technicians and ensures end-to-end intervention including identification of deserving candidates, theoretical training, practical, periodic assessments, On-the-Job training, certification, placement, and post placement support. Over 80% youth engaged through Voltas' sustainable livelihood program, are now gainfully employed.

Besides training freshers for RAC and HVAC, the Company recognized the need to upgrade the skills of the existing technicians in the space and get them certified through a program called Recognition of Prior Learning (RPL). The Company trained 1180 existing technicians under RAC and HVAC RPL, across 16 locations in the country. The Company also offered non-technical courses like Business Correspondent and Business Facilitator (BCBF), Retail, and Sewing and Tailoring to over 249 students across centres.

(b) **Community Development**

To enhance the quality of human capital, the Company's educational interventions focusses on five crucial aspects such as Quality Education; Teacher's Training and Capacity Building; English Proficiency through digital medium; Inculcating Reading habits in primary school children; and Career Guidance and Counselling for Youth. Over 10,100 children were directly impacted by the quality education intervention. The educational projects which aim at sustainable outcomes, emphasises on stakeholder participation. Under Teachers Training, in partnership with Mukangan, Voltas reached out to over 284 teachers from government-run schools.

The community project in Dadra is an integrated rural development project with focus on water, health and sanitation. The project is also an affirmative action initiative for tribal communities living in and around the Company's Dadra plant. Voltas has successfully constructed 200 toilets with active participation from villagers and the Gram Panchayat. Under the water for irrigation project, the Company has formed water user groups, conducted agricultural training, and built 10 Bore-wells and 10 Poly-Ponds with farmers' participation.

(c) **Issues of National Importance**

There are three sub-themes under this vertical, namely Disaster Management, Affirmative Action (for inclusion of socio-economically weaker sections in the development process) and Sanitation.

As part of Disaster Management, an intervention was initiated to address water scarcity in the perennially

drought prone area of Marathwada in Maharashtra. The initiative which aimed at Participatory Ground Water Management, undertook area treatment plan in five villages of Osmanabad and Latur districts. Voltas also built capacities of over 250 farmers from the two districts to understand hydro-geological state of the villages, measures for sustainable and safe drinking water, and appropriate agricultural activities and practices.

Under Affirmative Action, the Company continues to extend nutritional and educational support to Kathkari children from a school near Panvel. Additionally, Voltas also introduced two more initiatives: Stitching and Tailoring skill training program for tribal women and Nursing course. The Company created an Income-generation and Empowerment Centre called Sabala which helps the trained tribal women with linkages to generate tailoring business on a sustainable basis. Out of the CSR Budget of 2018-19, over 24% was spent towards Affirmative Action.

In 2018-19, the exclusive skill training program in Electrical and Plumbing for Scheduled Caste / Scheduled Tribe youth in Raigad, Thane and Palghar District were further strengthened with better outreach strategies. Value additions in the program included industry experts coming on board for guidance and better placement opportunities. At present, 254 youth have been trained, 184 youth are placed with appropriate organizations, and 56 youth who are currently undergoing training, will be up for placement in 2019-20.

10. **Corporate Social Responsibility (CSR)**

Disclosure as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 in prescribed form is enclosed as Annexure I to the Directors' Report.

During the financial year 2018-19, the Company has spent ₹ 10.15 crores towards various CSR activities, in line with the requirements of Section 135 of the Companies Act, 2013. Details of composition of CSR Committee and Meetings held during 2018-19 are disclosed in the Corporate Governance Report.

11. **Subsidiary/Joint Ventures/Associate Companies**

The Company has 9 subsidiaries, 5 joint ventures and 2 associate companies.

As per the requirement of Section 129(3) of the Act, a statement containing salient features of the financial statements of subsidiaries, joint venture and associate companies in prescribed Form No. AOC-1 is attached to the financial statements of the Company. Further, pursuant to Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company – www.voltas.com.

The Policy for determining material subsidiaries of the Company has also been provided on the Company's website at https://voltas.com/assets/img/sustainability/corp_gov/pdf/38085.pdf

Performance of key operating subsidiary and joint venture companies in India are given below:

- Universal Comfort Products Limited (UCPL), a wholly owned subsidiary of the Company, engaged in the business of manufacturing air conditioners, reported turnover of ₹ 925 crores and net profit of ₹ 48 crores for the year ended 31st March, 2019. UCPL has recommended dividend of 175% (₹ 48.37 crores), same as last year.
- Rohini Industrial Electricals Limited (RIEL), a wholly owned subsidiary of the Company, is engaged in the business of undertaking rural electrification projects. RIEL has turned around with a significantly higher turnover of ₹ 543 crores and net profit of ₹ 43 crores in 2018-19 as compared to ₹ 173 crores and ₹ 0.15 crore respectively, in the previous year. RIEL had good order book position of over ₹ 800 crores per year ended 31st March, 2019.
- As earlier reported, Voltas and Ardutch B.V. (a subsidiary of Arçelik A.S. and part of the Koç Group – Turkey's largest industrial and services group) have established a joint venture company in India in the name of Voltbek Home Appliances Private Limited (Voltbek) for white goods under the brand name Voltas.Beko. Voltbek launched its range of frost free refrigerators, washing machines, microwave ovens and dishwashers on 13th September, 2018. The product launch was backed by an extensive advertising campaign which showcased the unique Store Fresh technology of its refrigerators and the Stain Removing function of its washing machines. Voltbek is setting up its manufacturing plant at Sanand, Gujarat which is expected to commence production in the second half of 2019, with Direct Cool Refrigerators specifically designed for the Indian market. In order to provide financial assistance, funds have been infused in the share capital of Voltbek in equal proportion by the JV partners. The paid-up capital of Voltbek as on 31st March, 2019 was ₹ 402 crores approx. During 2018-19, the Company invested ₹ 118 crores in the share capital of Voltbek and the Company's total investment upto 31st March, 2019 was ₹ 197 crores approx.

There have been no material changes in the nature of the business of the subsidiaries, including associates and joint ventures during the financial year 2018-19.

12. Number of Board Meetings

During 2018-19, nine Board Meetings were held on 18th April, 2018; 17th May, 2018; 10th August, 2018; 20th August, 2018; 27th September, 2018; 6th November, 2018; 10th January, 2019; 14th February, 2019 and 27th March, 2019.

13. Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board has adopted the Remuneration Policy for Directors, KMPs and other Employees. NRC has formulated the criteria for determining qualifications, positive attributes and independence of an Independent Director and also the criteria for Performance evaluation of individual Directors, the Board as a whole and the Committees.

14. Evaluation of Performance of Board, its Committees and of Directors

Pursuant to the provisions of the Act and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board has carried out an evaluation of its own performance, Committees and performance of individual Directors.

The performance of the Board as a whole, Committees and individual directors was evaluated by seeking inputs from all Directors based on certain parameters as per the Guidance Note on Board Evaluation issued by SEBI on 5th January, 2017, such as: Board structure and composition; Meetings of the Board in terms of frequency, agenda, discussions and dissent, if any, recording of Minutes and dissemination of information; Functions of the Board including governance and compliance, evaluation of risks, stakeholder value and responsibility, Board and Management including evaluation of performance of the management. The Directors also made a self-assessment of certain parameters - Attendance, Contribution at Meetings and guidance/support extended to the Management. The feedback received from the Directors was discussed and reviewed by the Independent Directors at their annual separate Meeting held on 27th March, 2019 and also shared with the NRC/Board. At the separate annual Meeting of Independent Directors, performance of Non-independent directors, including Chairman, Board as a whole and various Committees was discussed. The Independent Directors in the said Meeting also evaluated the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties and expressed their satisfaction in respect thereof. The performance of the individual Directors, performance and role of the Board/Committees was also discussed at the Board Meeting held on 9th May, 2019. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

15. Statutory Auditors

At the 63rd Annual General Meeting (AGM) held on 28th August, 2017, the Members had approved the appointment of S R B C & CO LLP (SRBC) as Statutory Auditors as well as Branch Auditors of the Company, to examine and audit the accounts of the Company for five consecutive financial years between 2017-18 and 2021-22. Ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. The Auditors' Report for the financial year 2018-19 does not contain any qualification, reservation or adverse remarks.

16. Cost Auditors

The Company has maintained the accounts and cost records as specified by Central Government under Section 148(1) of the Companies Act, 2013. The Board had appointed M/s. Sagar and Associates, Cost Accountants as the Cost Auditors for the financial year 2018-19. M/s. Sagar and Associates, Cost Accountants, have been re-appointed as Cost Auditors of the Company for the financial year 2019-20 and approval of the Members is being sought for ratification of their remuneration at the ensuing AGM.

17. Secretarial Auditor

M/s. N. L. Bhatia and Associates, the Practicing Company Secretaries were appointed as Secretarial Auditor to undertake Secretarial Audit of the Company for the year 2018-19. Their Secretarial Audit Report, in prescribed Form No. MR-3, is annexed to the Directors Report as Annexure IV, and does not contain any qualification, reservation or adverse remarks. M/s. N. L. Bhatia and Associates have been re-appointed as the Secretarial Auditor for the financial year 2019-20.

18. Audit Committee

The Audit Committee presently comprise Mr. Nani Javeri (Chairman), Mr. Debendranath Sarangi and Mr. Arun Kumar Adhikari, all Independent Directors, in line with the requirements of Section 177 of the Act. Mr. Arun Kumar Adhikari was appointed member of Audit Committee with effect from 6th November, 2018. Mr. R. N. Mukhija ceased to be member of Audit Committee upon his retirement on 4th February, 2019. The Board has accepted the recommendations made by the Audit Committee from time to time. Details of Audit Committee Meetings held during the year 2018-19 have been disclosed in the Corporate Governance Report.

19. Internal Financial Controls

The Internal Financial Controls (IFCs) and its adequacy and operating effectiveness is included in the Management Discussion and Analysis. The Auditors Report also includes their reporting on IFCs over Financial Reporting.

20. Risk Management

Pursuant to Section 134(3)(n) of the Act and Regulation 21 of Listing Regulations, Risk Management Committee is in place comprising Mr. Nani Javeri (Chairman), Mr. Debendranath Sarangi and Mr. Arun Kumar Adhikari. Mr. Arun Kumar Adhikari was appointed member of Risk Management Committee with effect from 6th November, 2018. Mr. R. N. Mukhija ceased to be member of the Committee upon his retirement on 4th February, 2019. The Company has formulated a Risk Management Policy to establish an effective and integrated framework for the risk management process. During 2018-19, two meetings were held on 9th August, 2018 and 13th February, 2019 where, the top 10 risks identified for the Company and various mitigation measures in respect thereof were reviewed and discussed.

21. Particulars of Employees

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- (a) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Directors	Ratio to median remuneration
Mr. Noel N. Tata	0.64
Mr. Nani Javeri	7.59
Mr. R. N. Mukhija (upto 4.2.2019)	*
Mr. Vinayak Deshpande	0.42
Mr. Debendranath Sarangi	4.95
Mr. Bahram N. Vakil	5.67
Ms. Anjali Bansal	5.23
Mr. Hemant Bhargava	1.82
Mr. Arun Kumar Adhikari	2.22
Executive Directors	
Mr. Pradeep Bakshi, Managing Director & CEO	63.54
Mr. Anil George, Deputy Managing Director	56.28

* Since the remuneration of Mr. R. N. Mukhija is only for part of the year, the ratio of his remuneration to median remuneration is not comparable and hence not stated.

Note: Ratio of Remuneration of Directors is computed based on Sitting fees and Commission paid during 2018-19.

- (b) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Noel N. Tata	*
Mr. Pradeep Bakshi	*
Mr. Anil George	*
Mr. Nani Javeri	20
Mr. R. N. Mukhija	*
Mr. Vinayak Deshpande	*
Mr. Debendranath Sarangi	2
Mr. Bahram N. Vakil	18
Ms. Anjali Bansal	24
Mr. Hemant Bhargava	*
Mr. Arun Kumar Adhikari	*
Mr. Abhijit Gajendragadkar (CFO) – KMP	*
Mr. V. P. Malhotra (Company Secretary) – KMP	22

* Since the remuneration of Mr. R. N. Mukhija is for part of the year 2018-19, the percentage increase in his remuneration is not comparable and hence not stated. Similarly, remuneration of Mr. Pradeep Bakshi, Mr. Anil George, Mr. Hemant Bhargava, Mr. Arun Adhikari and Mr. Abhijit Gajendragadkar is not comparable as it was for part of the year in 2017-18. In line with internal Group guidelines, no commission was paid for 2017-18 to Mr. Noel N. Tata and Mr. Vinayak Deshpande as they are in full time employment with another Tata company. Their remuneration is therefore not comparable with the previous year and hence, not stated.

- (c) **Percentage increase in the median remuneration of employees in the financial year:** 1.31%
- (d) **Number of permanent employees on the rolls of Company:** 2,898.
- (e) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstance for increase**

in managerial remuneration:

Average increase in remuneration is 12.94% for Employees other than Managerial Personnel. The remuneration of Managerial Personnel (Managing Director and Deputy Managing Director) is not comparable as they were for part of the year in 2017-18.

- (f) **Affirmation that the remuneration is as per the Remuneration policy of the Company:**

The Company affirms that the remuneration paid is as per the Remuneration policy of the Company.

- (g) A statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate Annexure forming part of this Report. Further, the Report and the Accounts are being sent to the members excluding the aforesaid Annexure. In terms of Section 136 of the Act, the said Annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said Annexure are related to any Director of the Company.

22. Employee Stock Option

The Company has not issued any Employee Stock Options.

23. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information pursuant to Section 134(3)(m) of the Act, relating to conservation of energy, technology absorption, foreign exchange earnings and outgo is given as Annexure II to this Report.

24. Directors and Key Managerial Personnel

In accordance with the provisions of the Act and the Company's Articles of Association, Mr. Noel N. Tata and Mr. Hemant Bhargava retire by rotation and being eligible, offer themselves for re-appointment.

Mr. R. N. Mukhija retired as the Independent Director of the Company upon expiry of his term on 4th February, 2019. The Directors place on record their sincere appreciation of the valuable guidance and support given by Mr. R. N. Mukhija

during his tenure as Independent Director of the Company.

The Members had at the 60th AGM held on 1st September, 2014 appointed Mr. Nani Javeri, Mr. Debendranath Sarangi and Mr. Bahram N. Vakil as Independent Directors for a term of 5 years up to 31st August, 2019, respectively. At the 61st AGM, Ms. Anjali Bansal was appointed as Independent Director for a term of 5 years, upto 8th March, 2020. In line with the Governance Guidelines formulated for Tata companies, which has been adopted by the Company, Mr. Nani Javeri holds office upto 31st August, 2019.

Mr. Zubin S. Dubash is proposed to be appointed as an Independent Director for a term of 5 years with effect from 9th August, 2019 and the approval of the shareholders is being sought at the ensuing AGM. Attention of the Members is drawn to Resolution No. 6 of the AGM Notice and its related Explanatory Statement.

Taking into consideration the skills, knowledge, valuable contribution and performance evaluation, and based on the recommendation of NRC, it is proposed to continue to avail the services of Mr. Debendranath Sarangi, Mr. Bahram N. Vakil and Ms. Anjali Bansal for second term of 5 years. Notices under Section 160 of the Act have been received from a member proposing reappointment of Mr. Debendranath Sarangi, Mr. Bahram N. Vakil and Ms. Anjali Bansal as Independent Directors. The Special Resolutions seeking approval of the members for reappointment of Mr. Debendranath Sarangi, Mr. Bahram N. Vakil and Ms. Anjali Bansal as Independent Directors, including their brief profile form part of the Notice of the 65th AGM of the Company. Attention of the Members is drawn to Resolution Nos. 7 to 9 of the AGM Notice and its related Explanatory Statements.

Mr. Pradeep Bakshi (Managing Director & CEO), Mr. Anil George (Deputy Managing Director), Mr. Abhijit Gajendragadkar (Chief Financial Officer) and Mr. V. P. Malhotra (Company Secretary) are the Key Managerial Personnel (KMPs) of the Company, in line with the requirements of Section 203 of the Act.

25. Declaration by Independent Directors

Pursuant to Section 149(7) of the Act, the Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Act, as amended, read with Rules framed thereunder and Regulation 16(1)(b) of Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective

independent judgement and without any external influence and that they are independent of the Management.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

26. Corporate Governance

Pursuant to Schedule V of Listing Regulations, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance forms part of the Annual Report. A declaration signed by the Managing Director in regard to compliance with the Code of Conduct by the Board Members and Senior Management personnel also forms part of the Annual Report.

27. Details of establishment of vigil mechanism for Directors and employees

The Company had adopted a Whistle Blower Policy ("the Policy") as required under Section 177(9) of the Act and Listing Regulations. The Policy has been formulated with a view to provide a mechanism for Directors and employees of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Company in case of any concern. During 2018-19, no complaints were received under the Whistle Blower Policy. The Whistle Blower Policy can be accessed on the Company's website at the link: https://voltas.com/assets/img/sustainability/corp_gov/pdf/21782.pdf

28. Particulars of loans, guarantees or investments under Section 186 of the Act during 2018-19

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements (Please Refer to Notes 7, 8, 17 and 41 of the standalone financial statements).

29. Particulars of contracts or arrangements with related parties

During the year under review, the Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Act.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act along with the justification for entering into such contracts or arrangements in Form AOC-2 does not form part of the Report, as the same is not applicable.

30. Secretarial Standards

The Company has complied with the provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2).

31. SEBI (Prohibition of Insider Trading) Regulations, 2015

SEBI has by its notification dated 31st December, 2018 amended the Prohibition of Insider Trading Regulations, whereby listed companies have been advised to formulate certain additional Policies and Procedures. These amendments have become effective from 1st April, 2019. Accordingly, the Company has adopted a revised Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices and formulated the Policy for determination of legitimate purpose and Policy for inquiry in case of leak of Unpublished Price Sensitive Information (UPS). The terms of reference (Charters) of Board Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Shareholders' Relationship Committee have been suitably revised to comply with the requirements of SEBI Prohibition of Insider Trading and Listing Regulations, 2015.

32. Directors' Responsibility Statement

Based on the framework and testing of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors, including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19. Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied their recommendations consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the

provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33. Extract of the Annual Return

The extract of Annual Return in prescribed Form No. MGT-9 is enclosed as Annexure III to Directors' Report and is also placed on the website of the Company www.voltas.com.

34. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a 'Respect for Gender' Policy on prevention, prohibition and redressal of sexual harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Pursuant to this Act, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee. The Company had not received any written complaints on sexual harassment during the financial year 2018-19.

35. General

The Notes forming part of the Accounts are self-explanatory or to the extent necessary, have been dealt with in the preceding paragraphs of the Report.

On behalf of the Board of Directors

Noel N. Tata
Chairman

Mumbai, 9th May, 2019

ANNEXURE I**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

[Pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF THE PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS:

The CSR Policy articulates the Company's approach and commitment to sustainable and inclusive social development by improving the quality of life of the communities it serves. Engage, Equip and Empower is the cross cutting theme of the various projects initiated under the three verticals namely, Sustainable Livelihood, Community Development, and issues of National Importance. Sustainable livelihood is the flagship program which focusses on building employability of youth from underprivileged section of the society. Community development deals with Water, Health and Education, and emphasizes on community participation and ownership, and works on long term projects for sustainable outcomes. Issues of National Importance deals with the thematic areas like Disaster Management, Sanitation and Affirmative Action.

The CSR policy has been uploaded on the website of the Company at www.voltas.com.

2. COMPOSITION OF THE CSR COMMITTEE:

1. Mr. Noel N. Tata (Chairman)
2. Mr. Pradeep Bakshi (Managing Director & CEO)
3. Mr. Bahram N. Vakil (Independent Director)
4. Mr. Nani Javeri (Independent Director)

3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS: ₹ 500.22 crores.

4. PRESCRIBED CSR EXPENDITURE (TWO PER CENT OF THE AMOUNT AS IN ITEM 3 ABOVE): ₹ 10.00 crores.

5. DETAILS OF CSR SPEND DURING THE FINANCIAL YEAR:

- (a) Total amount to be spent for the financial year – ₹ 10.00 crores
- (b) Amount unspent, if any - Nil
- (c) Manner in which the amount spent during the financial year is detailed below.

Sl. No.	CSR Project or Activity Identified	Sector in which the Project is Covered	Projects or Programs, Local Area or other, specify the State and District where Projects or Program was undertaken	Amount spent on Projects (₹ in Crores)	Amount spent on the projects or Programs Sub Heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative Expenditure upto the reporting period (₹ in Crores)	Amount Spent: Direct or through Implementing Agency
1.	Sustainable Livelihood	Technical and Non-technical Trainings	Mumbai, Vizag, Hyderabad, Bangalore, Coimbatore, Delhi, Indore, Bhilai, Thane, Aligarh, Jamshedpur, Chhindwara, Pantnagar, Nagpur, and Mohali	6.82	Direct/Indirect Expenditure	6.82	GMR Varalakshmi Foundation; Joseph Cardijn Technical School; Bosco Boys; ASMACS Skill Development; Aditya Birla Skills Foundation, GreySim Learning Foundation, Women India Trust, Edu-bridge, Tata Community Initiatives Trust, TCOE Centre and Pratham Education Foundation.

Sl. No.	CSR Project or Activity Identified	Sector in which the Project is Covered	Projects or Programs, Local Area or other, specify the State and District where Projects or Program was undertaken	Amount spent on Projects (₹ in Crores)	Amount spent on the projects or Programs Sub Heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative Expenditure upto the reporting period (₹ in Crores)	Amount Spent: Direct or through Implementing Agency
2.	Education	Quality Education to Tribal students, Residential technical training courses for Tribal youth	Thane, Bhivandi, Panvel and Kerala	1.75	Direct/Indirect Expenditure	8.57	Parisar Asha, Paragon Charitable Trust, Room to Read India Trust, CETA Galaxy Trust and Learning Space Foundation.
3.	Health	Teenager Youth Adults Cancer Care and other diseases	Mumbai	0.10	Direct/Indirect Expenditure	8.67	KARO Trust.
4.	Community Development	Water for Irrigation, Employability Enhancement	Thane, Panvel, Bhivandi, Mumbai, Dadra and Nagar Haveli and Kerala	0.75	Direct/Indirect Expenditure	9.42	Antarang Foundation, Paragon Charitable Trust, Nextgen Project Management Systems, CETA Galaxy Trust, etc.
5.	Disaster Relief	Ground Water Management, Sustainable Agri-practices	Thane, Osmanabad and Latur	0.23	Direct/Indirect Expenditure	9.65	Adarsh Foundation, AQUADAM, Nextgen Project Management Systems, etc.
6.	Administrative Expenses	—	Mumbai	0.50	Direct Expenditure	10.15	Administrative Expenses.

6. IN CASE THE COMPANY HAS FAILED TO SPEND THE TWO PER CENT OF THE AVERAGE NET PROFIT OF THE LAST THREE FINANCIAL YEARS OR ANY PART THEREOF, THE COMPANY SHALL PROVIDE THE REASONS FOR NOT SPENDING THE AMOUNT IN ITS BOARD REPORT:

The Company has spent more than 2% of average net profit of last 3 financial years. The CSR activities were undertaken after due diligence of the selected partners and funds were released based on the project need and progress of the work.

7. A RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE THAT THE IMPLEMENTATION AND MONITORING OF CSR POLICY, IS IN COMPLIANCE WITH CSR OBJECTIVES AND POLICY OF THE COMPANY:

This is to confirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Pradeep Bakshi
Managing Director

Noel N. Tata
Chairman - CSR Committee

ANNEXURE II**Conservation of energy, technology absorption, foreign exchange earnings and outgo**

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with

Rule 8(3) of the Companies (Accounts) Rules, 2014]

CONSERVATION OF ENERGY:

Following are some of the initiatives taken for conservation of energy:

- (a) Replacement of conventional Compact Fluorescent Light (CFL) lamps with Light Emitting Diode (LED) at Thane Plant.
- (b) Office Air-conditioner ON/OFF is regulated.

TECHNOLOGY ABSORPTION:

- (a) Introduction of Green Refrigerant R32 in Room Air-conditioners which has zero Ozone Depletion Potential (ODP) and Global Warming Potential (GWP) of 675; lower than currently used Refrigerant R410a (GWP 2100) and R22 (GWP 1600).
- (b) Introduction of 5 mm (instead of 7 mm) copper tube heat exchangers in Room Air-conditioners, with reduced copper weight by 15%.
- (c) Development of new Air-coolers (indigenous) resulting in increased air flow by 10% as well as efficiency of the product.
- (d) Development of Inverter board with new generation micro controller chip with reduced cost.
- (e) Development and launch of Split Air-conditioner with Wi-Fi and voice control features that are compatible with Amazon Alexa.
- (f) Development of an algorithm in Inverter models that can make 1.5 TR compressor run at 1 TR capacity and launched Adjustable 'Air-conditioner'.
- (g) Design optimization of Outdoor Unit (ODU) in 1.5 TR 5 Star unit from 26" to 22" resulting in cost reduction.
- (h) Development of Water Dispenser with RO purification.
- (i) Development of smart humidity function Air-cooler.
- (j) Development of Convertible Freezer/Cooler in 205, 320, 405 and 500 litres models.
- (k) Condenser coils redesigned with 13 FPI aluminium fins in place of 16 FPI by improving air-flow over the coil in Air Cooled Screw Chillers.
- (l) Developed compact series of Vapour Absorption Machines (VAM) with Brazed Plate Heat exchangers.
- (m) Optimized size of 11 and 17 TR Ductable Indoor Units (IDU).
- (n) Technology absorption for new 6th series Variable Refrigerant Flow (VRF).

RESEARCH & DEVELOPMENT (R&D):

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

- (a) Chest Freezer/Chest Coolers and Visi Coolers with R290 Refrigerant, a better energy efficient Refrigerant compared to R134a Refrigerant.
- (b) IDUs by in-house engineering to meet next level energy norms of Bureau of Energy Efficiency.
- (c) ODU for 1.5 TR Inverter in small size (18") for 3 Star category, with improved air flow.
- (d) Air-conditioner that can sense the room temperature/heat load and adjust air flow for faster room cooling.
- (e) In the areas of energy efficiency and HCFC Phase out:
 - (i) Energy efficient oil free magnetic bearing compressor chillers with Hydro Fluoro Carbon (HFC) R134a.
 - (ii) Solar hot water VAM (10 TR) with water as refrigerant.
 - (iii) VRF ODU with around 10 to 16 HP capacity with HFC R410a.
- (f) Products and Processes developed through in-house technology:
 - (i) Dual energy (Hot water and Steam) Vapour Absorption Chiller.
 - (ii) Dual mode low temperature refrigeration (-5 to -20 degrees) system.
 - (iii) Enhanced range of compact series Water Cooled Screw Chiller Packages.
 - (iv) Control panel for scroll Chillers and Packaged Air-conditioners.

No technology has been imported during the last three financial years.

EXPENDITURE ON RESEARCH & DEVELOPMENT:

The Company has incurred Research & Development expenditure of ₹ 5.06 crores (including capital expenditure of ₹ 0.06 crore) during 2018-19.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

	₹ in crores
Earnings in foreign exchange	264.89
Expenditure in foreign currency	1.51
Value of import on CIF basis	1,295.30

On behalf of the Board of Directors

Mumbai, 9th May, 2019

Noel N. Tata
Chairman

ANNEXURE III
Form No. MGT-9
EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L29308MH1954PLC009371
ii	Registration Date	6th September, 1954
iii	Name of the Company	Voltas Limited
iv	Category / Sub-Category of the Company	Company Limited by Shares / Indian Non Government Company
v	Address of the Registered Office and contact details	Voltas House 'A' Dr. Babasaheb Ambedkar Road Chinchpokli, Mumbai 400 033 Phone: 022-66656666, Fax : 022-66656311 e-mail: shareservices@voltas.com
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	TSR Darashaw Limited 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011 Phone: 022-66568484; Fax: 022-66568494 e-mail: csg-unit@tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
1.	Electro – mechanical Projects and Services	43219/43229	47%
2.	Unitary Cooling Products for Comfort and Commercial use	28191/28192	48%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held*	Applicable Section
1.	Universal Comfort Products Limited Voltas House 'B', T.B. Kadam Marg, Chinchpokli, Mumbai 400 033	U29193MH2001PLC249228	Subsidiary	100%	Sec 2(87)(ii)
2.	Rohini Industrial Electricals Limited Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai 400 033	U74210MH1983PLC030705	Subsidiary	100%	Sec 2(87)(ii)
3.	Auto Aircon (India) Limited 5/4 Nagar Road, Pune 411 014	U29192PN1995PLC012885	Subsidiary	100%	Sec 2(87)(ii)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held*	Applicable Section
4.	Weathermaker Limited P.O. Box 17127, Between Round About 6/7, Jebel Ali Free Zone, Dubai, U.A.E.	NA	Subsidiary	100%	Sec 2(87)(ii)
5.	Saudi Ensas Company for Engineering Services W.L.L Kanoo Complex, Building No. 2, Madinah Road, Faisaliyah District, P.O. Box 8292, Jeddah 21482, Kingdom of Saudi Arabia	NA	Subsidiary	100% *	Sec 2(87)(ii)
6.	Voltas Netherlands B.V. Herikerbergweg, 238, Luna Arena, 1101CM, Postbus 23393, 1100DW, Amsterdam Zuidoost, The Netherlands	NA	Subsidiary	100%	Sec 2(87)(ii)
7.	Voltas Oman L.L.C. 'ORIS' 3817-A, Ground Floor, Way No. 4451, Behind Al Meera Hypermarket Azaiba, P.O. Box 2263 Postal Code 112, Ruwi, Sultanate of Oman	NA	Subsidiary	65% *	Sec 2(87)(ii)
8.	Lalbuksh Voltas Engineering Services & Trading L.L.C. 'ORIS' 3817-A, Ground Floor, Way No. 4451, Behind Al Meera Hypermarket Azaiba, P.O. Box 3146, Postal Code 112, Ruwi, Sultanate of Oman	NA	Subsidiary	60% *	Sec 2(87)(ii)
9.	Voltas Qatar W.L.L. P.O. Box 24706, Al Emadi Building, (Near Indian Supermarket), Office No. 3, Mezzanine Floor, Old Airport Road, Zone: 45, Street No. 310, Doha, State of Qatar	NA	Subsidiary	49%*	Sec 2(87)(i)
10.	Universal Voltas L.L.C. P.O. Box 25513, C.R.No.18649 Universal Trading Company Building, 2nd Floor, F. No. 202-204, Istqlal Street, Abu Dhabi, U.A.E	NA	Associate	49% *	Sec 2(6)
11.	Olayan Voltas Contracting Company Limited 10, Dareen Centre, Al Ahsa Road, Al Malaz, P.O. Box 8772, Riyadh 11492, Kingdom of Saudi Arabia	NA	Associate	50%	Sec 2(6)
12.	Naba Diganta Water Management Limited GN 11-19, Sector-V, Salt Lake, Kolkata 700 091	U93010WB2008PLC121573	Associate	26%	Sec 2(6)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held*	Applicable Section
13.	Voltas Water Solutions Private Limited Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai 400 033	U74999MH2014PTC255780	Associate	50%	Sec 2(6)
14.	Voltbek Home Appliances Private Limited Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai 400 033	U29308MH2017PTC298742	Associate	49%	Sec 2(6)
15.	Terrot GmbH Paul-Gruner Str., 72b, 09120, Chemnitz, Germany	N. A.	Associate	20.07%	Sec 2(6)
16.	Brihat Trading Private Limited Bank of Baroda Building, Bombay Samachar Marg, Mumbai 400 001	U51900MH1988PTC049926	Associate	33.33%	Sec 2(6)

* aggregate % of shares held by the Company and/or its subsidiary.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

(a) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year (1st April, 2018)				No. of Shares held at the end of the year (31st March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	0	0	0	0	0	0	0	0	0
(b) Central Government	0	0	0	0	0	0	0	0	0
(c) State Government(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corporate	10,02,53,480	0	10,02,53,480	30.30	10,02,53,480	0	10,02,53,480	30.30	0
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	10,02,53,480	0	10,02,53,480	30.30	10,02,53,480	0	10,02,53,480	30.30	0
(2) Foreign (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter A = (A)(1)+(A)(2)	10,02,53,480	0	10,02,53,480	30.30	10,02,53,480	0	10,02,53,480	30.30	0
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	6,33,64,901	40,600	6,34,05,501	19.16	8,00,76,201	40,100	8,01,16,301	24.21	5.05
(b) Banks / FI	5,71,931	1,02,170	6,74,101	0.20	2,62,001	1,01,720	3,63,721	0.11	(0.09)

Category of Shareholders	No. of Shares held at the beginning of the year (1st April, 2018)				No. of Shares held at the end of the year (31st March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c) Central Government	11,22,652	0	11,22,652	0.35	13,94,254	0	13,94,254	0.43	0.08
(d) State Government(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	3,10,43,476	0	3,10,43,476	9.38	3,05,37,463	0	3,05,37,463	9.23	(0.15)
(g) FIs	1,23,711	3,500	1,27,211	0.04	38,290	500	38,790	0.01	(0.03)
(h) FPIs	6,46,67,048	0	6,46,67,048	19.54	4,52,01,878	0	4,52,01,878	13.66	(5.88)
(i) Alternative Investment Funds	19,21,939	0	19,21,939	0.58	37,53,612	0	37,53,612	1.13	0.55
(j) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	16,28,15,658	1,46,270	16,29,61,928	49.25	16,12,63,699	1,42,320	16,14,06,019	48.78	(0.47)
(2) Non-Institutions									
(a) Bodies Corporate									
(i) Indian	85,34,784	1,19,300	86,54,084	2.61	1,09,36,221	1,17,300	1,10,53,521	3.34	0.73
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	4,17,77,509	81,30,473	4,99,07,982	15.08	4,26,74,651	69,84,599	4,96,59,250	15.01	(0.07)
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2,44,280	0	2,44,280	0.07	5,87,359	0	5,87,359	0.18	0.11
(c) Others (specify)									
(i) Trust	47,67,609	220	47,67,829	1.45	33,09,131	220	33,09,351	1.00	(0.45)
(ii) Directors & Relatives	1,632	0	1,632	0	1,000	0	1,000	0	0
(iii) NRIs	23,32,843	94,380	24,27,223	0.73	26,35,412	91,590	27,27,002	0.82	0.09
(iv) Foreign Nationals	1,823	0	1,823	0	1,783	0	1,783	0	0
(v) Foreign Bodies	0	88,950	88,950	0.03	0	88,950	88,950	0.03	0
(vi) IEPF Authority MCA	15,75,529	0	15,75,529	0.48	17,97,025	0	17,97,025	0.54	0.06
Sub-total (B)(2)	5,92,36,009	84,33,323	6,76,69,332	20.45	6,19,42,582	72,82,659	6,92,25,241	20.92	0.47
Total Public Shareholding B = (B)(1)+(B)(2)	22,20,51,667	85,79,593	23,06,31,260	69.70	22,32,06,281	74,24,979	23,06,31,260	69.70	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	32,23,05,147	85,79,593	33,08,84,740	100.00	32,34,59,761	74,24,979	33,08,84,740	100.00	0

(b) Shareholding of Promoters (including Promoter Group):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1st April, 2018)			Shareholding at the end of the year (as on 31st March, 2019)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Tata Sons Private Limited	8,81,31,780	26.64	0	8,81,31,780	26.64	0	0
2.	Tata Investment Corporation Limited *	99,62,330	3.01	0	99,62,330	3.01	0	0
3.	Ewart Investments Limited *	19,25,950	0.58	0	19,25,950	0.58	0	0
4.	The Tata Power Company Limited *	2,33,420	0.07	0	2,33,420	0.07	0	0
Total		10,02,53,480	30.30	0	10,02,53,480	30.30	0	0

*Forms part of the Promoter Group.

(c) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	At the beginning of the year (as on 1-4-2018)	10,02,53,480	30.30	10,02,53,480	30.30
2.	Date wise Increase/Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	No change in Promoters' shareholding			
3.	At the end of the year (as on 31-3-2019)			10,02,53,480	30.30

(d) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding		Cumulative Shareholding during the year (1st April, 2018 to 31st March, 2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Life Insurance Corporation of India (Various Accounts)				
	At the beginning of the year	2,27,16,849	6.86	2,27,16,849	6.86
	Bought during the year	0	0	2,27,16,849	6.86
	Sold during the year	61,99,633	1.87	1,65,17,216	4.99
	At the end of the year	1,65,17,216	4.99	1,65,17,216	4.99
2.	HDFC Trustee Company Limited (Various Accounts)				
	At the beginning of the year	1,78,24,000	5.39	1,78,24,000	5.39
	Bought during the year	61,56,000	1.86	2,39,80,000	7.25
	Sold during the year	73,07,000	2.21	1,66,73,000	5.04
	At the end of the year	1,66,73,000	5.04	1,66,73,000	5.04

Sl. No.	Name	Shareholding		Cumulative Shareholding during the year (1st April, 2018 to 31st March, 2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3.	Franklin Templeton Investment Funds				
	At the beginning of the year	1,17,93,320	3.56	1,17,93,320	3.56
	Bought during the year	0	0.00	1,17,93,320	3.56
	Sold during the year	72,63,399	2.19	45,29,921	1.37
	At the end of the year	45,29,921	1.37	45,29,921	1.37
4.	Franklin Templeton Mutual Fund (Various Accounts)				
	At the beginning of the year	1,12,96,033	3.41	1,12,96,033	3.41
	Bought during the year	22,73,335	0.69	1,35,69,368	4.10
	Sold during the year	12,87,984	0.39	1,22,81,384	3.71
	At the end of the year	1,22,81,384	3.71	1,22,81,384	3.71
5.	Aditya Birla Sun Life Trustee Company Private Limited (Various Accounts)				
	At the beginning of the year	67,45,735	2.04	67,45,735	2.04
	Bought during the year	22,82,600	0.69	90,28,335	2.73
	Sold during the year	18,73,096	0.57	71,55,239	2.16
	At the end of the year	71,55,239	2.16	71,55,239	2.16
6.	SBI Mutual Fund (Various Accounts)				
	At the beginning of the year	64,96,004	1.96	64,96,004	1.96
	Bought during the year	6,14,000	0.19	71,10,004	2.15
	Sold during the year	15,10,000	0.46	56,00,004	1.69
	At the end of the year	56,00,004	1.69	56,00,004	1.69
7.	IDFC Mutual Fund (Various Accounts)				
	At the beginning of the year	49,87,959	1.51	49,87,959	1.51
	Bought during the year	21,34,976	0.64	71,22,935	2.15
	Sold during the year	22,51,127	0.68	48,71,808	1.47
	At the end of the year	48,71,808	1.47	48,71,808	1.47
8.	HDFC Life Insurance Company Limited				
	At the beginning of the year	44,02,334	1.33	44,02,334	1.33
	Bought during the year	29,28,901	0.89	73,31,235	2.22
	Sold during the year	13,17,326	0.40	60,13,909	1.82
	At the end of the year	60,13,909	1.82	60,13,909	1.82

Sl. No.	Name	Shareholding		Cumulative Shareholding during the year (1st April, 2018 to 31st March, 2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
9.	Standard Life Pacific Basin Trust				
	At the beginning of the year	41,41,992	1.25	41,41,992	1.25
	Bought during the year	0	0	41,41,992	1.25
	Sold during the year	17,60,274	0.53	23,81,718	0.72
	At the end of the year	23,81,718	0.72	23,81,718	0.72
10.	Mirae Asset Emerging Bluechip Fund (Various Accounts)				
	At the beginning of the year	33,33,951	1.01	33,33,951	1.01
	Bought during the year	41,05,026	1.24	74,38,977	2.25
	Sold during the year	11,50,846	0.35	62,88,131	1.90
	At the end of the year	62,88,131	1.90	62,88,131	1.90
11.	Prazim Trading and Investment Company Private Limited				
	At the beginning of the year	29,45,023	0.89	29,45,023	0.89
	Bought during the year	5,71,000	0.17	35,16,023	1.06
	Sold during the year	0	0	35,16,023	1.06
	At the end of the year	35,16,023	1.06	35,16,023	1.06
12.	DSP Mutual Fund (Various Accounts)				
	At the beginning of the year	25,37,951	0.76	25,37,951	0.76
	Bought during the year	32,29,832	0.98	57,67,783	1.74
	Sold during the year	17,10,159	0.51	40,57,624	1.23
	At the end of the year	40,57,624	1.23	40,57,624	1.23

Note: The above information is based on weekly downloads of beneficiary position received from Depositories.

(e) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (As on 1st April, 2018)		Cumulative Shareholding during / end of the year (1st April, 2018 to 31st March, 2019)	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Noel N. Tata	0	0	0	0
2.	Mr. Pradeep Bakshi (MD & CEO) - KMP	0	0	0	0
3.	Mr. Anil George (Dy. MD) - KMP	1,000	0	1,000	0
4.	Mr. Nani Javeri	0	0	0	0
5.	Mr. R. N. Mukhija (upto 4.2.2019)	0	0	—	—
6.	Mr. Vinayak Deshpande	632	0	0*	0
7.	Mr. Debendranath Sarangi	0	0	0	0
8.	Mr. Bahram N. Vakil	0	0	0	0
9.	Ms. Anjali Bansal	0	0	0	0
10.	Mr. Hemant Bhargava	0	0	0	0
11.	Mr. Arun Kumar Adhikari	0	0	0	0
12.	Mr. Abhijit Gajendragadkar (CFO) - KMP	0	0	0	0
13.	Mr. V. P. Malhotra (CS) - KMP	2,520	0	2,520	0
Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)		* Transfer on 25th May, 2018			

V. INDEBTEDNESS:**Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

₹ in Lakhs				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on 1st April, 2018)				
(i) Principal Amount	2,781.70	—	—	2,781.70
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	5.95	—	—	5.95
Total (i+ii+iii)	2,787.65	—	—	2,787.65
Change in Indebtedness during the financial year				
(i) Addition	9,110.45	—	—	9,110.45
(ii) Reduction	527.65	—	—	527.65
Net Change	8,582.80	—	—	8,582.80
Indebtedness at the end of the financial year (As on 31st March, 2019)				
(i) Principal Amount	11,364.50	—	—	11,364.50
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	3.03	—	—	3.03
Total (i+ii+iii)	11,367.53	—	—	11,367.53

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. Remuneration paid to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration			₹ in Lakhs
		Mr. Pradeep Bakshi Managing Director & CEO	Mr. Anil George Deputy Managing Director	Total
1.	Gross salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	320.47	258.23	578.70
(b)	Value of perquisites under Section 17(2) of the Income-tax Act, 1961	0.40	10.04	10.44
(c)	Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	120.00	120.00	240.00
5.	Others, please specify –			
	- PF and Superannuation (as applicable)	9.36	10.50	19.86
	- Personal Accident Insurance Premia	0.47	0.38	0.85
	Total	450.70	399.15	849.85
	Ceiling as per the Act (@10% of Profit calculated under Section 198 of the Companies Act, 2013)			5089.14

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Sitting Fees for attending Board/Committee Meetings	Commission	Others, please specify	₹ in Lakhs
					Total Amount
Independent Directors					
1.	Mr. Nani Javeri	6.75	47.00	--	53.75
2.	Mr. R. N. Mukhija	4.05	34.00	--	38.05
3.	Mr. Debendranath Sarangi	5.10	30.00	--	35.10
4.	Mr. Bahram N. Vakil	4.20	36.00	--	40.20
5.	Ms. Anjali Bansal	4.05	33.00	--	37.05
6.	Mr. Arun Kumar Adhikari	3.75	12.00	--	15.75
	Total (1)	27.90	192.00	--	219.90
Other Non-Executive Directors					
1.	Mr. Ishaat Hussain	--	21.00	--	21.00
2.	Mr. N. N. Tata	4.50	--	--	4.50
3.	Mr. Vinayak Deshpande	3.00	--	--	3.00
4.	Mr. Hemant Bhargava	0.90	12.00	--	12.90
	Total (2)	8.40	33.00	--	41.40
	Total (1+2)	36.30	225.00	--	261.30
	Ceiling as per the Act (@1% of Profit calculated under Section 198 of the Companies Act, 2013)				508.91

Notes:

- (1) Commission is for the year 2017-18, paid in 2018-19. Sitting fees paid is for 2018-19.
- (2) Ceiling limits are for the year 2018-19.
- (3) Mr. R. N. Mukhija retired as Independent Director of the Company with effect from 5.2.2019.
- (4) Mr. Hemant Bhargava, being representative of Life Insurance Corporation of India (LIC), the sitting fee and commission was paid to LIC.

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

₹ in Lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Abhijit Gajendragadkar (CFO)	Mr. V. P. Malhotra (Company Secretary)	
1.	Gross salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	153.36	130.00	283.36
(b)	Value of perquisites under Section 17(2) of the Income-tax Act, 1961	6.36	4.26	10.62
(c)	Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	NA	NA	NA
	Others, please specify – - PF and Superannuation	6.83	5.20	12.03
5.	Total	166.55	139.46	306.01

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for breach of any Section of Companies Act, during the year ended 31st March, 2019.

On behalf of the Board of Directors

Mumbai, 9th May, 2019

Noel N. Tata
Chairman

ANNEXURE IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of Voltas Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VOLTAS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2019 complied with the statutory provisions listed hereunder. The Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the audit period);
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (Not applicable to the Company during the audit period);
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);

Other Laws applicable to the Company:

1. Payment of Wages, 1956
2. Payment of Bonus, 1965
3. Minimum Wages Act, 1948
4. Industrial Disputes Act, 1948
5. Industrial Employment (Standing Orders) Act, 1946
6. Payment of Gratuity Act, 1972
7. Employees Provident Fund and Miscellaneous Provisions Act, 1952
8. Factories Act, 1948
9. Income-tax Act, 1961 and Rules
10. Customs Act, 1962
11. The Central Goods and Services Tax Act, 2017
12. The Integrated Goods and Services Tax Act, 2017
13. State Goods and Services Tax Act
14. State Shops and Establishment Act
15. Contract Labour (Regulation and Abolition) Act, 1970
16. Employees Compensation Act, 1923
17. Employees State Insurance Act, 1948

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

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

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

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the Meetings and for meaningful participation at the Meetings.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. **All the decisions at the Board Meetings were passed unanimously and with requisite majority in General Meeting.**

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period, no specific event has taken place which has any major bearing on the Company's affairs.

For N L Bhatia & Associates

UIN: P1996MH055800

N L Bhatia

(Managing partner)

Place: Mumbai

FCS. No. 1176

Date: 6th May, 2019

C.P. No. 422

To,

The Members

VOLTAS LIMITED

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

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

For N L Bhatia & Associates

UIN: P1996MH055800

N L Bhatia

(Managing partner)

Place: Mumbai

FCS. No. 1176

Date: 6th May, 2019

C.P. No. 422

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Good Corporate Governance is an integral part of the Company's Management and business philosophy. The Company subscribes fully to the principles and spirit of good Corporate Governance and embeds the principles of independence, integrity, accountability and transparency into the value system driving the Company.

The Board of Directors exercise their fiduciary responsibilities towards all stakeholders by ensuring transparency and independence in the decision making process. The Company has adopted the Tata Business Excellence Model as a means of driving excellence and for tracking progress on long term strategic goals. The Company has also adopted the Tata Code of Conduct which serves as a guide to each employee including the Managing Director and Deputy Managing Director, on the standards of values, ethics and business principles. The Whistle Blower Policy of the Company provides a mechanism for the employees to approach the Chairman of Board Audit Committee/Ethics Counsellor and disclose information that may evidence unethical or improper activity concerning the Company.

2. BOARD OF DIRECTORS

(a) Composition

The present Board comprises 10 members: 8 Non-Executive Directors (NEDs), Managing Director and a Deputy Managing Director. Of the 8 NEDs, 5 are Independent Directors, including a Woman Director. The Company has a Non-Executive Chairman and the number of Independent Directors is 50% of the total number of Directors. Except Independent Directors, all other Directors are liable to retire by rotation. None of the Directors on the Board holds directorship in more than ten public companies.

(b) Independent Directors

All the Independent Directors of the Company have confirmed that they satisfy the criteria of Independence as indicated in the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Board of Directors of the Company confirm that in its opinion the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the

Management of the Company. None of the Independent Directors of the Company is a Wholtime Director of any listed entity and does not serve as an Independent Director in more than 7 listed entities. The Independent Directors are appointed for a term of five years or upto the age of retirement, as per the Retirement Age Policy adopted by the Company, whichever is earlier. The Company has issued letter of appointment to the Independent Directors in the manner as provided in the Act. The terms and conditions of their appointment have been disclosed on the website of the Company.

The Board has adopted the Governance Guidelines on Board Effectiveness, formulated by the Group. Accordingly, the Company followed the process for evaluation of the Directors, Board as a whole and evaluation of the respective Committees, based on certain criteria (as per SEBI Guidance Note on Board Evaluation) and questionnaires were filled in and feedback provided by the Directors. The Nomination and Remuneration Committee has laid down the evaluation criteria for performance evaluation of Individual Directors (including Independent Directors) which also includes the attendance of Directors, commitment/contribution at Board/Committee Meetings and guidance/support to Management outside Board/Committee Meetings. The Directors freely interact with the Management on information that may be required by them.

During 2018-19, a separate Meeting of Independent Directors of the Company was held on 27th March, 2019 to discuss the performance evaluation based on the self assessment of Directors and the Board and also to assess the quality, content and timeliness of flow of information between the Management and the Board, including the quality of Board Agenda papers and Minutes. The Independent Directors have expressed their satisfaction and complimented the good process followed by the Company, including conduct of Board Meetings and quality of Minutes. As suggested by Independent Directors, separate sessions on Cyber Security and Corporate Governance/recommendations of Kotak Committee have been conducted by external experts for the information of the Directors.

The Directors of the Company are familiarised with the Company's operations, business, industry and

environment in which it functions and the regulatory environment applicable to it. The familiarisation programme for Directors has been disclosed on the website of the Company www.voltas.com and the weblink is https://voltas.com/assets/img/sustainability/corp_gov/pdf/32655.pdf

(c) Performance Evaluation

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out the performance evaluation of the Directors, Board as a whole and Committees.

(d) Non-Executive Directors' compensation and disclosures

Sitting fees paid to Non-Executive Directors, including Independent Directors for attending Board/Committee Meetings are within the limits prescribed under the Act. Same amount of Sitting fees is paid to Independent and other Non-Executive Directors. The shareholders have at the 61st Annual General Meeting (AGM) held on 3rd August, 2015 passed an Ordinary Resolution and approved payment of commission to Non-Executive Directors not exceeding 1% per annum of the net profits of the Company, to be calculated in accordance with the provisions of the Act. The aforesaid Resolution was for a period of five financial years commencing from 1st April, 2015.

(e) Directorship held in other listed entities as on 31st March, 2019

(1) Mr. Noel N. Tata

Name of the listed entity	Category
(i) The Titan Company Limited	Director (Vice Chairman)
(ii) Tata Investment Corporation Limited	Director (Chairman)
(iii) Trent Limited	Director (Chairman)
(iv) Tata International Limited	Managing Director
(v) Kansai Nerolac Paints Limited	Independent Director

(2) Mr. Nani Javeri

Name of the listed entity	Category
Accelya Kale Solutions Limited	Independent Director

(3) Mr. Vinayak Deshpande

Name of the listed entity	Category
(i) Kennametal India Limited	Independent Director
(ii) Artson Engineering Limited	Director (Chairman)
(iii) TRF Limited	Director

(4) Mr. Debendranath Sarangi

Name of the listed entity	Category
Shriram City Union Finance Limited	Independent Director

(5) Mr. Bahram N. Vakil

Name of the listed entity	Category
Trent Limited	Independent Director

(6) Ms. Anjali Bansal

Name of the listed entity	Category
(i) Glaxosmithkline Pharmaceuticals Limited	Independent Director
(ii) Bata India Limited	Independent Director
(iii) The Tata Power Company Limited	Independent Director
(iv) Apollo Tyres Limited	Independent Director
(v) Tata Power Renewable Energy Limited	Independent Director

(7) Mr. Hemant Bhargava

Name of the listed entity	Category
(i) ITC Limited	Director
(ii) The Tata Power Company Limited	Director
(iii) LIC Housing Finance Limited	Director
(iv) Larsen and Tubro Limited	Director

(8) Mr. Arun Kumar Adhikari

Name of the listed entity	Category
(i) Ultratech Cement Limited	Independent Director
(ii) Aditya Birla Capital Limited	Independent Director
(iii) Vodafone Idea Limited	Independent Director

Mr. Pradeep Bakshi and Mr. Anil George, Executive Directors of the Company do not hold directorship in any other listed entity.

(f) Other provisions as to Board and Committees

During 2018-19, nine Board Meetings were held on the following dates and the gap between two consecutive Board Meetings did not exceed 120 days.

18th April, 2018; 17th May, 2018; 10th August, 2018; 20th August, 2018; 27th September, 2018; 6th November, 2018; 10th January, 2019; 14th February, 2019 and 27th March, 2019.

The annual calendar of Board/Committee Meetings is agreed upon at the beginning of the year and Notice for Board Meetings and detailed agenda papers are circulated to all the Directors 7 days in advance to enable them to attend and take informed decisions at the Meetings.

The information as required under Regulation 17(7) of the Listing Regulations is made available to the Board. In addition, all proposals of investments, divestments and decisions in respect of properties of the Company

(beyond certain threshold limits) are placed before the Board for its consideration and appropriate decision in the matter. The annual budgets – Revenue, Capital as well as the Divisional Budgets/Annual Operating Plans, including business strategies are presented in detail to the Directors and their valuable inputs/suggestions are taken and implemented. Similarly, actions in respect of suggestions made/decisions taken at Board/Committee Meetings are reported and reviewed regularly at subsequent Meetings by the Directors/Committee Members. Considerable time is spent by the Directors on discussions and deliberations at the Board/Committee Meetings and their active participation is reflected by the number of meetings held during the year and attended by the Directors.

No Director is a Member of more than 10 Committees and Chairman of more than 5 Committees, across all the companies of which he/she is a Director. Necessary disclosures regarding Committee positions have been made by all the Directors.

The Board periodically reviews compliance of all laws applicable to the Company, based on a certificate given by the Managing Director, including the steps taken, to rectify instances of non-compliances, if any.

(g) Code of Conduct

The Board has adopted the Codes for all Directors and senior management of the Company and the same have been posted on the website of the Company. All the Board members and senior management of the Company have affirmed compliance with their respective Codes as on 31st March, 2019. A declaration to this effect, signed by the Managing Director of the Company is annexed hereto. Senior management comprises the Division/Department/Functional Heads, General Managers and Head-Finance of the respective business clusters. The Independent Directors have confirmed compliance with the Code as prescribed in Schedule IV to the Act.

(h) Category and attendance

The names and categories of the Directors, their attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies (as on the 31st March, 2019) are given below:

Name of Directors	Category	Board Meetings Attended during 2018-19	Attendance at the last AGM held on 27th August, 2018	Number of Directorships in other public limited companies (excluding directorship in associations, private/ Section 8/ foreign companies)	Number of Committee positions held in other public companies#	
					Chairman	Member
Mr. Noel N. Tata (Chairman) DIN: 00024713	Non Independent Non-Executive	9	Yes	5	—	2
Mr. Pradeep Bakshi (Managing Director & CEO) DIN: 02940277	Non Independent Executive	9	Yes	1	—	—
Mr. Anil George (Deputy Managing Director) DIN: 00590939	Non Independent Executive	9	Yes	3	2	—
Mr. Nani Javeri DIN: 02731854	Independent Non-Executive	9	Yes	3	—	4

Name of Directors	Category	Board Meetings Attended during 2018-19	Attendance at the last AGM held on 27th August, 2018	Number of Directorships in other public limited companies (excluding directorship in associations, private/ Section 8/ foreign companies)	Number of Committee positions held in other public companies#	
					Chairman	Member
Mr. R. N. Mukhija* DIN: 00001653	Independent Non-Executive	7	Yes	NA	NA	NA
Mr. Vinayak Deshpande DIN: 00036827	Non Independent Non-Executive	8	Yes	5	1	2
Mr. Debendranath Sarangi DIN: 01408349	Independent Non-Executive	9	Yes	3	—	2
Mr. Bahram N. Vakil DIN: 00283980	Independent Non-Executive	7	Yes	4	—	2
Ms. Anjali Bansal DIN: 00207746	Independent Non-Executive	8	Yes	7	—	1
Mr. Hemant Bhargava DIN: 01922717	Non Independent Non-Executive	3	No	8	—	1
Mr. Arun Kumar Adhikari DIN: 00591057	Independent Non-Executive	9	Yes	4	—	1

Comprise Chairmanship/Membership in Board Audit Committee and Shareholders Relationship Committee.

* Mr. R. N. Mukhija ceased to be an Independent Director of the Company, upon expiry of his term of appointment on 4th February, 2019. Video/tele-conferencing facilities are made available to facilitate the Directors participate in the Meetings.

(i) Matrix setting out the skills/expertise/ competence of Board of Director:

The Company is one of the largest air-conditioning Company in India and a reputed engineering solution provider specializing in project management (domestic and international). The Company has a competent Board with background and knowledge of the Company's businesses - consumer durables, retail and marketing, projects, engineering solutions, and also finance, accounts and general administration. The Board comprises Directors from diverse experience, qualifications, skill sets and gender and are aligned with the Company's overall strategy, including corporate ethics, values and culture.

3. AUDIT COMMITTEE

(a) Composition, name of Members and Chairman

The Board Audit Committee (BAC) comprise 3 Non-Executive Independent Directors – Mr. Nani Javeri (Chairman), Mr. Debendranath Sarangi and Mr. Arun Kumar Adhikari. Mr. Arun Kumar Adhikari was appointed as Member of BAC with effect from 6th November, 2018. Mr. R. N. Mukhija ceased to be a Member of BAC upon expiry of his term as an Independent Director on 4th February, 2019. All members of BAC are financially literate and have relevant finance and/or audit exposure. The Managing Director, Deputy Managing Director, Executive Vice President - Finance & CFO, the Chief Internal Auditor and the Statutory Auditors attend the Meetings as Invitees. The Business Heads also attend the Meetings, when required. The Cost Auditor attends

the Meetings at which Cost Audit related matters are discussed. The Company Secretary acts as the Secretary and the Minutes are circulated and discussed at the Board Meetings.

(b) Meetings and attendance during the financial year

Six Meetings of BAC were held during the financial year 2018-19 on the following dates:

18th April, 2018; 16th May, 2018; 9th August, 2018; 5th November, 2018; 9th January, 2019 and 13th February, 2019.

The attendance of each member of the Committee is given below:

Name of Members	No. of Meetings attended
Mr. Nani Javeri	6
Mr. R. N. Mukhija	4
Mr. Debendranath Sarangi	6
Mr. Arun Kumar Adhikari	2

The quorum of BAC Meetings is two Members or one third of the Members, whichever is greater. Mr. Nani Javeri attended the last Annual General Meeting of the Company as Chairman of Audit Committee. The Board of Directors has accepted all the recommendations made by BAC from time to time.

(c) Terms of reference and role of Audit Committee

The terms of reference, powers and role of Audit Committee are in accordance with Regulation 18(3) and Schedule II of the Listing Regulations read with Section 177(4) of the Act. The broad terms of reference/functions of BAC are as under:

- Oversight of the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are correct, sufficient and credible;
- Review with the Management and auditors the annual/half yearly/quarterly financial statements and auditor's report before submission to the Board, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement in the Board's report;
 - Disclosure under Management Discussion and Analysis of financial position and results of operations;
 - Review of accounting policies, practices & standards and reasons for change, if any;
 - Major accounting entries involving estimates based on exercise of judgement by Management;
 - Qualifications/modified opinion in the draft audit report;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of related party transactions;
- Scrutinize inter-corporate loans and investments;
- Review the statement of uses/applications of funds by major category and the statement of funds utilized for purposes other than as mentioned in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights or private placement issue, and make appropriate recommendations to the Board;
- Approve appointment of the CFO;
- Review of the disclosures from the CEO and CFO made in connection with the certifications as regards the Company's quarterly and annual reports filed with the Stock Exchanges;
- Review analysis of the effects of alternative accounting methods on the financial statements;
- Review utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower.
- Provide recommendations to the Board related to the appointment, re-appointment, remuneration and terms of appointment of the auditors of the Company;
- Review and monitor the auditor's independence and performance and effectiveness of the audit process;
- Hold timely discussions with external/ statutory auditors regarding:
 - The nature, scope and staffing of Audit as well as post-Audit discussion/review for dealing with any area of concern prior to commencement of audit.
 - All critical accounting policies and practices.
 - Significant financial reporting issues and judgements made in connection with preparation of the Company's financial statements;
- Provide approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Review, with the external auditors, certain information relating to the auditor's judgements about the quality of the Company's accounting principles as applied to its financial reporting;
- Review and suitably reply to the report(s) forwarded by the auditors on the matters where the auditors have sufficient reasons to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company;
- Review the adequacy of the internal audit function, if any, including the structure of the internal audit department (including appointment of outsourced Internal Audit Firms), staffing and seniority of the official heading the department, the reporting structure coverage and budget, scope, coverage and frequency of internal audit;
- Discuss with internal auditors (including outsourced internal audit firms) major audit observations and follow-up thereon;
- Review the appointment, removal, performance and terms of remuneration of the Chief Internal Auditor and outsourced internal audit firms;

- Review the appointment, re-appointment, removal and terms of remuneration of the cost auditor and recommend the cost audit report to the Board;
- Review, with the Management, external and internal auditors and the outsourced internal audit firms, the quality, adequacy and effectiveness of the Company's internal control system and any significant deficiencies or material weakness in the internal controls;
- Review management letters/letters of internal control weaknesses issued by statutory auditors;
- Maintain an oversight of the adequacy of the whistle blowing /vigil mechanism;
- Oversee compliance with legal, SEBI and other regulatory requirements and also the Tata Code of Conduct ("TCoC") for the Company and its subsidiaries;
- Review the statement of significant related party transactions submitted by the Management, including the significant criteria/thresholds decided by the Management;
- Approve related party transactions, including any subsequent modifications thereto;
- Grant omnibus approval in respect of related party transactions which are of repetitive nature and in ordinary course of business upto certain threshold limits as prescribed under the Act, the Rules made thereunder and Listing Regulations;
- Review the financial statements, in particular, the investments made by the unlisted subsidiary companies;
- Perform other activities as requested by the Board of Directors;
- Review progress on execution of major overseas projects and the risk ratings, outstandings and inventory levels including action plan for its realization.

4. SUBSIDIARY COMPANIES

The Company has nine unlisted subsidiary companies, of which three are Indian subsidiaries. As defined in Regulation 16(1)(c) of Listing Regulations, during 2018-19, none of the Indian subsidiaries, fall under the category of 'material subsidiary'. The financial statements of all subsidiary companies including investments made, if any, are periodically reviewed by the BAC. The financial performance, Minutes of Board Meetings of these subsidiary companies and all significant transactions or arrangements entered into by the subsidiary companies are reviewed by the Board. Some of the Independent Directors of the Company have been appointed as Non-Executive Independent Directors of the Indian wholly-owned subsidiaries of the Company.

The Board of Directors have adopted the Policy for determining 'material' subsidiaries as specified in Listing Regulations. This Policy is uploaded on the Company's website www.voltas.com and the weblink is https://voltas.com/assets/img/sustainability/corp_gov/pdf/38085.pdf

5. RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprise Mr. Nani Javeri (Chairman), Mr. Debendranath Sarangi and Mr. Arun Kumar Adhikari. Mr. Arun Kumar Adhikari was appointed as Member of the Committee with effect from 6th November, 2018. Mr. R. N. Mukhija ceased to be Member of the Committee upon expiry of his term as an Independent Director on 4th February, 2019. During 2018-19, two Meetings were held on 27th September, 2018 and 13th February, 2019. The Company has formulated a Risk Management Policy and Risk Management Committee charter to establish an effective and integrated framework for the risk management process. After discussions/deliberations and workshops at Corporate as well as Divisional level, the Company has identified top ten corporate risks along with its mitigation measures which are reviewed by the respective Businesses/Corporate and changes if any, along with mitigation measures are reported to the Risk Management Committee. The Strategic Business Plan of the respective Divisions factor the risks associated with the businesses and discussed at Board Meetings. The Board of Directors has accepted all the recommendations made by Risk Management Committee from time to time.

6. RELATED PARTY TRANSACTIONS

The Company has in line with the requirements of Listing Regulations formulated a revised Policy on materiality of Related Party transactions (RPTs) and also on dealing with RPTs. The Audit Committee had granted omnibus approval upto certain threshold limits for RPTs during 2018-19 and the actual value of transactions were reviewed on quarterly basis vis-à-vis the limits. The Company had no materially significant RPTs that could have any potential conflict with the interest of the Company. Moreover, the Company had no material subsidiary during 2018-19. During the year under review, besides the transactions reported in the Notes to Accounts (Refer Note No. 43), there were no other RPTs with promoters, directors, management, joint ventures/subsidiaries, etc. that had a potential conflict with the interest of the Company at large. All transactions with Related Parties were in the normal course of business during 2018-19. The interest of Directors, if any, in transactions are disclosed at Board Meetings and the interested Director does not participate in the discussion or vote on such transactions. The Policy on RPTs is uploaded on the Company's website www.voltas.com and the weblink is https://voltas.com/assets/img/sustainability/corp_gov/pdf/17477.pdf

7. MANAGERIAL REMUNERATION

(a) Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) comprise Mr. Bahram N. Vakil (Chairman), Mr. Nani Javeri, Ms. Anjali Bansal (Independent Directors) and

Mr. Noel N. Tata (Non-Executive Director). During 2018-19, four meetings were held on 17th May, 2018; 5th July, 2018; 6th November, 2018 and 22nd January, 2019. The attendance of each member of the Committee is given below:

Name of Members	No. of Meetings attended
Mr. Bahram N. Vakil	4
Mr. Nani Javeri	4
Mr. Noel N. Tata	4
Ms. Anjali Bansal	4

The Minutes of NRC Meetings are circulated and noted by the Directors at Board Meetings. Mr. Bahram N. Vakil, Chairman of NRC was present at the last Annual General Meeting of the Company. The quorum of NRC meeting is two members with at least one Independent Director. The Board of Directors has accepted all the recommendations made by NRC from time to time.

The broad terms of reference of NRC are as under:

- (i) Recommend to the Board the setup and composition of the Board and its Committees, including the formulation of the criteria for determining qualifications, positive attributes and independence of Director;
- (ii) Support the Board in matters related to the setup, review and refresh of the committees;
- (iii) Devise a policy on Board diversity;
- (iv) Identify persons who are qualified to become Directors and who may be appointed as KMPs and Senior Management in accordance with the criteria, and recommend to the Board their appointment/re-appointment or removal;
- (v) Specify the manner and criteria for effective evaluation of performance of the Board, its Committees and individual Directors, including Independent Directors and support the Board and Independent Directors, as may be required, in the evaluation process;
- (vi) Oversee the performance review process for the KMPs and Senior Management with the view that there is an appropriate cascading of goals and targets across the Company;
- (vii) Recommend to the Board as to whether to extend or continue the term of appointment of the Independent Directors, based on the performance evaluation of the Independent Directors;
- (viii) Recommend the remuneration policy for Directors, KMPs, Senior Management and other employees;
- (ix) On annual basis, recommend to the Board, all remuneration, in whatever form, payable to the Directors, KMPs, and Senior Management of the

- Company including review and recommendation of actual payment of annual and long term incentives (if any) for MD/EDs, KMPs and Senior Management;
- (x) Review matters related to remuneration and benefits payable upon retirement and severance to MD/EDs, KMPs and Senior Management, if so applicable to the Company;
 - (xi) Provide guidelines for remuneration of Directors on material subsidiaries;
 - (xii) Review HR and People strategy and its alignment with the business strategy periodically or when a change is made;
 - (xiii) Review the efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning;
 - (xiv) Perform other activities as requested by the Board from time to time.

The NRC of the Company has formulated the respective criteria as stated in (i) and (v) above and also devised the Policy on Board Diversity. Based on the recommendations of NRC, the Board has adopted the Policy relating to remuneration of the Directors, KMPs and other employees.

(b) Remuneration Policy

The Board has adopted the Remuneration Policy for Directors, KMPs and other employees as disclosed in the Directors' Report. The key principles governing the Remuneration Policy are as under:

- (a) Sitting fees/commission to Directors may be paid within regulatory limits.
- (b) Overall remuneration should be reasonable and significant to attract, retain and motivate Directors aligned to the requirements of the Company.
- (c) Overall remuneration should be reflective of the size of the Company, complexity of the sector/industry/Company's operation and the Company's capacity to pay the remuneration.
- (d) Overall remuneration practices should be consistent with the recognised best practices.
- (e) The NRC will recommend to the Board, the quantum of commission for each Director based on the outcome of the evaluation process which also includes attendance and time spent by the Directors for Board and Committee Meetings, individual contributions made by Directors at the Meetings and other than in Meetings.

The remuneration of the Managing Director and Deputy Managing Director is reviewed by the NRC based on certain criteria such as industry benchmarks, Company's

performance and the responsibilities shouldered by them. The remuneration of the Managing Director and Deputy Managing Director comprises salary, perquisites, allowances and benefits and commission or incentive remuneration. Annual salary increment and commission or incentive remuneration is decided by the NRC within the overall ceilings prescribed under the Act and in line with the terms and conditions approved by the shareholders. The recommendation of the NRC is placed before the Board for its approval. Revision in pension amounts payable to the retired Managing Directors/ Executive Directors from time to time, are reviewed by NRC and recommended to the Board for approval.

The remuneration of Non-Executive Directors, by way of sitting fees and commission is decided and approved by the Board of Directors based on recommendations of the NRC. The shareholders have, at the 61st AGM of the Company held on 3rd August, 2015, approved payment of commission to the Non-Executive Directors, 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 five years commencing from 1st April, 2015. The basis of determining the specific amount of commission payable to Non-Executive Directors is related to attendance at Meetings, role and responsibility as Chairman/Member of the Board/ Committees and overall contribution as well as time spent on operational matters other than at the Meetings. Commission for 2018-19 will be distributed amongst the Non-Executive Directors in accordance with the directives given by the Board. In addition to commission, the Non-Executive Directors of the Company are paid sitting fees for attending Board/Committee Meetings, as under:

● Board Meeting	₹ 30,000
● Board Audit Committee Meeting	₹ 30,000
● Nomination and Remuneration Committee Meeting	₹ 30,000
● Investment Committee Meeting	₹ 15,000
● Project Committee Meeting	₹ 15,000
● Safety-Health-Environment Committee Meeting	₹ 15,000
● Corporate Social Responsibility Committee Meeting	₹ 15,000
● Risk Management Committee Meeting	₹ 15,000
● Shareholders Relationship Committee Meeting	₹ 15,000
● Annual Independent Directors Meeting	₹ 30,000

Remuneration to Directors

The Directors' remuneration paid/payable and sitting fees paid in 2018-19 and their shareholding in the Company as on date are given below:

● Non-Executive Directors

Name of Directors	Commission for 2018-19* (₹ in Lakhs)	Sitting Fees paid in 2018-19 (₹ in Lakhs)	No. of Shares held
Mr. Noel N. Tata	—	4.50	—
Mr. Nani Javeri	43.00	6.75	—
Mr. R.N. Mukhija #	24.00	4.05	—
Mr. Vinayak Deshpande	—	3.00	—
Mr. Debendranath Sarangi	28.00	5.10	—
Mr. Bahram N. Vakil	28.00	4.20	—
Ms. Anjali Bansal	22.00	4.05	—
Mr. Hemant Bhargava**	5.00	0.90	—
Mr. Arun Kumar Adhikari	20.00	3.75	—

* payable in 2019-20.

** Sitting fees and Commission is payable to LIC.

Mr. R. N. Mukhija ceased to be an Independent Director of the Company, upon expiry of his term on 4th February, 2019.

In accordance with internal Group guidelines, no commission is payable to Mr. Noel N. Tata and Mr. Vinayak Deshpande as they are in full time employment with another Tata company. The Company did not have pecuniary relationship or transactions with the Non-Executive Directors during 2018-19, except as stated above.

● Remuneration of Executive Directors

(₹ in Lakhs)

Name of Directors	Salary	Perquisites and allowances including retiral benefits	Commission for 2018-19*	No. of Shares held
Mr. Pradeep Bakshi	78.00	179.10	260.00	—
Mr. Anil George	75.00	128.77	250.00	1000

* payable in 2019-20.

Notes:

- As per the terms of appointment, Mr. Pradeep Bakshi and Mr. Anil George are entitled to terminate their agreement with the Company by giving not less than six months notice in writing to the other party or the Company paying six months remuneration in lieu of such notice. No severance fee is payable.
- The Company has not introduced any stock options for its Directors/employees.

(c) Retirement Policy for Directors

The Governance Guidelines on Board Effectiveness adopted by the Company provides for the retirement age of Directors. As per the Guidelines, the Managing and Executive Directors retire at the age of 65 years and Non-Independent Non-Executive Directors retire at the age of 70 years. The retirement age for Independent Directors is 75 years.

8. SHAREHOLDERS RELATIONSHIP COMMITTEE (SRC)

The Shareholders Relationship Committee (SRC), apart from reviewing the shares related activities, also looks into the redressal of shareholder and investor complaints, compliances in respect of dividend payments and transfer of unclaimed amount to the Investor Education and Protection Fund pursuant to the provisions of Section 125 of the Act. Mr. Noel N. Tata is the Chairman, Mr. Bahram N. Vakil, Independent Director and Mr. Anil George, Deputy Managing Director are Members of SRC. Mr. Anil George was appointed as Member of SRC with effect from 6th November, 2018. During 2018-19, two meetings of SRC were held on 15th October, 2018 and 4th February, 2019 which were also attended by the Company Secretary. The Minutes of the SRC Meetings are circulated and noted by the Directors at Board Meetings. Mr. Noel N. Tata attended the last Annual General Meeting of the Company as Chairman of SRC. In line with Listing Regulations, a charter defining the role of SRC has been formulated as under:

- (i) Resolving the grievances of the security holders, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- (ii) Review of measures taken for effective exercise of voting rights by shareholders.
- (iii) Review of adherence to the Service Standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices to the shareholders of the Company.

During 2018-19, 19 complaints were received from SEBI/Stock Exchanges which were suitably dealt with and closed. As on 31st March, 2019, 1 complaint was pending, which has been subsequently closed in April 2019.

Mr. V. P. Malhotra, Vice President – Taxation, Legal & Company Secretary liaise with SEBI and other Regulatory authorities in the matter of investors complaints. The Board has nominated Mr. V. P. Malhotra as the Compliance Officer of the Company for monitoring the share transfer process and other related matters. **His e-mail id is vpmalhotra@voltas.com and his contact details are 022-66656251 and 022-66656258.**

9. OTHER COMMITTEES

In addition to the above Committees, the Board has constituted certain other Committees i.e. Corporate Social Responsibility Committee, Board Committee, Investment Committee, Committee of Board, Project Committee and Safety-Health-Environment Committee.

- (i) Corporate Social Responsibility (CSR) Committee comprise Mr. Noel N. Tata (Chairman), Mr. Bahram N. Vakil, Mr. Pradeep Bakshi and Mr. Nani Javeri. Mr. Nani Javeri was appointed as a member of the CSR committee with effect from 10th August, 2018. A CSR Policy has been formulated by the Committee, which has been approved by the Board, to undertake CSR projects/activities. During 2018-19, two Meetings were held on 5th July, 2018 and 4th February, 2019, which were attended by all Committee Members. The Board of Directors has accepted all the recommendations made by CSR Committee from time to time.
- (ii) The Board Committee comprising any two Directors is authorized to approve routine matters such as opening/closing and changes in the operation of bank accounts of the Company, to grant limited power of attorney to the officers of the Company, etc. During 2018-19, eight Meetings were held on 3rd May, 2018; 28th June, 2018; 29th August, 2018; 10th September, 2018; 25th October, 2018; 4th December, 2018; 8th February, 2019 and 26th March, 2019.
- (iii) The Investment Committee considers and takes appropriate decisions for deployment of surplus funds of the Company/investments in Mutual Funds. The Company has formulated an Investment Policy in consultation with the Investment Committee, which has been approved by the Board. Mr. Nani Javeri, is the Chairman of the Committee. Mr. Pradeep Bakshi, Managing Director, Mr. Anil George, Deputy Managing Director and Mr. Abhijit Gajendragadkar, Chief Financial Officer are members of the Investment Committee. During 2018-19, two Meetings were held on 24th October, 2018 and 6th March, 2019. Status of investments made and returns/dividends earned are reported to the Investment Committee on a monthly basis and to the Board, on quarterly basis.
- (iv) The Committee of Board (COB) comprising Mr. Noel N. Tata, Mr. Pradeep Bakshi and Mr. Anil George periodically meet to discuss and guide the Management on various strategic issues. During 2018-19, two Meetings were held on 4th April, 2018 and 23rd October, 2018.

- (v) Project Committee comprising, Mr. Vinayak Deshpande and Mr. Pradeep Bakshi review and monitor the progress and execution of projects and other related matters. Mr. R. N. Mukhija ceased to be member of Project Committee, upon expiry of his term as Independent Director of the Company on 4th February, 2019. However, Mr. Mukhija is retained on the Committee as an Adviser. During 2018-19, two Meetings were held on 3rd July, 2018 and 17st January, 2019.
- (vi) The Safety-Health-Environment (S-H-E) Committee comprising Mr. Vinayak Deshpande, Mr. Pradeep Bakshi and Ms. Anjali Bansal review and monitor the Safety standards and practices followed by the Company. Ms. Anjali Bansal was appointed as a Member of the Committee with effect from 6th November, 2018. Mr. R. N. Mukhija ceased to be member of S-H-E Committee, upon expiry of his term as Independent Director of the Company on 4th February, 2019. During 2018-19, two Meetings of S-H-E Committee were held on 3rd July, 2018 and 17th January, 2019. The Company also conducts Safety audits by cross-functional teams at project sites.

10. GENERAL BODY MEETINGS

The last three Annual General Meetings (AGMs) were held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020. The date and time of the AGMs held during preceding three years are given below. No Special Resolutions were passed at these AGMs:

Date of AGM	Time
62nd AGM- 29th August, 2016	3.00 p.m.
63rd AGM- 28th August, 2017	3.00 p.m.
64th AGM- 27th August, 2018	3.00 p.m.

During 2018-19, no Special Resolution was passed through postal ballot and no Extraordinary General Meeting was held.

11. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF LISTING REGULATIONS.

As required under Regulation 36(3) of Listing Regulations, particulars of Directors seeking appointment/reappointment are given in the Explanatory Statement annexed to the Notice of the Annual General Meeting to be held on 9th August, 2019.

12. DISCLOSURES

- A certificate from M/s. N L Bhatia & Associates, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs or any such statutory authority is annexed as part of this Report.

- None of the Directors are related to each other.
- During the last three years, there were no strictures or penalties imposed by SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to capital markets.
- The Company has adopted a Whistle Blower Policy which enables the employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and provides direct access to the Chairman of the Board Audit Committee on concerns relating to financial accounting matters. For all other concerns, if they pertain to employees below the Vice President level, the same gets referred to the Ethics Counsellor and for Vice Presidents and above, the same is referred to the Chairman of the Board Audit Committee. The Whistle Blower Policy has been communicated to the employees of the Company and its functioning is reviewed by the Board Audit Committee, periodically. Concerns received under the Tata Code of Conduct are also reported and discussed at the Audit Committee Meetings. The Whistle Blower Policy of the Company has been disclosed on the website of the Company.
- Senior management has made the disclosure to the Board and confirmed that they had no material financial and commercial transactions that could have a potential conflict with the interest of the Company at large.
- In the preparation of financial statements, the Company has followed the Accounting Standards as prescribed by the Central Government.
- The Company did not raise funds through public/rights/preferential issues/qualified institutions placement (QIP) during the financial year 2018-19, hence, disclosure of utilization of funds was not required.
- In line with the requirements of SEBI, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a firm of Practicing Company Secretaries to confirm that the aggregate number of equity shares of the Company held in NSDL and CDSL and in physical form, tally with the total number of issued/paid-up, listed and admitted capital of the Company.
- The Managing Director and Chief Financial Officer have in accordance with Regulation 17(8) of Listing Regulations certified to the Board on matters pertaining to CEO/CFO certification.
- Credit Rating**
The Company has obtained Annual Credit Rating from ICRA Limited (ICRA) for ₹ 3,500 crores Line of Credit (LOC), pursuant to an Agreement between ICRA and Voltas. ICRA has rated the Company as 'AA+ for long-term' and 'A1+ for short-term' LOC [fund base and non-fund base bank facilities].

● **Consolidated payment to Statutory Auditors**

During 2018-19, ₹ 3.04 crores was paid on consolidated basis to Statutory Auditors of the Company and all entities in the network firm/network entity of which Statutory Auditors is part towards services rendered by them, as under:

Sl. No	Particulars	₹ in crores		
		By Company	By Subsidiaries	Total
(1)	Statutory Audit fees including tax audit fees	1.88	0.40	2.28
(2)	Other services	0.55	0.01	0.56
(3)	Reimbursement of expenses	0.19	0.01	0.20
	Total	2.62	0.42	3.04

- The Company has complied with the mandatory requirements of Listing Regulations and has unqualified financial statements. The Directors freely interact with the Management on information that may be required by them. The Management also shares with the Board, changes/proposed changes in relevant laws and regulations and their implication on the Company. The Company has not adopted the discretionary requirements in regard to maintenance of Non-Executive Chairman's office and sending half-yearly financial results to the shareholders at their residence.

● **Dividend Distribution Policy**

The Company has formulated Dividend Distribution Policy which is available on the website of the Company.

● **Commodity price risk or foreign exchange risk and hedging activities**

The Company does not deal in commodity and hence the disclosure pursuant to SEBI Circular dated 15th November, 2018 is not required. Foreign exchange risk and hedging activities are covered separately in the Annual Report.

- The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been made in Directors Report.

13. MEANS OF COMMUNICATION

- The quarterly, half-yearly and annual results are published in widely circulated newspapers: Business Standard and The Economic Times in English; Sakaal in Marathi and also displayed on the website of the Company www.voltas.com soon after its submission to the Stock Exchanges.
- Shareholding Pattern, Corporate Governance Report and financial results are uploaded in the prescribed format, on NEAPS and Listing Centre maintained by NSE and BSE, respectively.

- The financial results, official news releases and presentations, conference calls with the institutional investors or with the analysts are displayed on the Company's website www.voltas.com. Copies of Press Release are filed with the Stock Exchanges.

14. GENERAL SHAREHOLDERS INFORMATION

● **AGM: Date, time and venue**

Friday, 9th August, 2019 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai - 400 020.

● **Financial Calendar**

- (a) 1st April to 31st March
- (b) First Quarter Results
– By 14th August, 2019
- (c) Second Quarter Results
– By 14th November, 2019
- (d) Third Quarter Results
– By 14th February, 2020
- (e) Results for the year ending 31st March, 2020
– By 30th May, 2020

● **Date of Book closure**

Friday 19th July, 2019 to Friday, 9th August, 2019 (both days inclusive).

● **Dividend Payment date**

Dividend would be paid on or after 13th August, 2019.

● **Listing on Stock Exchange**

- BSE Limited
P.J. Towers, Dalal Street, Mumbai 400 001
- National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra East, Mumbai 400 051

The Company has paid the listing fees to BSE and NSE for the year 2019-20.

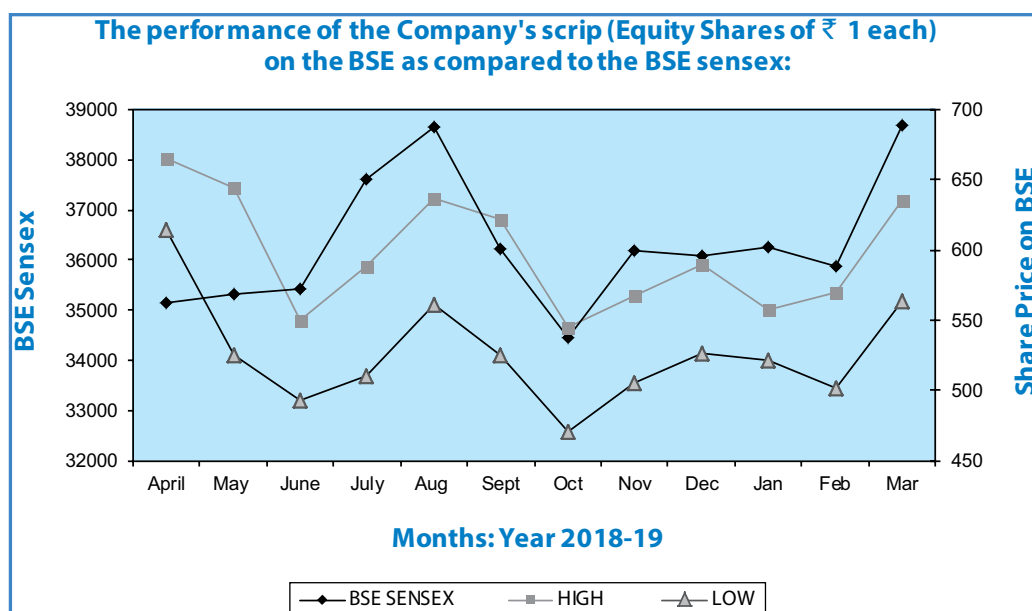
● **Stock Code**

- BSE : 500575
- NSE : VOLTAS
- ISIN for NSDL/CDSL : INE226A01021

● **Market Information**

Market price data-monthly high/low and trading volumes during the last financial year on the BSE/NSE depicting liquidity of the Company's Equity Shares of ₹ 1 each on the said exchanges is given hereunder:

Month	BSE Sensex	BSE Ltd. (BSE)				National Stock Exchange of India Ltd. (NSE)			
		High ₹	Low ₹	No. of Shares Traded	Turnover ₹ in Crores	High ₹	Low ₹	No. of Shares Traded	Turnover ₹ in Crores
2018									
April	35160	664.60	614.50	1907232	121.84	664.70	613.25	29123856	1860.33
May	35322	643.60	524.75	2790328	160.37	643.85	524.40	46866004	2645.58
June	35423	549.90	493.45	1784665	93.25	546.65	493.05	35366959	1847.72
July	37607	587.95	510.80	1770004	96.59	588.95	511.00	26034437	1428.93
August	38645	637.25	561.20	2223760	135.28	636.90	561.05	35335784	2152.46
September	36227	622.30	525.00	1563886	90.51	622.20	525.15	26000590	1497.89
October	34442	545.00	471.00	1268384	64.73	545.20	472.25	23410803	1198.15
November	36194	567.00	505.00	1494908	80.91	569.95	505.75	29355574	1592.95
December	36068	589.95	527.35	1933385	108.81	590.50	525.90	28444115	1589.84
2019									
January	36257	558.00	521.00	1551079	83.37	558.15	525.65	20767593	2115.81
February	35867	570.00	501.65	1345984	71.86	570.50	501.05	24386358	1302.63
March	38673	634.95	563.70	1839286	111.50	633.70	563.30	31310761	1897.09



• Distribution of shareholding as on 31st March, 2019

No. of equity shares held	No. of Shareholders	No. of Shares held	% of Issued Share Capital
Upto 5000	118161	38723020	11.70
5001 to 10000	900	6364905	1.92
10001 to 20000	374	5180644	1.57
20001 to 30000	104	2599588	0.79
30001 to 40000	56	1959992	0.59
40001 to 50000	32	1455141	0.44
50001 to 100000	78	5663931	1.71
100001 and above	210	268937519	81.28
Total	119915	330884740	100.00
Physical Mode	10531	7424979	2.24
Electronic Mode:	109384	323459761	97.76
- NSDL	61930	303019539	91.58
- CDSL	47454	20440222	6.18

• Shareholding Pattern as on 31st March, 2019

Category	No. of Shares held	% of Issued Share Capital
Tata Group of companies	100253480	30.30
Mutual Funds and UTI	80116301	24.21
Foreign Portfolio Investors	45240668	13.67
Insurance companies	30537463	9.23
Bodies Corporate	14362872	4.34
Alternate Investment Funds	3753612	1.13
Non Resident Indians	2727002	0.82
Investor Education and Protection Fund Authority	1797025	0.54
Central Government Corporations and Banks	1757975	0.53
Foreign companies and Foreign nationals	90773	0.03
Public	50247609	15.20
Total	330884740	100.00

• Shareholders holding more than 1% Equity Shares of the Company as on 31st March, 2019

Name of Shareholder	No. of Shares held	% of Issued Share Capital
Tata Sons Private Limited	88131780	26.64
HDFC Mutual Fund	16673000	5.04
Life Insurance Corporation of India	16517216	4.99
Franklin Templeton Mutual Fund	12281384	3.71
Tata Investment Corporation Limited	9962330	3.01
Aditya Birla Sun Life Trustee Company Private Limited	7155239	2.16
Mirae Asset Mutual Fund	6288131	1.90
HDFC Life Insurance Company Limited	6013909	1.82
SBI Mutual Fund	5600004	1.69
IDFC Mutual Fund	4871808	1.47
Franklin Templeton Investment Funds	4529921	1.37
DSP Mutual Fund	4057624	1.23
ICICI Prudential Mutual Fund	4030993	1.22
Tata Mutual Fund	3623000	1.09
Prazim Trading and Investment Company Private Limited	3516023	1.06

The Company does not have any equity shares in Suspense Account.

• Registrar & Transfer Agent

TSR Darashaw Limited

Unit : Voltas Limited

6-10, Haji Moosa Patrawala Industrial Estate,
 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi,
 Mumbai 400 011.

Tel: 022-66568484

Fax: 022-66568494

e-mail: csg-unit@tsrdarashaw.com

• Share Transfer System

The transfers were processed and approved by the Share Transfer Committee on a fortnightly basis, which were noted at subsequent Board Meetings.

- **Dematerialisation of shares and liquidity**

97.76% of the share capital has been dematerialized as on 31st March, 2019.

- **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

The Company has not issued GDRs/ADRs/Warrants or any Convertible instruments.

- **Plant locations**

The Company's Plants are located at:

- 2nd Pokhran Road, Thane 400 601.
- Shreenath Industrial Estate, C Building, Survey No.197, Near Dadra Check Post, Dadra 396 230.
- Plot No.1-5, Sector 8, I.I.E. Pantnagar Industrial Area, Dist. Udham Singh Nagar, Rudrapur, Uttarakhand 263 145.
- Plot No. 1A, Siddhi Industrial Infrastructure Park, Village Waghodia, Tal. Waghodia, Dist. Vadodara 390 001.

- **Address for correspondence**

All correspondence relating to shares should be addressed to TSR Darashaw Limited, the Company's Registrar & Transfer Agent at the address mentioned aforesaid. Shareholders holding shares in electronic mode should address their correspondence to the respective Depository Participants.

- **Unclaimed Dividends**

Pursuant to Section 125 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Shareholders are advised to claim the un-cashed dividends lying in the unpaid dividend accounts of the Company before the due date. Given below are the dates of declaration of dividend and due dates for claiming dividend.

Date of declaration of dividend	Dividend for the year	Due for transfer to the IEPF	Amount lying in Unpaid Dividend Accounts as on 31st March, 2019 ₹ in crores
23rd August, 2012	2011-12	25th September, 2019	0.62
19th August, 2013	2012-13	19th September, 2020	0.67
1st September, 2014	2013-14	1st October, 2021	0.78

Date of declaration of dividend	Dividend for the year	Due for transfer to the IEPF	Amount lying in Unpaid Dividend Accounts as on 31st March, 2019 ₹ in crores
3rd August, 2015	2014-15	3rd September, 2022	0.95
29th August, 2016	2015-16	29th September, 2023	1.20
28th August, 2017	2016-17	28th September, 2024	1.61
27th August, 2018	2017-18	27th September, 2025	1.30

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), Equity Shares of the Company in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred by the Company to IEPF Authority. Accordingly, the Company had during 2018-19, transferred 2,17,477 shares (physical) and 5,159 shares (held in demat) and ₹ 0.67 crore to IEPF in respect of dividend declared by the Company for 2010-11 and which had remained unclaimed for seven consecutive years from the date of transfer to unpaid dividend account. The Company has uploaded the details of such shareholders on its website www.voltas.com and website of IEPF Authority www.iepf.gov.in. The concerned shareholders may note that the shares so transferred to IEPF Account, including all benefits accruing on such shares, if any, can be claimed by them only from IEPF Authority by following the prescribed procedure. Mr. V. P. Malhotra, Company Secretary has been appointed as 'Nodal Officer' under the provisions of IEPF.

- **Remittance of Dividend through NACH / DCF**

Members holding shares in physical form, desirous of receiving dividend by direct electronic deposit through National Automated Clearing House (NACH)/Direct Credit Facility arrangements with the Banker, to their bank accounts may authorize the Company by giving details of their NACH mandate. For more details, kindly write to the Company's Registrar & Transfer Agent – TSR Darashaw Limited.

- **Bank details for Electronic Shareholding**

While opening Accounts with Depository Participants (DPs), you may have given your Bank Account details, which were used by the Company for ECS/printing on dividend warrants for remittance of dividend. However, remittance of dividend through ECS/NECS has been replaced by NACH. In order to facilitate the Company to remit the dividend amount through NACH, please furnish your new bank account number allotted to you by your bank to your DPs, along with photocopy of cheque pertaining to your bank account.

- **Bank details for Physical Shareholding**

In order to provide protection against fraudulent encashment of dividend warrants, the members are requested to provide, if not provided earlier, their Bank Account numbers, names and addresses of the Bank along with original cancel cheque leaf of the saving/current account in which the credit of dividend is desired, quoting Folio numbers to the Company's Registrar & Transfer Agent – TSR Darashaw Limited to incorporate the same on the dividend warrants.

- **Physical Transfer of Shares**

In accordance with the circular issued by SEBI, physical transfer of shares is not permitted with effect from 1st April, 2019. Therefore, requests for transferring physical shares in Form SH-4 will not be accepted by the Company and/or its Registrar and Share Transfer Agent, TSR Darashaw Limited. However, transmission and transposition of shares in physical form are permitted.

- **Dematerialisation of Shares**

Shares held in demat form helps the investors/shareholders to get immediate transfer of shares. No stamp duty is payable on transfer of shares held in demat form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries, loss of certificates in transit, get eliminated. Shareholders presently holding shares in physical form are therefore requested to convert their physical holding into demat holding.

- **Nomination facility**

Shareholders should register their nominations in Form SH-13 in case of physical shares with the Company's Registrar & Transfer Agent – TSR Darashaw Limited. In case of dematerialized shares, nomination should be registered by the shareholders

with their DP. Nomination would help the nominees to get the shares transmitted in their favour in a smooth manner without much documentation/legal requirements.

- **Receipt of Balance Sheet/other documents through Electronic mode**

As servicing of documents to shareholders, including Notice of Annual General Meeting, Balance Sheet, Statement of Profit and Loss, etc. is permitted through electronic mail, the Company will send the Annual Report and other documents in electronic form to those shareholders whose e-mail address are registered with the Company's Registrar & Transfer Agent – TSR Darashaw Limited or made available by the Depositories.

- **Exchange of new Share Certificates on sub-division of shares**

The Company had in September 2006, sub-divided its Equity Shares of ₹ 10 each into Equity Shares of ₹ 1 each. Upon sub-division, shares of ₹ 10 each stand cancelled and are not tradable in the market. Shareholders who have still not surrendered the share certificates of ₹ 10 each for exchange of new share certificates of ₹ 1 each should approach the Company's Registrar & Transfer Agent – TSR Darashaw Limited for the same.

- **Updation of PAN, Bank details and signatures**

In accordance with SEBI circular dated 20th April, 2018, the Company had sent letters/reminder letters to the shareholders requesting them to update their PAN, Bank details and signatures with the Company and/or the Company's Registrar & Transfer Agent – TSR Darashaw Limited. The shareholders who have not yet updated the same are requested to send the self-attested copies of PAN, bank details (with original cancelled cheque leaf) and also update their signatures.

DECLARATION BY THE MANAGING DIRECTOR ON COMPLIANCE WITH THE CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management personnel have as on 31st March, 2019 affirmed compliance of their respective Codes of Conduct adopted by the Company and confirmation to that effect has been given by each of them.

Pradeep Bakshi

Managing Director & CEO

Mumbai, 9th May, 2019

ANNEXURE

CERTIFICATE FROM PRACTICING COMPANY SECRETARIES

This certificate is issued pursuant to Clause 10(i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

This is to certify that on the basis of documents verified by us and explanations given to us by the Company, we hereby certify that none of the following directors on the Board of Voltas Limited ('the Company') have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any other Statutory Authority:

Sr. No.	Director Identification Number	Name of Director
1.	00024713	Mr. Noel N. Tata
2.	02940277	Mr. Pradeep Bakshi
3.	00590939	Mr. Anil George
4.	02731854	Mr. Nani Javeri
5.	00036827	Mr. Vinayak Deshpande
6.	01408349	Mr. Debendranath Sarangi
7.	00283980	Mr. Bahram. N. Vakil
8.	00207746	Ms. Anjali Bansal
9.	01922717	Mr. Hemant Bhargava
10.	00591057	Mr. Arun Kumar Adhikari

For **N L Bhatia & Associates**
UIN: P1996MH055800

N L Bhatia
(Managing Partner)

Place: Mumbai
Date: 6th May, 2019

FCS: 1176
CP. No. 422

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Voltas Limited

1. The Corporate Governance Report prepared by Voltas Limited (hereinafter the 'Company'), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2019 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
 7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - (i) Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - (ii) Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - (iii) Obtained and read the Register of Directors as on March 31, 2019 and verified that atleast one woman director was on the Board of Directors throughout the year;
 - (iv) Obtained and read the minutes of the following meetings held between April 1, 2018 to March 31, 2019:
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM);
 - (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Risk Management Committee
 - (v) Obtained necessary declarations from directors of the Company.
 - (vi) Obtained and read the policy adopted by the Company for related party transactions.
 - (vii) Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the audit committee meeting wherein such related party transactions have been pre-approved by the audit committee.
 - (viii) Performed necessary inquiries with the management and also obtained necessary specific representations from management.
 8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.
- Opinion**
9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 1 above.
- Other matters and Restriction on Use**
10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
 11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- For S R B C & COLL P**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003
- per Dolphy D'Souza
Partner
Membership Number: 38730
UDIN: 19038730AAAAAF1687
- Place: Mumbai
Date: May 09, 2019

Business Responsibility Report

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

INTRODUCTION

The Business Responsibility (BR) Policy of Voltas has been formulated envisaging the principles of Social, Environmental and Economic responsibility of business which are prescribed in the National Voluntary Guidelines (NVG) issued by the Ministry of Corporate Affairs. The guidelines encompass the 9 Principles and core elements for each of these Principles.

The Business Responsibility Report has been prepared by Voltas, in accordance with Regulation 34(2)(f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Report contains three primary pillars – Community, Environment and Business and outlines the Company's interventions against each of the 9 Principles mentioned in the National Voluntary Guidelines. This Report provides an overview of the activities carried out by Voltas under each of the 9 Principles.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company

L29308MH1954PLC009371

2. Name of the Company

Voltas Limited

3. Registered address

Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai 400 033

4. Website

www.voltas.com

5. E-mail id

pradnyashinde@voltas.com

6. Financial Year reported

2018-19

7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Sl. No.	Segments	NIC Code
1.	Unitary Cooling Products for Comfort and Commercial Use	28191 / 28192
2.	Electro - mechanical Projects and Services	43219 / 43229
3.	Engineering Products and Services (Textile Machinery, Mining & Construction Equipment)	33125 / 33127 46595 / 46599

8. List three key products/services that the Company manufactures/provides (as in balance sheet):

The Products and Services provided/manufactured by Voltas are enlisted below:

- Unitary Cooling Products for Comfort and Commercial Use- Room Air-conditioners, Air Coolers and Commercial Refrigeration Products.
- Electro-mechanical Projects and Services.
- Engineering Products and Services (Textile Machinery, Mining & Construction Equipment).

9. Total number of locations where business activity is undertaken by the Company

(i) Number of International Locations (Provide details of major 5)

Voltas has its presence at five International Locations: Oman, Kingdom of Saudi Arabia, Abu Dhabi, Qatar and Dubai.

(ii) Number of National Locations

The business activities of Voltas are carried out via the branch/territory/area offices located all across India. Voltas has its manufacturing units located at Thane, Dadra, Pantnagar and Waghodia.

10. Markets served by the Company – Local/State/National/International

Local / State / National / International

SECTION B: FINANCIAL DETAILS OF THE COMPANY (AS ON 31ST MARCH, 2019)

1. Paid up Capital (INR) financial details

₹ 33.08 crores

2. Total Turnover (INR) – Standalone

₹ 6,658 crores.

3. Total profit after taxes (INR) – Standalone

₹ 464 crores.

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

In-accordance with the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014 (as amended), Voltas has spent 2% of its average net profit of last 3 financial years for activities related to social welfare and improvement (Corporate Social Responsibility activities).

5. List of activities in which expenditure in 4 above has been incurred.

The philosophy of ‘Giving back to the Community’ governs Voltas’ engagement with the communities. Voltas has taken the approach of ‘Engage, Equip and Empower’ based on community needs. These concepts are knitted together with three focus areas, namely **Sustainable Livelihood, Community Development and Issues of National Importance.**

Voltas aims to move beyond business boundaries and reach out to the vulnerable section of the society, giving technical and non-technical skill training to underprivileged youth, ensure quality education, and also address National concerns like Natural calamities, Cleaner India (Sanitation) and Affirmative Action. The CSR activities are carried out under the following thematic areas:

- Vocational Skill Development Program
- Education
- Health
- Disaster Relief

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes, Voltas has 9 subsidiaries of which, 3 are located in India and 6 are situated overseas:

Subsidiaries (India):

1. Universal Comfort Products Limited (UCPL)
2. Rohini Industrial Electricals Limited (RIEL)
3. Auto Aircon (India) Limited (AAIL) - dormant company

Subsidiaries (Overseas):

1. Weathermaker Limited (Dubai, United Arab Emirates)
2. Saudi Ensas Company for Engineering Services W.L.L. (Jeddah, Kingdom of Saudi Arabia)
3. Voltas Oman L.L.C (Muscat, Sultanate of Oman)
4. Lalbuksh Voltas Engineering Services & Trading L.L.C. (Muscat, Sultanate of Oman)
5. Voltas Qatar W.L.L. (Doha, Qatar)
6. Voltas Netherlands B.V. (Amsterdam, The Netherlands)

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

No. The overseas subsidiary companies operate in different geographies/ business domains.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No, the other entities, currently do not participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) The Company’s CSR Committee is responsible for implementation of the BR policy/policies. The members of CSR Committee are as follows:

DIN	Name	Designation
00024713	Mr. Noel N. Tata	Chairman of the Board and CSR Committee
00283980	Mr. Bahram N. Vakil	Independent Director
02940277	Mr. Pradeep Bakshi	Managing Director & CEO
02731854	Mr. Nani Javeri	Independent Director

(b) Details of the BR head

Sl. No.	Particulars	Details
1.	DIN (if applicable)	N.A.
2.	Name	Ms. Pradnya Shinde
3.	Designation	Head Corporate Sustainability
4.	Telephone number	022 - 66656996
5.	E-mail id	pradnyashinde@voltas.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The 9 principles outlined in the National Voluntary Guidelines are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the wellbeing of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policy for ...?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	<p>Voltas has adopted the Tata Code of Conduct (TCOC) and Climate Change Policies developed by Tata Group. The development of these policies was done based on comprehensive deliberations and research on the globally followed best practices.</p> <p>There are policies for Sustainability, E-waste, CSR, Safety, and Respect for Gender which are formulated for Voltas. These policies encompass most of the BR Policy principles.</p>								
3.	Does the policy conform to any National / international standards? If yes, specify.	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	<p>The CSR Committee / Board of Directors of Voltas have approved the BR Policy and the policy has been signed by the Managing Director.</p>								
5.	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Refer table below								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	<p>The BR policy have been formally communicated to all internal stakeholders of Voltas.</p> <p>The communication of Tata Code of Conduct (TCOC) and other policies is extended to suppliers, vendors, dealers and channel partners based on their relevance to these external stakeholders.</p>								
8.	Does the Company have in-house structure to implement the policy/policies?	<p>There are in-house structures instituted in Voltas for the implementation of these policies.</p>								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	<p>There is a systematized mechanism in place for the employees to report any potential concern or any instance of violation of the TCOC, known as the Whistle Blower mechanism. It covers all aspects of BR. Also, to respond to the investor grievances, there is an investor grievance mechanism in place. Further, the customer complaints mechanism records the grievances of customers on product and service quality and other issues of interest to them.</p>								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	All policies applicable to Voltas are evaluated internally.								

Web-links of the Policies

NVG Principle	Web-link
Principle 1: Ethics, transparency & accountability	https://voltas.com/assets/img/sustainability/corp_gov/pdf/54264.pdf
Principle 2: Sustainability in life-cycle of product	https://voltas.com/assets/img/sustainability/corp_gov/pdf/54264.pdf
Principle 3: Employee well being	Intranet: Employee Self Service Portal ==> Policies Section https://voltas.com/assets/img/sustainability/corp_gov/pdf/86713.pdf
Principle 4: Stakeholder engagement	https://voltas.com/assets/img/sustainability/corp_gov/pdf/42890.pdf
Principle 5: Promotion of human rights	https://voltas.com/assets/img/sustainability/corp_gov/pdf/54264.pdf
Principle 6: Environmental protection	https://voltas.com/assets/img/sustainability/corp_gov/pdf/90603.pdf https://voltas.com/assets/img/sustainability/corp_gov/pdf/99574.pdf
Principle 7: Responsible public policy advocacy	https://voltas.com/assets/img/sustainability/corp_gov/pdf/54264.pdf
Principle 8: Inclusive growth	https://voltas.com/assets/img/sustainability/corp_gov/pdf/98741.pdf
Principle 9: Customer value	https://voltas.com/assets/img/sustainability/corp_gov/pdf/54264.pdf

2. Governance related to BR

- 1. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Board and the CSR Committee reviews BR performance of the Company annually.

- 2. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes. The BR Report of Voltas gets published annually. The first Sustainability Report of Voltas has been prepared and upon finalisation will get uploaded on the Company's website.

- 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

During FY 2018-19, 14 complaints were received under TCOC, of which 11 complaints were closed as on 31st March, 2019 and the balance 3 are being looked into. No complaints were received under the Whistle Blower Policy.

PRINCIPLE 2

- 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

The Company's Vision of 'Driving Value through Smart Engineering' seeks to continuously innovate to create energy efficient products by minimising wasteful energy consumption in their branded products. Voltas encourages the use of technology that purifies the air, lower energy costs, and purify polluted water and industrial/urban effluents.

Some of the products in which social and environmental concerns considered in the design are listed below:

- Air conditioners are now developed with R32 Refrigerant which has a low Global Warming Potential (GWP) - 675 and zero ozone depletion potential. R32 refrigerant is efficient and its use in inverter air conditioner has increased the efficiency.
- New CO₂ reduction filters and PM2.5 filters were introduced in the inverter model for reducing air pollution.
- Adjustable inverter air conditioner in 1.5-ton category for adjusting the cooling capacity and reducing electricity costs more than a normal inverter air conditioner.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1

- 1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Tata Code of Conduct (for employees and associates) governs the process of engagement with respect to the relationships and dealings - in business and otherwise at Voltas. Integrity, Responsibility, Pioneering, Excellence and Unity are the five core values, constituents of TCOC, and determine the execution of business activities at Voltas. This policy is followed at all branches, manufacturing units and other locations and overseen by Locational Ethics Counsellors. Tata Code of Conduct (TCOC) has also been adopted by wholly owned subsidiaries in India (UCPL and RIEL).

4. Vapour Absorption Machines contain environment friendly Refrigerant which use waste heat from the exhaust of DG sets and Gas engines to produce cooling. It uses negligible electric energy input and help reduce the carbon footprint.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(i) Reduction during sourcing / production/ distribution achieved since the previous year throughout the value chain?

(a) R-32 Refrigerant: This refrigerant gas is eco-friendly and more efficient as compared to the gas earlier used.

Refrigerant	Global Warming Potential	Ozone Depletion Potential
R 22	1810	Medium
R-410a	2088	Nil
R 32	675	Nil

(b) Air Purifier segment: A new product segment was introduced to the market to address the demand of clean and pure air, which works on electricity and does not create any harmful by-products. Since this is a new product, it is difficult to draw comparison based on previous year.

(c) Increase in the Inverter technology product: There has been an overall increase in the number of inverter products sourced and manufactured which is eco-friendlier and more energy efficient.

(d) In the 1.5 ton 3-star inverter air conditioner with fixed speed models, the outdoor unit chassis size was reduced by 10%. As a result, the sheet metal weight was reduced which helped to reduce the raw material cost.

(e) Also, in the 1.5 ton 5-star inverter air conditioner, the outdoor unit was changed to 22", which helped to reduce the raw material cost.

(ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

In 2018-19, 5 star inverter models were developed using 5.4 ISEER (Indian Seasonal Energy Efficient Ratio) which is more energy efficient.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

The Company has well-defined standard operating procedures for sourcing. Moreover, packaging of the product is done using 50 micron and reusable plastic ploy bags. There is no use of wooden pellets, and recyclable boxes are used.

The procedures of sourcing and selection of mode of transportation are majorly reliant on the factors pertaining to customer perspective; for example, the lead time, cost, quality and brand reputation, etc. The environmental effect on sourcing (selection of Vendors) or Transportation (Selection of mode of transport) become secondary aspects. However, owing to the change in the product technology, the Company is sourcing from suppliers which are capable to match the required standards prescribed under Energy Efficiency norms.

Most of the import transportation is done through sea-ways which is more economical and environment-sensitive option.

The Company intends to set up a new factory in South India, primarily to cater to western and southern markets. This would bring the source closer to the market and reduce the primary transportation Port/Plant to Warehouse. With the emergence of a fully integrated manufacturing facility in the South by 2020, a major shift of production will be made to in-house manufacturing and self-reliance allowing flexibility to cater to changing markets.

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Effective procurement of products and services plays a significant role in the success of Voltas. Voltas adheres to the principle of sustainability; this encompasses the measures for minimising the impact on the planet and taking care of the personnel involved in the operations in terms of safety, etc. Voltas also adheres to all applicable laws and regulations. The procurement of raw material and other requisites is done in a responsible manner, wherein use of natural resources is done judiciously.

Voltas has reduced usage of wooden packing and started using card boards for Packaged Air conditioners (PAC) and Ductable Split Units (DSU). Vendors are advised not to use plastics for packing. Further, in order to eliminate the use of wooden packing, reusable steel pallets were used for transportation of coils from Thane to Dadra.

Approximately 97% of imports was done through the sea. This means 25% (around 50000 units) contribution in volume of Commercial Refrigeration products procured + manufactured (approx. 2.6 lakhs units) in 2018-19; and 50% (around 0.7 million) volume contribution of Air Conditioners (Total volume of approx. 1.4 million) was imported.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

1. The Company procures sheet metal parts, plastic parts, gaskets, cooling coils, stainless steel tanks and water cooler panels, etc. from local vendors.
2. The OEMs for air conditioners are integrated in a backward manner to reduce the per unit transportation cost and increase the productivity.

Below mentioned are the activities conducted at the vendors premises to improve their capacity and capabilities:

1. Technical support given by factory team.
2. Regular visit to all local vendor's premises to review design and processes involved in manufacturing the components.
3. Introducing the use of special purpose machines and process automation to improve productivity and speed up the manufacturing process.
4. Procurement of components in bins and trolleys on daily basis to meet factory production requirement to save space and delivering material directly on-line.
5. Developing testing jigs and fixtures at vendor's premises to fasten the checking and approval process.
6. Conducting regular training, audit and evaluation of vendors.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)

Voltas has a detailed process with a well-defined mechanism to collect waste, including e-waste.

At the factories solid waste such as packing boxes, etc. is collected and handed over to the recyclers.

In case of the finished products, approximately 10% of the products were collected through service centres which were nearing end of life phase in FY 2018-19. Also, the defective/ replaced spare parts are collected through the Service Centres. All of these are recycled through authorised recyclers.

PRINCIPLE 3

1. Please indicate the Total number of employees

	Number of Employees on Company Rolls (As on 31st March, 2019)
Permanent & Contract (India & Overseas) incl. Employees on Third Party Rolls	5,458
Apprentices	67

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis

	Number of Employees
Contractual - India & Overseas	2,560

3. Please indicate the Number of permanent women employees

There are 172 permanent women employees including India and Overseas.

4. Please indicate the Number of permanent employees with disabilities

The Company strongly believes in the principle of no discrimination. Based on information made available to the Company, there are 2 permanent Employees with disabilities.

5. Do you have an employee association that is recognized by management?

Yes, there are Internal Federation/ Unions in India, recognized by the Management of Voltas.

6. What percentage of your permanent employees is members of this recognized employee association?

Total permanent manpower strength is 2,484 all over India and General Staff excluding Dadra (Union & Federation Members) are 327. As on 31st March, 2019, around 13.16% of permanent employees in India are members of aforesaid recognized employee association.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

During 2018-19, Voltas had not received any complaints relating to child labour, forced labour, involuntary labour and sexual harassment.

8. What percentage of your above-mentioned employees were given safety & skill up-gradation training in the last year?

A total of 2,27,093 (81.55%) employees (permanent and contract) participated for the Safety trainings in FY 2018-19.

[Repeated counting of the same employees due to multiple sessions attended by them]

A total of 37,090 hours' skill up-gradation training was imparted to the employees in FY 2018-19.

PRINCIPLE 4**1. Has the Company mapped its internal and external stakeholders? Yes/No**

Yes. Voltas has defined its internal and external stakeholders. Its internal stakeholders are largely its employees (permanent and contractual). In no order of preference, its external stakeholders are as follows:

- Shareholders and Lenders
- Government and Regulatory authorities
- Industry Associations
- Customers
- Suppliers
- NGOs
- Community
- Dealers and Distributors
- Contractors
- Media and Academic institutions

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, Voltas has identified children, youth and women from lower socio-economic background of the Society as disadvantaged, vulnerable and marginalized stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Voltas is committed to help the vulnerable and marginalized sections of the society by addressing their issues in a systematic way. There is a framework developed by the Company, under which initiatives for imparting Skill Development to youth and women, Quality education to children, provision of water and sanitation facilities, and agro-based income generation have been undertaken.

The Company works on Affirmative Action for SC/ST communities. Further, Voltas conducts Vocational Skill Development programs to provide quality education to the SC/ST communities. These programs help in developing their employable skills and work towards bridging the inter-generational income gap.

PRINCIPLE 5**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Currently, Voltas does not have any such policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Complaints, if any received from stakeholders under the TCOC are attended to and resolved by the Management and reported to the Board Audit Committee, on quarterly basis.

PRINCIPLE 6**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others**

The Safety-Health-Environment and Sustainability Policy extends to all, including the Suppliers, Contractors and NGOs working with the Company.

2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc. Y/N. If yes, please give hyperlink for webpage etc.

The Company is continuously introducing better and efficient products for minimizing the impact (directly and indirectly) on the planet, in terms of global warming and ozone depletion.

- In commercial refrigeration segment, R314a is used which is zero ozone depleting refrigerant.
- In air conditioner segment, R410a refrigerant (zero ozone depleting refrigerant) was replaced by R32 which has a much lesser GWP and is also a zero ozone depleting refrigerant.

The product details can be viewed at: www.myvoltas.com

3. Does the Company identify and assess potential environmental risks? Y/N

Yes. There is a comprehensive Safety-Health-Environment Policy in-place at Voltas. The environmental risk assessment material for Voltas eco-system are determined through this policy.

Further, in FY 2018-19, Voltas has institutionalised its Sustainability Policy and E-waste Policy.

4. Does the Company have any project related to Clean Development Mechanism? If Yes, whether any environmental compliance report is filed?

Though Voltas does not have any project related to clean development mechanism but is committed to create a better tomorrow through its active participation in the 'Green mission' as it shares global concerns of down gradation of environment. Voltas contributes to the global efforts of minimizing climate change, global warming and waste accumulation. The Company provides best-in-class technologies such as 'Green Buildings' and usage of efficient energy saving technologies for product manufacturing. Further, Voltas continuously innovates to make its products more energy efficient or develop new energy efficient products.

Through E-waste recycling policy, the Company has recycled 3200 tonnes of material through its authorized vendors. Voltas has received the EPR certificate for the same, acknowledging the process and the quantity of waste recycled.

The Company is also registered with the Ozone Cell of MoEF, for phasing out R22 and replacing it with R32 by the first quarter of 2020.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Voltas is actively engaged in the Green movement, with efforts and initiatives to implement smart and energy-efficient practices in their business activities. The Company has undertaken various initiatives on clean technology, energy efficiency and renewable energy, some of which can be seen in the webpage provided below. https://voltas.com/assets/img/sustainability/corp_gov/pdf/42497.pdf

A new product technology using an environmentally friendly gas (R32) has been implemented, which has lower ODP and GWP than the existing refrigerants. A new production line has been set up in the existing factory at Pantnagar for this refrigerant.

The products have been incorporated with a new technology, the adjustable inverters which helps reducing the energy consumption, thereby bringing about reduction in emissions. A patent has been applied for this technology.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The target for FY 2018-19 given by CPCB towards E-waste was 3269 units, whereas, the Company achieved 3247 units.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There are no pending show cause/legal notices received from CPCB/SPCB at the close of FY 2018-19.

PRINCIPLE 7

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

Voltas is a member of following associations:

- Refrigeration Air-conditioner Manufacturers Association (RAMA)
- BIS (Bureau of Indian Standards)
- ODS Committee formed by MoEF (Ministry of Environment and Forest)
- CEAMA (Consumer Electronics and Appliance Manufacturers Association)
- CII (Confederation of Indian Industry)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Voltas has participated in various forums like "INDIA-US task force for ODP and GWP substances" organized by MoEF for HCFC phase out and understanding next generation environment friendly refrigerants; in various initiatives of BIS for updating and formulating standards related to Refrigeration and Air Conditioning; with RAMA for providing inputs to BEE (Bureau of Energy Efficiency) in developing Energy Conservation Building Code (ECBC) 2017.

Voltas is also actively participating in HPMP – Hydrofluorocarbons Phase out Management Plan (by MoEF - Ozone Cell) program for doing research on new refrigerants which has lower Global Warming Potential (GWP) and zero ODP.

Voltas has started electronic recycling with CEAMA for addressing WEEE - Waste from Electric and Electronic Equipment.

PRINCIPLE 8

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

The engagement of Voltas with the communities is governed by the philosophy of 'Giving back to the community'. Voltas has through the years, stood for Corporate Sustainability, specially to address key development issues in the communities they operate. At Voltas the philosophy of Engage, Equip and Empower is followed which is knitted with the three focus areas: **Sustainable Livelihood, Community Development and Issues of National Importance** of building the capacities of youth and women to increase their employability, creating significant and sustained impact on the communities, serving the local and national goals as well as provide opportunities to Voltas employees to contribute their skills and time through volunteering.

Based on the above philosophy and focus areas, the CSR programs undertaken by Voltas Limited fall under the following heads:

- Vocational Skill Development Program
- Education
- Health
- Disaster Relief

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Voltas has adopted a model of undertaking the need-based projects with the help of NGOs/Partner organizations which have the required expertise, experience and capacity. These organizations are selected through a rigorous Due Diligence process. The Company has created proper monitoring indicators and appropriate review mechanisms.

There is an internal team which monitors the CSR programs of Voltas, it largely collaborates with numerous NGOs and other professional agencies for execution of projects on ground and also obtain community participation.

3. Have you done any impact assessment of your initiative?

Yes; Voltas conducts impact assessment for projects internally as well as through external agencies to understand whether the projects are delivering the intended benefits. The projects which have completed a tenure of 3 years are subject to impact assessment during FY 2019-20.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company's contribution in 2018-19 towards community development projects was ₹ 2.59 crores, on projects relating to Education, Water and Health across Mumbai, Thane, Dadra and Pantnagar.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Voltas undertakes various Community Development initiatives. These initiatives are participatory and inclusive in nature to ensure their sustainability and to get optimum results. Participation from the community is ensured from the initiation stage of the project. To ensure effectiveness of the project, joint reviews with various stakeholders are conducted (including local government and community members). There is a systematic plan developed, to hand over the projects to the community members by the CSR team once the duration is over.

PRINCIPLE 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

FY	2018-19	2017-18	2016-17	2015-16
% Complaints Pending	1.1%	1%	1.2%	1.5%

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The labels and packaging of all Voltas Products provide information required as per applicable laws and specifications on the product.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

No, there have been no such cases filed by any of the stakeholder against the Company.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Yes; 'Customer Engagement Survey' is a yearly activity conducted at Voltas. It is conducted through a third-party agency.

INDEPENDENT AUDITOR'S REPORT

To the Members of Voltas Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Voltas Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures comprising of the consolidated Balance Sheet as at March 31, 2019, the consolidated Statement of Profit and Loss including the Statement of Other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>Revenue recognition on long-term MEP contracts</p> <p>The Group's revenues include revenue from long-term Mechanical, Electrical and Plumbing (MEP) contracts which are recognized over a period of time in accordance with the requirements of Ind AS 115, 'Revenue from Contracts with Customers'.</p> <p>Due to the nature of the contracts, revenue is recognized based on percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgements including estimate of future costs, revision to original estimates based on new knowledge such as delay in timelines, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/ onerous obligations.</p>	<p>Our audit procedures included the following</p> <ul style="list-style-type: none"> • Reading the Group's revenue recognition accounting policies and assessing compliance of the policies with Ind AS 115. • We performed test of controls over revenue recognition through inspection of evidence of performance of these controls with specific focus on determination of progress of completion, recording of costs incurred, estimation of costs to complete and the remaining contract obligations.

Key audit matters

Accuracy of revenues and onerous obligations and profits may deviate significantly on account of change in judgements and estimates.

Considering the estimation involved in estimation of revenues, the same has been considered as key audit matter.

How our audit addressed the key audit matter

- We performed test of details, on a sample basis and evaluated management estimates and assumptions. We assessed management's estimates by comparing estimated cost with actual costs and discussion on the project specific considerations with the relevant project managers including on our project site visits. We assessed that, fluctuations in commodity and currency prices, delays and cost overruns related to the performance of work are properly taken into consideration while estimating costs to come and also assessed the accounting treatment of expected loss on projects including variable consideration which is recognised in accordance with the Group's accounting policy of revenue recognition.
- We examined contracts with low or negative margins, loss making contracts, contracts with significant changes in planned cost estimates and probable penalties due to delay in contract execution.
- We assessed that the contractual positions and revenue for the year are appropriately presented and disclosed in the consolidated Ind AS financial statements.

Recoverability of and Impairment Allowances of receivables and contract assets of international business operation

As at March 31, 2019, receivable and contract assets of international business operation comprise of ₹ 1,083.33 crores. Recoverability of certain receivables and contract assets are impacted due to several factors like the customer profile, delays in completion certification in certain projects due to long project tenure and project disputes and financial ability of the customers, etc.

The assessment of the impairment of such trade receivables and contract assets requires significant management judgement.

Our audit procedures included the following

- We evaluated the Group's processes and controls relating to the monitoring of trade receivables and review of credit risks of customers.
- We assessed the design and tested the operating effectiveness of relevant controls in relation to the process adopted by management for testing the impairment of these receivables and the contract assets.
- As a part of substantive audit procedures, we tested the ageing of trade receivable and contract assets. We examined the Group's assessment of the customer's financial circumstances and ability to repay the debt based on historical payment trends and the reason for delay in collection of trade receivables including any project disputes. Further, we assessed the expected credit loss impairment and the receipts and certification after year-end.
- We assessed the disclosures on the contract assets and trade receivables in Note 13 and Note 14A respectively and the related risks such as credit risk and liquidity risk in Note 48 of the consolidated Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

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

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

Those respective Board of Directors and Those charged with Governance of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS

financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 41 to the consolidated Ind AS financial statements;
 - (ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India during the year ended March 31, 2019.

For **SRBC & COLLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Dolphy D'Souza
Partner
Membership Number: 38730

Mumbai, May 09, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF VOLTAS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Voltas Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Voltas Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Dolphy D'Souza
Partner

Membership Number: 38730

Mumbai, May 09, 2019

Consolidated Balance Sheet

as at 31st March, 2019

	Note	As at 31-3-2019	₹ In Crores As at 31-3-2018
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	215.53	170.49
(b) Capital work-in-progress		15.66	4.08
(c) Investment property	5	46.27	44.71
(d) Goodwill	6	72.31	72.31
(e) Other intangible assets	6	8.93	9.64
(f) Investments in joint ventures and associates	7A	210.22	155.84
(g) Financial assets			
(i) Investments	7B	939.95	2,110.11
(ii) Trade receivables	14B	29.84	-
(iii) Loans	8	0.31	0.50
(iv) Other financial assets	9	74.11	34.92
(h) Income tax assets (net)		56.68	3.34
(i) Deferred tax assets (net)	10	105.89	17.84
(j) Other non-current assets	11	99.11	88.33
Total non-current assets		1,874.81	2,712.11
Current assets			
(a) Inventories	12	1,090.66	812.99
(b) Contract assets	13	785.00	-
(c) Financial assets			
(i) Investments	7	1,235.69	487.64
(ii) Trade receivables	14A	1,803.17	1,570.28
(iii) Cash and cash equivalents	15	310.99	257.93
(iv) Other balances with banks	16	10.12	25.76
(v) Loans	17	11.33	4.32
(vi) Other financial assets	18	85.81	82.09
(d) Other current assets	19	314.40	1,356.53
Total current assets		5,647.17	4,597.54
TOTAL ASSETS		7,521.98	7,309.65
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	20	33.08	33.08
(b) Other equity	21	4,076.91	3,872.13
Equity attributable to owners of the Company		4,109.99	3,905.21
Non-controlling interests		34.75	31.74
Total equity		4,144.74	3,936.95
Liabilities			
Non-current liabilities			
(a) Contract liabilities	22	0.70	-
(b) Provisions	23	84.66	87.32
(c) Deferred tax liabilities (net)	10	6.59	13.24
(d) Other non-current liabilities	24	-	0.97
Total non-current liabilities		91.95	101.53
Current liabilities			
(a) Contract liabilities	25	331.49	-
(b) Financial liabilities			
(i) Borrowings	26	314.65	142.29
(ii) Trade payables			
- Total outstanding dues of micro and small enterprises	27	49.45	22.28
- Total outstanding dues of creditors other than micro and small enterprises	27	2,325.04	2,154.13
(iii) Other financial liabilities	28	84.47	84.65
(c) Provisions	29	129.89	185.54
(d) Income tax liabilities (net)		11.76	9.53
(e) Other current liabilities	30	38.54	672.75
Total current liabilities		3,285.29	3,271.17
TOTAL LIABILITIES		3,377.24	3,372.70
TOTAL EQUITY AND LIABILITIES		7,521.98	7,309.65

The accompanying notes are forming part of the financial statements.

As per our report of even date

 For **S R B C & CO LLP**
 Chartered Accountants
 ICAI Firm Registration Number:
324982E/E300003

 per **Dolphy D'Souza**
 Partner
 Membership Number: 38730

 Chairman
 Managing Director & CEO
 Deputy Managing Director

Executive Vice President - Finance & CFO

 Vice President - Taxation, Legal &
 Company Secretary

For and on behalf of the Board

Noel N.Tata
Pradeep Bakshi
Anil George

Abhijit Gajendragadkar

V. P. Malhotra

 Directors **Vinayak Deshpande**
D. Sarangi
Bahram N. Vakil
Hemant Bhargava
Arun Kumar Adhikari

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

	Note	Year ended 31-3-2019	Year ended 31-3-2018
₹ In Crores			
I Revenue from operations	31	7,124.07	6,427.87
II Other income	32	186.25	174.13
III Total income (I + II)		7,310.32	6,602.00
IV Expenses			
(a) Consumption of materials, cost of jobs and services		3,556.79	2,820.22
(b) Purchases of stock-in-trade		1,984.99	1,641.89
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	(279.55)	105.41
(d) Excise duty on sale of goods		-	23.49
(e) Employee benefits expenses	34	641.86	586.73
(f) Finance costs	35	32.98	11.92
(g) Depreciation and amortisation expenses	36	23.98	24.35
(h) Other expenses	37	608.27	587.49
Total Expenses (IV)		6,569.32	5,801.50
V Profit before share of profit / (loss) of joint ventures and associates, exceptional items and tax (III - IV)		741.00	800.50
VI Share of profit / (loss) of joint ventures and associates		(51.82)	3.80
VII Profit before exceptional items and tax (V + VI)		689.18	804.30
VIII Exceptional Items	38	(11.77)	0.61
IX Profit before tax (VII + VIII)		677.41	804.91
Tax Expense			
(a) Current tax		223.48	221.24
(b) Adjustment of tax relating to earlier periods		(3.52)	(4.01)
(c) Deferred tax	10	(56.43)	9.78
X Total tax expense	39	163.53	227.01
XI Net Profit for the year (IX - X)		513.88	577.90
Other Comprehensive Income			
(a) Items that are not to be reclassified to profit or loss			
(i) Changes in fair value of equity instruments through other comprehensive income		(33.07)	152.95
(ii) Remeasurement gain / (loss) on defined benefit plans		(0.01)	6.19
(iii) Income tax relating to these items	10	(2.46)	(1.67)
(b) Items that are to be reclassified to profit or loss			
Exchange difference on translation of foreign operations		11.26	5.98
XII Other Comprehensive Income [net of tax]		(24.28)	163.45
XIII Total Comprehensive Income [net of tax] (XI + XII)		489.60	741.35
Profit / (loss) for the year attributable to :			
- Owners of the Company		507.91	572.40
- Non-controlling interests		5.97	5.50
		513.88	577.90
Other Comprehensive income for the year attributable to :			
- Owners of the Company		(26.38)	163.11
- Non-controlling interests		2.10	0.34
		(24.28)	163.45
Total Comprehensive Income for the year attributable to :			
- Owners of the Company		481.53	735.51
- Non-controlling interests		8.07	5.84
		489.60	741.35
XIV Earnings per share:			
Basic and Diluted (₹) (Face value ₹ 1/- per share)	40	15.35	17.30

The accompanying notes are forming part of the financial statements.

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number:
324982E/E300003

per **Dolphy D'Souza**
Partner
Membership Number: 38730

Chairman
Managing Director & CEO
Deputy Managing Director

Executive Vice President - Finance & CFO

Vice President - Taxation, Legal &
Company Secretary

For and on behalf of the Board

Noel N. Tata
Pradeep Bakshi
Anil George

Abhijit Gajendragadkar

V. P. Malhotra

Directors **Vinayak Deshpande**
D. Sarangi
Bahram N. Vakil
Hemant Bhargava
Arun Kumar Adhikari

Mumbai, 9th May, 2019

Mumbai, 9th May, 2019

Consolidated Statement of changes in Equity for the year ended 31st March, 2019

A. EQUITY SHARE CAPITAL

	₹ In Crores
Balance as at 31st March, 2017	33.08
Changes in equity share capital	*
Balance as at 31st March, 2018	33.08
Changes in equity share capital	*
Balance as at 31st March, 2019	33.08

B. OTHER EQUITY

	Reserves and Surplus (refer note 21)							Items of Other Comprehensive Income (refer note 21)	Total attributable to owners of the Company	Non-controlling interests	Total other equity		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Capital Reserve on Consolidation	General Reserve	Staff Welfare Reserve	Legal Reserve					Retained Earnings	Equity instruments through other comprehensive income
Balance as at 31st March, 2017	1.56	1.26	6.27	12.69	1,292.79	0.01	2.92	1,543.95	407.31	4.78	3,273.54	28.52	3,302.06
Profit for the year	-	-	-	-	-	-	-	572.40	-	-	572.40	5.50	577.90
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	4.08	153.39	5.64	5.64	163.11	0.34	163.45
Total comprehensive income for the year	-	-	-	-	-	-	576.48	153.39	5.64	5.64	735.51	5.84	741.35
Payment of dividends	-	-	-	-	-	-	(115.81)	-	-	-	(115.81)	-	(115.81)
Dividend distribution tax	-	-	-	-	-	-	(23.58)	-	-	-	(23.58)	-	(23.58)
Transfer from Legal Reserve	-	-	-	-	-	-	0.32	-	-	-	-	-	-
Dividend paid by subsidiary to minority	-	-	-	-	-	-	(57.25)	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	1.27	-	-	0.34	2.47	(1.27)	1.20
Others	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium on calls-in-arrears received	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	1.56	1.26	6.27	12.69	1,350.90	0.01	2.60	1,925.38	560.70	10.76	3,872.13	31.74	3,903.87
Profit for the year	-	-	-	-	-	-	-	507.91	-	-	507.91	5.97	513.88
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	(0.04)	(35.50)	9.16	9.16	(26.38)	2.10	(24.28)
Total comprehensive income for the year	-	-	-	-	-	-	507.87	(35.50)	9.16	9.16	481.53	8.07	489.60
Payment of dividend	-	-	-	-	-	-	(132.35)	-	-	-	(132.35)	-	(132.35)
Dividend distribution tax	-	-	-	-	-	-	(22.79)	-	-	-	(22.79)	-	(22.79)
Transfer from Retained Earnings	-	-	-	-	-	-	0.08	(0.08)	-	-	-	-	-
Dividend paid by subsidiary to minority	-	-	-	-	-	-	(27.25)	-	-	-	-	(2.52)	(2.52)
Transfer to General Reserve	-	-	-	-	-	-	27.25	-	-	-	-	-	-
Transition impact of Ind AS 115 (net of tax)	-	-	-	-	-	-	(121.61)	-	-	-	(121.61)	(2.54)	(124.15)
Premium on calls-in-arrears received	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	1.56	1.26	6.27	12.69	1,378.15	0.01	2.68	2,129.17	525.20	19.92	4,076.91	34.75	4,111.66

* value below ₹ 50,000/-

The accompanying notes are forming part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number:
324982E/E300003

per Dolphy D'Souza
Partner
Membership Number: 38730

Mumbai, 9th May, 2019

For and on behalf of the Board

Chairman
Managing Director & CEO
Deputy Managing Director

Executive Vice President - Finance & CFO

Vice President - Taxation, Legal & Company Secretary

Noel N. Tata
Pradeep Bakshi
Anil George

Abhijit Gajendragadkar

V. P. Malhotra

Directors

Vinayak Deshpande

D. Sarangi

Bahram N. Vakil

Hemant Bhargava

Arun Kumar Adhikari

Mumbai, 9th May, 2019

Consolidated Cash Flow Statement

for the year ended 31st March, 2019

	2018-19		2017-18
	₹ In Crores	₹ In Crores	₹ In Crores
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		677.41	804.91
Adjustments for :			
Share of (profit) / loss of joint ventures and associates	51.82		(3.80)
Depreciation and amortisation expenses	23.98		24.35
Allowance for doubtful debts and advances	(1.25)		(40.85)
Unrealised foreign exchange (gain) / loss (net)	(9.78)		10.93
Interest income	(20.84)		(12.20)
Dividend income	(12.52)		(12.59)
(Gain) / loss arising on financial assets measured at Fair Value through Profit or Loss (FVTPL) (net)	(96.17)		(104.85)
Finance costs	32.98		11.92
Liabilities/provisions/allowances no longer required written back	(10.69)		(20.28)
(Gain) / loss on disposal of property, plant and equipment	0.52		0.04
Rental income	(39.17)		(37.16)
Impairment of investments	(1.32)		1.39
		(82.44)	(183.10)
Operating profit before working capital changes		594.97	621.81
Changes in Working Capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories	(277.67)		94.04
Trade receivables	(366.63)		(93.76)
Other financial assets	(43.51)		(6.96)
Other non-financial assets and contract assets	183.46		(348.47)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables	219.33		191.78
Other financial liabilities	0.71		31.06
Other non-financial liabilities and contract liabilities	(302.97)		74.45
Provisions	(58.31)		10.58
		(645.59)	(47.28)
Cash generated from operations		(50.62)	574.53
Income tax paid (Net of refunds)		(270.80)	(249.23)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(321.42)	325.30
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets (including capital advances and capital work-in-progress)	(81.77)		(34.61)
Proceeds from disposal of property, plant and equipment	1.33		1.52
(Increase)/decrease in other bank balances (net)	17.61		(7.06)
Purchase of investments	(812.24)		(1,173.76)
Proceeds from sale of investments	1,190.78		961.08
Interest received	14.72		10.74
Dividend received:			
– joint ventures and associates	16.13		-
– others	10.28		5.14
Rent received	38.81		37.33
Rental deposits (repaid) / received	(2.92)		0.43
NET CASH FLOW FROM / (USED) IN INVESTING ACTIVITIES (B)		392.73	(199.19)

	2018-19		2017-18
	₹ In Crores	₹ In Crores	₹ In Crores
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity instruments of the Company (Calls-in-Arrears)	*		*
Securities Premium (Calls-in-Arrears)	*		*
Net increase / (decrease) in working capital borrowings	172.36		(28.66)
Interest paid	(32.94)		(12.01)
Dividends paid including taxes thereon	(157.67)		(140.73)
NET CASH FLOW FROM / (USED) IN FINANCING ACTIVITIES (C)		(18.25)	(181.39)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		53.06	(55.28)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		257.93	313.21
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		310.99	257.93
Non-cash investing and financing transactions			
Net gain arising on financial assets measured at FVTPL		63.12	76.12
Impairment / (reversal of impairment) of Investment (net)		(1.32)	1.39
		61.80	77.51
Cash and cash equivalents at the end of the year consist of:			
Cash and cash equivalents at the end of the year		310.99	257.93
(Refer Note: 15 Cash and cash equivalents)			
Effect of exchange difference on restatement of foreign currency Cash and cash equivalents		(0.01)	*
		310.98	257.93

* value below ₹ 50,000/-

As per our report of even date

For **S R B C & CO LLP**
 Chartered Accountants
 ICAI Firm Registration Number:
 324982E/E300003

per Dolphy D'Souza
 Partner
 Membership Number: 38730

Mumbai, 9th May, 2019

For and on behalf of the Board

Chairman
Managing Director & CEO
Deputy Managing Director

Executive Vice President - Finance & CFO

Vice President - Taxation, Legal &
Company Secretary

Noel N.Tata
Pradeep Bakshi
Anil George

Abhijit Gajendragadkar

V. P. Malhotra

Directors

Vinayak Deshpande
D. Sarangi
Bahram N. Vakil
Hemant Bhargava
Arun Kumar Adhikari

Mumbai, 9th May, 2019

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2019

1. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Voltas Limited ('the Company') and its subsidiaries (collectively, 'the Group') for the year ended 31 March, 2019. Voltas Limited is a public limited company domiciled in India. The address of its registered office is Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai 400033.

The Group belongs to the Tata Group of companies and was established in the year 1954. The Group is engaged in the field of air conditioning, refrigeration, in the business of electro- mechanical projects as an EPC contractor both in domestic and international geographies (Middle East and Singapore) and also in the business of engineering product services for mining, water management and treatment, construction equipment's and textile industry.

The consolidated financial statements for the year ended 31st March, 2019 were approved by the Board of Directors and authorised for issue on 9th May, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The accounting policies adopted for preparation and presentation of financial statements have been consistently applied except for the changes in accounting policy for amendment to the standards that were issued by MCA, effective for annual period beginning from on or after 1st April 2018.

(B) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and 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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in Note 3A.

(C) BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company and its subsidiaries as at 31st March, 2019.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the equity holder of the parent of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(D) INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but does not have control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the

entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in its statement of profit and loss.

(E) BUSINESS COMBINATION AND GOODWILL

Business combinations are accounted for using the acquisition method. Acquisition related cost are recognised in statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair value of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(F) REVENUE

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services mentioned below, as it typically controls the goods or services before transferring them to the customer.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, which generally coincides with transfer of goods to the transporter. The normal credit term is 7 to 30 days.

The Group provides preventive maintenance services on its certain products at the time of sale. These maintenance services are sold together with the sale of product. Contracts for such sales of product and preventive maintenance services comprise two performance obligations because the promises to transfer the product and to provide the preventive maintenance services are capable of being distinct. Accordingly, a portion of the transaction price is allocated to the preventive maintenance services and recognised as a contract liability. Revenue is recognised over the period in which the preventive maintenance service is provided based on the time elapsed.

Warranty obligation

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section (N) Provisions.

Revenue from Services

Revenue from services are recognised at the point in time when the services are rendered. Revenue from maintenance contracts are recognised over the period of contract on time elapsed.

In case of mining equipment's long-term maintenance contracts, revenue is recognised over the period of time based on input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation.

Agency Commission

The Group procures textile machinery on behalf of its customers. Accordingly in these arrangements the Company is acting as an agent and records the revenue on net basis that it retains for its agency services.

Revenue from Construction contract

Performance obligation in case of revenue from long - term construction contracts is satisfied over the period of time, since the Group creates an asset that the customer controls as the asset is created and the Group has an enforceable right to payment for performance completed to date if it meets the agreed specifications. Revenue from long term construction contracts, where the outcome can be estimated reliably and 20% of the project cost is incurred, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities". Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract.

In case of long - term construction contracts payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short-term advances are received before the performance obligation is satisfied.

Dividend and Interest income

Dividend income is recognised when the right to receive payment is established. Interest income is recognised using the effective interest method.

The Group has applied Ind AS 115 using the modified retrospective method w.e.f. 1st April, 2018 and therefore the comparative information has not been restated and continue to be reported under Ind AS 18 and Ind AS 11 as follows:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for trade discounts, rebates and other similar allowances. Revenue includes excise duty however excludes GST, sales tax, value added tax, works contract and any other indirect taxes or amounts collected on behalf of the Government.

Sale of goods

Revenue from sale of goods is recognised when the Group transfers all significant risks and rewards of ownership to the buyer while the Group retains neither continuing managerial involvement nor effective control over the goods sold.

Revenue from construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

The outcome of a construction contract is considered as estimated reliably when the stage of completion of the project reaches a reasonable level of completion i.e. the expenditure incurred on construction costs is at least 20 % of the construction costs and it is reasonably expected that the counterparty will comply with the payment terms in the agreements.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work.

Amounts received before the related work is performed are included in the Balance Sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the Balance Sheet under trade receivables.

Revenue from services

Service revenue is recognised on rendering of services. Revenue from maintenance contracts are recognised pro-rata over the period of the contract.

In case of mining equipment's long-term maintenance contracts, the revenue from such contracts is recognised in proportion to the costs actually incurred during the year in terms of the total estimated costs for such contracts, as repairs and maintenance of such machineries depend on its utilisation and wear and tear which varies from year to year.

(G) CONTRACT BALANCES**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (R) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

(H) FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(I) EMPLOYEE BENEFITS

(a) Retirement benefits costs and termination benefits:

(i) Defined Contribution Plans

Payments to defined benefit contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Group operates following defined contribution plans:

- (a) **Superannuation Fund:** Contribution to Superannuation Fund, a defined contribution scheme, is made at pre-determined rates to the Superannuation Fund Trust and is charged to the Statement of profit and loss. There are no other obligations other than the contribution payable to the Superannuation Fund Trust.
- (b) **Provident and Pension Fund:** Retirement benefit in the form of provident fund is a defined contribution scheme in respect of employees of Indian subsidiary companies. The Indian subsidiary companies has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(ii) Defined Benefit Plans

The Group's liabilities towards gratuity, pension and post-retirement medical benefit schemes are determined using the projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period.

Provident and Pension Fund: The eligible employees of the Company are entitled to receive benefits under provident fund schemes which are in substance, defined benefit plans, 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 are paid to the provident funds and pension fund set up as irrevocable trusts by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return is recognised as an expense in the year incurred.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Group represents the first two components of defined benefit costs in the statement of profit and loss in the line item "Employee Benefits Expenses". Curtailment gains and losses are accounted for as past service costs.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Groups defined benefit plans.

(b) Short term and other long term employee benefits

Benefits accruing to employees in respect of wages, salaries and compensated absences and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employee performs the service that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit expected to be paid in exchange of related service. Where the availment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method at the present value of the estimated future cash flow expected to be made by the Group in respect of services provided by employees up to the reporting date. The Group presents the leave as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(J) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable taxes and any directly attributable cost of bringing an asset to working condition and location for its intended use.

Projects under which the property, plant and equipment is not yet ready for their intended use are carried as capital work-in-progress at cost determined as aforesaid.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the depreciable amount of assets (other than free hold land and assets under construction) over the useful lives using the Straight-Line Method. The estimated useful lives are as follows:

Assets	Useful life
Factory Building	30 years
Residential Building	60 years
Plant and Equipment	8-15 years
Office and EDP Equipment	3-15 years
Furniture and fixtures	10 years
Vehicles	8 years

The useful life as estimated above is aligned to the prescribed useful life specified under Schedule II of the Companies Act, 2013.

Depreciation on the property, plant and equipment of the Group's foreign subsidiaries has been provided on Straight Line Method as per the estimated useful life of such assets as follows:

Assets	Useful life
Building	6-10 years
Plant and Equipment	3-10 years
Office and EDP Equipment	3 to 6 years
Furniture and fixtures	3 to 7 years
Vehicles	3 to 5 years
Porta Cabins	1 to 10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(K) INVESTMENT PROPERTY

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The estimated useful lives are as follows:

Assets	Useful life
Residential Building	60 years

The useful life as estimated above is aligned to the prescribed useful life specified under Schedule II of the Companies Act, 2013.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss in the period in which the property is derecognised.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

(L) INTANGIBLE ASSETS

Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortisation and accumulated impairment, if any.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful life of intangible assets are as follows:

- Manufacturing Rights and Technical Know-how : 6 years
- Software : 5 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(M) FOREIGN CURRENCY

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

In preparing the financial statements of each individual group entity, income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss. Non-monetary items denominated in a foreign currency are measured at historical cost and translated at exchange rate prevalent at the date of transaction.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non- controlling interests as appropriate).

On disposal of a foreign operation, the associated exchange differences are reclassified to Statement of Profit and Loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

(N) LEASES

Group as a lessee

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a

specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Operating lease payments are recognised as expenditure in the Statement of Profit and Loss on a straight-line basis, unless another basis is more representative of the time pattern of benefits received from the use of the assets taken on lease or the payments of lease rentals are in line with the expected general inflation compensating the lessor for expected inflationary cost. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(O) INVENTORIES

Inventories including Work-in-Progress are valued at cost or net realisable value, whichever is lower, cost being worked out on weighted average basis. Cost includes all charges for bringing the goods to their present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(P) TAXES ON INCOME

Current Income Tax

Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the tax are those that are enacted at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

(Q) PROVISIONS AND CONTINGENCIES

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of past event, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranties (Trade Guarantees)

The estimated liability for product warranties is recorded when products are sold / project is completed. 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 claims arise being typically upto five years.

Contingencies

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Environment Liabilities

E-Waste (Management) Rules, 2016, as amended, requires the group to complete the Extended Producer Responsibility targets measured based on sales made in the preceding 10th year, if it is a participant in the market during a financial year. Accordingly, the obligation event for e-waste obligation arises only if the Group participate in the markets in those years.

(R) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

- **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Subsequent measurement**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

- **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of profit and loss. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade receivables, loans and other financial assets.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flow represents SPPI.

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss.

- **Financial assets at fair value through profit and loss (FVTPL)**

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- **Equity Instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, other than investment in Subsidiaries, Associates and Joint Ventures, the Group makes an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- **Derecognition**

The Group derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

Financial liabilities

- **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through the statement of profit and loss**

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of

a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

- **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

- **Offsetting of financial instrument**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(S) IMPAIRMENT

(a) Financial assets

The Group assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Group's past history of recovery, credit worthiness of the counter party and existing market conditions.

For all financial assets other than trade receivables and contract assets, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables and contract assets, the Group has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables.

(b) Non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

For contract assets, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the contract assets.

(T) CASH & CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(U) EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

(V) SEGMENT REPORTING

Segments are identified based on the manner in which the chief operating decision-maker (CODM) decides about the resource allocation and reviews performance.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets/liabilities".

(W) OPERATING CYCLE

A portion of the Group's activities (primarily long-term project activities) has an operating cycle that exceeds one year. Accordingly, assets and liabilities related to these long-term contracts, which will not be realised/paid within one year, have been classified as current. For all other activities, the operating cycle is twelve months.

3A. SIGNIFICANT ACCOUNTING, JUDGEMENTS ESTIMATES AND ASSUMPTIONS

In the application of the Group's accounting policies, which are described in Note 2, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

Cost to complete

The Group's Management estimates the costs to complete for each project for the purpose of revenue recognition and recognition of anticipated losses on projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. This process requires monitoring controls including financial and operational controls and identifying major risks facing the Group and developing and implementing initiatives to manage those risks. The Group's Management is confident that the costs to complete the project are fairly estimated.

Percentage of completion

Management's estimate of the percentage of completion on each project for the purpose of revenue recognition is through conducting some weight analysis to assess the actual quantity of the work for each activity performed during the reporting period and estimate any

future costs for comparison against the initial project budget. This process requires monitoring of financial and operational controls. Management is of the opinion that the percentage of completion of the projects is fairly estimated.

As required by Ind AS 115 in applying the percentage of completion on its long-term projects, the Group is required to recognize any anticipated losses on its contracts. In light of the above, Management is of the opinion that based on the current facts, future losses on contract has been adequately provided for.

Impairment of financial assets and contract assets

The Group's Management reviews periodically items classified as receivables to assess whether a provision for impairment should be recorded in the Statement of profit and loss. Management estimates the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgement and uncertainty. Details of impairment provision on trade receivable and contract assets are given in Note 13 and Note 14.

The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Fair value measurement of financial instruments

Some of the Group's assets are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about valuation techniques and inputs used in determining the fair value of various assets is disclosed in Note 47.

Litigations

From time to time, the Group is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each Balance Sheet date and revisions made for the changes in facts and circumstances. Provision for litigations and contingent liabilities are disclosed in Note 41 (c).

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. All assumptions are reviewed at each Balance Sheet date and disclosed in Note 42.

Useful lives of property, plant and equipment and intangible assets

The Group has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Warranty provisions (trade guarantees)

The Group gives warranties for its products, undertaking to repair or replace the product that fail to perform satisfactorily during the warranty period. Provision made at the year-end represents the amount of expected cost of meeting such obligations of rectification / replacement which is based on the historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims. Factors that could impact the estimated claim information include the success of the Group's productivity and quality initiatives. Provision towards warranty is disclosed in Note 29.

Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which the goodwill is allocated. The value in use calculations requires the directors to estimate the future cash flows expected to arise from the cash generating unit and suitable discount rate in order to calculate the present value. Where the actual future cash flows expected to arise are less than expected a material impairment loss may arise.

3B. CHANGE IN ACCOUNTING POLICY

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1st April, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at 1st April, 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

The effect of adopting Ind AS 115 as at 1st April, 2018 was as follows;

- (1) 'Amount due from Customers under construction contracts' classified as other current assets as at 31st March, 2018 has been classified as 'Contract Assets'.
- (2) 'Advances received from customers', 'Unexpired service contracts', 'Amount due to customers under construction contracts' classified as other current/non-current liability as at 31st March, 2018 has been classified as 'Contract Liabilities'.
- (3) Impairment losses of ₹ 165.52 crores (₹ 124.15 crores net of tax) recognized on contract assets outstanding as of 1st April, 2018 based on Expected Credit Loss (ECL) Model.
- (4) The cumulative effect of applying Ind AS 115 of ₹ 124.15 crores (net of tax) recognised as an adjustment to the opening balance of retained earnings.

Further, the application of Ind AS 115 did not have any significant impact on the consolidated financial statements and EPS for the year ended 31st March, 2019.

3C. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Ind AS 116- Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from accounting under Ind AS 17. Ind AS 116 requires lessees and lessors

to make more extensive disclosures than under Ind AS 17. As the Group does not have any material leases, therefore the adoption of this standard is not likely to have a material impact on its financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in statement of profit and loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements.

Ind AS 109- Financial Instruments (amendments relating to prepayment features with negative compensation)

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Employee Benefits (amendments relating to plan amendment, curtailment or settlement)

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23- Borrowing Cost

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect this amendment to have any significant impact on its financial statements.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group does not currently have any such long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Group will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

4. PROPERTY, PLANT AND EQUIPMENT (OWNED, UNLESS OTHERWISE STATED)

₹ in Crores

	Freehold Land	Buildings	Plant and Equipments	Office and EDP Equipments	Furniture and Fixtures	Vehicles	Transferred to Investment property	Total Property, Plant and Equipment
Gross carrying amount								
As at 31st March, 2017	28.77	165.04	153.23	64.29	28.97	18.11	(56.14)	402.27
Additions	-	0.91	4.99	11.14	1.48	0.36	-	18.88
Disposals	-	0.19	8.14	2.06	2.49	0.64	-	13.52
Transfers in / (out)	-	-	(0.03)	(0.07)	0.05	-	-	(0.05)
Exchange differences on consolidation	-	0.01	0.02	0.01	-	0.01	-	0.05
As at 31st March, 2018	28.77	165.77	150.07	73.31	28.01	17.84	(56.14)	407.63
Accumulated depreciation								
As at 31st March, 2017	-	41.58	117.81	45.81	19.51	15.29	(10.48)	229.52
Charge for the year	-	4.12	6.17	6.89	1.89	1.47	(0.95)	19.59
Disposals	-	0.18	7.13	1.85	2.28	0.52	-	11.96
Transfers in / (out)	-	-	(0.01)	(0.08)	0.04	-	-	(0.05)
Exchange differences on consolidation	-	-	0.02	(0.05)	0.06	0.01	-	0.04
As at 31st March, 2018	-	45.52	116.86	50.72	19.22	16.25	(11.43)	237.14
Net carrying amount as at 31st March, 2018	28.77	120.25	33.21	22.59	8.79	1.59	(44.71)	170.49
Gross carrying amount								
As at 31st March, 2018	28.77	165.77	150.07	73.31	28.01	17.84	(56.14)	407.63
Additions	0.74	28.53	23.78	11.89	2.15	1.11	(1.30)	66.90
Disposals	-	1.07	5.75	12.90	1.32	2.45	-	23.49
Transfers in / (out)	-	-	-	-	-	-	(1.33)	(1.33)
Exchange differences on consolidation	-	0.41	1.71	0.44	0.12	0.86	-	3.54
As at 31st March, 2019	29.51	193.64	169.81	72.74	28.96	17.36	(58.77)	453.25
Accumulated depreciation								
As at 31st March, 2018	-	45.52	116.86	50.72	19.22	16.25	(11.43)	237.14
Charge for the year	-	4.16	5.86	7.46	1.75	0.88	(0.88)	19.23
Disposals	-	0.90	5.39	12.04	1.13	2.21	-	21.67
Transfers in / (out)	-	-	-	-	-	-	(0.19)	(0.19)
Exchange differences on consolidation	-	0.27	1.64	0.37	0.11	0.82	-	3.21
As at 31st March, 2019	-	49.05	118.97	46.51	19.95	15.74	(12.50)	237.72
Net carrying amount as at 31st March, 2018	28.77	120.25	33.21	22.59	8.79	1.59	(44.71)	170.49
Net carrying amount as at 31st March, 2019	29.51	144.59	50.84	26.23	9.01	1.62	(46.27)	215.53

Footnote :

Buildings includes ₹ 0.0015 crore (31-3-2018: ₹ 0.0015 crore) being cost of shares and bonds in Co-operative Housing Societies.

5. INVESTMENT PROPERTY

	₹ in Crores		
	Freehold Land	Buildings	Total
Gross carrying amount			
As at 31st March, 2017	0.14	56.00	56.14
Transfers in / (out)	-	-	-
As at 31st March, 2018	0.14	56.00	56.14
Accumulated depreciation			
As at 31st March, 2017	-	10.48	10.48
Charge for the year	-	0.95	0.95
Transfers in / (out)	-	-	-
As at 31st March, 2018	-	11.43	11.43
Net carrying amount as at 31st March, 2018	0.14	44.57	44.71
Gross carrying amount			
As at 31st March, 2018	0.14	56.00	56.14
Additions	-	1.30	1.30
Transfers in / (out)	-	1.33	1.33
As at 31st March, 2019	0.14	58.63	58.77
Depreciation and Amortisation			
As at 31st March, 2018	-	11.43	11.43
Charge for the year	-	0.88	0.88
Transfers in / (out)	-	0.19	0.19
As at 31st March, 2019	-	12.50	12.50
Net carrying amount as at 31st March, 2018	0.14	44.57	44.71
Net carrying amount as at 31st March, 2019	0.14	46.13	46.27

Footnotes :

- The amount included in transfers in / (out) represents the assets transferred from Property, Plant and Equipment (PPE) to Investment Property when it is held for the purpose of earning rental income / capital appreciation.
- Amount recognised in Consolidated Statement of Profit and Loss in relation to investment properties are as follows:

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
Rental income	39.17	37.16
Direct operating expenses (including repairs and maintenance) generating rental income (net of recoveries)	1.93	1.89
Profit from investment properties before depreciation and indirect expenses	37.24	35.27
Depreciation	0.88	0.95
Profit arising from investment properties before indirect expenses	36.36	34.32

- Fair Value of the Group's investment properties are as follows :

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Land	137.27	124.79
Buildings	662.75	663.54
	800.02	788.33

The fair value of the investment properties have been derived using the market comparable approach (market value method / sale comparison technique) based on recent market prices without any significant adjustments being made to the market observable data. The valuation was carried out by an independent valuer registered with the authority which governs the valuers in India. Accordingly, fair value estimates for investment properties are classified as level 3.

The Group has no restriction on the realisability of its Investment properties and no contractual obligation to purchase, construct and develop investment properties.

6. INTANGIBLE ASSETS

	Manufacturing Rights & Technical Know-how	Software Cost	₹ in Crores Total Intangible Assets
Gross carrying amount			
As at 31st March, 2017	10.31	47.77	58.08
Additions	-	4.30	4.30
Disposals	-	0.03	0.03
Transfers in / (out)	-	0.05	0.05
Exchange differences on consolidation	-	*	*
As at 31st March, 2018	10.31	52.09	62.40
Amortisation			
As at 31st March, 2017	10.31	38.60	48.91
Charge for the year	-	3.81	3.81
Disposals	-	0.01	0.01
Transfers in / (out)	-	0.05	0.05
Exchange differences on consolidation	-	*	*
As at 31st March, 2018	10.31	42.45	52.76
Net carrying amount as at 31st March, 2018	-	9.64	9.64
Gross carrying amount			
As at 31st March, 2018	10.31	52.09	62.40
Additions	-	3.16	3.16
Disposals	0.27	0.91	1.18
Exchange differences on consolidation	-	0.22	0.22
As at 31st March, 2019	10.04	54.56	64.60
Amortisation			
As at 31st March, 2018	10.31	42.45	52.76
Charge for the year	-	3.87	3.87
Disposals	0.27	0.86	1.13
Exchange differences on consolidation	-	0.17	0.17
As at 31st March, 2019	10.04	45.63	55.67
Net carrying amount as at 31st March, 2018	-	9.64	9.64
Net carrying amount as at 31st March, 2019	-	8.93	8.93

* value below ₹ 50,000/-

Footnotes :

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Goodwill generated on consolidation	72.31	72.31
(b) Movement in goodwill		
Balance at the beginning of the year	72.31	72.31
Balance at the end of the year	72.31	72.31
(c) Allocation of Goodwill to Cash-Generating Units (CGU)		
(i) The carrying value of the Goodwill pre-dominantly relates to Goodwill that arose on the acquisition of Rohini Industrial Electricals Limited (RIEL) (wholly owned subsidiary) of ₹ 71.36 crores (31-3-2018: ₹ 71.36 crores).		
(ii) The Goodwill has been allocated for impairment, testing purposes to Segment-B (Electro-mechanical Projects and Services). The Goodwill is tested annually for impairment, more frequently if there are any indications that Goodwill may be impaired.		
(iii) The recoverable amount of Segment-B (Electro-mechanical Projects and Services) CGU has been determined using the value in use calculation. The calculation uses five years projections based on the order book position. Value in use has been determined based on future cashflows after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.		
(iv) Key assumptions for the value in use calculations includes:		
- Discount rate of 14% per annum was applied to arrive at present value of the cash flows.		
- Cash flows beyond five years have been extrapolated using a steady growth rate of 5% per annum. This growth rate does not exceed the long-term average growth rate for this industry in India.		
- Appropriate industrial beta has been applied (based on the comparative companies data) to arrive at the weighted average cost of capital.		
(v) The Management believes that no reasonable change in any of the key assumptions used in the value in use calculation would cause the carrying value of the CGU to materially exceed its value in use.		

7. INVESTMENTS

	Currency	Face Value	As at 31-3-2019		As at 31-3-2018	
			No.	₹ In Crores	No.	₹ In Crores
7 (i) Non-current Investments						
A Investments in Associates and Joint Ventures						
(Fully paid - Unquoted Investments; accounted as per Equity Method)						
1 Investments in Associate Companies						
Brihat Trading Private Ltd.	₹	10	3,352	*	3,352	*
Terrot GmbH, Germany	EURO	1	2,60,900	6.00	2,60,900	9.19
Naba Diganta Water Management Ltd.	₹	10	47,97,000	5.95	47,97,000	5.00
			11.95		14.19	
2 Investments in Joint Ventures						
Voltas Water Solutions Private Ltd. (#)	₹	10	28,41,500	0.07	28,41,500	0.07
Universal Voltas L.L.C., UAE	AED	1,000	3,430	51.41	3,430	57.81
Olayan Voltas Contracting Company Ltd., Saudi Arabia (#) (including Share application money)	SR	100	50,000	3.28	50,000	11.32
Voltbek Home Appliances Private Ltd.	₹	10	19,69,84,900	143.58	7,88,94,900	73.84
Gross Investments in Joint Ventures				198.34		143.04
Less : Impairment in value of Investments (#)				0.07		1.39
				198.27		141.65
				210.22		155.84
Investments accounted as per Equity Method						
B Other Investments						
1 Investments in Subsidiary Companies (at cost)						
Agro Foods Punjab Ltd. (Refer footnote 7 (a)) (Beneficial rights transferred pending transfer of shares)	₹	100	2,80,000	-	2,80,000	-
Westerwork Engineers Ltd. (Under Liquidation) (#)	₹	100	9,600	1.09	9,600	1.09
Gross Investments in Subsidiary Companies				1.09		1.09
Less : Impairment in value of Investments (#)				1.09		1.09
				-		-
2 Investments in Other Companies (Investments at Fair Value through Other Comprehensive Income) (Refer footnote 7 (d))						
(a) Fully Paid Unquoted Equity Instruments						
Lakshmi Ring Travellers (Coimbatore) Ltd.	₹	10	1,20,000	53.74	1,20,000	42.22
Agrotech Industries Ltd.	US\$	1	3,67,500	-	3,67,500	-
Tata International Ltd. (Refer footnote 7 (b))	₹	1,000	10,000	5.65	10,000	5.65
Tata Services Ltd. (Refer footnote 7 (b))	₹	1,000	448	0.04	448	0.04
Tata Industries Ltd. (Refer footnote 7 (b))	₹	100	13,05,720	20.72	13,05,720	20.72
Tata Projects Ltd.	₹	100	1,35,000	123.10	1,35,000	120.69
Premium Granites Ltd.	₹	10	4,91,220	-	4,91,220	-
OMC Computers Ltd.	₹	10	4,04,337	-	4,04,337	-
Avco Marine S.a.S, France	EURO	10	1,910	-	1,910	-
Voltas Employees Consumers Co-operative Society Ltd.	₹	10	750	*	750	*
Saraswat Co-operative Bank Ltd.	₹	10	10	*	10	*
Super Bazar Co-operative Stores Ltd.	₹	10	500	*	500	*
				203.26		189.32

	Currency	Face Value	As at 31-3-2019		As at 31-3-2018	
			No.	₹ In Crores	No.	₹ In Crores
(b) Fully Paid Quoted Equity Instruments						
Lakshmi Automatic Loom Works Ltd.	₹	10	6,15,200	-	6,15,200	-
Tata Chemicals Ltd.	₹	10	2,00,440	11.77	2,00,440	13.56
Lakshmi Machine Works Ltd.	₹	10	5,79,672	353.20	5,79,672	398.40
Reliance Industries Ltd. (Refer footnote 7 (c))	₹	10	2,640	-	2,640	-
			364.97		411.96	
			568.23		601.28	
3 Investment in Preference Shares (at amortised cost)						
UNQUOTED:						
Tata Capital Ltd.						
Cumulative Redeemable Preference Shares	₹	1000	5,00,000	50.00	3,00,000	30.00
			50.00		30.00	
4 Investment in Unquoted Mutual funds (at fair value through statement of profit and loss)						
			122.68		1,375.73	
5 Investment in Debenture/Bonds (at amortised cost)						
QUOTED:						
Tata Steel Ltd.						
11.50% Perpetual Non Convertible Debentures	₹	10,00,000	292	29.31	292	29.37
11.80% Perpetual Non Convertible Debentures	₹	10,00,000	100	10.41	-	-
Tata Power Company Ltd.						
10.75% Non Convertible Debentures	₹	10,00,000	500	53.76	-	-
Tata International Ltd.						
9.30% Perpetual Non Convertible Debentures	₹	10,00,000	-	-	500	50.00
Rural Electrification Corporation Ltd.						
6.00% Tax Free Bonds	₹	10,000	-	-	500	0.50
5.25% Tax Free Bonds	₹	10,000	500	0.50	500	0.50
8.01% Tax Free Bonds	₹	1,000	50,000	5.48	50,000	5.42
7.17% Tax Free Bonds	₹	10,00,000	70	7.51	70	7.39
5.75% Tax Free Bonds	₹	10,000	500	0.53	-	-
8.18% Tax Free Bonds	₹	10,00,000	50	5.48	-	-
National Housing Bank						
8.26% Tax Free Non Convertible Debentures	₹	5,000	18,049	9.93	18,049	9.92
Housing and Urban Development Corporation Ltd.						
8.51% Tax Free Bonds	₹	1,000	1,50,000	16.64	-	-
7.07% Tax Free Bonds	₹	10,00,000	50	5.39	-	-
8.10% Tax Free Bonds	₹	1,000	2,53,400	26.51	-	-
Indian Railway Finance Corporation Ltd.						
8.35% Tax Free Bonds	₹	10,00,000	250	27.59	-	-
			199.04		103.10	

	Currency	Face Value	As at 31-3-2019		As at 31-3-2018	
			No.	₹ In Crores	No.	₹ In Crores
6 Investment in Others						
Government Securities	₹			*		*
				*		*
Other Investments				939.95		2,110.11
Total : Non-current Investments - Net				1,150.17		2,265.95
Footnotes :						
(i)				564.01		515.07
(ii)				587.32		1,777.10
(iii)				1.16		2.48

₹ : Indian Rupees

SR : Saudi Riyal

AED : United Arab Emirates Dirham

US\$: United States Dollar

EURO : European Union Currency

RO : Omani Rial

* value below ₹ 50,000/-

7 (a) Under a loan agreement for ₹ 0.60 crore (fully drawn and outstanding) entered into between Agro Foods Punjab Ltd. (AFPL) and the Punjab State Industrial Development Corporation Ltd. (PSIDC), the Group has given an undertaking to PSIDC that it will not dispose off its shares in AFPL till the monies under the said loan agreement between PSIDC and AFPL remain due and payable by AFPL to PSIDC. During 1998-99, the Group had transferred its beneficial rights in the shares of AFPL.

7 (b) For these unquoted investments categorised under Level 3, their respective cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

7 (c) In respect of the Group's investment in 2,640 equity shares of Reliance Industries Ltd., there is an Injunction Order passed by the Court in Kanpur restraining the transfer of these shares. The share certificates are, however, in the possession of the Group. Pending disposal of the case, dividend on these shares has not been recognised.

7 (d) Investments at Fair Value Through Other Comprehensive Income (FVTOCI) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Group, thus disclosing their fair value change in profit and loss will not reflect the purpose of holding.

	Currency	Face Value	As at 31-3-2019		As at 31-3-2018	
			No.	₹ In Crores	No.	₹ In Crores
7 (ii) Current Investments						
A Investment in Debenture/Bonds (at amortised cost)						
QUOTED:						
Tata International Ltd.						
9.30% Non Convertible Debentures	₹	10,00,000	1,000	100.23	-	-
Tata Capital Ltd.						
10.25% Non Convertible Debentures	₹	5,00,000	25	1.27	-	-
				101.50		-
B Investment in Unquoted Mutual funds (at fair value through statement of profit and loss)				1,134.19		487.64
Total Current Investments				1,235.69		487.64
Footnotes :						
(i)				101.50		-
(ii)				1,134.19		487.64
(iii)				-		-

8. LOANS (NON-CURRENT) (UNSECURED, CONSIDERED GOOD) (AT AMORTISED COST)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Loans to Employees	0.31	0.50
Total non-current loans	0.31	0.50

9. OTHER FINANCIAL ASSETS (NON-CURRENT) (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED) (AT AMORTISED COST)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Security deposits	8.90	8.55
(b) Deposits with customers / others	5.57	4.82
(c) Fixed deposits with remaining maturity of more than 12 months	59.59	21.55
(d) Others	12.06	12.59
Less: Impairment Allowance	12.01	12.59
Total other financial assets (Non-current)	74.11	34.92
Footnotes :		
(1) Break up of security details of other financial assets (non-current)		
(i) Unsecured, considered good	74.11	34.92
(ii) Credit impaired	12.01	12.59
	86.12	47.51
(2) Impairment Allowance		
(i) Unsecured, considered good	-	-
(ii) Credit impaired	12.01	12.59
	12.01	12.59

10. DEFERRED TAX**(a) The following is the analysis of deferred tax assets / (liabilities) presented in the consolidated balance sheet :**

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ In Crores
(i) Deferred Tax Assets		
Deferred tax assets	199.73	105.33
Deferred tax liabilities	(93.84)	(87.49)
Deferred Tax Assets (net)	105.89	17.84
(ii) Deferred Tax Liabilities		
Deferred tax assets	(2.71)	0.50
Deferred tax liabilities	(2.36)	(2.39)
Deferred Tax Liabilities (net)	(5.07)	(1.89)
Deferred tax liability on undistributed profits	(1.52)	(11.35)
	(6.59)	(13.24)
Reconciliation of deferred tax assets (net):		
Opening balance	17.84	30.50
Tax income/(expense) during the period recognised in statement of profit and loss	46.80	(9.22)
Tax income/(expense) during the period recognised in OCI	(2.46)	(1.67)
Adjusted against tax liability	2.34	(1.77)
Deferred tax on Ind AS 115 transition adjustment	41.37	-
Closing balance	105.89	17.84
Reconciliation of deferred tax liabilities (net):		
Opening balance	(13.24)	(10.72)
Tax income/(expense) during the period recognised in statement of profit and loss	9.63	(0.56)
Reclassified from deferred tax asset	-	1.77
Adjusted against tax liability	(2.98)	(3.73)
Closing balance	(6.59)	(13.24)

(b) The balance comprise temporary differences attributable to:
(i) Deferred Tax Assets

	As at 31-3-2018	(Charged) / credited to reserves	(Charged) / credited to statement of profit and loss	(Charged) / credited to other comprehensive income	Adjusted against tax liability	As at 31-3-2019
	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores
Provision for employee benefits	35.87	-	1.74	(0.03)	-	37.58
Allowance for receivables, loans and advances	42.15	41.37	15.13	-	-	98.65
Provision for contingencies and claims	8.81	-	0.13	-	-	8.94
Unpaid statutory liabilities	4.54	-	*	-	-	4.54
Estimated Loss on Projects	9.44	-	1.01	-	-	10.45
Deferred Tax on unrealised profit	3.97	-	(2.26)	-	-	1.71
Unutilised brought forward loss and unabsorbed depreciation	-	-	21.99	-	-	21.99
MAT credit entitlement	-	-	5.71	-	-	5.71
Free Maintenance services	-	-	7.38	-	-	7.38
Others	0.55	-	(0.11)	-	2.34	2.78
Deferred Tax Assets	105.33	41.37	50.72	(0.03)	2.34	199.73
Property, plant and equipment and intangible assets	(35.09)	-	(0.31)	-	-	(35.40)
Unrealised gains on fair valuation of investments through Other Comprehensive Income	(39.26)	-	-	(2.43)	-	(41.69)
Unrealised gains on fair valuation of Mutual Funds	(13.14)	-	(3.60)	-	-	(16.74)
Others	-	-	(0.01)	-	-	(0.01)
Deferred Tax Liabilities	(87.49)	-	(3.92)	(2.43)	-	(93.84)
Deferred Tax Assets (net)	17.84	41.37	46.80	(2.46)	2.34	105.89

* value below ₹ 50,000/-

(ii) Deferred Tax Liabilities

	As at 31-3-2018	(Charged) / credited to reserves	(Charged) / credited to statement of profit and loss	(Charged) / credited to other comprehensive income	Adjusted against tax liability	As at 31-3-2019
	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores
Provision for employee benefits	0.09	-	(0.06)	-	-	0.03
Unpaid statutory liabilities	0.41	-	(0.17)	-	-	0.24
MAT credit entitlement	-	-	-	-	-	-
Others	-	-	-	-	(2.98)	(2.98)
Deferred Tax Assets	0.50	-	(0.23)	-	(2.98)	(2.71)
Property, plant and equipment and intangible assets	(2.39)	-	0.03	-	-	(2.36)
Deferred Tax Liabilities	(2.39)	-	0.03	-	-	(2.36)
Deferred Tax Liabilities (net)	(1.89)	-	(0.20)	-	(2.98)	(5.07)
Deferred Tax Liability on undistributed profits	(11.35)	-	9.83	-	-	(1.52)
Total Deferred Tax Liabilities (net)	(13.24)	-	9.63	-	(2.98)	(6.59)

(b) The balance comprise temporary differences attributable to (contd.):

	As at 31-3-2017	Deferred Tax Assets of a component classified as Deferred Tax Liabilities during the year	(Charged) / credited to statement of profit and loss	(Charged) / credited to Other Comprehensive Income	Adjusted against tax liability	As at 31-3-2018
	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores
Provision for employee benefits	36.71	(0.07)	1.34	(2.11)	-	35.87
Allowance for receivables, loans and advances	50.29	-	(8.14)	-	-	42.15
Provision for contingencies and claims	17.89	-	(9.08)	-	-	8.81
Unpaid statutory liabilities	5.22	(0.42)	(0.26)	-	-	4.54
Estimated Loss on Projects	0.27	-	9.17	-	-	9.44
Deferred Tax on unrealised profit	6.66	-	(2.69)	-	-	3.97
MAT credit entitlement	3.73	(3.73)	-	-	-	-
Others	1.15	-	(0.60)	-	-	0.55
Deferred Tax Assets	121.92	(4.22)	(10.26)	(2.11)	-	105.33
Property, plant and equipment and intangible assets	(39.01)	2.45	1.47	-	-	(35.09)
Unrealised gains on fair valuation of investments through Other Comprehensive Income	(39.70)	-	-	0.44	-	(39.26)
Unrealised gains on fair valuation of Mutual Funds	(11.41)	-	(1.73)	-	-	(13.14)
Others	(1.30)	-	1.30	-	-	-
Deferred Tax Liabilities	(91.42)	2.45	1.04	0.44	-	(87.49)
Deferred Tax Assets (net)	30.50	(1.77)	(9.22)	(1.67)	-	17.84

As at 31st March, 2019, recognised deferred tax liability of ₹ 1.52 crores (31st March, 2018: ₹11.35 crores) is for taxes that would be payable on the unremitted earnings of certain Group's subsidiaries, joint venture or associate. The Group has determined that undistributed profits of its subsidiaries, joint venture or associate will not be distributed in the foreseeable future. The Group has an agreement with its associate that the profits of the associate will not be distributed until it obtains the consent of the Group. The parent does not foresee such consent being given at the reporting date. Furthermore, the Group's joint venture will not distribute its profits until it obtains the consent from all venture partners.

During the year ended 31st March, 2019 and 31st March, 2018, the parent company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The group believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence, DDT paid is charged to equity.

(ii) Deferred Tax Liabilities

	As at 31-3-2017	Deferred Tax Assets of a component classified as Deferred Tax Liabilities during the year	(Charged) / credited to statement of profit and loss	(Charged) / credited to other comprehensive income	Adjusted against tax liability	As at 31-3-2018
	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores
Provision for employee benefits	-	0.07	0.02	-	-	0.09
Unpaid statutory liabilities	-	0.42	(0.01)	-	-	0.41
MAT credit entitlement	-	3.73	-	-	(3.73)	-
Deferred Tax Assets	-	4.22	0.01	-	(3.73)	0.50
Property, plant and equipment and intangible assets	-	(2.45)	0.06	-	-	(2.39)
Deferred Tax Liabilities	-	(2.45)	0.06	-	-	(2.39)
Deferred Tax Liabilities (net)	-	1.77	0.07	-	(3.73)	(1.89)
Deferred Tax Liability on undistributed profits	(10.72)	-	(0.63)	-	-	(11.35)
Total Deferred Tax Liabilities (net)	(10.72)	1.77	(0.56)	-	(3.73)	(13.24)

11. OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Balance with Government Authorities	83.69	69.47
(b) Capital advances	13.57	13.92
(c) Advance to suppliers	1.34	1.42
(d) Lease prepayments	4.92	4.98
(e) Others	1.77	2.08
Less: Impairment Allowance	6.18	3.54
Total other non-current assets	99.11	88.33
Footnote :-		
Impairment Allowance :		
(a) Balance with Government Authorities	4.36	1.29
(b) Advance to suppliers	1.34	1.42
(c) Others	0.48	0.83
Total	6.18	3.54

12. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Raw materials and Components	197.61	199.41
(b) Work-in-progress	12.55	6.30
(c) Finished goods	223.39	183.11
(d) Stock-in-trade	656.54	423.52
(e) Stores and spares	0.57	0.65
Total Inventories	1,090.66	812.99
Inventories includes goods-in-transit:		
(a) Raw materials and Components	56.99	71.97
(b) Finished goods	4.34	7.85
(c) Stock-in-trade	116.23	73.53
Total goods-in-transit	177.56	153.35
Footnote :		
Provision for write-down on value of inventory	15.07	2.76

13. CONTRACT ASSETS (CURRENT)(UNSECURED)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Gross amount due from customers under construction contracts	845.89	-
Less: Impairment Allowance	60.89	-
Total Contract assets (Current)	785.00	-
Footnotes :		
(1) Break up of security details		
(i) Unsecured, considered good	825.80	-
(ii) Contract assets - credit impaired	20.09	-
	845.89	-
Less Impairment Allowance	60.89	-
	785.00	-

- (2) Contract assets are initially recognised for revenue earned from electro mechanical projects contracts as receipt of consideration that is conditional on successful completion of project milestone. Upon completion of milestone and acceptance/certification by the customer, the amounts recognised as contract assets are reclassified to trade receivables. There is no significant variance in the contract assets balances as compared to 1st April, 2018.
- (3) As the Group has adopted modified retrospective approach, no reclassification have been made for contract assets as at 31st March, 2018 and the corresponding balances as at 31st March, 2018 are shown under "Other current assets" as "Amount due from customers under construction contracts".

14A. TRADE RECEIVABLES (CURRENT) (AT AMORTISED COST)(UNSECURED)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Gross Trade receivables	2,021.48	1,686.34
Less: Impairment Allowance	218.31	116.06
Trade receivables (net)	1,803.17	1,570.28
Footnotes :		
(1) Break up of security details		
(i) Unsecured, considered good	1,950.74	1,686.34
(ii) Trade Receivables - credit impaired	70.74	-
	2,021.48	1,686.34
Less: Impairment Allowance	218.31	116.06
	1,803.17	1,570.28

- (2) At 31st March, 2019, trade receivable have increased on account of increased business operations as compared to March, 2018.
- (3) Trade receivables are non interest bearing and are generally on terms of 7 to 30 days credit in case of sale of products and in case of long term construction contracts, payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short term advances are received before the performance obligation is satisfied.
- (4) The Group applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on trade receivables and contract assets. The Group follows the simplified approach for recognition of impairment allowance on trade receivables and contract assets. The application of the simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

(5) Movement in expected credit loss allowance on trade receivables and contract assets.

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Balance at the beginning of the year	116.06	137.60
Transition impact of Ind AS 115	165.52	-
Allowances / (write back) during the year	(10.03)	15.15
Written off against past provision	7.65	(36.69)
Balance at the end of the year	279.20	116.06

- (6) For receivable from related party, refer note 45

14B. TRADE RECEIVABLES (NON-CURRENT) (AT AMORTISED COST)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Gross non-current trade receivables (Unsecured, considered good)	31.08	-
Less: Impairment Allowance	1.24	-
Non-current trade receivables (Net)	29.84	-

15. CASH AND CASH EQUIVALENTS

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Cash on hand	0.68	0.20
Cheques on hand	43.92	31.65
Remittance in-transit	0.20	-
Balances with banks		
- On current accounts	241.54	202.23
- Fixed deposits with maturity less than 3 months	24.65	23.85
Total Cash and cash equivalents	310.99	257.93

Footnote :

The changes in liabilities arising from financing activities is on account of cash flow changes only and there are no non-cash changes.

16. OTHER BALANCES WITH BANKS

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Fixed deposits with maturity greater than 3 months	0.10	17.37
Earmarked balances - unpaid dividend accounts	7.18	5.22
Margin money	2.84	3.17
Total Other Bank balances	10.12	25.76

Footnotes :

- (a) At 31st March, 2019, the Group had available ₹ 195.66 crores (31st March, 2018: ₹ 672.45 crores) of undrawn committed borrowing facilities.
- (b) Margin money deposit is against bank guarantee given to Government authorities.

17. LOANS (CURRENT) (AT AMORTISED COST)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Loans to employees (Unsecured, considered good)	11.33	4.32
Total loans (Current)	11.33	4.32

18. OTHER FINANCIAL ASSETS (CURRENT) (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED) (AT AMORTISED COST)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Security deposits	17.68	14.69
(b) Interest accrued	13.28	7.16
(c) Gratuity fund (Refer Note 42)	-	2.99
(d) Fixed deposits with remaining maturity of less than 12 months	2.62	0.08
(e) Others		
- Considered good	52.23	57.17
- Credit impaired	3.84	2.29
Less: Impairment Allowance	3.84	2.29
Total other financial assets (Current)	85.81	82.09

19. OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Balance with Government Authorities	184.82	154.21
(b) Advance to suppliers	89.21	93.68
(c) Amount due from customers under construction contracts (Refer footnote 3 of Note 13)	-	1,065.19
(d) Others		
- Considered good	40.37	43.45
- Credit impaired	0.60	0.13
Less: Impairment Allowance	0.60	0.13
Total other current assets	314.40	1,356.53

20. SHARE CAPITAL

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Authorised:		
60,00,00,000 (31st March, 2018: 60,00,00,000) Equity Shares of ₹ 1/- each	60.00	60.00
40,00,000 (31st March, 2018: 40,00,000) Preference Shares of ₹ 100/- each	40.00	40.00
	100.00	100.00
Issued, Subscribed and Paid up:		
33,08,84,740 (31st March, 2018: 33,08,84,740) Equity Shares of ₹ 1/- each	33.09	33.09
Less : Calls-in-Arrears [1,25,900 shares (31st March, 2018: 1,28,300 shares) [Refer footnote 20 (d)]	0.01	0.01
Total share capital	33.08	33.08

Footnotes:

Terms / Rights attached to equity shares

- (a) The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding and are subject to preferential rights of the Preference Shares (if issued).
- (b) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

	Equity Shares			
	As at 31-3-2019		As at 31-3-2018	
	Numbers	₹ In Crores	Numbers	₹ In Crores
Shares outstanding at the beginning of the year	33,08,84,740	33.08	33,08,84,740	33.08
Shares outstanding at the end of the year	33,08,84,740	33.08	33,08,84,740	33.08

- (c) Details of shareholders holding more than 5 percent shares in the Company:

Name of Shareholder	Class of Shares	As at 31-3-2019		As at 31-3-2018	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Sons Private Limited	Equity	8,81,31,780	26.64	8,81,31,780	26.64
Life Insurance Corporation of India	Equity	1,65,17,216	4.99	2,27,16,849	6.87
HDFC Trustee Company Ltd. (Various Accounts)	Equity	1,66,73,000	5.04	1,78,24,000	5.39

- (d) As per the records of the Company, no calls remained unpaid by the Directors and Officers of the Company as on 31st March, 2019 (31st March, 2018 : Nil).

21. OTHER EQUITY

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(1) Capital Reserve	1.56	1.56
(2) Capital Redemption Reserve	1.26	1.26
(3) Securities Premium	6.27	6.27
(4) Capital Reserve on Consolidation	12.69	12.69
(5) General Reserve	1,378.15	1,350.90
(6) Staff Welfare Reserve	0.01	0.01
(7) Exchange difference on translation of foreign operations through other comprehensive income	19.92	10.76
(8) Legal Reserve	2.68	2.60
(9) Equity instruments fair value through other comprehensive income	525.20	560.70
(10) Retained Earnings	2,129.17	1,925.38
Total other equity	4,076.91	3,872.13

Movements in Other Equity	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(1) Capital Reserve		
- As per last Balance Sheet	1.56	1.56
(2) Capital Redemption Reserve		
- As per last Balance Sheet	1.26	1.26
(3) Securities Premium		
- As per last Balance Sheet	6.27	6.27
- Received during the year	*	*
- Closing Balance	6.27	6.27
(4) Capital Reserve on Consolidation		
- As per last Balance Sheet	12.69	12.69
(5) General Reserve		
- As per last Balance Sheet	1,350.90	1,292.79
- Transfer from retained earnings	27.25	57.25
- Others	-	0.86
- Closing Balance	1,378.15	1,350.90
(6) Staff Welfare Reserve		
- As per last Balance Sheet	0.01	0.01
(7) Exchange difference on translation of foreign operations through other comprehensive income		
- As per last Balance Sheet	10.76	4.78
- Add / (less) : Net translation difference during the year	9.16	5.98
- Closing Balance	19.92	10.76
(8) Legal Reserve		
- As per last Balance Sheet	2.60	2.92
- Transfer from retained earnings	0.08	-
- Transfer to retained earnings	-	0.32
- Closing Balance	2.68	2.60
(9) Equity instruments fair value through other comprehensive income		
- As per last Balance Sheet	560.70	407.31
- Changes during the year	(35.50)	153.39
- Closing Balance	525.20	560.70
(10) Retained Earnings		
(a) As per last Balance Sheet	1,925.38	1,543.95
(b) Additions :		
- Net Profit for the year	507.91	572.40
- Others	-	1.27
- Transfer from other comprehensive income (Net of tax)	(0.04)	4.08
- Transfer from Legal Reserve	-	0.32
	507.87	578.07
(c) Deductions :		
- Dividend	132.35	115.81
- Dividend Distribution Tax	22.79	23.58
- Transfer to Legal Reserve	0.08	-
- Transfer to General Reserve	27.25	57.25
- Transition impact of Ind AS 115 (Net of tax)	121.61	-
	304.08	196.64
Closing Balance	2,129.17	1,925.38
Total other equity	4,076.91	3,872.13

* value below ₹ 50,000/-

Distribution made and proposed	As at 31-3-2019	As at 31-3-2018
Cash Dividends on Equity Shares declared and paid:		
Dividend for the year ended 31st March, 2018: ₹ 4.00 per share (31st March, 2017: ₹ 3.50 per share)	132.35	115.81
Dividend Distribution Tax	22.79	23.58
	155.14	139.39
Proposed Dividend on Equity Shares:		
Dividend for the year ended 31st March, 2019: ₹ 4.00 per share (31st March, 2018: ₹ 4.00 per share)	132.35	132.35
Dividend Distribution Tax on proposed dividend *	27.21	27.21
	159.56	159.56

* Dividend Distribution Tax (DDT) before availment of any DDT credit available.

Footnotes : Nature and purpose of reserves

Capital Reserve :

Capital Reserve was created from capital surplus on sale of assets and on amalgamation of subsidiary.

Capital Redemption Reserve :

Capital Redemption Reserve is created out of profit available for distribution towards redemption of Preference shares. This reserve can be used for the purpose of issue of Bonus shares.

Securities Premium :

Securities Premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares. This reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Capital Reserve on Consolidation :

Capital Reserve on Consolidation represents the additional net assets received by the Parent Company on purchase of stake in Subsidiary.

General Reserve :

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

Exchange difference on translation of foreign operations through other comprehensive income :

For the purpose of consolidation of subsidiaries with the financial statement of the holding company, income and expenses are translated at average rates and the assets and liabilities are stated at closing rate. Use of such different rates for translation gives rise to exchange differences which is accumulated in Foreign Currency Translation Reserve. The movement in this reserve is due to fluctuation in exchange rates of currencies during the financial year 2018-19.

Legal Reserve :

In case of some foreign subsidiaries, an amount equal to 10% of the annual net profit is transferred to Legal Reserve in compliance with requirement of local laws. This reserve is not available for distribution.

Equity instruments fair value through other comprehensive income :

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Retained Earnings :

The balance in the Retained Earnings primarily represents the surplus after payment of dividend (including tax on dividend) and transfer to reserves.

22. CONTRACT LIABILITIES (NON-CURRENT)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Unexpired service contracts	0.70	-
Total Contract liabilities (Non-Current)	0.70	-

23. PROVISIONS (NON-CURRENT)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Provision for employee benefits :		
(i) Provision for gratuity (Refer Note 42)	43.08	41.68
(ii) Pension obligations (Refer Note 42)	34.36	38.08
(iii) Provision for compensated absences	0.11	0.08
(iv) Post retirement medical benefits (Refer Note 42)	6.77	6.90
(v) Provision for employee separation compensation	0.34	0.58
Total non-current provisions	84.66	87.32

24. OTHER NON-CURRENT LIABILITIES

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Unexpired service contracts	-	0.97
Total other non-current liabilities	-	0.97

25. CONTRACT LIABILITIES (CURRENT)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Advances received from customers	251.14	-
(b) Unexpired service contracts	11.08	-
(c) Billing in excess of contract revenue	69.27	-
Total Contract liabilities (Current)	331.49	-

Footnotes :

- (1) The outstanding balances of the contract liabilities as at 31st March, 2018 were higher on account of higher advance received from electro mechanical projects, the revenue for which was recognised during the year on execution of projects.
- (2) As the Group has adopted modified retrospective approach, no reclassification have been made for contract liabilities as at 31st March, 2018 and the corresponding balances as at 31st March, 2018 are shown under "Other current liabilities" as "Advances received from customers", "Unexpired service contracts" and "Billing in excess of contract revenue".

26. BORROWINGS (AT AMORTISED COST)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Secured borrowings		
(a) Term loans from Banks	45.08	29.57
(b) Working Capital loans from Banks	269.57	112.72
Total borrowings	314.65	142.29

Footnotes :

- (i) Borrowings are secured against assignment of Contract dues in overseas projects and lien on Term deposits.
- (ii) Term loans are repayable within a period of 90 days to 365 days.
- (iii) Term loans from banks carry an average interest rate of 3.79% to 5.00% (31st March, 2018 : 4.40% to 6.50%)
- (iv) Working capital loans from banks are repayable on demand.
- (v) Working capital loans from banks carry an average interest rate of 3.00% to 9.15% (31st March, 2018 : 8.75%).

27. TRADE PAYABLES

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Trade payables :		
(i) Total outstanding dues of micro and small enterprises	49.45	22.28
(ii) Total outstanding dues of creditors other than micro and small enterprises	2,325.04	2,154.13
Total trade payables	2,374.49	2,176.41

Footnote :

Trade payables are non interest bearing and are normally settled on 90 days to 365 days credit term.

28. OTHER FINANCIAL LIABILITIES (CURRENT) (AT AMORTISED COST)

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Deposits received from customers / others	41.26	40.65
(b) Interest accrued but not due on borrowings	0.10	0.06
(c) Unpaid dividends	7.18	5.22
(d) Other financial liabilities (*)	35.93	38.72
Total other financial liabilities	84.47	84.65

(*) Includes rebate to customers, etc.

29. PROVISIONS

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Provision for employee benefits		
(i) Provision for gratuity (Refer Note 42)	7.82	2.32
(ii) Pension obligations (Refer Note 42)	2.77	2.74
(iii) Provision for compensated absences	40.35	37.76
(iv) Post retirement medical benefits (Refer Note 42)	0.47	0.49
(v) Provision for employee separation compensation	0.24	0.25
(b) Provision for Trade Guarantees	51.84	116.51
(c) Provision for Contingencies for tax matters	26.40	25.47
Total provisions (current)	129.89	185.54

Footnotes :		
A. Provisions for trade guarantees		
Opening balance	116.51	103.67
Additional provisions recognised	29.29	104.27
Less : Utilisation	67.18	89.46
Less : Reversal	26.78	1.97
Closing balance	51.84	116.51
B. Provision for Contingencies for tax matters		
Opening balance	25.47	23.57
Additional provisions recognised	3.43	4.24
Less : Utilisation	0.02	-
Less : Reversal	2.48	2.34
Closing balance	26.40	25.47

30. OTHER CURRENT LIABILITIES

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Advances received from customers (Refer footnote 2 of Note 25)	-	453.73
(b) Unexpired service contracts (Refer footnote 2 of Note 25)	-	10.11
(c) Amount due to customers under construction contracts (Refer footnote 2 of Note 25)	-	121.18
(d) Statutory obligations	38.12	87.60
(e) Others	0.42	0.13
Total other current liabilities	38.54	672.75

31. REVENUE FROM OPERATIONS

	Year ended 31-3-2019 ₹ In Crores	Year ended 31-3-2018 ₹ In Crores
Revenue from contracts with customers		
(a) Sale of products	3,598.56	3,617.69
(b) Construction contract revenue	2,936.81	2,211.23
(c) Sale of services	549.22	551.36
	7,084.59	6,380.28
Other operating income		
(1) Unclaimed credit balances written back	10.69	20.28
(2) Sale of scrap	7.97	5.20
(3) Others	20.82	22.11
	39.48	47.59
Total revenue from operations	7,124.07	6,427.87

Footnotes :

- (a) Sales for the year ended 31st March, 2019 is net of Goods and Service Tax (GST). However, sales for the previous year is gross of Excise Duty.
- (b) Sales, net of GST / Excise Duty for year ended 31st March, 2019 has increased by 11.45%, in comparison to the previous year.

32. OTHER INCOME

	Year ended 31-3-2019 ₹ In Crores	Year ended 31-3-2018 ₹ In Crores
(a) Dividend Income		
- From equity investments measured at FVTOCI	7.95	5.14
- From mutual funds investments measured at FVTPL	2.24	7.45
- Others	2.33	-
(b) Interest Income		
- On sundry advances, deposits, customer's balances, etc.	0.50	0.23
- On deposits with banks	2.97	0.91
- On Income-tax refunds	1.42	2.79
- On financial instruments measured at amortized cost	15.95	8.03
- Others	-	0.24
(c) Gain on sale / fair valuation of financial assets measured at FVTPL	96.17	104.85
(d) Rental income	39.17	37.16
(e) Other non-operating income	17.55	7.33
Total other income	186.25	174.13

33. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	Year ended 31-3-2019 ₹ In Crores	Year ended 31-3-2018 ₹ In Crores
Inventories at the end of the year		
- Finished Goods including stock-in-trade	879.93	606.63
- Work-in-progress	12.55	6.30
	892.48	612.93
Inventories at the beginning of the year		
- Finished Goods including stock-in-trade	606.63	712.76
- Work-in-progress	6.30	5.58
	612.93	718.34
Net (increase) / decrease	(279.55)	105.41

34. EMPLOYEE BENEFITS EXPENSES

	Year ended 31-3-2019 ₹ In Crores	Year ended 31-3-2018 ₹ In Crores
(a) Salaries, Wages and Bonus	585.79	541.20
(b) Contribution to Provident and other Funds	30.39	26.56
(c) Staff Welfare expenses	25.68	18.97
Total employee benefits expenses	641.86	586.73

35. FINANCE COSTS

	Year ended 31-3-2019 ₹ In Crores	Year ended 31-3-2018 ₹ In Crores
Interest expense		
(a) on borrowings from banks and others	32.95	11.92
(b) on delayed payment of income tax	0.03	-
Total finance costs	32.98	11.92

36. DEPRECIATION AND AMORTISATION EXPENSES

	Year ended 31-3-2019 ₹ In Crores	Year ended 31-3-2018 ₹ In Crores
(a) Depreciation on property, plant and equipment	19.23	19.59
(b) Amortisation on intangible assets	3.87	3.81
(c) Depreciation on investment property	0.88	0.95
Total depreciation and amortisation expenses	23.98	24.35

37. OTHER EXPENSES

	Year ended 31-3-2019 ₹ In Crores	Year ended 31-3-2018 ₹ In Crores
(a) Consumption of Stores and Spares	4.49	6.15
(b) Power and Fuel	11.22	10.39
(c) Rent	54.15	49.61
(d) Repairs to Buildings	1.42	0.65
(e) Repairs to Plant and Machinery	8.42	6.91
(f) Insurance charges	8.66	8.12
(g) Rates and Taxes	2.78	12.34
(h) Travelling and Conveyance	57.93	52.09
(i) Payment to Auditors	3.92	4.59
(j) Legal and Professional fees	33.74	33.55
(k) Bad and Doubtful Debts / Advances [Refer footnote below]	(11.17)	19.10
(l) Loss on sale of property, plant and equipment	0.52	0.04
(m) Exchange differences (Net)	24.47	10.91
(n) Corporate Social Responsibility (CSR)	12.26	11.22
(o) Provision / loss on settlements	-	(10.99)
(p) Outside service charges	75.48	73.55
(q) Clearing charges	63.36	44.34
(r) Freight and forwarding charges	60.95	74.99
(s) Commission on sales	8.09	6.36
(t) Advertising	77.58	72.08
(u) Printing and Stationery	16.68	17.38
(v) Donations	0.15	-
(w) Miscellaneous expenses	93.17	84.11
Total other expenses	608.27	587.49
Footnote :		
Bad and Doubtful Debts / Advances includes :-		
(a) Expected credit loss for contract assets and trade receivables	(10.03)	15.15
(b) Allowance for doubtful debts and advances	(1.14)	3.95
	(11.17)	19.10

38. EXCEPTIONAL ITEMS

	Year ended 31-3-2019 ₹ In Crores	Year ended 31-3-2018 ₹ In Crores
(1) Profit on Surrender of Tenancy Rights	-	2.00
(2) Reversal of provision / (provision) for diminution in value of investments	1.32	(1.39)
(3) Provision for contract assets (delays in certification - arising out of liquidation filing by a joint venture partner of main contractor)	(13.09)	-
Total exceptional Items (net)	(11.77)	0.61

39. RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S DOMESTIC TAX RATE FOR THE YEAR ENDED 31ST MARCH, 2018 AND 31ST MARCH, 2019

	2018-19 ₹ In Crores	2017-18 ₹ In Crores
Profit before tax	677.41	804.91
Indian statutory income tax rate	34.94%	34.61%
Income-tax expense at India's statutory income tax rate	236.69	278.58
Effect of adjustments to reconcile the expected tax expense to reported income tax expense:		
Effect of exempt income	(5.11)	(4.36)
Effect of unused tax losses	17.11	1.97
Effect of non-deductible expenses	8.30	10.15
Effect of income which is taxed at special rates	(12.99)	(35.89)
Adjustment of tax relating to earlier periods	(3.52)	(4.01)
Effect of different tax rates in the components	(31.70)	(14.18)
Change in tax rate of future period	-	(0.51)
Deferred Tax created on undistributed profit	-	11.35
Deferred tax reversal on undistributed profit	(9.83)	(10.72)
MAT credit entitlement	(5.71)	-
Deferred tax on unutilised brought forward loss and unabsorbed depreciation	(21.99)	-
Others	(7.72)	(5.37)
	163.53	227.01

40. EARNINGS PER SHARE

	Year ended 31-3-2019	Year ended 31-3-2018
(a) Net profit after tax for the year - (₹ in Crores)	507.91	572.40
(b) Weighted average number of Equity Shares Outstanding	33,08,84,740	33,08,84,740
(c) Earnings Per Share (₹) - Basic and Diluted (Face value ₹ 1/- per share)	15.35	17.30

41. COMMITMENTS AND CONTINGENCIES

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(A) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	22.17	49.98
(ii) As per the E-Waste (Management) Rules, 2016, as amended, the Group has an obligation to complete the Extended Producer Responsibility targets, only if it is a participant in the market during a financial year. The obligation for a financial year is measured based on sales made in the preceding 10th year and the Group has fulfilled its obligation for the current financial year. In accordance with Appendix B of Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', the Group will have an e-waste obligation for future years, only if it participates in the market in those years'.		
(B) Financial Guarantees		
The Group has issued financial guarantees to banks on behalf of and in respect of loan facility availed by its subsidiary and joint venture companies		
(i) Limits (Fund and Non Fund based)	1,496.49	1,481.84
(ii) Against which outstanding balance	236.02	499.59
(C) Contingent liabilities		
Claims against the Company not acknowledged as debts		
(i) Sales tax / VAT matters	176.81	103.63
(ii) Service tax matters	17.99	21.95
(iii) Excise matters	19.57	19.51
(iv) Contractual matters in the course of business	36.97	29.03
(v) Guarantees for terminated contract	317.10	301.48
(vi) Income tax demand	9.97	8.87
	578.41	484.47
(D) There are numerous interpretative issues relating to the Supreme Court (SC) judgment on Provident Fund dated 28th February, 2019. As a matter of caution, the Group has made a provision on a prospective basis from the date of the SC order. The Group will update its provision, on receiving further clarity on the subject.		

42. EMPLOYEE BENEFITS

The Group has defined benefit Gratuity, Post retirement medical benefits, Pension plans and Trust managed Provident fund plan as given below:

(i) Gratuity

Every employee who has completed five years of services, is entitled to Gratuity benefits. The Gratuity plan for Indian employees is governed by the Payment of Gratuity Act, 1972. The Gratuity plan provides lumpsum payments to vested employees at retirement, death while in employment, or termination of employment being an amount equivalent to 15 days salary for each completed year of service. The Company also provides Gratuity benefits to overseas employee in accordance with the local laws. The Gratuity plan for Indian employees is funded and for overseas employees is unfunded.

(ii) Post retirement medical benefits

Benefits under these plan are payable for actual domiciliary treatment/hospitalisation for employees and their specified relatives. The scheme is non-funded.

(iii) Pension plans

Pension plan benefit are provided to past Executive Directors and their specified relatives after completion of the services with the Company or Tata Group. The scheme is non- funded.

(a) The following table summarises the components of net benefits expenses recognised in Statement of Profit and Loss, Other Comprehensive Income and the funded status and amount recognised in the Balance Sheet for the respective plans:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores
Current service cost	3.84	3.80	11.60	6.30	-	4.68	0.24	0.91
Net interest expense	(0.23)	0.18	1.42	1.36	3.01	2.54	0.58	1.02
Past Service Cost	-	0.21	-	-	-	-	-	-
(Gains)/ Losses on Curtailment	-	-	-	-	-	-	-	(7.20)
Components of defined benefit costs recognised in statement of profit and loss	3.61	4.19	13.02	7.66	3.01	7.22	0.82	(5.27)
Remeasurement on the defined benefit plans:								
Return on plan assets	(0.39)	(0.20)	-	-	-	-	-	-
Actuarial (gains)/ losses arising from changes in financial assumptions	0.27	(0.50)	2.24	(1.36)	0.18	(0.35)	0.03	(0.28)
Actuarial (gains)/ losses arising from experience adjustments	(1.09)	(2.75)	0.72	(1.54)	(1.48)	1.20	(0.48)	(0.41)
Components of defined benefit costs recognised in other comprehensive income	(1.21)	(3.45)	2.96	(2.90)	(1.30)	0.85	(0.45)	(0.69)
	(2.40)	(0.74)	15.98	(4.76)	(1.71)	(8.07)	(0.37)	5.96
Change in benefit obligation								
Opening defined benefit obligation	57.74	60.37	30.18	34.73	40.82	34.65	7.39	13.94
Transfer in - foreign subsidiaries	-	-	13.82	-	-	-	-	-
Current service cost	3.84	3.80	11.60	6.30	-	4.68	0.24	0.91
Interest cost	4.53	4.43	1.42	1.36	3.01	2.54	0.58	1.02
Remeasurement (gains)/losses:								
Actuarial (gains)/losses arising from changes in financial assumptions	0.27	(0.50)	2.24	(1.36)	0.18	(0.35)	0.03	(0.28)
Actuarial (gains)/losses arising from experience adjustments	(1.09)	(2.75)	0.72	(1.54)	(1.48)	1.20	(0.48)	(0.41)
Past service cost	-	0.21	-	-	-	-	-	-
(Gains)/ Losses on Curtailment	-	-	-	-	(2.51)	-	-	(7.20)
Liabilities assumed on account of transfer in	0.01	0.15	-	-	-	-	-	-
Exchange differences on foreign plans	-	-	1.94	(0.91)	-	-	-	-
Benefits paid	(7.37)	(7.97)	(11.55)	(8.40)	(2.89)	(1.90)	(0.52)	(0.59)
Closing defined benefit obligation	57.93	57.74	50.37	30.18	37.13	40.82	7.24	7.39
Change in plan assets								
Opening fair value of plan assets	60.71	57.89						
Interest income	4.76	4.25						
Remeasurement gain / (losses):								
Return on plan assets	0.39	0.20						
Contributions from the employer	(1.09)	6.36						
Benefits paid	(7.37)	(7.97)						
Closing fair value of plan assets	57.40	60.73						

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plans are as follows:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores
Present value of funded defined benefit obligation	(57.93)	(57.74)	(50.37)	(30.18)	(37.13)	(40.82)	(7.24)	(7.39)
Fair value of plan assets	57.40	60.73	-	-	-	-	-	-
Net (liability) / asset arising from defined benefit obligation	(0.53)	2.99	(50.37)	(30.18)	(37.13)	(40.82)	(7.24)	(7.39)
Contractual Liability of foreign subsidiaries	-	-	-	(13.82)	-	-	-	-
	(0.53)	2.99	(50.37)	(44.00)	(37.13)	(40.82)	(7.24)	(7.39)

(b) The major categories of plan assets as a percentage of total plan:

Category of investments	Gratuity funded	
	As at 31-3-2019	As at 31-3-2018
Government of India securities	37%	29%
Corporate bonds	57%	63%
Special deposit scheme	0%	2%
Mutual funds	3%	2%
Others (Interest accrued, Balances with banks)	3%	4%
	100%	100%

(c) The principal assumptions used for the purposes of the actuarial valuations are as follows:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-3-2018
Discount rate / Rate of return on plan assets	7.79% - 7.48%	7.65% - 7.85%	3.40% - 7.79%	4.39% - 7.85%	7.79%	7.85%	7.79%	7.85%
Attrition Rate	1.00% - 12.00%	1.00% - 12.00%	1.00% - 35.00%	2.00%	1.00%	1.00%	1.00%	1.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Expected rate of salary increase	8.00%	8.00%	3.00% - 8.00%	4.00% - 8.00%	8.00%	8.00%	5.00%	5.00%

(d) A quantitative sensitivity analysis for significant assumptions are as follows:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Projected benefit obligations on current assumptions	57.93	57.74	50.37	30.18	37.13	40.82	7.24	7.39
+1% increase in discount rate	(4.03)	(4.02)	(4.41)	(3.10)	(3.00)	(3.10)	(0.16)	(0.16)
-1% decrease in discount rate	4.61	4.59	5.23	3.69	3.49	3.60	0.21	0.21
+1% increase in future salary	4.56	4.54	5.16	3.67	3.45	3.56	0.17	0.17
-1% decrease in future salary	(4.07)	(4.05)	(4.44)	(3.14)	(3.03)	(3.13)	(0.17)	(0.17)
+1% increase in rate of employee turnover	(0.02)	(0.02)	(0.09)	0.12	NA	NA	(0.04)	(0.04)
-1% decrease in rate of employee turnover	0.02	0.02	0.10	(0.13)	NA	NA	0.04	0.04

The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The expected maturity analysis of undiscounted defined benefit obligation (Funded and Unfunded) is as follows:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Within 1 year	5.38	5.91	7.34	2.36	2.77	2.74	0.47	0.50
Between 1 and 2 years	1.44	2.64	2.27	0.98	2.76	2.73	0.49	0.52
Between 2 and 3 years	4.79	2.74	2.38	1.25	2.74	2.72	0.52	0.55
Between 3 and 4 years	5.96	4.71	2.92	1.09	2.73	2.71	0.54	0.58
Between 4 and 5 years	4.74	5.63	3.70	1.76	2.71	2.69	0.57	0.61
Beyond 5 years	35.63	36.13	31.76	22.74	23.42	27.22	4.65	4.63

The contribution expected to be made by the Group during the financial year 2019-20 is ₹ 7.00 crores (31st March, 2018: ₹ 7.00 crores).

(iv) Provident Fund

Contribution to Provident Fund is made to trusts administered by the Company. In terms of guidance note issued by the Institute of Actuaries of India, the Actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined that there is no shortfall as at 31st March, 2019.

The details of the fund and plan assets position are as follows:

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Fair value of plan assets	295.07	276.71
Present value of defined obligation	288.50	269.24
Contribution during the year (Employee and Employer Contribution)	29.34	26.34
The principal assumptions used for the purposes of the actuarial valuations are as follows:		
	As at 31-3-2019 %	As at 31-3-2018 %
Guaranteed Interest rate	8.65%	8.55%
Discount Rate for the remaining term to maturity of Interest portfolio	7.79%	7.85%

Risk Analysis

The Company is exposed to the following Risks in the defined benefits plans :

Investment Risk: The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan assets is below this rate, it will create a plan deficit.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by increase in the return on the plan's debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary growth risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan's liability.

43. (a) Information about Consolidated Segments

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments, as follows:

Segment - A (Unitary Cooling Products for Comfort and Commercial use):

Engaged in manufacturing, selling and after sales services of cooling appliances and cold storage products.

Segment - B (Electro - mechanical Projects and Services):

Electro-Mechanical Projects (MEP): Electricals, HVAC (Heating, Ventilation & Air Conditioning), Plumbing, Fire Fighting, Extra Low Voltage (ELV) and Specialized services.

Facilities Maintenance and Hard Services: Operations and Maintenance (O&M) contracts in various sectors, AMCs, Retrofits and Energy Management, etc.

Water Solutions: Water Treatment solutions for Industrial, Oil and Gas and Domestic Sewage Segments.

Segment - C (Engineering Products and Services):

Textile Machinery : Sales and Service of capital machinery for Textile Industry and sale of spares and accessories for Textile equipment.

Mining and Construction Equipment: Engaged in selling of mining and construction equipment and providing operations and maintenance services for mining and construction industry.

1 SEGMENT REVENUE

	2018-19 ₹ in Crores	2017-18 ₹ in Crores
(a) Segment - A (Unitary Cooling Products for Comfort and Commercial use)	3,155.56	3,226.09
(b) Segment - B (Electro - mechanical Projects and Services)	3,619.08	2,845.21
(c) Segment - C (Engineering Products and Services)	311.65	309.93
Less : Inter segment revenue	1.70	0.95
Segment Total	7,084.59	6,380.28
Add : Other operating income	39.48	47.59
Revenue from operations	7,124.07	6,427.87

Footnotes :

- (i) Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Group's total revenue.
- (ii) The Group's reportable segments are organized based on the nature of products and services offered by these segments. Accordingly, additional disclosures for revenue information about products and services are not applicable.

2 SEGMENT RESULTS

	2018-19 ₹ in Crores	2017-18 ₹ in Crores
(a) Segment - A (Unitary Cooling Products for Comfort and Commercial use)	325.36	474.87
(b) Segment - B (Electro - mechanical Projects and Services)	277.25	185.38
(c) Segment - C (Engineering Products and Services)	105.08	99.22
Segment Total	707.69	759.47
Less : (i) Finance costs	32.98	11.92
(ii) Other unallocable expenditure net of unallocable income	(14.47)	(56.75)
Profit before Exceptional items and Tax	689.18	804.30
Exceptional items - unallocated	(11.77)	0.61
Profit before Tax	677.41	804.91

3 SEGMENT ASSETS AND LIABILITIES

	Segment Assets		Segment Liabilities	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ in Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ in Crores
(a) Segment - A (Unitary Cooling Products for Comfort and Commercial use)	1,500.10	1,367.14	944.52	1,117.21
(b) Segment - B (Electro - mechanical Projects and Services)	2,805.89	2,570.41	1,875.61	1,872.76
(c) Segment - C (Engineering Products and Services)	119.38	130.78	53.96	62.93
Segment Total	4,425.37	4,068.33	2,874.09	3,052.90
Unallocated	3,096.61	3,241.32	503.15	319.80
	7,521.98	7,309.65	3,377.24	3,372.70

4 INVESTMENTS AND SHARE OF PROFIT / (LOSS) IN JOINT VENTURES AND ASSOCIATES

Segment	Company	Investments		Share of Profit / (Loss)	
		As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ in Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ in Crores
B	Universal Voltas L.L.C.	51.41	57.81	6.66	9.98
B	Universal Weathermaker Factory L.L.C.	-	-	-	(0.14)
B	Voltas Water Solutions Private Ltd.	-	-	-	(0.59)
B	Olayan Voltas Contracting Company Ltd.	3.28	10.00	(8.53)	(3.30)
B	Naba Diganta Water Management Ltd.	5.95	5.00	0.73	0.74
Unallocated: Voltbek Home Appliances Private Ltd.		143.58	73.84	(48.36)	(5.05)
Unallocated: Terrot GmbH		6.00	9.19	(2.32)	2.16
Unallocated: Brihat Trading Private Ltd.		*	*	-	-
		210.22	155.84	(51.82)	3.80

5 OTHER INFORMATION FOR SEGMENTS

	Capital Expenditure		Depreciation and amortisation		Non-Cash Expenses Other than Depreciation and amortisation	
	2018-19 ₹ in Crores	2017-18 ₹ in Crores	2018-19 ₹ in Crores	2017-18 ₹ in Crores	2018-19 ₹ in Crores	2017-18 ₹ in Crores
(a) Segment - A (Unitary Cooling Products for Comfort and Commercial use)	4.78	5.97	5.32	5.68	0.71	1.11
(b) Segment - B (Electro - mechanical Projects and Services)	55.76	10.22	8.96	9.53	0.93	20.57
(c) Segment - C (Engineering Products and Services)	0.92	0.39	0.63	0.61	0.07	-
Segment Total	61.46	16.58	14.91	15.82	1.71	21.68
Unallocated	21.13	18.03	9.07	8.53	-	-
	82.59	34.61	23.98	24.35	1.71	21.68

43. (b) Information of Geographical areas of reportable Business Segments

	2018-19 ₹ in Crores	2017-18 ₹ in Crores
Revenue by Geographical Market		
India	5,454.86	4,997.57
Middle East	1,383.60	1,287.11
Singapore	178.95	28.32
Others	67.18	67.28
	7,084.59	6,380.28
Non Current Assets		
India	445.85	378.39
Middle East	11.76	10.89
Singapore	0.19	0.26
Others	0.01	0.02
	457.81	389.56

44. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

Name of the Entity	Country of Incorporation	Ownership in %	Net assets (total assets minus total liabilities)		Share of profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount ₹ in Crores	As % of consolidated profit and loss	Amount ₹ in Crores	As % of consolidated other comprehensive income	Amount ₹ in Crores	As % of consolidated comprehensive income	Amount ₹ in Crores
I Voltas Limited (Parent Company)			91.07	3,743.15	90.38	464.47	145.96	(35.44)	87.63	429.03
II Subsidiaries										
(a) Indian										
(1) Auto Aircon (India) Ltd.	India	100.00	*	0.04	*	-	-	-	*	*
(2) Rohini Industrial Electricals Ltd.	India	100.00	0.50	20.70	8.42	43.26	0.32	(0.08)	8.82	43.18
(3) Universal Comfort Products Ltd.	India	100.00	6.72	276.08	9.38	48.21	0.02	(0.01)	9.84	48.20
(b) Foreign										
(1) Lalbuksh Voltas Engineering Services and Trading L.L.C.	Sultanate of Oman	60.00	1.96	80.61	2.26	11.63	(11.75)	2.85	2.96	14.48
(2) Saudi Ensas Company for Engineering Services W.L.L.	Saudi Arabia	100.00	(0.10)	(4.31)	(0.17)	(0.86)	0.58	(0.14)	(0.20)	(1.00)
(3) Voltas Netherlands B.V.	The Netherlands	100.00	1.42	58.22	3.47	17.84	10.24	(2.49)	3.14	15.35
(4) Voltas Oman L.L.C.	Sultanate of Oman	65.00	0.10	4.03	0.73	3.76	(0.35)	0.08	0.78	3.84
(5) Weathermaker Ltd.	Isle of Man	100.00	0.73	30.05	1.13	5.80	(7.18)	1.74	1.54	7.54
(6) Voltas Qatar W.L.L.	Qatar	97.00	2.16	88.79	15.59	80.10	(10.21)	2.48	16.87	82.58
(c) Minority Interests in all subsidiaries			(0.85)	(34.75)	1.16	5.97	(8.65)	2.10	1.65	8.07
III Joint Ventures										
(a) Indian										
(1) Voltas Water Solutions Private Ltd.	India	50.00	(0.07)	(2.78)	-	-	-	-	-	-
(2) Voltbek Home Appliances Private Ltd.	India	49.00	(1.30)	(53.41)	(9.41)	(48.36)	-	-	(9.88)	(48.36)
(b) Foreign										
(1) Olayan Voltas Contracting Company Ltd. (Net)	Saudi Arabia	50.00	(0.41)	(16.96)	(1.66)	(8.53)	(1.98)	0.48	(1.64)	(8.05)
(2) Universal Voltas L.L.C.	United Arab Emirates	49.00	0.90	36.85	1.30	6.66	(11.28)	2.74	1.92	9.40
(3) Universal Weathermaker Factory L.L.C.	United Arab Emirates	-	-	-	-	-	-	-	-	-
IV Adjustments arising out of consolidation			(2.93)	(120.37)	(22.19)	(114.09)	(7.89)	1.94	(22.91)	(112.15)
V Associates										
(a) Indian										
Naba Diganta Water Management Ltd.	India	26.00	0.01	0.54	0.11	0.58	0.07	(0.02)	0.11	0.56
(b) Foreign										
Terrot GmbH	Germany	20.07	0.09	3.51	(0.50)	(2.56)	2.10	(0.51)	(0.63)	(3.07)
			100.00	4,109.99	100.00	513.88	100.00	(24.28)	100.00	489.60

* value below ₹ 50,000/-

45. RELATED PARTY DISCLOSURES

(a) List of Related Parties and Relationships

Party		Relation
Related parties (where transactions have taken place during the year and previous year / balance outstanding)		
1	Brihat Trading Private Limited Naba Diganta Water Management Limited Terrot GmbH	Associate
2	Universal Voltas L.L.C. Olayan Voltas Contracting Company Limited Universal Weathermaker Factory L.L.C. Voltas Water Solutions Private Limited Voltbek Home Appliances Private Limited	Joint Venture
3	Whole -Time Directors Mr. Pradeep Bakshi - Managing Director & CEO (w.e.f. 10th February, 2018), Executive Director (w.e.f. 1st September, 2017 to 9th February, 2018) Mr. Anil George - Deputy Managing Director (w.e.f. 10th February, 2018), Executive Director (w.e.f. 1st September, 2017 to 9th February, 2018) Mr. Sanjay Johri - Managing Director (upto 9th February, 2018) Executive Vice President - Finance & CFO Mr. Abhijit Gajendragadkar Vice President - Taxation, Legal & Company Secretary Mr. V. P. Malhotra	Key Management Personnel
4	Non-Executive Directors Mr. Noel N. Tata - Chairman Mr. Vinayak Deshpande Mr. Hemant Bhargava Independent Directors Mr. Nani Javeri Mr. R. N. Mukhija (upto 4th February, 2019) Mr. Debendranath Sarangi Mr. Bahram N. Vakil Ms. Anjali Bansal Mr. Arunkumar Adhikari	Directors
5	Voltas Limited Provident Fund Voltas Managerial Staff Provident Fund Voltas Limited Employees' Gratuity Fund Voltas Limited Managerial Staff Gratuity Fund Voltas Limited Employees' Superannuation Scheme	Employee Benefit Funds
6	Tata Sons Private Limited	Promoter

Party	Relation
<p>7</p> <p>C-Edge Technologies Limited Ewart Investments Limited Infiniti Retail Limited MahaOnline Limited TAL Manufacturing Solutions Limited (w.e.f 29th March, 2019) TASEC Limited (formerly TAS-AGT Systems Limited) Tata Advanced Materials Limited Tata Advanced Systems Limited Tata Africa Holdings (Kenya) Limited Tata Asset Management Limited Tata Autocomp Systems Limited Tata Capital Financial Services limited Tata Capital Housing Finance Limited Tata Capital Limited Tata Communications Limited Tata Communications Payment Solutions Limited Tata Communications Transformation Services Limited Tata Consultancy Services Limited Tata Consulting Engineers Limited Tata De Mocambique, Limitada Tata Housing Development Company Limited Tata International Limited Tata International Metals (UK) Limited (formerly Tata Steel International (UK) Limited) Tata Investment Corporation Limited Tata Petrodyne Limited Tata Realty and Infrastructure Limited Tata Teleservices (Maharashtra) Limited Tata Teleservices Limited TCS Foundation THDC Management Services Limited (formerly THDC Facility Management Limited) TRIF Real Estate and Development Limited TRIL Amritsar Projects Limited (formerly TRIF Amritsar Projects Limited) TRIL Infopark Limited Mikado Realtors Private Limited Tata Advanced Materials Limited Tata AIA Life Insurance Company Limited Tata AIG General Insurance Company Limited Tata Autocomp Hendrickson Suspensions Private Limited (formerly Taco Hendrickson Suspensions Private Limited) Tata Ficosa Automotive Systems Private Limited (formerly Tata Ficosa Automotive Systems Limited) Tata Industries Limited Tata International DLT Private Limited Tata Lockheed Martin Aerostructures Limited Tata Sikorsky Aerospace Limited (formerly Tata Aerospace Systems Limited) Tata Sky Limited Tata Toyo Radiator Limited Tata Unistore Limited (formerly Tata Industrial Services Limited) TRIL IT4 Private Limited (formerly Albrecht Builder Private Limited)</p>	Subsidiaries and Joint Ventures of Promoter

45 (b). Related Party Transactions

₹ in Crores

Sr. No.	Year	Transactions	Associates	Joint Ventures	Promoter	Subsidiaries and Joint Ventures of Promoter	Key Management Personnel	Directors	Employee Benefit Funds	Total
1	2018-19	Purchases of stock-in-trade	-	3.57	-	0.02	-	-	-	3.59
	2017-18		-	-	-	0.11	-	-	-	0.11
2	2018-19	Sale of Products	-	1.74	-	61.77	*	-	-	63.51
	2017-18		-	-	-	52.03	-	-	-	52.03
3	2018-19	Service Income - Other than Management fees	0.19	0.10	0.06	85.71	*	-	-	86.06
	2017-18		0.21	3.70	0.10	78.89	-	-	-	82.90
4	2018-19	Service Income - Management fees on vendor bill discounting	-	-	-	0.66	-	-	-	0.66
	2017-18		-	-	-	0.43	-	-	-	0.43
5	2018-19	Construction contract revenue (Includes billed and unbilled revenue)	-	-	0.06	223.87	-	-	-	223.93
	2017-18		-	-	-	326.06	-	-	-	326.06
6	2018-19	Interest Income	-	-	-	5.62	-	-	-	5.62
	2017-18		-	0.11	-	4.66	-	-	-	4.77
7	2018-19	Rental Income	-	1.22	-	10.73	-	-	-	11.95
	2017-18		-	0.03	-	2.09	-	-	-	2.12
8	2018-19	Dividend Income	-	2.33	-	3.49	-	-	-	5.82
	2017-18		-	-	-	1.52	-	-	-	1.52
9	2018-19	Commission Received / Receivable	0.79	-	-	-	-	-	-	0.79
	2017-18		0.95	-	-	-	-	-	-	0.95
10	2018-19	Remuneration Paid / Payable	-	-	-	-	12.66	1.70	-	14.36
	2017-18		-	-	-	-	17.13	2.25	-	19.38
11	2018-19	Sitting Fees	-	-	-	-	-	0.36	-	0.36
	2017-18		-	-	-	-	-	0.47	-	0.47
12	2018-19	Dividend Paid	-	-	35.25	4.76	-	-	-	40.01
	2017-18		-	-	30.85	-	-	-	-	30.85
13	2018-19	Tata Brand Equity	-	-	9.92	-	-	-	-	9.92
	2017-18		-	-	8.31	-	-	-	-	8.31
14	2018-19	Training Expenses Paid / Payable	-	-	0.03	-	-	-	-	0.03
	2017-18		-	-	-	-	-	-	-	-
15	2018-19	Purchase of goods / services for execution of contracts	-	-	-	1.31	-	-	-	1.31
	2017-18		-	105.38	-	0.12	-	-	-	105.50
16	2018-19	Bad and Doubtful Debts / Advances (P&L)	-	-	-	-	-	-	-	-
	2017-18		-	0.01	-	-	-	-	-	0.01
17	2018-19	Other Expenses- Received/Receivable	-	79.78	0.20	0.55	-	-	-	80.53
	2017-18		-	13.30	0.24	0.47	-	-	-	14.01
18	2018-19	Bad and Doubtful Debts / Advances - Reversal (P&L)	-	0.01	-	-	-	-	-	0.01
	2017-18		-	-	-	-	-	-	-	-

₹ in Crores

Sr. No.	Year	Transactions	Associates	Joint Ventures	Promoter	Subsidiaries and Joint Ventures of Promoter	Key Management Personnel	Directors	Employee Benefit Funds	Total
19	2018-19	Other Expenses- Paid/Payable	-	1.73	0.12	20.07	-	-	-	21.92
	2017-18		-	1.40	0.09	16.90	-	-	-	18.39
20	2018-19	Purchase of property, plant and equipment	-	-	-	3.32	-	-	-	3.32
	2017-18		-	0.04	-	0.02	-	-	-	0.06
21	2018-19	Investments in Preference Shares	-	-	-	20.00	-	-	-	20.00
	2017-18		-	-	-	30.00	-	-	-	30.00
22	2018-19	Investment in Bonds/Debentures	-	-	-	50.95	-	-	-	50.95
	2017-18		-	-	-	-	-	-	-	-
23	2018-19	Share Application Money given	-	-	-	-	-	-	-	-
	2017-18		-	13.13	-	-	-	-	-	13.13
24	2018-19	Sale of Investment	-	-	-	-	-	-	-	-
	2017-18		-	2.98	-	-	-	-	-	2.98
25	2018-19	Investments in Equity Shares	-	118.09	-	-	-	-	-	118.09
	2017-18		-	79.50	-	-	-	-	-	79.50
26	2018-19	Security deposit received	-	-	-	7.36	-	-	-	7.36
	2017-18		-	0.01	-	2.55	-	-	-	2.56
27	2018-19	Security deposit at the end of the year	-	-	-	13.76	-	-	-	13.76
	2017-18		-	-	-	12.42	-	-	-	12.42
28	2018-19	Security deposit refunded	-	-	-	5.02	-	-	-	5.02
	2017-18		-	-	-	1.50	-	-	-	1.50
29	2018-19	Provision for Debts and Advances at year end	-	-	-	-	-	-	-	-
	2017-18		-	0.01	-	-	-	-	-	0.01
30	2018-19	Advance Outstanding at year end	-	0.12	0.08	0.13	-	-	-	0.33
	2017-18		-	4.15	0.09	0.18	-	-	-	4.42
31	2018-19	Outstanding Share Application Money at year end	-	13.13	-	-	-	-	-	13.13
	2017-18		-	13.13	-	-	-	-	-	13.13
32	2018-19	Debit Balance Outstanding at year end	0.22	-	-	201.35	-	-	-	201.57
	2017-18		0.74	-	-	66.90	-	-	-	67.64
33	2018-19	Credit Balance Outstanding at year end	-	4.43	8.92	4.74	-	-	-	18.09
	2017-18		-	32.85	7.75	0.39	-	-	-	40.99
34	2018-19	Guarantees Outstanding at year end	-	7.18	-	-	-	-	-	7.18
	2017-18		-	6.73	-	-	-	-	-	6.73
35	2018-19	Contract Revenue in excess of Billing	-	-	-	40.21	-	-	-	40.21
	2017-18		-	-	-	-	-	-	-	-
36	2018-19	Billing in excess of Contract Revenue	-	-	-	3.63	-	-	-	3.63
	2017-18		-	-	-	-	-	-	-	-
37	2018-19	Contribution to Employee Benefit Funds	-	-	-	-	-	-	7.58	7.58
	2017-18		-	-	-	-	-	-	14.73	14.73

* Value below ₹ 50,000/-

46. RESEARCH AND DEVELOPMENT EXPENDITURE

	2018-19 ₹ In Crores	2017-18 ₹ In Crores
Expenditure at Department of Scientific and Industrial Research (DSIR) approved R&D centers		
(1) Revenue expenditure	4.34	4.54
UPBG	1.04	1.17
EM&RBG	3.30	3.37
(2) Capital expenditure	0.06	0.06
UPBG	0.04	-
EM&RBG	0.02	0.06
Other R&D expenditure		
(1) Revenue expenditure	0.66	0.90
UPBG	0.43	0.46
EM&RBG	0.23	0.44
(2) Capital expenditure	-	-
UPBG	-	-
EM&RBG	-	-
Total R&D expenditure		
(1) Revenue expenditure	5.00	5.44
UPBG	1.47	1.63
EM&RBG	3.53	3.81
(2) Capital expenditure	0.06	0.06
UPBG	0.04	-
EM&RBG	0.02	0.06

Business Segments :

UPBG : Unitary Cooling Products for Comfort and Commercial use.

EM&RBG : Electro - mechanical Projects and Services.

47. FINANCIAL INSTRUMENTS

A. Financial instruments by category

The accounting classification of each category of financial instruments, their carrying value and fair value are as below:

	As at 31-3-2019 ₹ in Crores				As at 31-3-2018 ₹ in Crores					
	FVTPL	FVTOCI	Amortised cost	Total Carrying value	Total Fair value	FVTPL	FVTOCI	Amortised cost	Total Carrying value	Total Fair value
Financial assets										
Investments*	1,256.87	568.22	350.54	2,175.63	2,175.63	1,863.37	601.28	133.10	2,597.75	2,597.75
Loans	-	-	11.64	11.64	11.64	-	-	4.82	4.82	4.82
Trade receivables	-	-	1,833.01	1,833.01	1,833.01	-	-	1,570.28	1,570.28	1,570.28
Other financial assets	-	-	159.92	159.92	159.92	0.81	-	116.20	117.01	117.01
Cash and cash equivalents	-	-	310.99	310.99	310.99	-	-	257.93	257.93	257.93
Other balances with banks	-	-	10.12	10.12	10.12	-	-	25.76	25.76	25.76
	1,256.87	568.22	2,676.22	4,501.31	4,501.31	1,864.18	601.28	2,108.09	4,573.55	4,573.55
Financial liabilities										
Borrowings	-	-	314.65	314.65	314.65	-	-	142.29	142.29	142.29
Trade payables	-	-	2,374.49	2,374.49	2,374.49	-	-	2,176.41	2,176.41	2,176.41
Other financial liabilities	2.18	-	82.29	84.47	84.47	-	-	84.65	84.65	84.65
	2.18	-	2,771.43	2,773.61	2,773.61	-	-	2,403.35	2,403.35	2,403.35

* Investment also includes equity investments in subsidiaries, associates and joint ventures which are carried at costs and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures". Hence, the same have been excluded from the above table.

The management assess that Cash and cash equivalents, Other balances with banks, Loans, Trade receivables, Trade payables, Other financial liabilities and other financial assets carried at amortized cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

Abbreviations :

FVTPL - Fair Value Through Profit or Loss.

FVTOCI - Fair Value Through Other Comprehensive Income.

B. Fair value hierarchy

The fair value measurement hierarchy of the Company's assets and liabilities are as follows:

	Level 1		Level 2		Level 3	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Financial assets						
At fair value through profit or loss						
- Investment	1,256.87	1,863.37	-	-	-	-
- Derivative financial assets	-	-	-	0.81	-	-
At fair value through Other Comprehensive Income						
- Investment	364.97	411.97	-	-	203.25	189.32
TOTAL	1,621.84	2,275.34	-	0.81	203.25	189.32

	Level 1		Level 2		Level 3	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Financial liabilities						
At fair value through profit or loss						
- Derivative financial liabilities	-	-	2.18	-	-	-
TOTAL	-	-	2.18	-	-	-

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instrument by valuation techniques:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- The fair value of quoted equity investment and mutual funds are based on price quotations at the reporting date.
- The fair value of unquoted equity investments are based on Market multiple approach. Market multiple of EV/EBITDA are considered after applying suitable discounts for size, liquidity and other company specific discounts.
- The Group enters into derivative financial instruments with various counterparties, principally with banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The model incorporates various inputs including the credit quality of counter parties, foreign exchange spot and forward rates.

There were no transfers between Level 1 and 2 during the period.

C. Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets

	₹ in Crores
As at 1st April, 2017	191.75
Add: Fair valuation gain/(loss) recognised in OCI	(2.43)
Closing balance as at 31st March, 2018	189.32
Add: Fair valuation gain/(loss) recognised in OCI	13.93
Closing balance as at 31st March, 2019	203.25

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial liabilities comprise borrowings, trade and other payables. The Group's financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances. The Group also holds FVTPL and FVTOCI investments.

The Group is exposed to market risk, credit risk and liquidity risk. The Board of Directors of the Group oversee the management of these financial risks through its Risk Management Committee as per Group's existing policy.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affect significantly short term borrowing, therefore the Company's exposure to the risk of changes in market interest rates relates primarily to the investment in debt mutual funds.

Given the portfolio of investments in debt mutual funds, etc. the Company has exposure to interest rate risk with respect to returns realised. It is estimated that an increase in 25 bps change in 10 year Govt. bond yield would result in a loss of approximately ₹ 3.14 crores (31st March, 2018: ₹ 4.66 crores) whereas a decrease in 25 bps change in 10 year Govt. bond yield would result in a profit of approximately ₹ 3.14 crores (31st March, 2018: ₹ 4.66 crores). This estimate is based on key assumption with respect to seamless transition of rates across debt instruments in the market and also basis the duration of debt instruments in turn held by mutual funds that the Company has invested in.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). Foreign currency risks are managed within the approved policy parameters utilising foreign exchange forward contracts.

As at the end of the reporting period, the carrying amounts of the material foreign currency denominated monetary assets and liabilities are as follows:

Currency	Liabilities		Assets	
	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
United States Dollar (USD)	187.78	262.66	48.11	52.99
United Arab Emirates Dirham (AED)	349.88	228.61	390.77	270.12
Chinese Yuan (CNY)	222.67	-	-	-

Foreign currency sensitivity

The following tables demonstrate the sensitivity of outstanding foreign currency denominated monetary items to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's Profit before tax is due to changes in the fair value of financial assets and liabilities:

Particulars	Effect on Profit before tax		Effect on Equity	
	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
USD +5%	2.41	(7.07)	1.58	(4.63)
USD -5%	(2.41)	7.07	(1.58)	4.63
AED +5%	2.04	2.08	1.34	1.36
AED -5%	(2.04)	(2.08)	(1.34)	(1.36)
CNY +5%	(6.83)	-	(4.47)	-
CNY -5%	6.83	-	4.47	-

Details of notional value of derivative contracts entered by the Group and outstanding as at Balance Sheet date.

Particulars	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Forward contracts - (USD/INR)	319.60	68.21
Forward contracts - (CNY/INR)	86.03	-

The fair value of the Group's derivatives position recorded under financial assets and financial liabilities are as follows:

Particulars	Liabilities		Assets	
	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Forex Forward Cover	2.18	-	-	0.81

(c) Equity price risk

The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's Board of Directors reviews and approves all equity investment decisions.

The following table summarises the sensitivity to change in the price of equity securities held by the Group on the Group's Equity and OCI. These changes would not have an effect on profit and loss.

	Impact on other components of equity (OCI)	
	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Increase 5%	18.25	20.60
Decrease 5%	(18.25)	(20.60)

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk for trade receivables, contract assets, cash and cash equivalents, investments, other bank balances, loans and other financial assets. The Group only deals with parties which have good credit rating/ worthiness given by external rating agencies or based on Group's internal assessment.

Credit risk on trade receivables and contract assets are managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Moreover, given the diverse nature of the Group's businesses, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of the trade receivables in any of the years presented.

For trade receivables and contract assets, as a practical expedient, the Group computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

For Mutual Fund Investments, counterparty risk are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for Group's mutual fund investments.

Credit risk from cash and cash equivalents and balances with banks is managed by the Group's treasury department in accordance with the Group's treasury policy.

The Credit risk on mutual fund investments, cash and cash equivalents, and other bank balances are limited as the counterparties are banks and fund houses with high-credit ratings assigned by credit rating agencies.

The carrying value of the financial assets represents the maximum credit exposure. The Group's maximum exposure to Credit risk is disclosed in Note 47 "Financial Instruments". The maximum credit exposure on financial guarantees given by the Group for various financial facilities is disclosed in Note 41 "Commitments and Contingencies."

(iii) Liquidity risk management

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that the funds are available for use as per the requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

Maturities of financial liabilities: The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Contractual maturities of financial liabilities (31st March, 2019)	Less than 1 year ₹ in Crores	More than 1 year ₹ in Crores	Total ₹ in Crores
Non-derivatives			
Borrowings (*)	321.36	-	321.36
Trade payables	2,374.49	-	2,374.49
Other financial liabilities	82.29	-	82.29
Total Non-derivative liabilities	2,778.14	-	2,778.14
Derivatives (net settled)			
Foreign exchange forward contracts	2.18	-	2.18
Total derivative liabilities	2.18	-	2.18
Contractual maturities of financial liabilities (31st March, 2018)			
Non-derivatives			
Borrowings	142.29	-	142.29
Trade payables	2,172.57	3.84	2,176.41
Other financial liabilities	84.65	-	84.65
Total non-derivative liabilities	2,399.51	3.84	2,403.35
Derivatives (net settled)			
Foreign exchange forward contracts	-	-	-
Total derivative liabilities	-	-	-

The amount included in Note 41(B) for financial guarantee contracts are the maximum amounts the Group could be forced to settle under respective arrangements for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that such amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

(*) Maturity amount of borrowings is including the interest that will be paid on these borrowings.

49. INTEREST IN OTHER ENTITIES

(a) Subsidiaries (Direct and Indirect)

The Group's subsidiaries as at 31st March, 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business (unless otherwise stated).

Name of entity	Place of business / country of incorporation	Beneficial Ownership interest held by the Group		Principal activities
		As at 31-3-2019	As at 31-3-2018	
Indian Subsidiaries :				
Universal Comfort Products Ltd.	India	100%	100%	Manufacturing of split air conditioners.
Rohini Industrial Electricals Ltd.	India	100%	100%	Turnkey electrical and instrumentation projects.
Auto Aircon (India) Ltd.	India	100%	100%	No business activities.
Agro Foods Punjab Ltd. (under liquidation. Refer footnote)	India			
Westerwork Engineers Ltd. (under liquidation)	India			
Foreign Subsidiaries :				
Voltas Netherlands B.V. (VNBV)	The Netherlands	100%	100%	Investment in overseas ventures undertaking turnkey projects and trading activities.
Weathermaker Ltd.	Isle of Man (Principal place of business: United Arab Emirates)	100%	100%	Manufacturing of ducts and duct accessories.
Saudi Ensas Company for Engineering Services W.L.L. (*Voltas Limited - 92% and VNBV - 8%)	Kingdom of Saudi Arabia	100%*	100%*	Undertake EPC (Engineering, Procurement and Construction) contracts of MEP (Mechanical, Electrical and Plumbing) projects.
Lalbuksh Voltas Engineering Services and Trading L.L.C. (*Voltas Limited - 20% and VNBV - 40%)	Sultanate of Oman	60%	60%	Drilling, irrigation and landscaping activities and construction of water treatment plants.
Voltas Oman L.L.C. [(65% through VNBV) (Jointly Controlled Operation)]	Sultanate of Oman	65%	65%	Undertake EPC (Engineering, Procurement and Construction) contracts of MEP (Mechanical, Electrical and Plumbing) projects.
Voltas Qatar W.L.L. (Holds 50% interest in VAFE Joint Venture)	Qatar	97%	97%	Undertake EPC (Engineering, Procurement and Construction) contracts of MEP (Mechanical, Electrical and Plumbing) projects.

Footnote :

Under a loan agreement for ₹ 0.6 crore (fully drawn and outstanding) entered into between Agro Foods Punjab Ltd. (AFPL) and the Punjab State Industrial Development Corporation Ltd. (PSIDC), the Company has given an undertaking to PSIDC that it will not dispose off its shares in AFPL till the monies under the said loan agreement between PSIDC and AFPL remain due and payable by AFPL to PSIDC. During 1998-99, the Company had transferred its beneficial rights in the shares of AFPL.

(b) Material Non-controlling interests (NCI)

Financial information of subsidiaries that have material non-controlling interests are as below. The amounts disclosed below are before inter-company eliminations.

Name of Subsidiary : Lalbuksh Voltas Engineering Services & Trading L.L.C.

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Summarised balance sheet		
Current assets	132.83	112.56
Current liabilities	54.64	50.92
Net current assets	78.19	61.64
Non-current assets	10.01	12.37
Non-current liabilities	7.59	3.72
Net non-current assets	2.42	8.65
Net assets	80.61	70.29
Accumulated NCI	32.24	28.11
Summarised statement of profit and loss		
Revenue	119.88	96.71
Profit / (loss) for the year	11.63	10.44
Other comprehensive income	4.84	(0.83)
Total comprehensive income	16.47	9.61
Profit allocated to NCI	4.65	4.18
Summarised cash flows		
Cash flow from operating activities	(3.40)	22.22
Cash flow from investing activities	(0.38)	1.87
Cash flow from financing activities	(6.29)	16.71
	(10.07)	40.80

(c) Interest in associates and joint ventures

- (i) Details of interests in associates and joint ventures of the Group are as below. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business	Principal activities	% of ownership interest	Relationship	Accounting method	Carrying amount	
						As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Universal Voltas L.L.C.	United Arab Emirates	Building maintenance, Onshore and off shore oil and gas fields and facilities services.	49%	Joint venture	Equity method	51.41	57.81
Olayan Voltas Contracting Company Ltd.	Kingdom of Saudi Arabia	Execution of maintenance and construction contracts, Water and sewage installation.	50%	Joint venture	Equity method	3.28	10.00
Voltbek Home Appliances Private Ltd.	India	White Goods business	49%	Joint venture	Equity method	143.58	73.84
Immaterial joint ventures (refer iii below)				Joint venture	Equity method	-	-
Immaterial associates (refer iii below)				Associates	Equity method	11.95	14.19
Total equity accounted investments						210.22	155.84

(ii) Summarised financial information for material joint ventures

The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not the Voltas's share in those amounts.

Summarised balance sheet	Universal Voltas L.L.C.		Olayan Voltas Contracting Company Ltd.		Voltbek Home Appliances Private Ltd.	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Current assets						
- Cash and cash equivalents	26.85	53.25	14.03	11.81	53.83	155.10
- Other assets	244.40	160.40	2.94	26.41	191.65	0.91
Current liabilities						
- Trade payables	147.66	99.77	8.54	17.85	81.88	5.40
- Other liabilities	11.35	20.56	1.27	5.22	53.02	-
Net current assets	112.24	93.32	7.16	15.15	110.58	150.61
Non-current assets	1.36	34.80	-	8.01	184.06	0.09
Non-current liabilities						
- Other liabilities	8.68	10.14	0.60	0.51	1.62	-
Net non-current assets	(7.32)	24.66	(0.60)	7.50	182.44	0.09
Net assets	104.92	117.98	6.56	22.65	293.02	150.70

Reconciliation to the carrying amounts:	Universal Voltas L.L.C.		Olayan Voltas Contracting Company Ltd.		Voltbek Home Appliances Private Ltd.	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Opening net assets	117.98	95.74	22.65	3.26	150.70	-
Profit / (loss) for the year	13.59	20.38	(17.06)	(6.59)	(98.69)	(10.31)
Consolidated adjustment – foreign currency translation adjustment	6.36	1.86	0.97	-	-	-
Increase in share capital on account of investment during the year	-	-	-	25.98	241.00	161.01
Dividends paid	33.01	-	-	-	-	-
Closing net assets	104.92	117.98	6.56	22.65	293.01	150.70
Group's share in %	49.00	49.00	50.00	50.00	49.00	49.00
Group's share in closing net assets	51.41	57.81	3.28	11.32	143.58	73.84
Goodwill / (Capital Reserve)	-	-	-	-	-	-
Carrying amount (Gross)	51.41	57.81	3.28	11.32	143.58	73.84
Less : Impairment in value of Investments	-	-	-	1.32	-	-
Carrying amount (Net)	51.41	57.81	3.28	10.00	143.58	73.84
	Universal Voltas L.L.C.		Olayan Voltas Contracting Company Ltd.		Voltbek Home Appliances Private Ltd.	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Summarised statement of profit and loss:						
Revenue	317.57	254.38	(1.85)	16.10	99.41	-
Interest income	0.26	0.31	-	-	-	0.89
Depreciation and amortisation	-	0.83	-	0.19	1.38	-
Interest expense	-	-	0.54	1.31	0.11	-
Income tax expense	-	-	(0.11)	0.04	-	-
Profit / (Loss) for the year	13.59	20.38	(17.06)	6.59	(98.69)	10.31
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	13.59	20.38	(17.06)	6.59	(98.69)	10.31
(iii) Individually immaterial associates and joint ventures						
In addition to the interests in joint ventures disclosed above, the Group also has interests in a number of individually immaterial joint ventures and associates that are accounted using the equity method.						
	Universal Voltas L.L.C.		Olayan Voltas Contracting Company Ltd.		Voltbek Home Appliances Private Ltd.	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Aggregate carrying amount of individually immaterial associates (Net)						
Aggregate amount of the Group's share of:						
Profit / (loss) for the year					11.95	14.19
Other comprehensive income					(1.59)	2.89
Total comprehensive income					(0.52)	1.56
Aggregate carrying amount of individually immaterial joint ventures (Net)					(2.11)	4.45
Aggregate amount of the Group's share of:						
Profit / (loss) for the year					-	(0.59)
Other comprehensive income					-	-
Total comprehensive income					-	(0.59)
Share of profits from associates for the year					(1.59)	2.89
Share of profits from joint ventures for the year					(50.23)	0.91
Total share of profits from associates and joint ventures for the year					(51.82)	3.80

50. AGGREGATION OF EXPENSES DISCLOSED IN CONSUMPTION OF MATERIALS, COST OF JOBS AND SERVICES AND OTHER EXPENSES IN RESPECT OF SPECIFIC ITEMS ARE AS FOLLOWS (REFER NOTE 35) :

Nature of expenses	2018-19		
	Grouped Under		Total
	Consumption of materials, cost of jobs and services	Other expenses	
	₹ in Crores	₹ in Crores	₹ in Crores
(1) Rent	0.50	54.15	54.65
(2) Power and Fuel	0.04	11.22	11.26
(3) Insurance charges	0.80	8.66	9.46
(4) Travelling and Conveyance	0.55	57.93	58.48
(5) Printing and Stationery	0.34	16.68	17.02
(6) Legal and Professional charges	0.44	33.74	34.18
(7) Clearing charges	1.02	63.36	64.38
(8) Outside Service charges	115.01	75.48	190.49
(9) Repairs to Plant and Machinery	0.16	8.42	8.58
(10) Other General expenses	7.17	93.17	100.34

Nature of expenses	2017-18		
	Grouped Under		Total
	Consumption of materials, cost of jobs and services	Other expenses	
	₹ in Crores	₹ in Crores	₹ in Crores
(1) Rent	0.60	49.61	50.21
(2) Power and Fuel	0.33	10.39	10.72
(3) Insurance charges	1.40	8.12	9.52
(4) Travelling and Conveyance	0.87	52.09	52.96
(5) Printing and Stationery	0.27	17.38	17.65
(6) Legal and Professional charges	0.46	33.55	34.01
(7) Clearing charges	0.82	44.34	45.16
(8) Outside Service charges	48.28	73.55	121.83
(9) Repairs to Plant and Machinery	0.01	6.91	6.92
(10) Other General expenses	3.86	84.11	87.97

51. OPERATING LEASE : GROUP AS A LESSEE

The Group has entered into operating lease agreements for its office premises and storage locations with lease term between 1 year to 30 years. The Group has the option under some of its leases to lease the assets for additional periods. There are no exceptional/restrictive covenants in the lease agreements. Lease rental expenses debited to Statement of Profit and Loss is ₹ 54.15 crores (31st March, 2018 : ₹ 49.61 crores)

Minimum lease payments for non-cancellable operating lease

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Not later than one year	8.01	2.14
(b) Later than one year but not later than five years	0.78	0.70
(c) Later than five years	0.02	-

Operating Lease : Group as a Lessor

The Group has entered into operating leases on its investment property portfolio consisting of land and office premises. These leases have lease terms between 1 year to 9 years. The Group has the option under some of its leases to lease the assets for additional periods. An amount of ₹ 39.17 crores (31st March, 2018: ₹ 37.62 crores) is recognised as lease income in the Statement of Profit and Loss account for the year ended 31st March, 2019.

Minimum lease income for non-cancellable operating lease

	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
(a) Not later than one year	5.25	4.57
(b) Later than one year but not later than five years	8.43	12.50
(c) Later than five years	-	-

52. REVENUE FROM CONTRACTS WITH CUSTOMERS

(A) Disaggregated revenue information

Disaggregation of the Company's revenue from contracts with customers are as follows:

Particulars	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
Segment - A (Unitary Cooling Products for Comfort and Commercial use)		
(a) Sale of products	3,117.50	3,198.58
(b) Sale of services	38.07	27.51
Sub-total :	3,155.57	3,226.09
Segment - B (Electro - mechanical Projects and Services)		
(a) Sale of products	264.76	252.16
(b) Construction contract revenue	2,936.81	2,211.23
(c) Sale of services	417.50	381.82
Sub-total :	3,619.07	2,845.21
Segment - C (Engineering Products and Services)		
(a) Sale of products	218.00	167.90
(b) Sale of services	93.65	142.03
Sub-total :	311.65	309.93
Less : Inter segment revenue	1.70	0.95
Total revenue from contracts with customers	7,084.59	6,382.18

(B) Set out below is the amount of revenue recognised from

Particulars	As at 31-3-2019 ₹ in Crores
(a) Amounts included in contract liabilities at the beginning of the year	430.33
(b) Performance obligations satisfied in previous years	(4.58)

(C) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended 31-3-2019 ₹ in Crores
Revenue as per contracted price	6,307.97
Adjustments	
Add: (a) Unbilled on account of work under certification	845.89
Less: (b) Billing in excess of contract revenue	(69.27)
Revenue from contract with customers	7,084.59

(D) Performance obligation

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March, 2019 is of ₹ 4,976.45 crores, out of which, majority is expected to be recognised as revenue within a period of one year.

53. CAPITAL MANAGEMENT

The Group's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met mainly through equity and operating cash flows generated. The Group is not subject to any externally imposed capital requirements.

54. EVENTS OCCURRING AFTER BALANCE SHEET

- (i) The Directors have recommended final dividend of ₹ 132.35 crores at ₹ 4.00 per share on equity shares which is subject to the approval of shareholders at the ensuing Annual General Meeting. This dividend and tax thereon has not been recognised as a liability.
- (ii) Further, an amount of ₹ 20.00 crores is proposed to be transferred to General Reserve which is approved in the Board Meeting held subsequent to the year end and thus has not been recognised as transferred during the year.
- (iii) The group has announced a scheme of voluntary retirement ("scheme") for all permanent employees in the general cadre category on 16th April, 2019. The scheme has been approved by the Board of Directors. As the scheme was announced subsequent to the Balance Sheet date, no adjustment has been made in the financial statements.

55. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date	For and on behalf of the Board		
For S R B C & CO LLP Chartered Accountants ICAI Firm Registration Number: 324982E/E300003	<i>Chairman</i> Managing Director & CEO <i>Deputy Managing Director</i>	Noel N.Tata Pradeep Bakshi Anil George	<i>Directors</i> Vinayak Deshpande D. Sarangi Bahram N. Vakil Hemant Bhargava Arun Kumar Adhikari
per Dolphy D'Souza Partner Membership Number: 38730	<i>Executive Vice President - Finance & CFO</i> Abhijit Gajendragadkar	<i>Vice President - Taxation, Legal & Company Secretary</i> V. P. Malhotra	

Mumbai, 9th May, 2019

Mumbai, 9th May, 2019

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Voltas Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Voltas Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters

How our audit addressed the key audit matter

Revenue recognition on long-term MEP contracts

The Company's revenues include revenue from long-term Mechanical, Electrical and Plumbing (MEP) contracts which are recognized over a period of time in accordance with the requirements of Ind AS 115, 'Revenue from Contracts with Customers'.

Due to the nature of the contracts, revenue is recognized based on percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgements including estimate of future costs, revision to original estimates based on new knowledge such as delay in timelines, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/ onerous obligations.

Accuracy of revenues and onerous obligations and profits may deviate significantly on account of change in judgements and estimates.

Considering the estimation involved in estimation of revenues, the same has been considered as key audit matter.

Our audit procedures included the following

- Reading the Company's revenue recognition accounting policies and assessing compliance of the policies with Ind AS 115.
- We performed test of controls over revenue recognition through inspection of evidence of performance of these controls with specific focus on determination of progress of completion, recording of costs incurred, estimation of costs to complete and the remaining contract obligations.
- We performed test of details, on a sample basis and evaluated management estimates and assumptions. We assessed management's estimates by comparing estimated cost with actual costs and discussion on the project specific considerations with the relevant project managers including on our project site visits. We assessed that, fluctuations in commodity and currency prices, delays and cost overruns related to the performance of work are properly taken into consideration while estimating costs to come and also assessed the accounting treatment of expected loss on projects including variable consideration which is recognised in accordance with the Company's accounting policy of revenue recognition.
- We examined contracts with low or negative margins, loss making contracts, contracts with significant changes in planned cost estimates and probable penalties due to delay in contract execution.
- We assessed that the contractual positions and revenue for the year are appropriately presented and disclosed in the standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Recoverability of and Impairment Allowances of receivables and contract assets of international business operations	
<p>As at March 31, 2019, receivable and contract assets of international business operation comprise of ₹ 562.79 crores. Recoverability of certain receivables and contract assets are impacted due to several factors like the customer profile, delays in completion certification in certain projects due to long project tenure and project disputes and financial ability of the customers, etc.</p>	<p>Our audit procedures included the following</p> <ul style="list-style-type: none"> We evaluated the Company's processes and controls relating to the monitoring of trade receivables and review of credit risks of customers. We assessed the design and tested the operating effectiveness of relevant controls in relation to the process adopted by management for testing the impairment of these receivables and the contract assets.
<p>The assessment of the impairment of such trade receivables and contract assets requires significant management judgement.</p>	<ul style="list-style-type: none"> As a part of substantive audit procedures, we tested the aging of trade receivable and contract assets. We examined the Company's assessment of the customer's financial circumstances and ability to repay the debt based on historical payment trends and the reason for delay in collection of trade receivables including any project disputes. Further, we assessed the expected credit loss impairment and the receipts and certification after year-end. We assessed the disclosures on the contract assets and trade receivables in Note 13 and Note 14 respectively, and the related risks such as credit risk and liquidity risk in Note 47 of the standalone Ind AS financial statements.

Impairment of Investments in Rohini Industrial Electricals Limited

During the earlier years, the management had identified impairment indicators on the investments made in wholly owned subsidiary "Rohini Industrial Electricals Limited" (RIEL) and accordingly impairment provision of ₹ 65.13 crores was recognised. On an annual basis, the Company performs impairment assessment by comparing the carrying value to their recoverable amounts in order to determine whether any additional impairment provision/ reversal is required.

For the purposes of above impairment assessment, value in use has been determined by discounting forecasted cash flows and considering the inherent nature of these calculations being subject to sensitivity to the inputs used for forecasting the cash flows and judgements used by management in such forecasts, the assessment of impairment of investment in RIEL was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.

Our audit procedures included the following

- We assessed the appropriateness of the Company's valuation methodology applied in determining the recoverable amount. In making this assessment, we also evaluated the objectivity and independence of Company's specialists involved in the process.
- We assessed the assumptions around the key drivers of the cash flow forecasts including projected order value and margins, discount rates, expected growth rates and terminal growth rates used.
- We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.
- We discussed potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.
- We tested the arithmetical accuracy of the models.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 41 to the standalone Ind AS financial statements;
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Dolphy D'Souza

Partner

Membership Number: 038730

Mumbai, May 09, 2019

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT ON EVEN DATE

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company, except for the following:

Particulars of the land and building	Amount (₹ In Crore)	Remarks
16 Flats in Tata Colony, Lallubhai Park, Andheri (W), Mumbai 400063	0.02	The said flats were allotted to the Company by way of common agreement entered into by the Company with other Tata Group companies. The title deeds are held by Tata Services Ltd on behalf of all allottees.
Voltas House, 23 J N Heredia Marg, Ballard Estate, Mumbai 400001	0.01	The said building was taken on lease by Company from Bombay Port Trust. The Lease has expired on 14th June, 2017. The Company has submitted an application for renewal (in accordance with contractual right) of lease on 15th December, 2016.

- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2019 and no material discrepancies were noticed in respect of such confirmations.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of Section 185 of the Companies Act, 2013 apply and hence not commented upon. Further provisions of Section 186 of the Companies Act, 2013 in respect of investments made, guarantees and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of Engineering Machinery, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of Statute	Nature of Dues	Forum where case is pending	Period to which the Amount Relates	Amount (₹ In Crores)
The Central Excise Act, 1944	Excise Duty (Including penalty and interest)	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	2009-10 to 2016-17	12.89
		Commissionerate	1981-82, 1983-84, 1985-86 to 1990-91, 1992-93 to 1993-94, 1999-00 to 2001-2002, 2004-05, 2011-12	4.94
Finance Act, 1994 and Service Tax Laws	Service Tax (Including penalty and interest)	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	1999-00 to 2016-17	12.88
		Commissionerate	2003-04 to 2016-2017	3.33
Sales Tax Act	(1) Value Added Tax (2) Central Sales Tax (3) Entry Tax (including penalty and interest)	Supreme Court	1993-94	0.40
		High Court	1987-1988 to 1991-1992, 1995-96 to 1998-99, 2001-02 to 2005-06, 2008-09	13.42
		Appellate Tribunal	1986-87, 1997-98 to 2015-16	30.96
		Commissioner of Appeals	1988-89 to 1992-93, 1994-95 to 2000-01, 2003-04, 2006-07 to 2017-18	99.48

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of public offer / debt instruments. The Company has utilized the monies raised by way of term loans for the purposes for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud / material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Dolphy D'Souza

Partner

Membership Number: 038730

ANNEXURE-2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF VOLTAS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Voltas Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003
per Dolphy D'Souza
Partner

Membership Number: 038730

Mumbai, May 09, 2019

Balance Sheet

as at 31st March, 2019

	Note	As at 31-3-2019	₹ In Crores As at 31-3-2018
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	197.38	152.28
(b) Capital work-in-progress		15.20	3.34
(c) Investment property	5	46.27	44.71
(d) Other intangible assets	6	8.31	8.61
(e) Financial assets			
(i) Investments	7	1,389.97	2,383.93
(ii) Loans	8	0.31	0.50
(iii) Other financial assets	9	66.60	23.45
(f) Income tax assets (net)		50.46	3.02
(g) Deferred tax assets (net)	10	55.85	13.87
(h) Other non-current assets	11	85.31	79.02
Total non-current assets		1,915.66	2,712.73
Current assets			
(a) Inventories	12	1,002.99	742.30
(b) Contract assets	13	676.35	-
(c) Financial assets			
(i) Investments	7	1,235.69	510.37
(ii) Trade receivables	14	1,394.84	1,277.05
(iii) Cash and cash equivalents	15	226.85	174.30
(iv) Other balances with banks	16	10.02	25.66
(v) Loans	17	10.86	3.39
(vi) Other financial assets	18	120.73	81.49
(d) Other current assets	19	226.25	948.32
Total current assets		4,904.58	3,762.88
TOTAL ASSETS		6,820.24	6,475.61
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	20	33.08	33.08
(b) Other equity	21	3,710.07	3,480.88
Total equity		3,743.15	3,513.96
Liabilities			
Non-current liabilities			
(a) Contract liabilities	22	0.70	-
(b) Provisions	23	73.26	73.32
(c) Other non-current liabilities	24	-	0.97
Total non-current liabilities		73.96	74.29
Current liabilities			
(a) Contract liabilities	25	288.99	-
(b) Financial liabilities			
(i) Borrowings	26	113.64	27.82
(ii) Trade payables			
- Total outstanding dues of micro and small enterprises	27	266.24	35.22
- Total outstanding dues of creditors other than micro and small enterprises	27	2,107.72	2,079.28
(iii) Other financial liabilities	28	82.18	84.55
(c) Provisions	29	118.56	176.76
(d) Income tax liabilities (net)		4.56	4.77
(e) Other current liabilities	30	21.24	478.96
Total current liabilities		3,003.13	2,887.36
TOTAL LIABILITIES		3,077.09	2,961.65
TOTAL EQUITY AND LIABILITIES		6,820.24	6,475.61

The accompanying notes are forming part of the financial statements.

For and on behalf of the Board

As per our report of even date

 For **S R B C & CO LLP**
 Chartered Accountants
 ICAI Firm Registration Number:
 324982E/E300003

per Dolphy D'Souza
 Partner
 Membership Number: 38730

Mumbai, 9th May, 2019

 Chairman
 Managing Director & CEO
 Deputy Managing Director

Executive Vice President - Finance & CFO

 Vice President - Taxation, Legal &
 Company Secretary

Noel N.Tata
Pradeep Bakshi
Anil George

Abhijit Gajendragadkar

V. P. Malhotra

 Directors **Vinayak Deshpande**
D. Sarangi
Bahram N. Vakil
Hemant Bhargava
Arun Kumar Adhikari

Mumbai, 9th May, 2019

Statement of Profit and Loss

for the year ended 31st March, 2019

	Note	Year ended 31-3-2019	Year ended 31-3-2018
₹ In Crores			
I Revenue from operations	31	6,693.19	5,832.26
II Other income	32	262.55	237.10
III Total income (I + II)		6,955.74	6,069.36
IV Expenses			
(a) Consumption of materials, cost of jobs and services		2,830.60	1,764.35
(b) Purchases of stock-in-trade		2,682.54	2,532.54
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	(273.36)	99.76
(d) Excise duty on sale of goods		-	23.49
(e) Employee benefits expenses	34	488.75	422.30
(f) Finance costs	35	22.93	7.50
(g) Depreciation and amortisation expenses	36	19.71	19.23
(h) Other expenses	37	579.34	513.45
IV Total Expenses		6,350.51	5,382.62
V Profit before exceptional items and tax (III - IV)		605.23	686.74
VI Exceptional Items	38	25.57	(3.98)
VII Profit before tax (V + VI)		630.80	682.76
Tax Expense			
(a) Current tax		189.00	179.00
(b) Adjustment of tax relating to earlier periods		(7.57)	(4.01)
(c) Deferred tax	10	(15.10)	6.54
VIII Total tax expense	39	166.33	181.53
IX Net Profit for the year (VII-VIII)		464.47	501.23
Other Comprehensive Income			
Items that are not to be reclassified to profit or loss			
(a) Changes in fair value of equity instruments through other comprehensive income		(33.07)	152.95
(b) Remeasurement gain / (loss) on defined benefit plans		0.09	6.17
(c) Income tax relating to these items	10	(2.46)	(1.67)
X Other Comprehensive Income [net of tax]		(35.44)	157.45
XI Total Comprehensive Income [net of tax] (IX + X)		429.03	658.68
XII Earnings per share:			
Basic and Diluted (₹) (Face value ₹ 1/- per share)	40	14.04	15.15

The accompanying notes are forming part of the financial statements.

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number:
324982E/E300003

per **Dolphy D'Souza**
Partner
Membership Number: 38730

Mumbai, 9th May, 2019

For and on behalf of the Board

Chairman
Managing Director & CEO
Deputy Managing Director

Executive Vice President - Finance & CFO

Vice President - Taxation, Legal &
Company Secretary

Noel N.Tata
Pradeep Bakshi
Anil George

Abhijit Gajendragadkar

V. P. Malhotra

Directors **Vinayak Deshpande**
D. Sarangi
Bahram N. Vakil
Hemant Bhargava
Arun Kumar Adhikari

Mumbai, 9th May, 2019

Cash Flow Statement for the year ended 31st March, 2019

	2018-19		2017-18
	₹ In Crores	₹ In Crores	₹ In Crores
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		630.80	682.76
Adjustments for:			
Depreciation and amortisation expenses	19.71		19.23
Allowance for doubtful debts and advances	27.91		(24.68)
Unrealised foreign exchange (gain) / loss (net)	(9.78)		10.93
(Reversal of provision) / provision for diminution in value of investments (net)	(25.19)		5.98
(Gain) / loss on disposal of property, plant and equipment	0.71		0.20
Finance costs	22.93		7.50
Interest income	(20.37)		(11.40)
Dividend income	(83.95)		(65.40)
(Gain) / loss arising on financial assets measured at Fair Value through Profit or Loss (FVTPL) (net)	(105.24)		(113.37)
Financial guarantee contract income	(0.48)		(0.48)
Liabilities/provisions no longer required written back	(9.19)		(19.29)
Rental income	(39.56)		(37.55)
		(222.50)	(228.33)
Operating profit before working capital changes		408.30	454.43
Changes in Working Capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories	(260.70)		33.73
Trade receivables	(199.60)		(84.40)
Other financial assets	(89.10)		14.89
Other non-financial assets and contract assets	9.53		(349.45)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables	279.21		329.83
Other financial liabilities	(1.45)		32.10
Other non-financial liabilities and contract liabilities	(169.00)		65.15
Provisions	(58.18)		12.77
		(489.29)	54.62
Cash generated from operations		(80.99)	509.05
Income tax paid (net of refunds)		(229.08)	(210.79)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(310.07)	298.26

	2018-19		2017-18
	₹ In Crores	₹ In Crores	₹ In Crores
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets (including capital advances and capital work-in-progress)	(79.23)		(30.74)
Proceeds from disposal of property, plant and equipment	0.95		1.23
(Increase)/decrease in other bank balances (net)	17.61		(17.39)
Purchase of investments	(812.89)		(1,173.76)
Proceeds from sale of investments	1,181.62		961.08
Interest received	18.91		12.09
Dividend received			
– subsidiaries	73.40		52.81
– others	8.31		5.14
Rent received	39.20		37.72
Rental deposits (repaid) / received	(2.92)		0.43
NET CASH FLOW FROM / (USED) IN INVESTING ACTIVITIES (B)		444.96	(151.39)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity instruments of the Company (Calls-in-Arrears)	*		*
Securities Premium (Calls-in-Arrears)	*		*
Net increase / (decrease) in working capital borrowings	85.82		(41.26)
Interest paid	(22.96)		(7.59)
Dividends paid including taxes thereon	(145.20)		(129.53)
NET CASH FLOW FROM / (USED) IN FINANCING ACTIVITIES (C)		(82.34)	(178.38)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		52.55	(31.51)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		174.30	205.81
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		226.85	174.30
Non-cash investing and financing transactions			
Net gain arising on financial assets measured at FVTPL		72.19	84.36
Impairment / (reversal of impairment) of Investment (net)		(25.19)	5.98
		47.00	90.34
Cash and cash equivalents at the end of the year consist of:			
Cash and cash equivalents at the end of the year (Refer Note: 15 Cash and cash equivalents)		226.85	174.30
Effect of exchange difference on restatement of foreign currency Cash and cash equivalents		(0.01)	*
		226.84	174.30

* value below ₹ 50,000/-

As per our report of even date

For **S R B C & CO LLP**
 Chartered Accountants
 ICAI Firm Registration Number:
 324982E/E300003

per Dolphy D'Souza
 Partner
 Membership Number: 38730

Mumbai, 9th May, 2019

For and on behalf of the Board

Chairman
Managing Director & CEO
Deputy Managing Director

Executive Vice President - Finance & CFO

Vice President - Taxation, Legal &
Company Secretary

Noel N.Tata
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Directors **Vinayak Deshpande**
D. Sarangi
Bahram N. Vakil
Hemant Bhargava
Arun Kumar Adhikari

Mumbai, 9th May, 2019

Notes Forming Part of the Financial Statements for the year ended 31st March, 2019

1. CORPORATE INFORMATION

Voltas Limited (the "Company") is a public limited company domiciled in India. The address of its registered office is Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai 400033.

The Company belongs to the Tata Group of companies and was established in the year 1954. The Company is engaged in the field of air conditioning, refrigeration, in the business of electro - mechanical projects as an EPC contractor both in domestic and international geographies (Middle East and Singapore), and also in the business of engineering product services for mining, water management and treatment, construction equipments and textile industry.

The financial statements for the year ended 31st March, 2019 were approved by the Board of Directors and authorised for issue on 9th May, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The accounting policies adopted for preparation and presentation of financial statement have been consistently applied except for the changes in accounting policy for amendments to the standard that were issued by MCA, effective for annual period beginning from on or after 1st April, 2018.

(B) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and 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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in Note 3A.

(C) REVENUE

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for certain specific services mentioned below, as it typically controls the goods or services before transferring them to the customer.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, which generally coincides with transfer of goods to the transporters. The normal credit term is 7 to 30 days.

The Company provides preventive maintenance services on its certain products at the time of sale. These maintenance services are sold together with the sale of product. Contracts for such sales of product and preventive maintenance services comprise two performance obligations because the promises to transfer the product and to provide the preventive maintenance services are capable of being distinct. Accordingly, a portion of the transaction price is allocated to the preventive maintenance services and recognised as a contract liability. Revenue is recognised over the period in which the preventive maintenance services are provided based on the time elapsed.

Warranty obligation

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section (N) Provisions.

Revenue from Services

Revenue from services are recognised at the point in time when the services are rendered. Revenue from maintenance contracts are recognised over the period of contract on time elapsed.

In case of mining equipment's long-term maintenance contracts, revenue is recognised over the period of time based on input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation.

Agency Commission

The Company procures textile machinery on behalf of its customers. Accordingly in these arrangements the Company is acting as an agent and record the revenue on net basis.

Revenue from Construction contract

Performance obligation in case of long - term construction contracts is satisfied over a period of time, since the Company creates an asset that the customer controls as the asset is created and the Company has an enforceable right to payment for performance completed to date if it meets the agreed specifications. Revenue from long term construction contracts, where the outcome can be estimated reliably and 20% of the project cost is incurred, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities". Retention money receivable from project customers does not contain any significant financing element and are retained for satisfactory performance of contract.

In case of long - term construction contracts payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short-term advances are received before the performance obligation is satisfied.

Dividend and Interest income

Dividend income is recognised when the right to receive payment is established. Interest income is recognised using the effective interest method.

The Company has applied Ind AS 115 using the modified retrospective method w.e.f. 1 April, 2018 and therefore the comparative information has not been restated and continue to be reported under Ind AS 18 and Ind AS 11 as follows:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for trade discounts, rebates and other similar allowances. Revenue includes excise duty however excludes GST, sales tax, value added tax, works contract and any other indirect taxes or amounts collected on behalf of the Government.

Sale of goods

Revenue from sale of goods is recognised when the Company transfers all significant risks and rewards of ownership to the buyer while the Company retains neither continuing managerial involvement nor effective control over the goods sold.

Revenue from construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Variations in contract, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

The outcome of a construction contract is considered as estimated reliably when the stage of completion of the project reaches a reasonable level of completion i.e. the expenditure incurred on construction costs is at least 20 % of the construction costs and it is reasonably expected that the counterparty will comply with the payment terms in the agreements.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work.

Amounts received before the related work is performed are included in the Balance Sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the Balance Sheet under trade receivables.

Revenue from services

Service revenue is recognised on rendering of services. Revenue from maintenance contracts are recognised pro-rata over the period of the contract.

In case of mining equipment's long-term maintenance contracts, the revenue from such contracts is recognised in proportion to the costs actually incurred during the year in terms of the total estimated costs for such contracts, as repairs and maintenance of such machineries depends on its utilisation and wear and tear which varies from year to year.

(D) CONTRACT BALANCES**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (O) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

(E) FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(F) EMPLOYEE BENEFITS

(a) Retirement benefits costs and termination benefits

(i) Defined Contribution Plans

Payments to defined benefit contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Company operates following defined contribution plans:

Superannuation Fund: Contribution to Superannuation Fund, a defined contribution scheme, is made at pre-determined rates to the Superannuation Fund Trust and is charged to the Statement of Profit and Loss. There are no other obligations other than the contribution payable to the Superannuation Fund Trust.

(ii) Defined Benefit Plans

The Company's liabilities towards gratuity, pension and post-retirement medical benefit schemes are determined using the projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period.

Provident and Pension Fund: The eligible employees of the Company are entitled to receive benefits under provident fund schemes which are in substance, defined benefit plans, 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 are paid to the provident funds and pension fund set up as irrevocable trusts by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return is recognised as an expense in the year incurred.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item "Employee Benefits Expenses". Curtailment gains and losses are accounted for as past service costs.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans.

(b) Short term and other long term employee benefits

Benefits accruing to employees in respect of wages, salaries and compensated absences and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employee performs the service that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit expected to be paid in exchange of related service. Where the availment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method at the present value of the estimated future cash flow expected to be made by the Company in respect of services provided by employees up to the reporting date. The Company presents the leave as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(G) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable taxes and any directly attributable cost of bringing an asset to working condition and location for its intended use.

Projects under which the property, plant and equipment is not yet ready for their intended use are carried as capital work in progress at cost determined as aforesaid.

Depreciable amount for assets is the cost of an asset, less its estimated residual value. Depreciation is recognised so as to write off the depreciable amount of assets (other than freehold land and assets under construction) over the useful lives using the straight-line method. The estimated useful lives are as follows:

Assets	Useful life
Factory Building	30 years
Residential Building	60 years
Plant and Equipment	8-15 years
Office and EDP Equipment	3-15 years
Furniture and fixtures	10 years
Vehicles	8 years

The useful life as estimated above is aligned to the prescribed useful life specified under Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(H) INVESTMENT PROPERTY

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The estimated useful lives are as follows:

Assets	Useful life
Residential Building	60 years

The useful life as estimated above is aligned to the prescribed useful life specified under Schedule II of the Companies Act, 2013.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss in the period in which the property is derecognised.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

(I) INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment, if any.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful life of intangible assets are as follows:

- Manufacturing Rights and Technical Know-how	: 6 years
- Software	: 5 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(J) FOREIGN CURRENCY

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

Non-monetary items denominated in a foreign currency are measured at historical cost and translated at exchange rate prevalent at the date of transaction.

(K) LEASES

Company as a lessee

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating lease payments are recognised as expenditure in the Statement of Profit and Loss on a straight-line basis, unless another basis is more representative of the time pattern of benefits received from the use of the assets taken on lease or the payments of lease rentals are in line with the expected general inflation compensating the lessor for expected inflationary cost. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(L) INVENTORIES

Inventories including Work-in-Progress are valued at cost or net realisable value, whichever is lower, cost being worked out on weighted average basis. Cost includes all charges for bringing the goods to their present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(M) TAXES ON INCOME

Current Income Tax

Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the tax are those that are enacted at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

Deferred tax

Deferred Tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

(N) PROVISIONS AND CONTINGENCIES

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of past event, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranties (Trade Guarantees)

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

Contingencies

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Environment Liabilities

E-Waste (Management) Rules 2016, as amended, requires the Company to complete the Extended Producer Responsibility targets measured based on sales made in the preceding 10th year, if it is a participant in the market during a financial year. Accordingly, the obligation event for e-Waste obligation arises only if Company participate in the markets in those years.

(O) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

- **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through the statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Subsequent measurement**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

- **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, loans and other financial assets.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flow represents SPPI.

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss.

- **Financial assets at fair value through profit and loss (FVTPL)**

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- **Equity Instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, other than investment in Subsidiary, Associates and Joint Ventures, the Company makes an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- **Investments in subsidiaries, joint ventures and associates**

Investment in subsidiaries, joint ventures and associates are carried at cost in the financial statements.

- **Derecognition**

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

Financial liabilities

- **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the statement of profit and loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through the statement of profit and loss**

Financial liabilities at fair value through the statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Financial guarantee contracts**

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

- **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

- **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(P) IMPAIRMENT

(a) Financial assets

The Company assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Company's past history of recovery, credit worthiness of the counter party and existing and future market conditions.

For all financial assets other than trade receivables and contract assets, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables.

(b) Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

For contract assets, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the contract assets.

(Q) CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(R) EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

(S) SEGMENT REPORTING

Segments are identified based on the manner in which the chief operating decision-maker (CODM) decides about the resource allocation and reviews performance.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets/liabilities".

Segment information has been presented in the Consolidated Financial Statements as permitted by Ind AS 108 on Operating Segments, specified under Section 133 of the Companies Act, 2013.

(T) OPERATING CYCLE

A portion of the Company's activities (primarily long-term project activities) has an operating cycle that exceeds one year. Accordingly, assets and liabilities related to these long-term contracts, which will not be realised/paid within one year, have been classified as current. For all other activities, the operating cycle is twelve months.

3A. SIGNIFICANT ACCOUNTING, JUDGEMENTS ESTIMATES AND ASSUMPTIONS

In the application of the Company's accounting policies, which are described in Note 2, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

Cost to complete

Management estimates the costs to complete for each project for the purpose of revenue recognition and recognition of anticipated losses on projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. This process requires monitoring controls including financial and operational controls and identifying major risks facing the Company and developing and implementing initiatives to manage those risks.

Percentage of completion

Management's estimate of the percentage of completion on each project for the purpose of revenue recognition is through conducting some weight analysis to assess the actual quantity of the work for each activity performed during the reporting period and estimate any future costs for comparison against the initial project budget. This process requires monitoring of financial and operational controls. Management is of the opinion that the percentage of completion of the projects is fairly estimated.

As required by Ind AS 115, in applying the percentage of completion on its long-term projects, the Company is required to recognize any anticipated losses on its contracts.

Impairment of financial assets and contract assets

The Company's Management reviews periodically items classified as receivables and contract assets to assess whether a provision for impairment should be recorded in the statement of profit and loss. Management estimates the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgement and uncertainty. Details of impairment provision on trade receivable and contract assets are given in Note 13 and Note 14.

The Company reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Fair value measurement of financial instruments

Some of the Company's assets are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about valuation techniques and inputs used in determining the fair value of various assets is disclosed in Note 45.

Litigations

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each Balance Sheet date and revisions made for the changes in facts and circumstances. Provision for litigations and contingent liabilities are disclosed in Note 41 (c).

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each Balance Sheet date and disclosed in Note 42.

Useful lives of property, plant and equipment and intangible assets

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Warranty provisions (trade guarantees)

The Company gives warranties for its products, undertaking to repair or replace the product that fail to perform satisfactory during the warranty period. Provision made at the year-end represents the amount of expected cost of meeting such obligations of rectification / replacement which is based on the historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives. Provision towards warranty is disclosed in Note 29.

3B. CHANGE IN ACCOUNTING POLICY

Ind AS 115 Revenue from Contracts with Customer

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1st April, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1st April, 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

The effect of adopting Ind AS 115 as at 1st April, 2018 was as follows;

- (1) 'Amount due from Customers under construction contracts' classified as other current assets as at 31st March, 2018 has been classified as 'Contract Assets'.
- (2) 'Advances received from customers', 'Unexpired service contracts', 'Amount due to customers under construction contracts' classified as other current/non-current liability as at 31st March, 2018 has been classified as 'Contract Liabilities'.
- (3) Impairment losses of ₹ 83.97 crores (₹ 54.63 crores net of tax) recognized on contract assets outstanding as of 1st April, 2018 based on Expected Credit Loss (ECL) Model.
- (4) The cumulative effect of applying Ind AS 115 of ₹ 54.63 crores (net of tax) recognised as an adjustment to the opening balance of retained earnings.

Further, the application of Ind AS 115 did not have any significant impact on the financial statements and EPS for the year ended 31st March, 2019.

3C. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116- Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact on its financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in statement of profit and loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109- Financial Instruments (amendments relating to prepayment features with negative compensation)

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Employee Benefits (amendments relating to plan amendment, curtailment or settlement)

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23- Borrowing Cost

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any such long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

4. PROPERTY, PLANT AND EQUIPMENT (OWNED, UNLESS OTHERWISE STATED)

₹ in Crores

	Freehold Land	Buildings	Plant and Equipments	Office and EDP Equipments	Furniture and Fixtures	Vehicles	Transferred to Investment Property	Total Property, Plant and Equipment
Gross carrying amount								
As at 31st March, 2017	28.77	150.62	113.08	56.76	26.25	3.30	(56.14)	322.64
Additions	-	0.34	4.36	9.99	1.33	0.04	-	16.06
Disposals	-	0.19	7.90	2.02	2.30	0.59	-	13.00
As at 31st March, 2018	28.77	150.77	109.54	64.73	25.28	2.75	(56.14)	325.70
Accumulated depreciation								
As at 31st March, 2017	-	34.77	86.26	39.80	17.24	2.32	(10.48)	169.91
Charge for the year	-	3.21	4.88	5.96	1.68	0.32	(0.95)	15.10
Disposals	-	0.18	7.00	1.81	2.11	0.49	-	11.59
As at 31st March, 2018	-	37.80	84.14	43.95	16.81	2.15	(11.43)	173.42
Net carrying amount as at 31st March, 2018	28.77	112.97	25.40	20.78	8.47	0.60	(44.71)	152.28
Gross carrying amount								
As at 31st March, 2018	28.77	150.77	109.54	64.73	25.28	2.75	(56.14)	325.70
Additions	0.74	28.18	22.40	11.02	1.83	0.40	(1.30)	63.27
Disposals	-	0.22	5.00	12.42	1.23	0.85	-	19.72
Transfers in / (out)	-	-	-	-	-	-	(1.33)	(1.33)
As at 31st March, 2019	29.51	178.73	126.94	63.33	25.88	2.30	(58.77)	367.92
Accumulated depreciation								
As at 31st March, 2018	-	37.80	84.14	43.95	16.81	2.15	(11.43)	173.42
Charge for the year	-	3.20	4.59	6.73	1.62	0.16	(0.88)	15.42
Disposals	-	0.08	4.76	11.59	1.04	0.64	-	18.11
Transfers in / (out)	-	-	-	-	-	-	(0.19)	(0.19)
As at 31st March, 2019	-	40.92	83.97	39.09	17.39	1.67	(12.50)	170.54
Net carrying amount as at 31st March, 2018	28.77	112.97	25.40	20.78	8.47	0.60	(44.71)	152.28
Net carrying amount as at 31st March, 2019	29.51	137.81	42.97	24.24	8.49	0.63	(46.27)	197.38

Footnote :

Buildings includes ₹ 0.0015 crore (31st March, 2018: ₹ 0.0015 crore) being cost of shares and bonds in Co-operative Housing Societies.

5. INVESTMENT PROPERTY

	₹ in Crores		
	Freehold Land	Buildings	Total
Gross carrying amount			
As at 31st March, 2017	0.14	56.00	56.14
Transfers in / (out)	-	-	-
As at 31st March, 2018	0.14	56.00	56.14
Accumulated depreciation			
As at 31st March, 2017	-	10.48	10.48
Charge for the year	-	0.95	0.95
As at 31st March, 2018	-	11.43	11.43
Net carrying amount as at 31st March, 2018	0.14	44.57	44.71
Gross carrying amount			
As at 31st March, 2018	0.14	56.00	56.14
Additions	-	1.30	1.30
Transfers in / (out)	-	1.33	1.33
As at 31st March, 2019	0.14	58.63	58.77
Depreciation and Amortisation			
As at 31st March, 2018	-	11.43	11.43
Charge for the year	-	0.88	0.88
Transfers in / (out)	-	0.19	0.19
As at 31st March, 2019	-	12.50	12.50
Net carrying amount as at 31st March, 2018	0.14	44.57	44.71
Net carrying amount as at 31st March, 2019	0.14	46.13	46.27

Footnotes :

- The amount included in transfers in / (out) represents the assets transferred from Property, Plant and Equipment (PPE) to Investment Property when it is held for the purpose of earning rental income / capital appreciation.
- Amount recognised in Statement of Profit and Loss in relation to investment properties are as follows:

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Rental income	39.56	37.55
Direct operating expenses (including repairs and maintenance) generating rental income (net of recoveries)	1.93	1.89
Profit from investment properties before depreciation and indirect expenses	37.63	35.66
Depreciation	0.88	0.95
Profit arising from investment properties before indirect expenses	36.75	34.71

(3) Fair Value of the Company's investment properties are as follows :

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Land	137.27	124.79
Building	662.75	663.54
	800.02	788.33

The fair value of the investment properties have been derived using the market comparable approach (market value method / sale comparison technique) based on recent market prices without any significant adjustments being made to the market observable data. The valuation was carried out by an independent valuer registered with the authority which governs the valuers in India. Accordingly, fair value estimates for investment properties are classified as level 3.

The Company has no restriction on the realisability of its Investment properties and no contractual obligation to purchase, construct and develop investment properties.

6. INTANGIBLE ASSETS

	₹ in Crores		
	Manufacturing Rights & Technical Know- how	Software Cost	Total Intangible Assets
Gross carrying amount			
As at 31st March, 2017	10.31	43.71	54.02
Additions	-	3.99	3.99
Disposals	-	0.03	0.03
As at 31st March, 2018	10.31	47.67	57.98
Amortisation			
As at 31st March, 2017	10.31	35.89	46.20
Charge for the year	-	3.18	3.18
Disposals	-	0.01	0.01
As at 31st March, 2018	10.31	39.06	49.37
Net carrying amount as at 31st March, 2018	-	8.61	8.61
Gross carrying amount			
As at 31st March, 2018	10.31	47.67	57.98
Additions	-	3.16	3.16
Disposals	0.27	0.91	1.18
As at 31st March, 2019	10.04	49.92	59.96
Amortisation			
As at 31st March, 2018	10.31	39.06	49.37
Charge for the year	-	3.41	3.41
Disposals	0.27	0.86	1.13
As at 31st March, 2019	10.04	41.61	51.65
Net carrying amount as at 31st March, 2018	-	8.61	8.61
Net carrying amount as at 31st March, 2019	-	8.31	8.31

7 INVESTMENTS

	Currency	Face Value	As at 31-3-2019		As at 31-3-2018	
			No.	₹ In Crores	No.	₹ In Crores
7 (i) Non- Current Investments						
A Investments in Subsidiaries, Joint Ventures and Associates						
(Fully paid Unquoted Equity Instruments)						
1 Investments in Subsidiary Companies (at cost unless otherwise stated)						
Weathermaker Ltd., UAE	US\$	1	4,08,441	3.07	4,08,441	3.07
Voltas Netherlands B.V.	EURO	45	13,635	2.65	13,635	2.65
Universal Comfort Products Ltd.	₹	10	2,76,42,000	16.95	2,76,42,000	16.95
Lalbuksh Voltas Engineering Services and Trading, L.L.C., Muscat, Sultanate of Oman	RO	1	50,000	0.08	50,000	0.08
Agro Foods Punjab Ltd. (Refer footnote 7 (a)) (Beneficial rights transferred pending transfer of shares)	₹	100	2,80,000	-	2,80,000	-
Auto Aircon (India) Ltd.	₹	10	1,19,50,000	6.30	1,13,00,000	5.65
Westerwork Engineers Ltd. (Under Liquidation)	₹	100	9,600	1.09	9,600	1.09
Rohini Industrial Electricals Ltd. (Refer footnote 7 (d))	₹	10	18,25,782	181.22	18,25,782	152.98
Saudi Ensas Company for Engineering Services W.L.L., Saudi Arabia	SR	100	2,41,360	27.62	2,41,360	27.62
Gross Investments in Subsidiary Companies				238.98		210.09
Less : Impairment in value of Investments (#)				67.58		99.49
				171.40		110.60
(#) Impairment in value of Investments pertains to :						
Auto Aircon (India) Ltd.				6.30		5.65
Westerwork Engineers Ltd. (Under Liquidation)				1.09		1.09
Rohini Industrial Electricals Ltd. (Refer Note 38)				32.57		65.13
Saudi Ensas Company for Engineering Services W.L.L., Saudi Arabia				27.62		27.62
				67.58		99.49
2 Investments in Joint Ventures (at cost unless otherwise stated)						
Voltas Water Solutions Private Ltd.	₹	10	28,41,500	2.85	28,41,500	2.85
Olayan Voltas Contracting Company Ltd., Saudi Arabia	SR	100	50,000	7.11	50,000	7.11
Share Application Money - Olayan Voltas Contracting Company Ltd.				13.13		13.13
Voltbek Home Appliances Private Ltd.	₹	10	19,69,84,900	196.98	7,88,94,900	78.89
Gross Investments in Joint Ventures				220.07		101.98
Less : Impairment in value of Investments (#)				19.81		13.09
				200.26		88.89
(#) Impairment in value of Investments pertains to :						
Voltas Water Solutions Private Ltd.				2.85		2.85
Olayan Voltas Contracting Company Ltd., Saudi Arabia				16.96		10.24
				19.81		13.09
3 Investments in Associate Companies (at cost unless otherwise stated)						
Brihat Trading Private Ltd.	₹	10	3,352	*	3,352	*
Terrot GmbH, Germany	EURO	1	2,60,900	1.56	2,60,900	1.56
Naba Diganta Water Management Ltd.	₹	10	47,97,000	4.80	47,97,000	4.80
				6.36		6.36

	Currency	Face Value	As at 31-3-2019		As at 31-3-2018	
			No.	₹ In Crores	No.	₹ In Crores
B Investments in Other Companies (Investments at Fair Value through Other Comprehensive Income) (Refer footnote 7(e))						
1 Fully Paid Unquoted Equity Instruments						
Lakshmi Ring Travellers (Coimbatore) Ltd.	₹	10	1,20,000	53.74	1,20,000	42.22
Agrotech Industries Ltd.	US\$	1	3,67,500	-	3,67,500	-
Tata International Ltd. (Refer footnote 7 (b))	₹	1,000	10,000	5.65	10,000	5.65
Tata Services Ltd. (Refer footnote 7 (b))	₹	1,000	448	0.04	448	0.04
Tata Industries Ltd. (Refer footnote 7 (b))	₹	100	13,05,720	20.72	13,05,720	20.72
Tata Projects Ltd.	₹	100	1,35,000	123.10	1,35,000	120.69
Premium Granites Ltd.	₹	10	4,91,220	-	4,91,220	-
OMC Computers Ltd.	₹	10	4,04,337	-	4,04,337	-
Avco Marine S.a.S, France	EURO	10	1,910	-	1,910	-
Voltas Employees Consumers Co-operative Society Ltd.	₹	10	750	*	750	*
Saraswat Co-operative Bank Ltd.	₹	10	10	*	10	*
Super Bazar Co-operative Stores Ltd.	₹	10	500	*	500	*
				203.25		189.32
2 Fully Paid Quoted Equity Instruments						
Lakshmi Automatic Loom Works Ltd.	₹	10	6,15,200	-	6,15,200	-
Tata Chemicals Ltd.	₹	10	2,00,440	11.77	2,00,440	13.56
Lakshmi Machine Works Ltd.	₹	10	5,79,672	353.20	5,79,672	398.41
Reliance Industries Ltd. (Refer footnote 7 (c))	₹	10	2,640	-	2,640	-
				364.97		411.97
C Investment in Preference Shares (at amortised cost)						
UNQUOTED:						
In Subsidiaries						
Rohini Industrial Electricals Ltd. (Refer footnote 7 (d)) 0.01% Cumulative Redeemable Preference Shares	₹	100	1,27,00,000	72.01	1,02,00,000	67.96
In Other Companies						
Tata Capital Ltd. Cumulative Redeemable Preference Shares	₹	1,000	5,00,000	50.00	3,00,000	30.00
				122.01		97.96
D Investment in Unquoted Mutual funds (at fair value through the statement of profit and loss)				122.68		1,375.73
E Investment in Debenture/Bonds (at amortised cost)						
QUOTED:						
Tata Steel Ltd.						
11.50% Perpetual Non Convertible Debentures	₹	10,00,000	292	29.31	292	29.37
11.80% Perpetual Non Convertible Debentures	₹	10,00,000	100	10.41	-	-
Tata Power Company Ltd.						
10.75% Non Convertible Debentures	₹	10,00,000	500	53.76	-	-
Tata International Ltd.						
9.30% Non Convertible Debentures	₹	10,00,000	-	-	500	50.00
Rural Electrification Corporation Ltd.						
6.00% Tax Free Bonds	₹	10,000	-	-	500	0.50
5.25% Tax Free Bonds	₹	10,000	500	0.50	500	0.50
8.01% Tax Free Bonds	₹	1,000	50,000	5.48	50,000	5.42

	Currency	Face Value	As at 31-3-2019		As at 31-3-2018	
			No.	₹ In Crores	No.	₹ In Crores
7.17% Tax Free Bonds	₹	10,00,000	70	7.51	70	7.39
5.75% Tax Free Bonds	₹	10,000	500	0.53	-	-
8.18% Tax Free Bonds	₹	10,00,000	50	5.48	-	-
National Housing Bank						
8.26% Tax Free Non Convertible Debentures	₹	5,000	18,049	9.93	18,049	9.92
Housing and Urban Development Corporation Ltd.						
8.51% Tax Free Bonds	₹	1,000	1,50,000	16.64	-	-
8.10% Tax Free Bonds	₹	1,000	2,53,400	26.51	-	-
7.07% Tax Free Non Convertible Debentures	₹	10,00,000	50	5.39	-	-
Indian Railway Finance Corporation Ltd.						
8.35% Tax Free Bonds	₹	10,00,000	250	27.59	-	-
				199.04		103.10
F Investment in Others :						
Government Securities	₹			*		*
				*		*
Total : Non-current Investments - Net				1,389.97		2,383.93
Footnotes:						
(i) Aggregate value of quoted investments and market value thereof				564.01		515.07
(ii) Aggregate value of unquoted investments				913.35		1,981.44
(iii) Aggregate value of impairment in value of investments				87.39		112.58
Abbreviations for Currencies :						
₹ : Indian Rupees	SR : Saudi Riyal	AED : United Arab Emirates Dirham				
US\$: United States Dollar	EURO : European Union Currency	RO : Omani Rial				
* value below ₹ 50,000/-						

Footnotes:

- 7 (a) Under a loan agreement for ₹ 0.60 crore (fully drawn and outstanding) entered into between Agro Foods Punjab Ltd. (AFPL) and the Punjab State Industrial Development, the Company has given an undertaking to PSIDC that it will not dispose off its shares in AFPL till the monies under the said loan agreement between PSIDC and AFPL remain due and payable by AFPL to PSIDC. During 1998-99, the Company had transferred its beneficial rights in the shares of AFPL.
- 7 (b) For these unquoted investments categorised under Level 3, their respective cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.
- 7 (c) In respect of the Company's investment in 2,640 equity shares of Reliance Industries Ltd., there is an Injunction Order passed by the Court in Kanpur restraining the transfer of these shares. The share certificates are, however, in the possession of the Company. Pending disposal of the case, dividend on these shares has not been recognised.
- 7 (d) The Company had invested in 0.01% cumulative redeemable preference shares ('CRPS') of Rohini Industrial Electricals Limited (subsidiary), aggregating ₹127 crores (₹ 25 crores in 2011-12, ₹ 37 crores in 2012-13 and ₹ 65 crores in 2016-17), for a period of 7 years. The investment was accounted at amortised cost and the difference between the Investment and the amortised cost amounting to ₹ 54.69 crores was included as Investment in Equity instrument in subsidiary. During the year, the subsidiary modified a portion of CRPS which were due for redemption on 29th March, 2019 and 1st October, 2020 amounting ₹ 25 crores and ₹ 37 crores respectively and extended the repayment for a further period of 7 years from respective due dates. Accordingly, the difference between the original amortised cost and revised amortised cost amounting to ₹ 27.75 crores for the portion of CRPS which are extended is included as Investment in Equity instrument in subsidiary.
- 7 (e) Investments at Fair Value Through Other Comprehensive Income (FVTOCI) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company, thus disclosing their fair value change in profit and loss will not reflect the purpose of holding.

	Currency	Face Value	No.	As at 31-3-2019 ₹ In Crores	No.	As at 31-3-2018 ₹ In Crores
7 (ii) Current Investments						
A Investment in Preference Shares (at amortised cost)						
UNQUOTED:						
Subsidiaries						
Rohini Industrial Electricals Ltd. (Refer footnote 7 (d) above)						
0.01% Cumulative Redeemable Preference Shares	₹	100	-	-	25,00,000	22.73
				-		22.73
B Investment in Debenture/Bonds (at amortised cost)						
QUOTED:						
Tata International Ltd.						
9.30% Non Convertible Debentures	₹	10,00,000	1,000	100.23	-	-
Tata Capital Ltd.						
10.25% Non Convertible Debentures	₹	5,00,000	25	1.27	-	-
				101.50		-
C Investment in Unquoted Mutual funds (at fair value through the statement of profit and loss)				1,134.19		487.64
				1,134.19		487.64
Total : Current Investments				1,235.69		510.37
Footnotes:						
(i) Aggregate value of quoted investments and market value thereof				101.50		-
(ii) Aggregate value of unquoted investments				1,134.19		510.37
(iii) Aggregate value of impairment in value of investments				-		-

8. LOANS (NON-CURRENT) (AT AMORTISED COST)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Loans to related parties (Refer footnote)		
- Doubtful	-	0.61
Less: Impairment Allowance	-	0.61
Loans to related parties (net)	-	-
(b) Loans to Employees (Unsecured, considered good)	0.31	0.50
Total non-current loans	0.31	0.50

Footnote :

Loans and advances in nature of loans given to Subsidiaries in view of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements)

Maximum balance during the year

Name of the Related party	Relation	As at 31-03-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 2018-19 No.	As at 2017-18 ₹ In Crores
Auto Aircon (India) Ltd.	Subsidiary	-	0.61	0.61	0.61
Total		-	0.61	0.61	0.61

No interest is payable for above loan and there is no repayment schedule.

**9. OTHER FINANCIAL ASSETS (NON-CURRENT)
 (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED) (AT AMORTISED COST)**

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Security deposits	8.65	7.61
(b) Deposits with customers / others	5.57	4.82
(c) Fixed deposits with remaining maturity of more than 12 months	52.38	11.02
(d) Others	12.01	12.01
Less: Impairment Allowance	12.01	12.01
Total other financial assets (Non-current)	66.60	23.45
Footnotes :		
(1) Break up of security details of other financial assets (non-current)		
(i) Unsecured, considered good	66.60	23.45
(ii) Credit impaired	12.01	12.01
	78.61	35.46
(2) Impairment Allowance		
(i) Unsecured, considered good	-	-
(ii) Credit impaired	12.01	12.01
	12.01	12.01

10. DEFERRED TAX

(a) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet :

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Deferred tax assets	149.85	101.36
Deferred tax liabilities	(94.00)	(87.49)
Deferred Tax Assets (net)	55.85	13.87
Reconciliation of deferred tax assets (net):		
Opening balance	13.87	22.08
Tax income/(expense) during the period recognised in the statement of profit and loss	15.10	(6.54)
Deferred tax on Ind AS 115 transition adjustment	29.34	-
Tax income/(expense) during the period recognised in OCI	(2.46)	(1.67)
Closing balance	55.85	13.87

(b) The balance comprise temporary differences attributable to:

	As at 31-3-2018	(Charged) / credited to reserves	(Charged) / credited to statement of profit and loss	(Charged) / credited to other comprehensive income	As at 31-3-2019
	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores
Provision for employee benefits	35.87	-	1.68	(0.03)	37.52
Allowance for receivables, loans and advances	42.15	29.34	9.69	-	81.18
Provision for contingencies and claims	8.81	-	0.13	-	8.94
Unpaid statutory liabilities	4.54	-	*	-	4.54
Estimated Loss on Projects	9.44	-	0.85	-	10.29
Free Maintenance services	-	-	7.38	-	7.38
Others	0.55	-	(0.55)	-	-
Deferred Tax Assets	101.36	29.34	19.18	(0.03)	149.85
Property, plant and equipment and intangible assets	(35.09)	-	(0.48)	-	(35.57)
Unrealised gains on fair valuation of investments through Other Comprehensive Income	(39.26)	-	-	(2.43)	(41.69)
Unrealised gains on fair valuation of Mutual Funds	(13.14)	-	(3.60)	-	(16.74)
Deferred Tax Liabilities	(87.49)	-	(4.08)	(2.43)	(94.00)
Deferred Tax Assets (net)	13.87	29.34	15.10	(2.46)	55.85
	As at 31-03-2017	(Charged) / credited to reserves	(Charged) / credited to statement of profit and loss	(Charged) / credited to other comprehensive income	As at 31-3-2018
	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores	₹ In Crores
Provision for employee benefits	35.83	-	2.15	(2.11)	35.87
Allowance for receivables, loans and advances	50.29	-	(8.14)	-	42.15
Provision for contingencies and claims	17.89	-	(9.08)	-	8.81
Unpaid statutory liabilities	4.79	-	(0.25)	-	4.54
Estimated Loss on Projects	0.27	-	9.17	-	9.44
Others	1.15	-	(0.60)	-	0.55
Deferred Tax Assets	110.22	-	(6.75)	(2.11)	101.36
Property, plant and equipment and intangible assets	(36.30)	-	1.21	-	(35.09)
Unrealised gains on fair valuation of investments through Other Comprehensive Income	(39.70)	-	-	0.44	(39.26)
Unrealised gains on fair valuation of Mutual Funds	(11.41)	-	(1.73)	-	(13.14)
Others	(0.73)	-	0.73	-	-
Deferred Tax Liabilities	(88.14)	-	0.21	0.44	(87.49)
Deferred Tax Assets (net)	22.08	-	(6.54)	(1.67)	13.87

* value below ₹ 50,000/-

11. OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Balance with Government Authorities	71.64	61.94
(b) Capital advances	13.57	13.92
(c) Advance to suppliers	1.34	1.34
(d) Lease prepayments	2.70	2.73
(e) Others	1.77	1.74
Less: Impairment Allowance	5.71	2.65
Total other non-current assets	85.31	79.02

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Footnote :		
Impairment Allowance pertains to		
(a) Balance with Government Authorities	3.89	0.82
(b) Advance to suppliers	1.34	1.34
(c) Others	0.48	0.49
Total	5.71	2.65

12. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Raw materials and Components	141.97	154.63
(b) Work-in-progress	12.55	6.30
(c) Finished goods	191.89	157.81
(d) Stock-in-trade	656.54	423.51
(e) Stores and spares	0.04	0.05
Total Inventories	1,002.99	742.30
Inventories includes goods-in-transit:		
(a) Raw materials and Components	56.99	71.97
(b) Finished goods	4.34	7.85
(c) Stock-in-trade	116.23	73.53
Total goods-in-transit	177.56	153.35
Footnote :		
Provision for write-down on value of inventory	14.61	2.64

13. CONTRACT ASSETS (CURRENT)(UNSECURED)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Gross amount due from customers under construction contracts	703.42	-
Less: Impairment Allowance	27.07	-
Total Contract assets (Current)	676.35	-
Footnotes :		
(1) Break up of security details		
(i) Unsecured, considered good	696.42	-
(ii) Contract assets - credit impaired	7.00	-
	703.42	-
Less: Impairment Allowance	27.07	-
	676.35	-

- (2) Contract assets are initially recognised for revenue earned from electro mechanical projects contracts as receipt of consideration that is conditional on successful completion of project milestone. Upon completion of milestone and acceptance/certification by the customer, the amounts recognised as contract assets are reclassified to trade receivables. There is no significant variance in the contract assets balances as compared to 1st April, 2018.

- (3) As the Company has adopted modified retrospective approach, no reclassification have been made for contract assets as at 31st March, 2018 and the corresponding balances as at 31st March, 2018 are shown under "Other current assets" as "Amount due from customers under construction contracts".

14. TRADE RECEIVABLES (CURRENT) (AT AMORTISED COST)(UNSECURED)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Gross Trade receivables	1,579.17	1,379.98
Less: Impairment Allowance	184.33	102.93
Trade receivables (net)	1,394.84	1,277.05
Footnotes :		
(1) Break up of security details		
(i) Unsecured, considered good	1,523.10	1,379.98
(ii) Trade Receivables - credit impaired	56.07	-
	1,579.17	1,379.98
Less: Impairment Allowance	184.33	102.93
	1,394.84	1,277.05

- (2) At 31st March, 2019, trade receivable have increased on account of increased business operations as compared to March, 2018.
- (3) Trade receivables are non interest bearing and are generally on terms of 7 to 30 days credit in case of sale of products and in case of long term construction contracts, payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short term advances are received before the performance obligation is satisfied.
- (4) The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on trade receivables and contract assets. The Company follows the simplified approach for recognition of impairment allowance on trade receivables and contract assets. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(5) Movement in expected credit loss allowance on trade receivables and contract assets.		
Balance at the beginning of the year	102.93	107.03
Transition impact of Ind AS 115	83.97	-
Allowances / (write back) during the year	28.38	18.13
Written off against past provision	(3.88)	(22.23)
Balance at the end of the year	211.40	102.93

- (6) For receivable from related party, refer note 43

15. CASH AND CASH EQUIVALENTS

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Cash on hand	0.60	0.14
Cheques on hand	43.92	26.65
Remittance in-transit	0.20	-
Balances with banks		
- On current accounts	182.11	147.51
- Fixed deposits with maturity less than 3 months	0.02	*
Total Cash and cash equivalents	226.85	174.30

Footnote :

The changes in liabilities arising from financing activities is on account of cash flow changes only and there are no non-cash changes.

* value below ₹ 50,000/-

16. OTHER BALANCES WITH BANKS

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Fixed deposits with maturity greater than 3 months	-	17.26
Earmarked balances - unpaid dividend accounts	7.18	5.22
Margin money	2.84	3.18
Total Other Bank balances	10.02	25.66

Footnotes :

- (a) At 31st March, 2019, the Company had available ₹ 195.57 crores (31st March, 2018: ₹ 622.45 crores) of undrawn committed borrowing facilities.
- (b) Margin money deposit is against bank guarantee given to Government authorities.

17. LOANS (CURRENT) (AT AMORTISED COST)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Loans to employees (Unsecured, considered good)	10.86	3.39
Total loans (Current)	10.86	3.39

18. OTHER FINANCIAL ASSETS (CURRENT) (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED) (AT AMORTISED COST)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Security deposits	16.02	14.46
(b) Due from related parties (Refer Note 43)	54.25	6.19
(c) Interest accrued	12.79	11.34
(d) Fixed deposits with remaining maturity of less than 12 months	2.59	0.08
(e) Gratuity fund (Refer Note 42)	-	3.09
(f) Others		
- Considered good	35.08	46.33
- Credit impaired	3.03	2.29
Less: Impairment Allowance	3.03	2.29
Total other financial assets (Current)	120.73	81.49

19. OTHER CURRENT ASSETS [UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED]

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Balance with Government Authorities	159.56	140.36
(b) Advance to suppliers	30.53	43.41
(c) Amount due from customers under construction contracts (Refer footnote 3 of Note 13)	-	724.41
(d) Others		
- Considered good	36.16	40.14
-Credit impaired	0.36	0.13
Less: Impairment Allowance	0.36	0.13
Total other current assets	226.25	948.32

20. SHARE CAPITAL

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Authorised:		
60,00,00,000 (31st March, 2018: 60,00,00,000) Equity Shares of ₹ 1/- each	60.00	60.00
40,00,000 (31st March, 2018: 40,00,000) Preference Shares of ₹ 100/- each	40.00	40.00
	100.00	100.00
Issued, Subscribed and Paid up:		
33,08,84,740 (31st March, 2018: 33,08,84,740) Equity Shares of ₹ 1/- each	33.09	33.09
Less: Calls-in-Arrears [1,25,900 shares (31st March, 2018: 1,28,300 shares) [Refer footnote 20 (d)]]	0.01	0.01
Total share capital	33.08	33.08

Footnotes:

Terms / Rights attached to equity shares

- (a) The Company has one class of equity shares having a par value of Re.1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding and are subject to preferential rights of the Preference Shares (if issued).
- (b) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

	Equity Shares			
	As at 31-3-2019		As at 31-3-2018	
	Numbers	₹ In Crores	Numbers	₹ In Crores
Shares outstanding at the beginning of the year	33,08,84,740	33.08	33,08,84,740	33.08
Shares outstanding at the end of the year	33,08,84,740	33.08	33,08,84,740	33.08

- (c) Details of shareholders holding more than 5 percent shares in the Company:

Name of Shareholder	Class of Shares	Equity Shares			
		As at 31-3-2019		As at 31-3-2018	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Sons Private Limited	Equity	8,81,31,780	26.64	8,81,31,780	26.64
Life Insurance Corporation of India	Equity	1,65,17,216	4.99	2,27,16,849	6.87
HDFC Trustee Company Ltd. (Various Accounts)	Equity	1,66,73,000	5.04	1,78,24,000	5.39

- (d) As per the records of the Company, no calls remained unpaid by the Directors and Officers of the Company as on 31st March, 2019 (31st March, 2018 : Nil).

21. OTHER EQUITY

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(1) Capital Reserve	1.56	1.56
(2) Capital Redemption Reserve	1.26	1.26
(3) Securities Premium	6.27	6.27
(4) General Reserve	1,331.83	1,311.83
(5) Staff Welfare Reserve	0.01	0.01
(6) Equity instruments fair value through other comprehensive income	525.20	560.70
(7) Retained Earnings	1,843.94	1,599.25
Total other equity	3,710.07	3,480.88
Movements in Other Equity		
	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(1) Capital Reserve		
- As per last Balance Sheet	1.56	1.56
(2) Capital Redemption Reserve		
- As per last Balance Sheet	1.26	1.26
(3) Securities Premium		
- As per last Balance Sheet	6.27	6.27
- Received during the year	*	*
- Closing Balance	6.27	6.27
(4) General Reserve		
- As per last Balance Sheet	1,311.83	1,261.83
- Transfer from retained earnings	20.00	50.00
- Closing Balance	1,331.83	1,311.83
(5) Staff Welfare Reserve		
- As per last Balance Sheet	0.01	0.01
(6) Equity instruments fair value through other comprehensive income		
- As per last Balance Sheet	560.70	407.31
- Changes during the year	(35.50)	153.39
- Closing Balance	525.20	560.70
(7) Retained Earnings		
(a) As per last Balance Sheet	1,599.25	1,273.50
(b) Additions :		
- Net Profit for the year	464.47	501.23
- Transfer from other comprehensive income (Net of tax)	0.06	4.06
	464.53	505.29
(c) Deductions :		
- Dividend	132.35	115.81
- Dividend Distribution Tax	12.86	13.73
- Transfer to General Reserve	20.00	50.00
- Transition impact of Ind AS 115 (net of tax)	54.63	-
	219.84	179.54
Closing Balance	1,843.94	1,599.25
Total other equity	3,710.07	3,480.88

* value below ₹ 50,000/-

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Distribution made and proposed		
Cash Dividends on Equity Shares declared and paid:		
Dividend for the year ended 31st March, 2018: ₹4.00 per share (31st March, 2017: ₹ 3.50 per share)	132.35	115.81
Dividend Distribution Tax	12.86	13.73
	145.21	129.54
Proposed Dividend on Equity Shares:		
Dividend for the year ended 31st March, 2019: ₹ 4.00 per share (31st March, 2018: ₹4.00 per share)	132.35	132.35
Dividend Distribution Tax on proposed dividend *	27.21	27.21
	159.56	159.56

* Dividend Distribution Tax (DDT) before availment of any DDT credit available.

Footnotes : Nature and purpose of reserves

Capital Reserve :

Capital Reserve was created from capital surplus on sale of assets and on amalgamation of subsidiary.

Capital Redemption Reserve :

Capital Redemption Reserve is created out of profit available for distribution towards redemption of Preference shares. This reserve can be used for the purpose of issue of Bonus shares.

Securities Premium :

Securities Premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares. This reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

General Reserve :

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

Equity instruments fair value through other comprehensive income :

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Retained Earnings :

The balance in the Retained Earnings primarily represents the surplus after payment of dividend (including tax on dividend) and transfer to reserves.

22. CONTRACT LIABILITIES (NON-CURRENT)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Unexpired service contracts	0.70	-
Total Contract liabilities (Non-Current)	0.70	-

23. PROVISIONS (NON-CURRENT)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Provision for employee benefits :		
(i) Provision for gratuity (Refer Note 42)	31.79	27.76
(ii) Pension obligations (Refer Note 42)	34.36	38.08
(iii) Post retirement medical benefits (Refer Note 42)	6.77	6.90
(iv) Provision for employee separation compensation	0.34	0.58
Total non-current provisions	73.26	73.32

24. OTHER NON-CURRENT LIABILITIES

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Unexpired service contracts	-	0.97
Total other non-current liabilities	-	0.97

25. CONTRACT LIABILITIES (CURRENT)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Advances received from customers	212.95	-
(b) Unexpired service contracts	11.08	-
(c) Billing in excess of contract revenue	64.96	-
Total Contract liabilities (Current)	288.99	-

Footnotes :

- (1) The outstanding balances of the contract liabilities as at 31st March, 2018 were higher on account of higher advance received from electro mechanical projects, the revenue for which was recognised during the year on execution of projects.
- (2) As the Company has adopted modified retrospective approach, no reclassification have been made for contract liabilities as at 31st March, 2018 and the corresponding balances as at 31st March, 2018 are shown under "Other current liabilities" as "Advances received from customers", "Unexpired service contracts" and "Billing in excess of contract revenue".

26. BORROWINGS (AT AMORTISED COST)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Secured borrowings		
(a) Term loans from Banks	9.51	15.23
(b) Working capital loans from Banks	104.13	12.59
Total borrowings	113.64	27.82

Footnotes :

- (i) Borrowings are secured against assignment of Contract dues on overseas projects and lien on Term deposits.
- (ii) Term loans are repayable within a period of 90 days.
- (iii) Term loans from banks carry an average interest rate of 4.40% (31st March, 2018 : 4.40% to 6.50%)
- (iv) Working capital loans from banks are repayable on demand.
- (v) Working capital loans from banks carry an average interest rate of 3.00% to 6.50% (31st March, 2018 : 8.75%).

27. TRADE PAYABLES

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Trade payables :		
(i) Total outstanding dues of micro and small enterprises	266.24	35.22
(ii) Total outstanding dues of creditors other than micro and small enterprises	2,107.72	2,079.28
Total trade payables	2,373.96	2,114.50

Footnotes :

- (i) Trade payables are non interest bearing and are normally settled on 90 days to 365 days credit term
(ii) Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(i) (a) Principal amount remaining unpaid to any supplier	265.36	34.40
(b) Interest on (i)(a) above	0.21	0.34
(ii) The amount of interest paid along with the principal payment made to the supplier	0.49	0.36
(iii) Amount of interest due and payable on delayed payments	0.30	0.33
(iv) Amount of further interest remaining due and payable for the earlier years	0.37	0.04
(v) Total outstanding dues of Micro and Small Enterprises		
- Principal	265.36	34.40
- Interest	0.88	0.82

28. OTHER FINANCIAL LIABILITIES (CURRENT) (AT AMORTISED COST)

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Deposits received from customers / others	41.24	40.63
(b) Interest accrued but not due on borrowings	0.03	0.06
(c) Payable for capital goods	2.05	-
(d) Unpaid dividends	7.18	5.22
(e) Other financial liabilities (*)	31.68	38.64
Total other financial liabilities	82.18	84.55

(*) Includes rebate to customers, etc.

29. PROVISIONS

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Provision for employee benefits		
(i) Provision for gratuity (Refer Note 42)	3.32	2.21
(ii) Pension obligations (Refer Note 42)	2.77	2.74
(iii) Provision for compensated absences	35.12	31.07
(iv) Post retirement medical benefits (Refer Note 42)	0.47	0.49
(v) Provision for employee separation compensation	0.24	0.25
(b) Provision for Trade Guarantees	51.04	114.78
(c) Provision for Contingencies for tax matters	25.60	25.22
Total provisions (current)	118.56	176.76

Footnotes :

A. Provisions for trade guarantees

Opening balance	114.78	100.03
Additional provisions recognised	29.29	104.27
Less : Utilisation	66.24	89.46
Less : Reversal	26.79	0.06
Closing balance	51.04	114.78

B. Provision for Contingencies for tax matters

Opening balance	25.22	23.57
Additional provisions recognised	2.84	3.99
Less : Utilisation	0.02	-
Less : Reversal	2.44	2.34
Closing balance	25.60	25.22

30. OTHER CURRENT LIABILITIES

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Advances received from customers (Refer footnote 2 of Note 25)	-	298.12
(b) Unexpired service contracts (Refer footnote 2 of Note 25)	-	10.11
(c) Amount due to customers under construction contracts (Refer footnote 2 of Note 25)	-	93.66
(d) Statutory obligations	20.84	76.95
(e) Others	0.40	0.12
Total other current liabilities	21.24	478.96

31. REVENUE FROM OPERATIONS

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
Revenue from contracts with customers		
(a) Sale of products	3,631.08	3,651.10
(b) Construction contract revenue	2,483.72	1,579.31
(c) Sale of services	543.48	565.76
	6,658.28	5,796.17
Other operating income		
(1) Unclaimed credit balances written back	9.19	19.29
(2) Sale of scrap	5.65	3.99
(3) Others	20.07	12.81
	34.91	36.09
Total revenue from operations	6,693.19	5,832.26

Footnotes :

- (a) Sales for the year ended 31st March, 2019 is net of Goods and Service Tax (GST). However, sales for the previous year is gross of Excise Duty.
- (b) Sales, net of GST / Excise Duty for year ended 31st March, 2019 has increased by 15.34%, in comparison to the previous year.

32. OTHER INCOME

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
(a) Dividend Income		
- From investment in subsidiaries, associates and joint ventures	73.40	52.81
- From equity investments measured at FVTOCI	8.31	5.14
- From mutual funds investments measured at FVTPL	2.24	7.45
(b) Interest Income		
- On sundry advances, deposits, customers' balances etc.	0.39	0.22
- On deposits with banks	2.55	0.44
- On Income-tax refunds	1.42	2.66
- On fair valuation of financial assets	9.07	8.24
- On financial instruments measured at amortized cost	15.95	8.03
(c) Gain on sale / fair valuation of financial assets measured at FVTPL	96.17	105.13
(d) Rental income	39.56	37.55
(e) Other non-operating income	13.49	9.43
Total other income	262.55	237.10

33. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
Inventories at the end of the year		
- Finished Goods including stock-in-trade	848.43	581.32
- Work-in-progress	12.55	6.30
	860.98	587.62
Inventories at the beginning of the year		
- Finished Goods including stock-in-trade	581.32	682.21
- Work-in-progress	6.30	5.17
	587.62	687.38
Net (increase) / decrease	(273.36)	99.76

34. EMPLOYEE BENEFITS EXPENSES

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
(a) Salaries, Wages and Bonus	443.14	386.24
(b) Contribution to Provident and other Funds	25.23	22.33
(c) Staff Welfare expenses	20.38	13.73
Total employee benefits expenses	488.75	422.30

35. FINANCE COSTS

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
Interest expense		
(a) on borrowings from banks and others	22.90	7.50
(b) on delayed payment of income tax	0.03	-
Total finance costs	22.93	7.50

36. DEPRECIATION AND AMORTISATION EXPENSES

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
(a) Depreciation on property, plant and equipment	15.42	15.10
(b) Amortisation on intangible assets	3.41	3.18
(c) Depreciation on investment property	0.88	0.95
Total depreciation and amortisation expenses	19.71	19.23

37. OTHER EXPENSES

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
(a) Consumption of Stores and Spares	2.59	2.75
(b) Power and Fuel	9.20	8.88
(c) Rent	42.75	38.96
(d) Repairs to Buildings	1.32	0.60
(e) Repairs to Plant and Machinery	7.09	5.06
(f) Insurance charges	6.59	4.89
(g) Rates and Taxes	2.08	11.26
(h) Travelling and Conveyance	48.67	42.31
(i) Payment to Auditors [Refer Note 37(A)]	2.34	2.83
(j) Legal and Professional fees	31.94	30.15
(k) Bad and Doubtful Debts / Advances [Refer footnote below]	30.66	18.31
(l) Loss on sale of property, plant and equipment	0.71	0.20
(m) Exchange differences (Net)	24.99	9.70
(n) Corporate Social Responsibility (CSR) [Refer Note (37(B))]	10.15	9.14
(o) Provision / loss on settlements	-	(10.99)
(p) Outside service charges	64.95	59.29
(q) Clearing charges	62.97	43.75
(r) Freight and forwarding charges	56.84	71.10
(s) Commission on sales	8.09	5.23
(t) Advertising	77.46	71.92
(u) Printing and Stationery	13.41	14.43
(v) Donations	0.15	-
(w) Miscellaneous expenses	74.39	73.68
Total other expenses	579.34	513.45
Footnote :		
Bad and Doubtful Debts / Advances includes :-		
(a) Expected credit loss for contract assets and trade receivables	28.38	18.13
(b) Allowance for doubtful debts and advances	2.28	0.18
	30.66	18.31

37(A). AUDITOR'S REMUNERATION

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018* ₹ in Crores
(a) To Statutory Auditor for		
(1) Audit Fees	1.76	1.91
(2) Tax Audit Fees	0.12	0.12
(3) Other Services	0.22	0.61
(4) Reimbursement of Expenses	0.17	0.13
(b) To Secretarial Auditor for secretarial audit	0.02	0.02
(c) To Cost Auditor for cost audit	0.05	0.04
Total	2.34	2.83

Footnote :

* Previous year includes ₹ 0.88 crore paid to the previous Auditors.

37(B). CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
(a) Gross amount required to be spent by the Company during the year	10.00	9.13
(b) Amount spent in cash during the year on		
- Construction / acquisition of any asset	-	-
- Others	10.15	9.14
Total	10.15	9.14
(c) Amount to be spent in cash during the year on		
- Construction / acquisition of any asset	-	-
- Others	-	-
Total	-	-

38. EXCEPTIONAL ITEMS

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
(1) Profit on Surrender of Tenancy Rights	-	2.00
(2) Reversal of provision / (provision) for diminution in value of investments	25.57	(5.98)
Total exceptional Items (net)	25.57	(3.98)

- (i) The Company has conducted its annual impairment assessment of Investment in its wholly owned subsidiary Rohini Industrial Electricals Limited (RIEL). The operations of RIEL have revived owing to the new electrification projects received under the various government electrification schemes and executed in the last two years. The subsidiary has turned profitable due to these new projects. As on 31st March, 2019, the subsidiary has an order book of more than ₹ 830 crores. Further, considering the impetus by Government on the rural electrification schemes, the Company is confident that they would be able to achieve sustainable profitability in the future. The Company has obtained a fair valuation report from an independent valuar basis the financial projections approved by Management. Basis such valuation report, the Management is confident of recovering the value of the investment. Accordingly, Management has reversed 50% of impairment provision recorded earlier resulting in a net investment value of ₹ 148.65 crores as at 31st March, 2019.
- (ii) The Company has recognised an impairment provision of ₹ 6.35 crores (31st March, 2018 : ₹ 5.98 crores) towards investment in Olayan Voltas Contracting Company, a Joint Venture (JV) of the Company, considering the losses incurred by the JV.
- (iii) The Company has recognised an impairment provision of ₹ 0.65 crore towards investment in Auto Aircon (India) Limited on account of diminution in value of investment.

39. RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S DOMESTIC TAX RATE FOR THE YEAR ENDED 31ST MARCH, 2018 AND 31ST MARCH, 2019

	2018-2019 ₹ in Crores	2017-2018 ₹ in Crores
Profit before tax	630.80	682.76
Indian statutory income tax rate	34.94%	34.61%
Income-tax expense at India's statutory income tax rate	220.40	236.30
Effect of adjustments to reconcile the expected tax expense to reported income tax expense:		
Effect of exempt income	(22.01)	(21.10)
Effect of non-deductible expenses	7.57	9.43
Effect of income which is taxed at special rates	(20.82)	(35.89)
Adjustment of tax relating to earlier periods	(7.57)	(4.01)
Change in tax rate of future period	-	(0.51)
Effect of impairment / reversal of impairment provision on investments	(8.80)	-
Others	(2.44)	(2.69)
	166.33	181.53

40. EARNINGS PER SHARE

	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
(a) Net profit after tax for the year - (₹ in Crores)	464.47	501.23
(b) Weighted average number of Equity Shares Outstanding	33,08,84,740	33,08,84,740
(c) Earnings Per Share (₹) - Basic and Diluted (Face value ₹ 1/- per share)	14.04	15.15

41. COMMITMENTS AND CONTINGENCIES

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(A) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	22.09	49.98
(ii) As per the E-Waste (Management) Rules, 2016, as amended, the Company has an obligation to complete the Extended Producer Responsibility targets, only if it is a participant in the market during a financial year. The obligation for a financial year is measured based on sales made in the preceding 10th year and the Company has fulfilled its obligation for the current financial year. In accordance with Appendix B of Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', the Company will have an e-waste obligation for future years, only if it participates in the market in those years'.		
(B) Financial Guarantees		
The Company has issued financial guarantees to banks on behalf of and in respect of credit facilities availed by its subsidiary and joint venture companies		
(i) Limits (Fund and Non Fund based)	866.47	780.49
(ii) Against which outstanding balance	564.74	589.16
(C) Contingent liabilities		
Claims against the Company not acknowledged as debts		
(i) Sales tax / VAT matters	157.25	79.45
(ii) Service tax matters	17.99	21.95
(iii) Excise matters	18.84	18.78
(iv) Contractual matters in the course of business	35.86	27.76
(v) Guarantees for terminated contract	317.10	301.48
(vi) Income tax matters	9.97	8.87
	557.01	458.29
(D) There are numerous interpretative issues relating to the Supreme Court (SC) judgment on Provident Fund dated 28th February, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.		

42. EMPLOYEE BENEFITS

The Company has defined benefit Gratuity, Post retirement medical benefits, Pension plans and Trust managed Provident fund plan as given below:

(i) Gratuity

Every employee who has completed five years of services, is entitled to Gratuity benefits. The Gratuity plan for Indian employees is governed by the Payment of Gratuity Act, 1972. The Gratuity plan provides lumpsum payments to vested employees at retirement, death while in employment, or termination of employment being an amount equivalent to 15 days salary for each completed year of service. The Company also provides similar Gratuity benefits to overseas employee. The Gratuity plan for Indian employees is funded and for overseas employees is unfunded.

(ii) Post retirement medical benefits

Benefits under these plan are payable for actual domiciliary treatment/hospitalisation for employees and their specified relatives. The scheme is non-funded.

(iii) Pension plans

Pension plan benefit are provided to past Executive Directors and their specified relatives after completion of the services with the Company or Tata Group. The scheme is non-funded.

(a) The following table summaries the components of net benefits expenses recognised in Statement of Profit and Loss, Other Comprehensive Income and the funded status and amount recognised in the Balance Sheet for the respective plans:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	2018-19 ₹ In Crores	2017-18 ₹ In Crores	2018-19 ₹ In Crores	2017-18 ₹ In Crores	2018-19 ₹ In Crores	2017-18 ₹ In Crores	2018-19 ₹ In Crores	2017-18 ₹ In Crores
Current service cost	3.79	3.76	5.58	6.27	-	4.68	0.24	0.91
Net interest expense	(0.24)	0.17	1.40	1.35	3.01	2.54	0.58	1.02
Past Service Cost	-	0.21	-	-	-	-	-	-
(Gains)/ Losses on Curtailment	-	-	-	-	-	-	-	(7.20)
Components of defined benefit costs recognised in the statement of profit and loss	3.55	4.14	6.98	7.62	3.01	7.22	0.82	(5.27)
Remeasurement on the defined benefit plans:								
Return on plan assets	(0.39)	(0.20)	-	-	-	-	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	0.26	(0.48)	2.24	(1.36)	0.18	(0.35)	0.03	(0.28)
Actuarial (gains) / losses arising from experience adjustments	(1.16)	(2.74)	0.71	(1.55)	(1.48)	1.20	(0.48)	(0.41)
Components of defined benefit costs recognised in other comprehensive income	(1.29)	(3.42)	2.95	(2.91)	(1.30)	0.85	(0.45)	(0.69)
	2.26	0.72	9.93	4.71	1.71	8.07	0.37	(5.96)
Change in benefit obligation								
Opening defined benefit obligation	57.49	60.11	29.97	34.57	40.82	34.65	7.39	13.94
Current service cost	3.79	3.76	5.58	6.27	-	4.68	0.24	0.91
Interest cost	4.51	4.41	1.40	1.35	3.01	2.54	0.58	1.02
Remeasurement (gains)/losses:								
Actuarial (gains)/losses arising from changes in financial assumptions	0.26	(0.48)	2.24	(1.36)	0.18	(0.35)	0.03	(0.28)
Actuarial (gains)/losses arising from experience adjustments	(1.16)	(2.74)	0.71	(1.55)	(1.48)	1.20	(0.48)	(0.41)

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	2018-19 ₹ In Crores	2017-18 ₹ In Crores	2018-19 ₹ In Crores	2017-18 ₹ In Crores	2018-19 ₹ In Crores	2017-18 ₹ In Crores	2018-19 ₹ In Crores	2017-18 ₹ In Crores
Past service cost	-	0.21	-	-	-	-	-	-
(Gains)/ Losses on Curtailment	-	-	-	-	(2.51)	-	-	(7.20)
Liabilities assumed on account of transfer in	0.01	0.15	-	-	-	-	-	-
Exchange differences on foreign plans	-	-	1.94	(0.91)	-	-	-	-
Benefits paid	(7.31)	(7.93)	(7.27)	(8.40)	(2.89)	(1.90)	(0.52)	(0.59)
Closing defined benefit obligation	57.59	57.49	34.57	29.97	37.13	40.82	7.24	7.39

Change in plan assets	
Opening fair value of plan assets	60.58
Interest income	4.75
Remeasurement gain / (losses):	
Return on plan assets	0.39
Contributions from the employer	(1.36)
Benefits paid	(7.31)
Closing fair value of plan assets	57.05

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plans are as follows:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	2018-19 ₹ In Crores	2017-18 ₹ In Crores	2018-19 ₹ In Crores	2017-18 ₹ In Crores	2018-19 ₹ In Crores	2017-18 ₹ In Crores	2018-19 ₹ In Crores	2017-18 ₹ In Crores
Present value of funded defined benefit obligation	(57.59)	(57.49)	(34.57)	(29.97)	(37.13)	(40.82)	(7.24)	(7.39)
Fair value of plan assets	57.05	60.58	-	-	-	-	-	-
Net (liability) / asset arising from defined benefit obligation	(0.54)	3.09	(34.57)	(29.97)	(37.13)	(40.82)	(7.24)	(7.39)

(b) The major categories of plan assets as a percentage of total plan:

Category of investments	Gratuity funded	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Government of India securities	37%	29%
Corporate bonds	57%	63%
Special deposit scheme	0%	2%
Mutual funds	3%	2%
Others (Interest accrued, Balances with banks)	3%	4%
	100%	100%

(c) The principal assumptions used for the purposes of the actuarial valuations are as follows:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Discount rate	7.79%	7.85%	3.80% and 3.78%	4.39%	7.79%	7.85%	7.79%	7.85%
Attrition Rate	1.00%	1.00%	2.00%	2.00%	1.00%	1.00%	1.00%	1.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08)		Indian Assured Lives Mortality (2006-08)		Indian Assured Lives Mortality (2006-08)		Indian Assured Lives Mortality (2006-08)	
Expected rate of salary increase	8.00%	8.00%	4.00%	4.00%	8.00%	8.00%	5.00%	5.00%

(d) A quantitative sensitivity analysis for significant assumptions are as follow:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Projected benefit obligations on current assumptions	57.59	57.49	34.57	29.97	37.13	40.82	7.24	7.39
+1% increase in discount rate	(4.01)	(4.01)	(3.54)	(3.08)	(3.00)	(3.10)	(0.16)	(0.16)
-1% decrease in discount rate	4.58	4.58	4.20	3.66	3.49	3.60	0.21	0.21
+1% increase in future salary	4.54	4.53	4.15	3.64	3.45	3.56	0.17	0.17
-1% decrease in future salary	(4.05)	(4.04)	(3.56)	(3.12)	(3.03)	(3.13)	(0.17)	(0.17)
+1% increase in rate of employee turnover	(0.02)	(0.02)	(0.07)	0.12	NA	NA	(0.04)	(0.04)
-1% decrease in rate of employee turnover	0.02	0.02	0.08	(0.13)	NA	NA	0.04	0.04

The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The expected maturity analysis of undiscounted defined benefit obligation (Funded and Unfunded) is as follows:

	Gratuity funded		Gratuity unfunded		Pension		Post retirement medical benefits	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Within 1 year	5.31	5.86	2.78	2.35	2.77	2.74	0.47	0.50
Between 1 and 2 years	1.42	2.60	0.83	0.97	2.76	2.73	0.49	0.52
Between 2 and 3 years	4.77	2.68	1.08	1.24	2.74	2.72	0.52	0.55
Between 3 and 4 years	5.94	4.69	1.82	1.09	2.73	2.71	0.54	0.58
Between 4 and 5 years	4.70	5.60	1.69	1.76	2.71	2.69	0.57	0.61
Beyond 5 years	35.45	36.06	26.37	22.56	23.42	27.22	4.65	4.63

The contribution expected to be made by the Company during the financial year 2019-20 is ₹ 7.00 crores (31st March , 2018 : ₹ 7.00 crores).

(iv) Provident Fund

Contribution to Provident Fund is made to trusts administered by the Company. In terms of guidance note issued by the Institute of Actuaries of India, the Actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined that there is no shortfall as at 31st March, 2019.

The details of the fund and plan assets position are as follows:

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Fair value of plan assets	295.07	276.71
Present value of defined obligation	288.50	269.24
Contribution during the year (Employee and Employer Contribution)	29.34	26.34

The principal assumptions used for the purposes of the actuarial valuations are as follows:

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Guaranteed Interest rate	8.65%	8.55%
Discount Rate for the remaining term to maturity of Interest portfolio	7.79%	7.85%

Risk Analysis

The Company is exposed to the following Risks in the defined benefits plans :

Investment Risk: The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan assets is below this rate, it will create a plan deficit.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by increase in the return on the plan's debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary growth risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants.

An increase in the salary of the plan participants will increase the plan's liability.

43. RELATED PARTY DISCLOSURES

(a) List of Related Parties and Relationships

Party	Relation
A. Related parties where control exists Auto Aircon (India) Limited Voltas Netherlands B.V. Lalbuksh Voltas Engineering Services & Trading L.L.C. * Weathermaker Limited Saudi Ensas Company for Engineering Services W.L.L. Rohini Industrial Electricals Limited Universal Comfort Products Limited Voltas Qatar W.L.L. * Voltas Oman L.L.C. * Agro Foods Punjab Limited (Under liquidation) Westerwork Engineers Limited (Under liquidation)	Subsidiary
B. Other Related Parties (Where transactions have taken place during the year and previous year / balance outstanding) 1. Brihat Trading Private Limited Naba Diganta Water Management Limited Terrot GmbH 2. Universal Voltas L.L.C. Olayan Voltas Contracting Company Limited Voltas Water Solutions Private Limited Voltbek Home Appliances Private Limited	Associate Joint Venture
C. Whole -Time Directors Mr. Pradeep Bakshi - Managing Director & CEO (w.e.f. 10th February, 2018), Executive Director (w.e.f. 1st September, 2017 to 9th February, 2018) Mr. Anil George - Deputy Managing Director (w.e.f. 10th February, 2018), Executive Director (w.e.f. 1st September, 2017 to 9th February, 2018) Mr. Sanjay Johri - Managing Director (upto 9th February, 2018) Executive Vice President - Finance & CFO Mr. Abhijit Gajendragadkar Vice President - Taxation, Legal & Company Secretary Mr. V. P. Malhotra	Key Management Personnel
D. Non-Executive Directors Mr. Noel N. Tata - Chairman Mr. Vinayak Deshpande Mr. Hemant Bhargava Independent Directors Mr. Nani Javeri Mr. R. N. Mukhija (upto 4th February, 2019) Mr. Debendranath Sarangi Mr. Bahram N. Vakil Ms. Anjali Bansal Mr. Arunkumar Adhikari	Directors
E. Voltas Limited Provident Fund Voltas Managerial Staff Provident Fund Voltas Limited Employees' Gratuity Fund Voltas Limited Managerial Staff Gratuity Fund Voltas Limited Employees' Superannuation Scheme	Employee Benefit Funds

F.	<p>Tata Sons Private Limited C-Edge Technologies Limited Ewart Investments Limited Infiniti Retail Limited MahaOnline Limited TAL Manufacturing Solutions Limited TASEC Limited (formerly TAS-AGT Systems Limited) Tata Advanced Materials Limited Tata Advanced Systems Limited Tata Africa Holdings (Kenya) Limited Tata Asset Management Limited Tata Autocomp Systems Limited Tata Capital Financial Services limited Tata Capital Housing Finance Limited Tata Capital Limited Tata Communications Limited Tata Communications Payment Solutions Limited Tata Communications Transformation Services Limited Tata Consultancy Services Limited Tata Consulting Engineers Limited Tata De Mocambique, Limitada Tata Housing Development Company Limited Tata International Limited Tata International Metals (UK) Limited (formerly Tata Steel International (UK) Limited) Tata Investment Corporation Limited Tata Petrodyne Limited Tata Realty and Infrastructure Limited Tata Teleservices (Maharashtra) Limited Tata Teleservices Limited TCS Foundation THDC Management Services Limited (formerly THDC Facility Management Limited) TRIF Real Estate and Development Limited TRIL Amritsar Projects Limited (formerly TRIF Amritsar Projects Limited) TRIL Infopark Limited Mikado Realtors Private Limited Tata Advanced Materials Limited Tata AIA Life Insurance Company Limited Tata AIG General Insurance Company Limited Tata Autocomp Hendrickson Suspension Private Limited (formerly Taco Hendrickson Private Limited) Tata Ficosa Automotive Systems Private Limited (formerly Tata Ficosa Automotive Systems Limited) Tata Industries Limited Tata International DLT Private Limited Tata Lockheed Martin Aerostructures Limited Tata Sikorsky Aerospace Limited (formerly Tata Aerospace Systems Limited) Tata Sky Limited Tata Toyo Radiator Limited Tata Unistore Limited (formerly Tata Industrial Services Limited) TRIL IT4 Private Limited (formerly Albrecht Builder Private Limited)</p>	<p>Promoter Subsidiaries and Joint Ventures of Promoter</p>
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* Through subsidiary companies

(b) Related Party Transactions

₹ In Crores

Sr. No.	Year	Transactions	Subsidiaries	Associates	Joint Ventures	Promoter	Subsidiaries and Joint Ventures of Promoter	Key Management Personnel	Directors	Employee Benefit Funds	Total
1	2018-19	Purchases of stock-in-trade	697.56	-	3.57	-	0.02	-	-	-	701.15
	2017-18		899.71	-	-	-	0.11	-	-	-	899.82
2	2018-19	Sale of Products	262.05	-	1.74	-	61.77	*	-	-	325.56
	2017-18		274.49	-	-	-	52.03	-	-	-	326.52
3	2018-19	Service Income - Other than Management fees	4.52	0.19	0.10	0.06	85.71	*	-	-	90.58
	2017-18		4.28	0.21	3.70	0.10	78.82	-	-	-	87.11
4	2018-19	Service Income - Management fees on vendor bill discounting	-	-	-	-	0.58	-	-	-	0.58
	2017-18		-	-	-	-	0.43	-	-	-	0.43
5	2018-19	Construction contract revenue (Includes billed and unbilled revenue)	-	-	-	0.06	223.87	-	-	-	223.93
	2017-18		-	-	-	-	326.06	-	-	-	326.06
6	2018-19	Sale of Investment	-	-	-	-	-	-	-	-	-
	2017-18		-	-	2.98	-	-	-	-	-	2.98
7	2018-19	Interest Income	-	-	-	-	5.62	-	-	-	5.62
	2017-18		-	-	0.11	-	4.66	-	-	-	4.77
8	2018-19	Rental Income	0.39	-	1.22	-	10.73	-	-	-	12.34
	2017-18		0.38	-	0.03	-	2.09	-	-	-	2.50
9	2018-19	Dividend Income	71.07	0.36	2.33	-	3.49	-	-	-	77.25
	2017-18		52.51	0.30	-	-	1.52	-	-	-	54.33
10	2018-19	Commission Received / Receivable	17.47	0.79	-	-	-	-	-	-	18.26
	2017-18		24.91	0.95	-	-	-	-	-	-	25.86
11	2018-19	Bad and Doubtful Debts / Advances - Reversal (P&L)	0.61	-	0.01	-	-	-	-	-	0.62
	2017-18		0.27	-	-	-	-	-	-	-	0.27
12	2018-19	Bad and Doubtful Debts / Advances (P&L)	-	-	-	-	-	-	-	-	-
	2017-18		-	-	0.01	-	-	-	-	-	0.01
13	2018-19	Remuneration Paid / Payable	-	-	-	-	-	12.66	1.70	-	14.36
	2017-18		-	-	-	-	-	17.13	2.25	-	19.38
14	2018-19	Sitting Fees	-	-	-	-	-	-	0.36	-	0.36
	2017-18		-	-	-	-	-	-	0.47	-	0.47

Sr. No.	Year	Transactions	Subsidiaries	Associates	Joint Ventures	Promoter	Subsidiaries and Joint Ventures of Promoter	Key Management Personnel	Directors	Employee Benefit Funds	Total
15	2018-19	Dividend Paid	-	-	-	35.25	4.76	-	-	-	40.01
	2017-18		-	-	-	30.85	-	-	-	-	30.85
16	2018-19	Tata Brand Equity	-	-	-	9.92	-	-	-	-	9.92
	2017-18		-	-	-	8.31	-	-	-	-	8.31
17	2018-19	Training Expenses Paid / Payable	-	-	-	0.03	-	-	-	-	0.03
	2017-18		-	-	-	-	-	-	-	-	-
18	2018-19	Purchase of goods / services for execution of contracts	560.28	-	-	-	1.31	-	-	-	561.59
	2017-18		164.81	-	105.38	-	0.12	-	-	-	270.31
19	2018-19	Interest Expenses	-	-	-	-	-	-	-	-	-
	2017-18		0.15	-	-	-	-	-	-	-	0.15
20	2018-19	Impairment in value of investment	0.65	-	6.72	-	-	-	-	-	7.37
	2017-18		-	-	5.98	-	-	-	-	-	5.98
21	2018-19	Reversal of provision for impairment in value of investment	32.56	-	-	-	-	-	-	-	32.56
	2017-18		-	-	-	-	-	-	-	-	-
22	2018-19	Security deposit refunded	-	-	-	-	5.02	-	-	-	5.02
	2017-18		-	-	-	-	1.50	-	-	-	1.50
23	2018-19	Other Expenses- Received/Receivable	92.92	-	79.78	0.20	0.55	-	-	-	173.45
	2017-18		94.42	-	13.30	0.24	0.47	-	-	-	108.43
24	2018-19	Other Expenses- Paid/Payable	16.48	-	1.73	0.12	20.07	-	-	-	38.40
	2017-18		17.17	-	1.40	0.09	16.90	-	-	-	35.56
25	2018-19	Purchase of property, plant and equipment	-	-	-	-	3.23	-	-	-	3.23
	2017-18		-	-	0.04	-	0.02	-	-	-	0.06
26	2018-19	Investments in Equity shares	0.65	-	118.09	-	-	-	-	-	118.74
	2017-18		-	-	79.50	-	-	-	-	-	79.50
27	2018-19	Investments in Preference Shares	-	-	-	-	20.00	-	-	-	20.00
	2017-18		-	-	-	-	30.00	-	-	-	30.00
28	2018-19	Investments in Bonds/Debtentures	-	-	-	-	50.95	-	-	-	50.95
	2017-18		-	-	-	-	-	-	-	-	-
29	2018-19	Advances given against execution of contracts	-	-	-	-	-	-	-	-	-
	2017-18		0.26	-	-	-	-	-	-	-	0.26

Sr. No.	Year	Transactions	Subsidiaries	Associates	Joint Ventures	Promoter	Subsidiaries and Joint Ventures of Promoter	Key Management Personnel	Directors	Employee Benefit Funds	Total
30	2018-19	Security Deposit received	-	-	-	-	7.36	-	-	-	7.36
	2017-18		-	-	0.01	-	2.55	-	-	-	2.56
31	2018-19	Security deposit at the end of the year					13.76				13.76
	2017-18						12.42				12.42
32	2018-19	Share Application Money given	-	-	-	-	-	-	-	-	-
	2017-18		-	-	13.13	-	-	-	-	-	13.13
33	2018-19	Provision for Debts and Advances at year end									-
	2017-18		0.61	-	0.01	-	-	-	-	-	0.62
34	2018-19	Advance Outstanding at year end	54.28	-	0.12	0.08	0.13	-	-	-	54.61
	2017-18		5.44	-	4.15	0.09	0.18	-	-	-	9.86
35	2018-19	Outstanding Share Application Money at year end	-	-	13.13	-	-	-	-	-	13.13
	2017-18		-	-	13.13	-	-	-	-	-	13.13
36	2018-19	Debit Balance Outstanding at year end	4.33	0.22	-	-	201.33	-	-	-	205.88
	2017-18		0.62	0.74	-	*	66.83	-	-	-	68.19
37	2018-19	Credit Balance Outstanding at year end	566.67	-	4.43	8.92	4.72	-	-	-	584.74
	2017-18		450.96	-	32.85	7.75	0.30	-	-	-	491.86
38	2018-19	Guarantees Outstanding at year end	557.56	-	7.18	-	-	-	-	-	564.74
	2017-18		539.31	-	6.73	-	-	-	-	-	546.04
39	2018-19	Impairment in value of Investments at year end	67.58	-	19.81	-	-	-	-	-	87.39
	2017-18		99.49	-	13.09	-	-	-	-	-	112.58
40	2018-19	Contract Revenue in excess of Billing	-	-	-	-	40.21	-	-	-	40.21
	2017-18		-	-	-	-	-	-	-	-	-
41	2018-19	Billing in excess of Contract Revenue	-	-	-	-	3.63	-	-	-	3.63
	2017-18		-	-	-	-	-	-	-	-	-
42	2018-19	Contribution to Employee Benefit Funds	-	-	-	-	-	-	-	-	7.58
	2017-18		-	-	-	-	-	-	-	-	14.73

* Value below ₹ 50,000/-

44. RESEARCH AND DEVELOPMENT EXPENDITURE

	2018-2019 ₹ in Crores	2017-2018 ₹ in Crores
Expenditure at Department of Scientific and Industrial Research (DSIR) approved R&D centers		
(1) Revenue expenditure	4.34	4.54
UPBG	1.04	1.17
EM&RBG	3.30	3.37
(2) Capital expenditure	0.06	0.06
UPBG	0.04	-
EM&RBG	0.02	0.06
Other R&D Expenditure		
(1) Revenue expenditure	0.66	0.90
UPBG	0.43	0.46
EM&RBG	0.23	0.44
(2) Capital expenditure	-	-
UPBG	-	-
EM&RBG	-	-
Total R&D Expenditure		
(1) Revenue expenditure	5.00	5.44
UPBG	1.47	1.63
EM&RBG	3.53	3.81
(2) Capital expenditure	0.06	0.06
UPBG	0.04	-
EM&RBG	0.02	0.06

Business Segments :

UPBG : Unitary Cooling Products for Comfort and Commercial use.

EM&RBG : Electro - mechanical Projects and Services.

45. FINANCIAL INSTRUMENTS

A. Financial instruments by category

The accounting classification of each category of financial instruments, their carrying value and fair value are as below:

	As at 31-3-2019 ₹ in Crores				As at 31-3-2018 ₹ in Crores					
	FVTPL	FVTOCI	Amortised cost	Total Carrying value	Total Fair value	FVTPL	FVTOCI	Amortised cost	Total Carrying value	Total Fair value
Financial assets										
Investments*	1,256.87	568.22	422.55	2,247.64	2,247.64	1,863.37	601.29	223.79	2,688.45	2,688.45
Loans	-	-	11.17	11.17	11.17	-	-	3.89	3.89	3.89
Trade receivables	-	-	1,394.84	1,394.84	1,394.84	-	-	1,277.05	1,277.05	1,277.05
Other financial assets	-	-	187.33	187.33	187.33	0.81	-	104.13	104.94	104.94
Cash and cash equivalents	-	-	226.85	226.85	226.85	-	-	174.30	174.30	174.30
Other balances with banks	-	-	10.02	10.02	10.02	-	-	25.66	25.66	25.66
	1,256.87	568.22	2,252.76	4,077.85	4,077.85	1,864.18	601.29	1,808.82	4,274.29	4,274.29
Financial liabilities										
Borrowings	-	-	113.64	113.64	113.64	-	-	27.82	27.82	27.82
Trade payables	-	-	2,373.96	2,373.96	2,373.96	-	-	2,114.50	2,114.50	2,114.50
Other financial liabilities	2.18	-	80.00	82.18	82.18	-	-	84.55	84.55	84.55
	2.18	-	2,567.60	2,569.78	2,569.78	-	-	2,226.87	2,226.87	2,226.87

* Investment also includes equity investments in subsidiaries, associates and joint ventures which are carried at costs and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures". Hence, the same have been excluded from the above table.

The management assess that Cash and cash equivalents, Other balances with banks, Loans, Trade receivables, Trade payables, Borrowings, Other financial liabilities and Other financial assets carried at amortized cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

Abbreviations :

FVTPL - Fair-Value Through Profit or Loss.

FVTOCI - Fair-Value Through Other Comprehensive Income.

B. Fair value hierarchy

The fair value measurement hierarchy of the Company's assets and liabilities are as follows:

	Level 1		Level 2		Level 3	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Financial assets						
At fair value through profit or loss						
- Investment	1,256.87	1,863.37	-	-	-	-
- Derivative financial assets	-	-	-	0.81	-	-
At fair value through Other Comprehensive Income						
- Investment	364.97	411.97	-	-	203.25	189.32
	1,621.84	2,275.34	-	0.81	203.25	189.32

	Level 1		Level 2		Level 3	
	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores	As at 31-3-2019 ₹ In Crores	As at 31-3-2018 ₹ In Crores
Financial liabilities						
At fair value through profit or loss						
- Derivative financial liabilities	-	-	2.18	-	-	-
	-	-	2.18	-	-	-

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instrument by valuation techniques:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties.

The following methods and assumption were used to estimate fair values:

- The fair value of quoted equity investment and mutual funds are based on price quotations at the reporting date.
- The fair value of unquoted equity investments are based on Market multiple approach. Market multiple of EV/EBITDA are considered after applying suitable discounts for size, liquidity and other company specific discounts.
- The Company enters into derivative financial instruments with various counterparties, principally with banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The model incorporates various inputs including the credit quality of counter parties, foreign exchange spot and forward rates.

There were no transfers between Level 1 and 2 during the period.

C. Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets

	₹ in Crores
As at 1st April, 2017	191.75
Add: Fair valuation gain/(loss) recognised in OCI	(2.43)
Closing balance as at 31st March, 2018	189.32
Add: Fair valuation gain/(loss) recognised in OCI	13.93
Closing balance as at 31st March, 2019	203.25

46. AGGREGATION OF EXPENSES DISCLOSED IN CONSUMPTION OF MATERIALS, COST OF JOBS AND SERVICES AND OTHER EXPENSES IN RESPECT OF SPECIFIC ITEMS ARE AS FOLLOWS (REFER NOTE 37) :

Nature of expenses	2018-19 Grouped under		
	Consumption of materials, cost of jobs and services	Other expenses	Total
	₹ in Crores	₹ in Crores	₹ in Crores
1 Rent	0.50	42.75	43.25
2 Power and Fuel	0.04	9.20	9.24
3 Insurance charges	0.80	6.59	7.39
4 Travelling and Conveyance	0.55	48.67	49.22
5 Printing and Stationery	0.34	13.41	13.75
6 Legal and Professional charges	0.44	31.94	32.38
7 Clearing charges	1.02	62.97	63.99
8 Outside Service charges	114.97	64.95	179.92
9 Repairs to Plant and Machinery	0.16	7.09	7.25
10 Other General expenses	7.10	74.39	81.49

Nature of expenses	2017-18 Grouped under		
	Consumption of materials, cost of jobs and services	Other expenses	Total
	₹ in Crores	₹ in Crores	₹ in Crores
1 Rent	0.59	38.96	39.55
2 Power and Fuel	0.33	8.88	9.21
3 Insurance charges	1.40	4.89	6.29
4 Travelling and Conveyance	0.86	42.31	43.17
5 Printing and Stationery	0.27	14.43	14.70
6 Legal and Professional charges	0.46	30.15	30.61
7 Clearing charges	0.82	43.75	44.57
8 Outside Service charges	45.95	59.29	105.24
9 Repairs to Plant and Machinery	0.01	5.06	5.07
10 Other General expenses	3.86	73.68	77.54

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial liabilities comprise borrowings, trade and other payables. The Company's financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances. The Company also holds FVTPL and FVTOCI investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors of the Company oversee the management of these financial risks through its Risk Management Committee as per Company's existing policy.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include Borrowings, Investments, Trade payables, Trade receivables, Other financial assets, Other financial liabilities, Loans and Derivative financial instruments.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affect significantly short term borrowing, therefore the Company's exposure to the risk of changes in market interest rates relates primarily to the investment in debt mutual funds.

Given the portfolio of investments in debt mutual funds, etc. the Company has exposure to interest rate risk with respect to returns realised. It is estimated that an increase in 25 bps change in 10 year Government bond yield would result in a loss of approximately ₹ 3.14 crores (31st March, 2018: ₹ 4.66 crores) whereas a decrease in 25 bps change in 10 year Government bond yield would result in a profit of approximately ₹ 3.14 crores (31st March, 2018: ₹ 4.66 crores). This estimate is based on key assumption with respect to seamless transition of rates across debt instrument in the market and also basis the duration of debt instruments in turn held by mutual funds that the Company has invested in.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). Foreign currency risks are managed within the approved policy parameters utilising foreign exchange forward contracts.

As at the end of the reporting period, the carrying amounts of the material foreign currency denominated monetary assets and liabilities are as follows:

Currency	Liabilities		Assets	
	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
United States Dollar (USD)	187.78	262.66	48.11	52.99
United Arab Emirates Dirham (AED)	360.54	237.21	390.77	270.12
Chinese Yuan (CNY)	222.67	-	-	-

Foreign currency sensitivity

The following tables demonstrate the sensitivity of outstanding foreign currency denominated monetary items to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's Profit before tax is due to changes in the fair value of financial assets and liabilities:

Particulars	Effect on Profit before tax		Effect on Equity	
	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
USD +5%	2.41	(7.07)	1.58	(4.63)
USD -5%	(2.41)	7.07	(1.58)	4.63
AED +5%	1.51	1.65	0.99	1.08
AED -5%	(1.51)	(1.65)	(0.99)	(1.08)
CNY +5%	(6.83)	-	(4.47)	-
CNY -5%	6.83	-	4.47	-

Details of notional value of derivative contracts entered by the Company and outstanding as at Balance Sheet date.

Particulars	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Forward contracts - (USD/INR)	319.60	68.21
Forward contracts - (CNY/INR)	86.03	-

The fair value of the Company's derivatives position recorded under financial assets and financial liabilities are as follows:

Particulars	Liabilities		Assets	
	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Forex Forward Cover	2.18	-	-	0.81

(c) Equity price risk

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company's Board of Directors reviews and approves all equity investment decisions.

The following table summarises the sensitivity to change in the price of equity securities held by the Company on the Company's Equity and OCI. These changes would not have an effect on the statement of profit and loss.

	Impact on other components of equity (OCI)	
	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
Increase 5%	18.25	20.60
Decrease 5%	(18.25)	(20.60)

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk for trade receivables, contract assets, cash and cash equivalents, investments, other bank balances, loans and other financial assets. The Company only deals with parties which have good credit rating/worthiness given by external rating agencies or based on Company's internal assessment.

Credit risk on trade receivables and contract assets are managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Moreover, given the diverse nature of the Company's businesses, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of the trade receivables in any of the years presented.

For trade receivables and contract assets, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

For Mutual Fund Investments, counterparty risk are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for Company's mutual fund investments.

Credit risk from cash and cash equivalents and balances with banks is managed by the Company's treasury department in accordance with the Company's treasury policy.

The Credit risk on mutual fund investments, cash and cash equivalents, and other bank balances are limited as the counterparties are banks and fund houses with high-credit ratings assigned by credit rating agencies.

The carrying value of the financial assets represents the maximum credit exposure. The Company's maximum exposure to Credit risk is disclosed in Note 45 "Financial Instruments". The maximum credit exposure on financial guarantees given by the Company for various financial facilities is disclosed in Note 41 "Commitments and Contingencies."

(iii) Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that the funds are available for use as per the requirements. The Company manages

liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

Maturities of financial liabilities: The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Contractual maturities of financial liabilities (31st March, 2019)	Less than 1 year	More than 1 year	Total
	₹ in Crores	₹ in Crores	₹ in Crores
Non-derivatives			
Borrowings (*)	115.67	-	115.67
Trade payables	2,373.96	-	2,373.96
Other financial liabilities	80.00	-	80.00
Total Non-derivative liabilities	2,569.63	-	2,569.63
Derivatives (net settled)			
Foreign exchange forward contracts	2.18	-	2.18
Total derivative liabilities	2.18	-	2.18

Contractual maturities of financial liabilities (31st March, 2018)	Less than 1 year	More than 1 year	Total
	₹ in Crores	₹ in Crores	₹ in Crores
Non-derivatives			
Borrowings	27.82	-	27.82
Trade payables	2,114.50	-	2,114.50
Other financial liabilities	84.55	-	84.55
Total non- derivative liabilities	2,226.87	-	2,226.87
Derivatives (net settled)			
Foreign exchange forward contracts	-	-	-
Total derivative liabilities	-	-	-

The amount included in Note 41(B) for financial guarantee contracts are the maximum amounts the Company could be forced to settle under respective arrangements for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

(*) Maturity amount of borrowings is including the interest that will be paid on these borrowings.

48. OPERATING LEASE : COMPANY AS A LESSEE

The Company has entered into operating lease agreements for its office premises and storage locations with lease term between 1 year to 30 years. The Company has the option under some of its leases to lease the assets for additional periods. There are no exceptional/restrictive covenants in the lease agreements. Lease rental expenses debited to Statement of Profit and Loss is ₹ 42.75 crores (31st March, 2018 : ₹ 38.96 crores)

Minimum lease payments for non-cancellable operating lease

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Not later than one year	7.45	1.24
(b) Later than one year but not later than five years	0.41	0.30
(c) Later than five years	0.02	0.03

Operating Lease : Company as a Lessor

The Company has entered into operating leases on its investment property portfolio consisting of land and office premises. These leases have lease terms between 1 year to 9 years. The Company has the option under some of its leases to lease the assets for additional periods. An amount of ₹ 39.56 crores (31st March, 2018: ₹ 37.55 crores) is recognised as lease income in the Statement of Profit and Loss account for the year ended 31st March, 2019.

Minimum lease payments for non-cancellable operating lease

	As at 31-3-2019 ₹ in Crores	As at 31-3-2018 ₹ in Crores
(a) Not later than one year	5.25	4.57
(b) Later than one year but not later than five years	8.43	12.50
(c) Later than five years	-	-

49. REVENUE FROM CONTRACTS WITH CUSTOMERS

(A) Disaggregated revenue information

Disaggregation of the Company's revenue from contracts with customers are as follows:

Particulars	Year ended 31-3-2019 ₹ in Crores	Year ended 31-3-2018 ₹ in Crores
Segment - A (Unitary Cooling Products for Comfort and Commercial use)		
(a) Sale of products	3,170.63	3,254.63
(b) Sale of services	38.07	52.43
Sub-total :	3,208.70	3,307.06
Segment - B (Electro - mechanical Projects and Services)		
(a) Sale of products	244.15	229.52
(b) Construction contract revenue	2,483.72	1,579.31
(c) Sale of services	411.76	371.30
Sub-total :	3,139.63	2,180.13
Segment - C (Engineering Products and Services)		
(a) Sale of products	218.00	167.90
(b) Sale of services	93.65	142.03
Sub-total :	311.65	309.93
Less : Inter segment revenue	1.70	0.95
Total revenue from contracts with customers	6,658.28	5,796.17

(B) Set out below is the amount of revenue recognised from

	As at 31-3-2019 ₹ in Crores
(a) Amounts included in contract liabilities at the beginning of the year	335.24
(b) Performance obligations satisfied in previous years	(1.89)

(C) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	Year ended 31-3-2019 ₹ in Crores
Revenue as per contracted price	6,026.82
Adjustments	
Add: (a) Unbilled on account of work under certification	696.42
Less: (b) Billing in excess of contract revenue	(64.96)
Revenue from contract with customers	6,658.28

(D) Performance obligation

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March, 2019 is of ₹ 3,631.32 crores, out of which, majority is expected to be recognised as revenue within a period of one year.

50. CAPITAL MANAGEMENT

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's Risk Management Committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

51. EVENTS OCCURRING AFTER BALANCE SHEET:

- (i) The Directors have recommended final dividend of ₹ 132.35 crores at ₹ 4.00 per share on equity shares which is subject to the approval of shareholders at the ensuing Annual General Meeting. This dividend and tax thereon has not been recognised as a liability.
- (ii) Further, an amount of ₹ 20.00 crores is proposed to be transferred to General Reserve which is approved in the Board Meeting held subsequent to the year end and thus has not been recognised as transferred during the year.
- (iii) The Company has announced a scheme of voluntary retirement ("scheme") for all permanent employees in the general cadre category on 16th April, 2019. The scheme has been approved by the Board of Directors. As the scheme was announced subsequent to the balance sheet date, no adjustment has been made in the financial statements.

52. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date	For and on behalf of the Board		
For S R B C & CO LLP Chartered Accountants ICAI Firm Registration Number: 324982E/E300003 per Dolphy D'Souza Partner Membership Number: 38730	<i>Chairman</i> Managing Director & CEO <i>Deputy Managing Director</i> <i>Executive Vice President - Finance & CFO</i> <i>Vice President - Taxation, Legal & Company Secretary</i>	Noel N.Tata Pradeep Bakshi Anil George Abhijit Gajendragadkar V. P. Malhotra	<i>Directors</i> Vinayak Deshpande D. Sarangi Bahram N. Vakil Hemant Bhargava Arun Kumar Adhikari

Mumbai, 9th May, 2019

Mumbai, 9th May, 2019

Statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

PART "A": SUBSIDIARIES

Name of Subsidiary	Universal Comfort Products Limited (UCPL)	Rohini Industrial Electricals Limited (RIEL)	Auto Aircon Limited (AAIL)	Weathermaker Limited (WML)	Saudi Ensas Company for Engineering Services & Trading W.L.L. (Saudi Ensas)	Lalbuksh Voltas Engineering Services & Trading L.L.C. (LALVOL)	Voltas Oman L.L.C. (VOLLC)	Voltas Qatar W.L.L. (VQWLL)	Voltas Netherlands B.V. (VNBV)
1	Date since when subsidiary was acquired	17-6-2008	6-12-2002	20-1-2006	28-1-2009	31-3-2011	27-3-2011	3-5-2016	31-12-1999
2	Reporting Period	31-3-2019	31-3-2019	31-3-2019	31-3-2019	31-3-2019	31-3-2019	31-3-2019	31-3-2019
3	(i) Reporting currency	INR	INR	AED	SR	RO	RO	QAR	EURO
	(ii) Exchange rate as on the last date of the relevant financial year	--	--	₹ 18.86	₹ 18.47	₹ 179.76	₹ 179.76	₹ 19.02	₹ 77.69
		₹ in Crores	₹ in Crores	₹ in Crores	₹ in Crores	₹ in Crores	₹ in Crores	₹ in Crores	₹ in Crores
4	Capital	27.64	11.95	2.83	48.30	4.49	8.99	1.90	4.81
5	Reserves & Surplus (Other Equity)	248.44	(11.91)	27.22	(52.61)	76.11	(4.96)	86.89	53.41
6	Total Assets (excluding investments)	459.52	0.04	41.45	10.90	137.36	185.38	357.55	14.38
7	Total Liabilities (excluding 4 & 5 above)	183.44	--	11.40	15.21	56.76	181.35	268.76	0.14
8	Investments	--	--	--	--	--	--	--	43.98
9	Turnover (gross) / Total Income ⁴	924.71	--	37.50	26.36	119.88	157.44	168.14	19.69
10	Profit / (loss) before Taxation	75.27	--	5.80	(0.86)	13.67	4.73	89.14	17.84
11	Provision for Taxation	27.07	--	--	--	2.04	0.97	9.04	--
12	Profit / (loss) after Taxation	48.20	--	5.80	(0.86)	11.63	3.76	80.10	17.84
13	(a) Interim Dividend	--	--	--	--	2.22	--	--	15.90
	(b) Proposed Dividend	48.37	--	1.41	--	8.09	--	--	--
	Total Dividend (a+b)	48.37	--	1.41	--	10.31	--	--	15.90
14	% of Shareholding	100%	100%	100%	*100%	**60%	***65%	****49%	100%
	* 8% shares held by VNBV	** 40% shares held by VNBV	*** 65% shares held by VNBV	*** 65% shares held by VNBV	*** 65% shares held by VNBV	*** 60% shares held by VNBV	*** 65% shares held by VNBV	**** 49% shares held by VNBV	100% shares held by VNBV

Notes :

- Foreign currency figures of WML, Saudi Ensas, LALVOL, VOLLC, VQWLL and VNBV have been converted into Indian Rupees on the basis of appropriate exchange rates as on reporting period. Proposed Dividend is considered at exchange rate on 31st March, 2019.
- Abbreviation for foreign currencies - AED: United Arab Emirates Dirham; SR: Saudi Riyal; QAR: Qatari Rial and Euro: European Union Currency.
- As Voltas Limited controls the composition of Board of Directors of VQWLL, it is subsidiary of Voltas.
- Income of VNBV comprised dividend received from participants and fees for corporate guarantees issued to the banks of the participants.

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates / Joint Ventures	Universal Voltas L.L.C.	Olayan Voltas Contracting Company Limited	Naba Diganta Water Management Limited	Voltas Water Solutions Private Limited (VWS)	Voltbek Home Appliances Private Limited	Terrot GmbH	Brihat Trading Private Limited
1	Date on which the Associate/Joint Venture was associated or acquired	26-8-1981	8-2-2012	17-3-2008	26-4-2014	18-8-2017	13-5-2014	21-8-2012
2	Latest Audited Balance Sheet Date	31-3-2019	31-3-2019	31-3-2019	31-3-2019	31-3-2019	31-12-2018	31-3-2019
3	Shares of Associate/Joint Ventures held by the Company on the year end							
	(i) Number	--	50,000	47,97,000	28,41,500	19,69,84,900	2,60,900	3,352
	(ii) Amount of Investment in Associates/ Joint Ventures (₹ in crores)	--	20.24#	4.80	2.84	196.98	1.56	***
	(iii) Extent of Holding %	49%*	50%	26%	50%	49%	20.07%	33.33%
4	Description of how there is significant influence	Equity Investment more than 20%						
5	Reason why the associate/joint venture is not consolidated	Not applicable						
6	Networth attributable to Shareholding as per latest Audited Balance Sheet (₹ in crores)	51.41	3.28	5.95	0.05	143.58	8.93	Dormant Company
7	Profit / (loss) for the year							
	(i) Considered in Consolidation (₹ in crores)	6.66	(8.53)	0.58	--	(48.36)	2.32	Not Material
	(ii) Not considered in Consolidation (₹ in crores)	--	--	--	0.02**	--	--	Not Material

* Share Capital is held by Voltas Netherlands B. V., a wholly owned subsidiary.

** Investment made by the Company in VWS has been fully provided last year. Hence, loss of VWS is not considered in consolidated accounts.

*** Value below ₹ 50,000/-.

Includes ₹ 13.13 crores share application money.

For and on behalf of the Board	
Chairman Managing Director & CEO Deputy Managing Director	Directors Vinayak Deshpande D. Sarangi Bahram N. Vakil Hemant Bhargava Arun Kumar Adhikari
Executive Vice President - Finance & CFO Vice President - Taxation, Legal & Company Secretary	Directors Noel N.Tata Pradeep Bakshi Anil George Abhijit Gajendragadkar V. P. Malhotra

Mumbai, 9th May, 2019

Corporate Information

BOARD OF DIRECTORS

Chairman

Noel N. Tata

Managing Director & CEO

Pradeep Bakshi

Deputy Managing Director

Anil George

Directors

Nani Javeri

V. Deshpande

D. Sarangi

Bahram N. Vakil

Anjali Bansal

Hemant Bhargava

Arun Kumar Adhikari

Vice President – Taxation, Legal & Company Secretary

V.P. Malhotra

AUDIT COMMITTEE

Chairman

Nani Javeri

Members

D. Sarangi

Arun Kumar Adhikari

NOMINATION AND REMUNERATION COMMITTEE

Chairman

Bahram N. Vakil

Members

Noel N. Tata

Nani Javeri

Anjali Bansal

SHAREHOLDERS RELATIONSHIP COMMITTEE

Chairman

Noel N. Tata

Members

Bahram N. Vakil

Anil George

CORPORATE MANAGEMENT

Managing Director & CEO

Pradeep Bakshi

Deputy Managing Director

Anil George

Chief Financial Officer

Abhijit Gajendragadkar

Chief Human Resources Officer

Narendren Nair

Chief Strategy Officer

Dinesh Singh

SOLICITORS

Messrs Mulla & Mulla and Craigie, Blunt & Caroe

AUDITORS

S R B C & CO L.L.P. Chartered Accountants

BANKERS IN INDIA

State Bank of India

Bank of India

Punjab National Bank

Citibank N.A.

BNP Paribas

Kotak Mahindra Bank

ICICI Bank

Axis Bank

Export – Import Bank of India

HSBC Bank Limited

OVERSEAS

Emirates NBD Bank PJSC (UAE)

Union National Bank (UAE)

HSBC Bank Middle East Limited (UAE,
Qatar, Bahrain)

First Abu Dhabi Bank (UAE)

Doha Bank (Qatar)

HSBC Bank Limited (Singapore)

REGISTERED OFFICE

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ANNUAL GENERAL MEETING:

Friday, 9 August 2019 at 3.00 p.m.
at Birla Matushri Sabhagar,
19, Sir Vithaldas Thackersey Marg,
Mumbai 400 020.

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