

# Independent Auditor's Report

To the Members of TATA MOTORS LIMITED

Report on the Audit of the Standalone Financial Statements

## Opinion

We have audited the standalone financial statements of Tata Motors Limited (the "Company") and its joint operation which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone 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 financial statements give the information required by the Companies Act, 2013 ("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 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 opinion on the standalone financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Recognition of deferred tax asset on unused tax losses

See Note 28 to standalone financial statements

#### The key audit matter

As detailed in note 28 of the standalone financial statements, during the year, the Company has recognised deferred tax asset ('DTA') of Rs. 1,615.42 crores on unabsorbed depreciation and long-term capital losses.

The Company's ability to recover the deferred tax assets is assessed by the management at the end of each reporting period which is based on an assessment of the probability that future taxable income will be available against which the carried forward unused tax losses can be utilized.

As per the assessment done by the management and election of tax planning opportunities available with the Company, the management believes that the carried forward unused tax losses will get offset against the capital gains projected by the Company in future years on sale of certain investments in subsidiaries held by the Company.

#### How the matter was addressed in our audit

In view of the significance of the matter we applied the following audit procedures in this area to obtain sufficient appropriate audit evidence.

#### Test of Controls:

We tested the design, implementation and operating effectiveness of key controls over the key inputs and assumptions, used in valuation of its investments proposed to be sold as part of the tax planning opportunities.

#### Test of details:

- Evaluated the appropriateness of the assumptions applied to key inputs in valuation of the investments.
- Involved independent valuation specialists in testing the appropriateness of the valuation model including evaluating whether the comparable companies considered in the valuation are appropriate

## Recognition of deferred tax asset on unused tax losses

See Note 28 to standalone financial statements

### The key audit matter

Thus, auditing the Company's assessment of the recoverability of deferred tax assets is dependent on the Company's ability to generate future taxable gains through sale of these investments. The valuation of these investments is subject to significant judgments and estimates applied by the management. This is considered to be a key audit matter, considering the past history of losses in the Company and complexity of the accounting requirements for recognition of deferred tax assets.

### How the matter was addressed in our audit

- Performed necessary procedures to verify the accuracy of amounts disclosed in the financial statements and adequacy of disclosures made for compliance with applicable Indian Accounting Standards and accounting principles generally accepted in India

## Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

## Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows 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. The respective Management and Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance

with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 financial statements, the respective Management and Board of Directors are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company and such other entity included in the standalone 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 standalone financial statements of the current period 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, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(II) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Company and its joint operation company incorporated in India as on 31 March 2023, taken on record by the Board of Directors of the respective companies, none of the directors of the companies is disqualified as on 31 March 2023 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 with reference to financial statements of the Company and its joint operation company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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, in our opinion and to the best of our information and according to the explanations given to us:
- a. The standalone financial statements disclose the impact of pending litigations as at 31 March 2023 on the financial position of the Company and its joint operation - Refer Note 37 to the standalone financial statements.
  - b. 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 - Refer Note 49(ii) to the standalone financial statements.
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company or its joint operation company incorporated in India.
  - d. (i) The management of the Company and its joint operation company incorporated in India whose financial statements has been audited under the Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 48(iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company and its joint operation company incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its joint operation company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management of the Company and its joint operation company incorporated in India whose financial statements has been audited under the Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 48(v) to the standalone financial statements, no funds have been received by the Company and its joint operation company incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company and its joint operation company incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under

- (i) and (ii) above, contain any material misstatement.
- e. As stated in Note 21 (B)(e) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend. The final dividend paid by the joint operation company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by the joint operation company during the year is in accordance with Section 123 of the Act.
- f. As proviso to rule 3(l) of the Companies (Accounts) Rules, 2014 is applicable for the Company and its joint operation company incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: We draw attention to Note 35(d) to the standalone

financial statements for the year ended 31 March 2023 according to which the managerial remuneration payable to certain non-executive directors of the Company (amounting to Rs. 3.75 crores) and consequently the total managerial remuneration for the financial year (amounting to Rs. 10.14 crores) exceed the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013 by Rs. 3.28 crores. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the Company proposes to obtain in the forthcoming Annual General Meeting. Further, with respect to the joint operation company included in the standalone financial statements, in our opinion and according to the information and explanations given to us, the provisions of Section 197 of the Act are not applicable to the joint operation company incorporated in India since it is not a public company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

Chartered Accountants  
Firm's Registration No.:101248W/W-100022

**Shiraz Vastani**  
Partner

Membership No.: 103334  
ICAI UDIN:23103334BGYMRR6797

Place: Mumbai  
Date: 12 May 2023

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Tata Motors Limited for the year ended 31 March 2023****(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for inward goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to employees and companies and made investments in companies, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans as below:

Particulars	Loans (Rs. in crores)
Aggregate amount during the year	
Subsidiaries*	80.75
Others	
- Employees	76.48
Balance outstanding as at balance sheet date	
Subsidiaries*	679.30
Others	
- Employees	71.59

\*As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantees or security or granted any advances in the nature of loans during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the receipts have been regular except in case of two wholly-owned subsidiaries outside India where cumulative principal amount of Rs. 619 crores and cumulative interest amount of Rs. 162 crores which was due for repayment in earlier years has not been collected as at 31 March 2023, since management believes that these amounts are not recoverable as these subsidiaries are in losses and the amounts have been provided for in the financial statements of the Company. Loan amounting to Rs. 15 crores has been given to another wholly owned subsidiary which is repayable on demand. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. Further, the Company has given advance in the nature of loans to three suppliers as mentioned below:

Name of the entity	Amount (Rs. Crores)	Remarks
Ganage Pressings Private Limited	5.00	These amounts were due for repayment in earlier years but have not been collected as at 31 March 2023. The Company is in litigation with these parties.
Rojee Tasha Stampings Private Limited	21.00	
Autoline Industries Limited	18.70	These amounts were due for repayment in earlier years but have been collected during the current year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given except in case of two wholly-owned subsidiaries outside India and two suppliers as reported in para iii(c) above. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	Related Parties (Rs. in crores)
Aggregate of loans	
- Repayable on demand (A)	35.75
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	35.75
Percentage of loans	23%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of section 73 to 76 of the Act and the rules framed thereunder.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues

including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, except for Provident fund dues referred to in Note 37 to the standalone financial statements. With regard to the contribution under the Employee's Deposit Linked Insurance Scheme, 1976 (the scheme), the Company has sought exemption from making contribution to the scheme since it has its own Life Cover Scheme. The Company has made an application on August 31, 2020 seeking an extension of exemption from contribution to the Scheme for a period of 3 years, approval of which is awaited.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable. We draw attention to Note 37 to the financial statements which more fully explains the matter regarding nonpayment of provident fund contribution pursuant to Supreme Court judgement dated 28 February 2019.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:



Name of the statute	Nature of the dues	Gross Demand (Rs. in crore)	Paid under protest (Rs. in crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	0.46	0.46	1991-92 and 1995-96	High Court
		85.01	85.01	AY 2006-07 to AY 2012-13 and erstwhile Tata Finance Limited matters	Income Tax Appellate Tribunal
		125.49*	59.74	AY 2003-04, AY 2013-14, 2016-2017 and erstwhile Tata Motors Drivelines Limited AY 2016-17	Commissioner of Income Tax (Appeals)
Central Excise Act, 1944	Duty of excise	42.96	0.15	1991-92 to 1993-94, 2002-03, 2005-06, 2006-07, 2009-10 to 2011-12	High Court
		396.01	17.04	1991-92, 1992-93, 1994-95, 1996-97, 1997-98 and 1999-2000 to 2017-18	The Custom, Excise and Service Tax Appellate Tribunal
		7.29	0.93	1999-00 to 2017-18	Appellate Authority upto Commissioner's level
Finance Act, 2014	Service tax	1,086.69	10.79	2004-05 to 2013-14	High Court
		166.71	6.57	2004-05 to 2017-18	The Custom, Excise and Service Tax Appellate Tribunal
		7.78	0.51	2010-11 to 2016-17	Appellate Authority upto Commissioner's level
Sales Tax	Sales Tax	13.18	-	1995-96	Supreme Court
		281.41	51.13	1984-85 to 1988-89, 1990-91, 1992-93, 2001-02 to 2005-06, 2007-08 to 2016-17	High Court
		373.47	18.43	1986-87, 1989-90, 1996-97, 2002-03 to 2017-18	The Custom, Excise and Service Tax Appellate Tribunal
		476.28	38.07	1979-80, 1986-87 and 1989-90 to 2017-18	Appellate Authority upto Commissioner's level
Customs Act, 1962	Duty of customs	3.90	3.90	2011-12	Supreme Court
		7.97	3.11	2008-09	High Court
Goods and Services Tax	Goods and Services Tax	17.56	0.12	2018-19	The Goods and Services Tax Appellate Tribunal
		14.18	0.56	2017-18 to 2020-21	Appellate Authority upto Commissioner's level

\* This includes demand of Rs. 80.25 crores for FY 2022-23 (AY 2003-04) for which the Company has received a favourable order from Commissioner of Income Tax (Appeals) dated 29 March 2023, order giving effect to the order of CIT(A) is awaited by the Company.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanation given to us, in respect of inter-corporate deposits/ loans amounting to Rs. 5,398.75 crores which are repayable on demand, such inter-corporate deposits / loans have not been demanded for repayment during the current year, and with respect to these inter-corporate deposits / loans the Company has not defaulted in payment of interest thereon to any lender. In respect of other loans, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, as at 31 March 2023 we report that the funds raised on short term basis of Rs. 11,873.32 crores have been used for long term investment.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year except that we have been informed about one instance, estimated to aggregate Rs. 6.71 crores, involving certain individuals, authorised service centers and a dealer who benefited from unauthorized redemption of loyalty benefits payments. The Company has recovered Rs. 1.31 crores out of the total amount involved and is in process of recovering the balance amounts
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the

Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the

balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) The requirements as stipulated by the provisions of Section 135 (5) are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For B S R & Co. LLP**

Chartered Accountants  
Firm's Registration No.:101248W/W-100022

**Shiraz Vastani**  
Partner

Membership No.: 103334  
ICAI UDIN:23103334BGYMRR6797

Place: Mumbai  
Date: 12 May 2023

## **Annexure B to the Independent Auditor's Report on the standalone financial statements of Tata Motors Limited for the year ended 31 March 2023**

### **Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of Tata Motors Limited ("the Company") and such company incorporated in India under the Act which is its joint operation company as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company and such company incorporated in India which is its joint operation company have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The respective company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 standalone 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 Company's internal financial controls with reference to financial statements.

## Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone 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 standalone financial statements.

## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B S R & Co. LLP**

Chartered Accountants  
Firm's Registration No.:101248W/W-100022

**Shiraz Vastani**

Partner

Membership No.: 103334  
ICAI UDIN: 23103334BGYMRR6797

Place: Mumbai  
Date: 12 May 2023

# Balance Sheet

		(₹ in crores)	
		As at March 31, 2023	As at March 31, 2022
		Notes	
<b>I. ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a)	Property, plant and equipment	3 (b)	11,707.87
(b)	Capital work-in-progress	3 (c)	575.65
(c)	Right of use assets	4 (b)	421.27
(d)	Other intangible assets	5 (b)	2,413.18
(e)	Intangible assets under development	5 (c)	509.30
(f)	Investments in subsidiaries, joint ventures and associates	6	27,976.80
(g)	Financial assets		
(i)	Investments	7	1,204.82
(ii)	Loans and advances	9	114.40
(iii)	Other financial assets	11	2,405.23
(h)	Deferred tax assets (net)	28	1,477.26
(i)	Non-current tax assets (net)		868.22
(j)	Other non-current assets	13	596.82
			<b>50,270.82</b>
<b>(2) CURRENT ASSETS</b>			
(a)	Inventories	15 (b)	3,027.90
(b)	Financial assets		
(i)	Investments	8	3,142.96
(ii)	Trade receivables	16	2,307.72
(iii)	Cash and cash equivalents	18 (b)	1,121.43
(iv)	Bank balances other than (iii) above	19	293.22
(v)	Loans and advances	10	132.29
(vi)	Other financial assets	12	255.25
(c)	Other current assets	14	1,219.18
			<b>11,499.95</b>
			<b>61,770.77</b>
<b>TOTAL ASSETS</b>			
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a)	Equity share capital	20	766.02
(b)	Other equity		21,703.83
			<b>22,469.85</b>
<b>LIABILITIES</b>			
<b>(1) NON-CURRENT LIABILITIES</b>			
(a)	Financial liabilities		
(i)	Borrowings	22	10,445.70
(ii)	Lease liabilities		305.26
(iii)	Other financial liabilities	25	414.44
(b)	Provisions	27 (b)	1,588.75
(c)	Deferred tax liabilities (net)	28	51.16
(d)	Other non-current liabilities	29	692.08
			<b>13,497.39</b>
<b>(2) CURRENT LIABILITIES</b>			
(a)	Financial liabilities		
(i)	Borrowings	23	8,426.74
(ii)	Lease liabilities		100.99
(iii)	Trade payables	24	
(a)	Total outstanding dues of micro and small enterprises		114.67
(b)	Total outstanding dues of creditors other than micro and small enterprises		7,047.93
(iv)	Acceptances		5,839.39
(v)	Other financial liabilities	26	1,300.18
(b)	Provisions	27 (c)	408.89
(c)	Current tax liabilities (net)		53.66
(d)	Other current liabilities	30	2,511.08
			<b>25,803.53</b>
			<b>61,770.77</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			

See accompanying notes to financial statements  
In terms of our report attached

For and on behalf of the Board

**For B S R & Co. LLP**

Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**N CHANDRASEKARAN** [DIN: 00121863]

Chairman

**P B BALAJI**

Group Chief Financial Officer

**SHIRAZ VASTANI**

Partner  
Membership No. 103334  
UDIN: 23103334BGYMRR6797  
Place: Mumbai  
Date: May 12, 2023

**GIRISH WAGH** [DIN: 03119361]

Executive Director

**MALYO KUMAR GUPTA** [ACS: 24123]

Company Secretary

Place: Mumbai  
Date: May 12, 2023

# Statement of Profit and Loss

(₹ in crores)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>REVENUE FROM OPERATIONS</b>			
Revenue		65,298.84	46,880.97
Other operating revenue		458.49	382.71
I. Total revenue from operations	31 (b)	65,757.33	47,263.68
II. Other Income	32 (b)	820.94	659.91
III. <b>Total Income (I+II)</b>		<b>66,578.27</b>	<b>47,923.59</b>
<b>IV. Expenses</b>			
(a) Cost of materials consumed		42,226.81	31,693.11
(b) Purchases of products for sale		6,561.32	5,030.00
(c) Changes in inventories of finished goods, work-in-progress and products for sale		484.69	1,403.87
(d) Employee benefits expense	33	4,021.63	3,601.51
(e) Finance costs	34	2,047.51	2,121.73
(f) Foreign exchange loss (net)		279.76	136.81
(g) Depreciation and amortisation expense		1,766.86	1,760.57
(h) Product development/Engineering expenses		899.06	593.90
(i) Other expenses	35	7,819.74	6,018.71
(j) Amount transferred to capital and other accounts	36	(1,066.73)	(905.42)
Total Expenses (IV)		65,040.65	49,647.05
V. <b>Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>1,537.62</b>	<b>(1,723.46)</b>
<b>VI. Exceptional items:</b>			
(a) Employee separation cost		1.36	8.35
(b) Cost of slump sale of PV undertaking		-	50.00
(c) Provision/reversal for loan given to/investment in/cost of closure of subsidiary companies		4.55	(139.24)
(d) Provision for Intangible assets under development		276.91	-
(e) Others		-	(2.52)
VII. <b>Profit/(loss) before tax (V-VI)</b>	49 (iii)	<b>1,254.80</b>	<b>(1,640.05)</b>
VIII. <b>Tax expense/(credit) (net)</b>	28		
(a) Current tax		81.60	51.18
(b) Deferred tax		(1,554.93)	48.00
Total tax expense/(credit) (net)		(1,473.33)	99.18
IX. <b>Profit/(loss) for the year from continuing operations (VII-VIII)</b>		<b>2,728.13</b>	<b>(1,739.23)</b>
X. <b>Profit/(loss) before tax for the year from discontinued operations</b>	45		
XI. <b>Tax expense (net) of discontinued operations</b>	28		
(a) Current tax		-	44.14
(b) Deferred tax		-	-
Total tax expense		-	44.14
XII. <b>Profit for the year after tax from discontinued operations (X-XI)</b>	45		
XIII. <b>Profit/(loss) for the year (IX+XII)</b>		<b>2,728.13</b>	<b>(1,390.86)</b>
<b>XIV. Other comprehensive income/(loss):</b>			
(A) (i) Items that will not be reclassified to profit and loss:			
(a) Remeasurement losses on defined benefit obligations (net)		(61.43)	(57.66)
(b) Equity instruments at fair value through other comprehensive income		(134.12)	371.29
(ii) Income tax credit/(expense) relating to items that will not be reclassified to profit and loss		34.96	(32.33)
(B) (i) Items that will be reclassified to profit and loss - gains/(losses) in cash flow hedges		(99.69)	1.62
(ii) Income tax credit/(expense) relating to items that will be reclassified to profit and loss		9.93	(0.57)
Total other comprehensive income/(loss), net of taxes		(250.35)	282.35
XV. <b>Total comprehensive income/(loss) for the year (XIII+XIV)</b>		<b>2,477.78</b>	<b>(1,108.51)</b>
<b>XVI. Earnings/(loss) per share (EPS)</b>			
<b>Earnings/(loss) per share from continuing operations (EPS)</b>			
(A) Ordinary shares (face value of ₹ 2 each):			
(i) Basic	₹	7.11	(4.54)
(ii) Diluted	₹	7.11	(4.54)
(B) 'A' Ordinary shares (face value of ₹ 2 each):			
(i) Basic	₹	7.21	(4.54)
(ii) Diluted	₹	7.21	(4.54)
<b>Earnings/(loss) per share from discontinued operations (EPS)</b>			
(A) Ordinary shares (face value of ₹ 2 each):			
(i) Basic	₹	-	0.90
(ii) Diluted	₹	-	0.90
(B) 'A' Ordinary shares (face value of ₹ 2 each):			
(i) Basic	₹	-	1.00
(ii) Diluted	₹	-	1.00
<b>Earnings/(loss) per share from continuing and discontinued operations (EPS)</b>			
(A) Ordinary shares (face value of ₹ 2 each):			
(i) Basic	₹	7.11	(3.63)
(ii) Diluted	₹	7.11	(3.63)
(B) 'A' Ordinary shares (face value of ₹ 2 each):			
(i) Basic	₹	7.21	(3.63)
(ii) Diluted	₹	7.21	(3.63)

See accompanying notes to financial statements  
In terms of our report attached

For and on behalf of the Board

## For B S R & Co. LLP

Chartered Accountants  
Firm's Registration No: IO1248W/W-100022

## SHIRAZ VASTANI

Partner  
Membership No. 103334  
UDIN: 23103334BGYMRR6797  
Place: Mumbai  
Date: May 12, 2023

## N CHANDRASEKARAN [DIN: 00121863]

Chairman

## GIRISH WAGH [DIN: 03119361]

Executive Director

## P B BALAJI

Group Chief Financial Officer

## MALYO KUMAR GUPTA [ACS: 24123]

Company Secretary

Place: Mumbai  
Date: May 12, 2023

# Cash Flow Statement

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flows from operating activities:</b>		
Profit/(Loss) for the year from continuing operations	2,728.13	(1,739.23)
Profit for the year from discontinued operations	-	348.37
<b>Adjustments for:</b>		
Depreciation and amortisation expense	1,766.86	2,724.93
Allowances for trade and other receivables	105.12	42.71
Discounting of warranty and other provisions	(128.53)	-
Inventory write down (net)	32.21	25.25
Provision for Intangible assets under development	276.91	-
Provision/(reversal) for loan given to/investment and cost of closure in subsidiary companies/joint venture (net)	4.55	(699.15)
Accrual for share-based payments	20.46	18.04
Profit on sale of assets (net) (including assets scrapped / written off)	(88.47)	(70.95)
Profit on sale of investments at FVTPL (net)	(71.82)	(109.82)
Marked-to-market gain on investments measured at FVTPL	(6.81)	(10.16)
Tax expense/(credit) (net)	(1,473.33)	143.32
Finance costs	2,047.51	2,300.73
Interest income	(245.42)	(323.59)
Dividend income	(187.52)	(80.08)
Unrealized foreign exchange loss (net)	230.40	112.69
	<b>2,282.12</b>	<b>4,073.92</b>
<b>Cash flows from operating activities before changes in following assets and liabilities</b>	<b>5,010.25</b>	<b>2,683.06</b>
Trade receivables	(306.46)	(1,015.62)
Loans and advances and other financial assets	126.28	(245.40)
Other current and non-current assets	(98.21)	(240.50)
Inventories	658.37	(1,201.08)
Trade payables and acceptances	(957.24)	5,285.19
Other current and non-current liabilities	620.22	(56.72)
Other financial liabilities	(88.17)	289.73
Provisions	(21.46)	(60.79)
<b>Cash generated from/(used in) operations</b>	<b>4,943.58</b>	<b>5,437.87</b>
Income taxes paid (net)	(168.15)	(155.94)
<b>Net cash from/(used in) operating activities</b>	<b>4,775.43</b>	<b>5,281.93</b>
<b>Cash flows from investing activities:</b>		
Payments for property, plant and equipments	(761.29)	(1,191.03)
Payments for other intangible assets	(936.07)	(639.64)
Proceeds from sale of property, plant and equipments	122.70	99.57
Investments in Mutual Fund (purchased)/sold (net)	2,078.75	(3,560.47)
Investments in subsidiary companies	(191.18)	(870.91)
Proceeds from sale of defence business	-	234.09
Loan given to subsidiary companies/payment for costs of closure in subsidiary companies	(45.00)	(51.10)
Return of Investment by subsidiary company	131.83	-
(Increase)/decrease in short term inter corporate deposit (net)	(15.00)	30.00



# Cash Flow Statement

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Deposits/restricted deposits with financial institution	(500.00)	(600.00)
Realisation of deposits with financial institution	800.00	1,300.00
Deposits/restricted deposits with banks	(276.64)	(540.87)
Realisation of deposits/restricted deposits with banks	141.78	2,259.30
Interest received	185.27	301.49
Dividend received	187.52	80.08
<b>Net cash generated from/(used in) investing activities</b>	<b>922.67</b>	<b>(3,149.49)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares and share application pending allotment (net of issue expenses)	19.60	18.61
Proceeds from long-term borrowings	8.99	1,999.79
Repayment of long-term borrowings	(4,808.33)	(3,482.07)
Proceeds/(payment) from Option Settlement of long term borrowings	(106.51)	(97.77)
Proceeds from short-term borrowings	52.35	5,137.27
Repayment of short-term borrowings	(937.10)	(4,936.80)
Net change in other short-term borrowings (with maturity up to three months)	825.77	3,270.78
Repayment of lease liabilities (including interest)	(68.33)	(151.63)
Dividend paid	-	(1.53)
Interest paid (including discounting charges paid, ₹425.37 crores (March 31, 2022 ₹492.62 crores))	(2,007.76)	(2,272.49)
<b>Net cash from/(used in) financing activities</b>	<b>(7,021.32)</b>	<b>(515.84)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,323.22)</b>	<b>1,616.60</b>
Cash and cash equivalents as at April 1, (opening balance)	2,450.23	2,365.54
Cash outflow as a part of slump sale of PV undertaking (refer note 45)	-	(1,200.00)
Adjustment due to conversion of joint operation into joint venture	-	(341.21)
Effect of foreign exchange on cash and cash equivalents	(5.58)	9.30
<b>Cash and cash equivalents as at March 31, (closing balance)</b>	<b>1,121.43</b>	<b>2,450.23</b>
<b>Non-cash transactions:</b>		
Liability towards property, plant and equipment and other intangible assets purchased on credit/deferred credit	317.14	185.40

In terms of our report attached

**For B S R & Co. LLP**Chartered Accountants  
Firm's Registration No: 101248W/W-100022**SHIRAZ VASTANI**Partner  
Membership No. 103334  
UDIN: 23103334BGYMRR6797  
Place: Mumbai  
Date: May 12, 2023

For and on behalf of the Board

**N CHANDRASEKARAN** [DIN: 00121863]  
Chairman**GIRISH WAGH** [DIN: 03119361]  
Executive Director**P B BALAJI**

Group Chief Financial Officer

**MALOY KUMAR GUPTA** [ACS: 241231]  
Company SecretaryPlace: Mumbai  
Date: May 12, 2023

# Statement of Changes in Equity for the year ended March 31, 2023

## A. EQUITY SHARE CAPITAL

Particulars	(₹ in crores)
Balance as at April 1, 2022	765.88
Changes in equity share capital due to prior period errors	-
<b>Restated balance as at April 1, 2022</b>	<b>765.88</b>
Issue of shares on exercise of stock options by employees	0.14
<b>Balance as at March 31, 2023</b>	<b>766.02</b>

## B. Other Equity (refer note 21)

Particulars	Securities premium	Share based payments reserve	Share application money pending allotment	Capital redemption reserve	Debiture redemption reserve	Capital reserve (on merger)/(sale of business) (net)	Retained earnings	Other components of equity			Total other equity
								Equity instruments through OCI	Hedging reserve	Cost of hedging reserve	
<b>Balance as at April 1, 2022</b>	<b>14,459.14</b>	<b>38.27</b>	<b>6.39</b>	<b>2.28</b>	<b>411.14</b>	<b>1,609.89</b>	<b>2,146.05</b>	<b>606.03</b>	<b>(13.80)</b>	<b>(87.12)</b>	<b>19,178.27</b>
Changes in accounting policies or prior period errors	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at April 1, 2022</b>	<b>14,459.14</b>	<b>38.27</b>	<b>6.39</b>	<b>2.28</b>	<b>411.14</b>	<b>1,609.89</b>	<b>2,146.05</b>	<b>606.03</b>	<b>(13.80)</b>	<b>(87.12)</b>	<b>19,178.27</b>
Profit for the year	-	-	-	-	-	-	2,728.13	-	-	-	2,728.13
Remeasurement gain/(loss) on defined benefit obligations (net)	-	-	-	-	-	-	(65.93)	-	-	-	(65.93)
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	(94.65)	52.17	(141.94)	(184.42)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,662.20</b>	<b>(94.65)</b>	<b>52.17</b>	<b>(141.94)</b>	<b>2,477.78</b>
Share-based payments	-	28.31	-	-	-	-	-	-	-	-	28.31
Money received on exercise of stock options by employees	23.40	-	(3.93)	-	-	-	-	-	-	-	19.47
Exercise of stock option by employees	3.79	(3.79)	-	-	-	-	-	-	-	-	-
Transfer of lapsed stock options	-	(1.30)	-	-	-	-	1.30	-	-	-	-
Transfer from debenture redemption reserve	-	-	-	-	(199.80)	-	199.80	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>14,486.33</b>	<b>61.49</b>	<b>2.46</b>	<b>2.28</b>	<b>211.34</b>	<b>1,609.89</b>	<b>5,009.35</b>	<b>511.38</b>	<b>38.37</b>	<b>(229.06)</b>	<b>21,703.83</b>

See accompanying notes to financial statements  
In terms of our report attached

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248/W-100022

**SHIRAZ VASTANI**

Partner

Membership No. 103334

UDIN: 23103334BCYMRR6797

Place: Mumbai

Date: May 12, 2023

For and on behalf of the Board

**N CHANDRASEKARAN** (DIN: 00121863)

Chairman

**GIRISH WAGH** (DIN: 03119361)

Executive Director

**P B BALAJI**

Group Chief Financial Officer

**MALYO KUMAR GUPTA** (ACS: 24123)

Company Secretary

Place: Mumbai

Date: May 12, 2023

# Statement of Changes in Equity for the year ended March 31, 2022

## A. EQUITY SHARE CAPITAL

Particulars	(₹ in crores)
Balance as at April 1, 2021	765.81
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2021	765.81
Issue of shares on exercise of stock options by employees	0.07
<b>Balance as at March 31, 2022</b>	<b>765.88</b>

## B. Other Equity (refer note 21)

Particulars	₹ in crores									
	Securities premium	Share based payments reserve	Share application money pending allotment	Capital redemption reserve	Debt redemption reserve	Capital reserve (on merger)/(sale of business) (net)	Retained earnings	Other components of equity	Total other equity	
Balance as at April 1, 2021	25,618.63	22.18	-	2.28	904.44	(350.15)	(8,092.95)	287.70	(0.80)	18,290.16
Changes in accounting policies or prior period errors	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at April 1, 2021</b>	<b>25,618.63</b>	<b>22.18</b>	<b>-</b>	<b>2.28</b>	<b>904.44</b>	<b>(350.15)</b>	<b>(8,092.95)</b>	<b>287.70</b>	<b>(0.80)</b>	<b>18,290.16</b>
Loss for the year	-	-	-	-	-	-	(1,390.86)	-	-	(1,390.86)
Remeasurement gain / (loss) on defined benefit obligations (net)	-	-	-	-	-	-	(37.03)	-	-	(37.03)
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	318.33	87.37	(86.32)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,427.89)</b>	<b>318.33</b>	<b>87.37</b>	<b>(1,108.51)</b>
Share-based payments	-	18.04	-	-	-	-	-	-	-	18.04
Money received on exercise of stock options by employees	12.15	-	6.39	-	-	-	-	-	-	18.54
Exercise of stock option by employees	1.95	(1.95)	-	-	-	-	-	-	-	-
Reduction of share capital in accordance with approved Scheme of Arrangement (refer note 45)	(11,173.59)	-	-	-	-	-	11,173.59	-	-	-
Excess of consideration received over the carrying value of net assets transferred of PV undertaking (refer note 45)	-	-	-	-	-	1,960.04	-	-	-	1,960.04
Transfer from debt redemption reserve	-	-	-	-	(493.30)	-	493.30	-	-	-
<b>Balance as at March 31, 2022</b>	<b>14,459.14</b>	<b>38.27</b>	<b>6.39</b>	<b>2.28</b>	<b>411.14</b>	<b>1,609.89</b>	<b>2,146.05</b>	<b>606.03</b>	<b>(87.12)</b>	<b>19,178.27</b>

See accompanying notes to financial statements  
In terms of our report attached

For and on behalf of the Board

**For B S R & Co. LLP**

Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**N CHANDRASEKARAN** (DIN: 001218631)  
Chairman

**SHIRAZ VASTANI**

Partner  
Membership No. 103334  
UDIN: 2310334BGYMRR6797  
Place: Mumbai  
Date: May 12, 2023

**GIRISH WAGH** (DIN: 03119361)  
Executive Director

**P B BALAJI**  
Group Chief Financial Officer

**MALLOY KUMAR GUPTA** (ACS: 241231)  
Company Secretary

Place: Mumbai  
Date: May 12, 2023

# Notes

forming part of Financial Statements

## 1. Background and operations

Tata Motors Limited referred to as ("the Company" or "Tata Motors"), designs, manufactures and sells a wide range of automotive vehicles. The Company also manufactures engines for industrial and marine applications.

The Company is a public limited Company incorporated and domiciled in India and has its registered office at Mumbai, India. As at March 31, 2023, Tata Sons Pvt Limited, together with its subsidiaries owns 46.32% of the Ordinary shares and 7.66% of 'A' Ordinary shares of the Company, and has the ability to significantly influence the Company's operations.

These standalone financial statements were approved by the Board of Directors and authorised for issue on May 12, 2023.

## 2. Significant accounting policies

### a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the "Act") as amended from time to time.

### b. Basis of preparation

The financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period as explained in the accounting policies below.

#### Joint operations

Certain of the Company's activities, are conducted through joint operations, which are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. As per Ind AS III - Joint arrangements, in its separate financial statements, the Company being a joint operator has recognised its share

of the assets, liabilities, income and expenses of these joint operations incurred jointly with the other partners, along with its share of income from the sale of the output and any assets, liabilities and expenses that it has incurred in relation to the joint operation.

Although not required by Ind AS, the Company has provided in note 46 additional information of Tata Motors Limited on a standalone basis excluding its interest in its two Joint Operations viz. Tata Cummins Private Limited (including its subsidiary company) and Fiat India Automobiles Private Limited (which ceased to be a joint operation w.e.f. January 1, 2022).

### c. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities 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 at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- i) Note 3 and Note 5 - Property, plant and equipment and Intangible assets- useful life and impairment
- ii) Note 28 - Recoverability/recognition of deferred tax assets

# Notes

## forming part of Financial Statements

- iii) Note 27 - Provision for product warranty
- iv) Note 33(B) - Assets and obligations relating to employee benefits

### d. Cost recognition

Costs and expenses are recognised when incurred and are classified according to their nature. Expenditure are capitalized where appropriate, in accordance with the policy for internally generated intangible assets and represents employee costs, stores and other manufacturing supplies, and other expenses incurred for construction and product development undertaken by the Company.

Material and other cost of sales as reported in the statement of profit and loss is presented net of the impact of realised foreign exchange relating to derivatives hedging cost exposures.

### e. Foreign currency

These financial statements are presented in Indian rupees, which is the functional currency of Tata Motors Limited.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences arising on settlement of transactions and translation of monetary items are recognized in the statement of Profit or Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

### f. Segments

The Company primarily operates in the automotive business and has a single segment of commercial vehicles. The Company has opted for an exemption as per para 4 of Ind AS 108. Segment information is thus given in the consolidated financial statements of the Company.

### g. Going concern

The Company's financial statements have been prepared on a going concern basis.

The Company has performed an assessment of its financial position as at March 31, 2023 and forecasts of the Company for a period of eighteen months from the date of these financial statements (the 'Going Concern Assessment Period' and the 'Foreseeable Future').

In developing these forecasts, the Company has modelled a base case, which has been further sensitised using severe but plausible downside scenarios. The base case covers the Going Concern Assessment Period and considers the estimated on-going impact of the Russia-Ukraine conflict as well as a cautious view of the impact of near-term supply chain challenges related to global semi-conductor shortages. It also accounts for other end-market and operational factors throughout the Going Concern Assessment Period. The base case assumes continued recovery in industry volumes based upon external industry forecasts. This has been further sensitized using more severe but plausible scenarios considering external market commentaries and other factors impacting the global economy and automotive industry. Management do not consider more extreme scenarios than the ones assessed to be plausible.

In evaluating the forecasts, the Company has taken into consideration both the sufficiency of liquidity to meet obligations as they fall due as well as potential impact on compliance with financial covenants during the forecast period. These forecasts indicate that, based on cash generated from operations, the existing funding facilities and inter corporate deposits from subsidiaries, the Company will have sufficient liquidity to operate and discharge its liabilities as they become due, without breaching any relevant covenants and the need for any mitigating actions.

Based on the evaluation described above, management believes that the Company has

# Notes

## forming part of Financial Statements

sufficient financial resources available to it at the date of approval of these financial statements and that it will be able to continue as a 'going concern' in the foreseeable future and for a period up to September 30, 2024.

### **h. Impairment**

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of Profit and Loss.

An asset or cash-generating unit impaired in prior years is reviewed at each balance sheet date to determine whether there is any indication of a reversal of impairment loss recognized in prior years.

### **i. Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

#### **i. Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements.

#### **ii. Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

#### **iii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if

# Notes

## forming part of Financial Statements

accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2024.

### 3. Property, plant and equipment

#### (a) Accounting policy

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, non-recoverable taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Depreciation is provided on the Straight Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Taking into account these factors, the Company has decided to retain the useful life hitherto adopted for various categories of property, plant and equipments, which are different from those prescribed in Schedule II of the Act.

Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life (years)
Buildings, Roads, Bridge and culverts	4 to 60 years
Plant, machinery and equipment	8 to 20 years
Computers and other IT assets	4 to 6 years
Vehicles	4 to 10 years
Furniture, fixtures and office appliances	5 to 15 years

The useful lives is reviewed at each year end. Changes in expected useful lives are treated as change in accounting estimates.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

An item of property, plant and equipment is derecognized on disposal. Any gain or loss arising from derecognition of an item of property, plant and equipment is included in the statement of profit and loss.

# Notes

forming part of Financial Statements

	Owned assets										Given on lease		Total
	Land	Buildings	Plant, machinery and equipments	Furniture and fixtures	Vehicles	Computers & other IT assets	Given on lease		Plant, machinery and equipments	Buildings			
							Plant, machinery and equipments	Buildings					
<b>Cost as at April 1, 2022</b>	4,082.34	2,787.50	16,692.29	129.90	173.45	461.46	35.30	4.02	35.30	4.02	24,366.26		
Additions	-	37.97	834.29	1.59	3.79	85.74	0.77	-	0.77	-	964.15		
Disposals/adjustments	-	(14.89)	(386.16)	9.71	(46.08)	(2.90)	(0.05)	(4.02)	(0.05)	(4.02)	(444.39)		
<b>Cost as at March 31, 2023</b>	4,082.34	2,810.58	17,140.42	141.20	131.16	544.30	36.02	-	36.02	-	24,886.02		
Accumulated depreciation as at April 1, 2022	-	(1,060.30)	(10,973.61)	(104.51)	(119.95)	(346.34)	(27.01)	(1.11)	(27.01)	(1.11)	(12,632.82)		
Depreciation for the year	-	(82.79)	(806.18)	(5.19)	(16.38)	(40.97)	(1.75)	-	(1.75)	-	(953.24)		
Disposal/adjustments	-	5.30	361.28	(4.85)	42.24	2.74	0.09	1.11	0.09	1.11	407.91		
<b>Accumulated depreciation as at March 31, 2023</b>	-	(1,137.79)	(11,418.51)	(114.55)	(94.09)	(384.57)	(28.65)	-	(28.65)	-	(13,178.15)		
<b>Net carrying amount as at March 31, 2023</b>	4,082.34	1,672.79	5,721.91	26.65	37.07	159.73	7.37	-	7.37	-	11,707.87		
<b>Cost as at April 1, 2021</b>	4,869.08	3,925.12	31,358.48	225.86	264.14	522.77	37.66	4.02	37.66	4.02	41,207.13		
Additions (refer note below)	-	51.82	1,175.92	0.36	31.64	36.18	-	-	-	-	1,295.92		
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	(786.74)	(819.42)	(12,708.01)	(67.12)	(21.07)	(67.54)	(2.36)	-	(2.36)	-	(14,472.26)		
Adjustments due to conversion of Joint Operation to Joint Venture	-	(360.97)	(2,800.70)	(22.87)	(12.60)	(15.00)	-	-	-	-	(3,212.14)		
Disposals/adjustments	-	(9.05)	(333.40)	(6.33)	(88.66)	(14.95)	-	-	-	-	(452.39)		
<b>Cost as at March 31, 2022</b>	4,082.34	2,787.50	16,692.29	129.90	173.45	461.46	35.30	4.02	35.30	4.02	24,366.26		
Accumulated depreciation as at April 1, 2021	-	(1,443.92)	(19,873.20)	(153.56)	(176.68)	(379.14)	(26.13)	(1.03)	(26.13)	(1.03)	(22,053.65)		
Depreciation for the year	-	(82.25)	(790.56)	(5.90)	(31.02)	(39.91)	(1.39)	(0.08)	(1.39)	(0.08)	(951.11)		
Depreciation for discontinued operations (refer note 45)	-	(19.42)	(450.77)	(3.21)	(4.78)	(1.47)	-	-	-	-	(479.65)		
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	-	334.75	8,182.04	36.07	13.49	60.75	0.51	-	0.51	-	8,627.61		
Adjustments due to conversion of Joint Operation to Joint Venture	-	148.28	1,632.45	18.11	6.49	14.45	-	-	-	-	1,819.78		
Disposal/adjustments	-	2.26	326.43	3.98	72.55	(1.02)	-	-	-	-	404.20		
<b>Accumulated depreciation as at March 31, 2022</b>	-	(1,060.30)	(10,973.61)	(104.51)	(119.95)	(346.34)	(27.01)	(1.11)	(27.01)	(1.11)	(12,632.82)		
<b>Net carrying amount as at March 31, 2022</b>	4,082.34	1,727.20	5,718.68	25.39	53.50	115.12	8.29	2.91	8.29	2.91	11,733.44		

**Note:**

Include assets of ₹152.51 crores capitalized during August 24, 2021 to December 31, 2021 which is pertaining to PV undertaking. (refer note 45)



# Notes

forming part of Financial Statements

## (c) Capital work-in-progress

(₹ in crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning</b>	585.21	1,400.82
Additions (refer note below)	954.59	1,341.40
Capitalised during the year	(964.15)	(1,295.92)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	-	(733.65)
Adjustments due to conversion of Joint Operation to Joint Venture	-	(127.44)
<b>Balance at the end</b>	<b>575.65</b>	<b>585.21</b>

Note:

Additions for the year ended March 31, 2022 include assets of ₹ 275.41 crores purchased during August 24, 2021 to December 31, 2021 which is pertaining to PV undertaking. (refer note 45)

## (d) Ageing of Capital work-in-progress

	As at March 31, 2023				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	526.53	18.71	13.02	17.39	575.65
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>526.53</b>	<b>18.71</b>	<b>13.02</b>	<b>17.39</b>	<b>575.65</b>

  

	As at March 31, 2022				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	416.53	66.00	40.98	61.70	585.21
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>416.53</b>	<b>66.00</b>	<b>40.98</b>	<b>61.70</b>	<b>585.21</b>

## (e) Expected Completion schedule of Capital work-in-progress where cost or time overrun has exceeded original plan

	As at March 31, 2023				
	To be completed				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	-	-	-	-	-
Project I	-	-	-	-	-
Other Projects*	192.98	15.53	9.60	3.36	221.47
	<b>192.98</b>	<b>15.53</b>	<b>9.60</b>	<b>3.36</b>	<b>221.47</b>

  

	As at March 31, 2022				
	To be completed				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	-	-	-	-	-
Project I	85.82	-	-	-	85.82
Other Projects*	242.86	7.71	-	-	250.57
	<b>328.68</b>	<b>7.71</b>	<b>-</b>	<b>-</b>	<b>336.39</b>

\*Individual projects less than ₹ 50 crores have been clubbed together in other projects.

Original plan is considered as that plan which is approved and on the basis of which implementation progress is evaluated. Such original plan includes management's estimates and assumptions w.r.t future business, economy / industry and regulatory environments.

# Notes

forming part of Financial Statements

## 4. Leases

### (a) Accounting policy

#### Lessee:

At inception of a contract, the Company assesses whether a contract is, or contain a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset –this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - The Company has the right to operate the asset; or
  - The Company designed the asset in a way that predetermines how and for what purposes it will be used.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each

lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and estimated dilapidation costs, less any lease incentives received. The right-of-use asset is subsequently amortised using the straight-line method over the shorter of the useful life of the leased asset or the period of lease. If ownership of the leased asset is automatically transferred at the end of the lease term or the exercise of a purchase option is reflected in the lease payments, the right-of-use asset is amortised on a straightline basis over the expected useful life of the leased asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments.

Lease payments include fixed payments, i.e. amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

Payment made towards short term leases (leases for which non-cancellable term is 12 months or lesser) and low value assets (lease of assets worth less than ₹0.03 crores) are recognised in the statement of Profit and Loss as rental expenses over the tenor of such leases.

# Notes

forming part of Financial Statements

## Lessor:

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on contractual terms and substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and

recognised on a straight-line basis over the lease term.

- (b) The Company leases a number of buildings, plant and equipment, IT hardware and software assets, certain of which have a renewal and/or purchase option in the normal course of the business. Extension and termination options are included in a number of leases across the Company. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option. The Company re-assesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control. It is recognised that there is potential for lease term assumptions to change in the future and this will continue to be monitored by the Company where relevant. The Company's leases mature between 2024 and 2032. The weighted average rate applied is 8.08 % (2022: 8.22%).

The following amounts are included in the Balance Sheet :

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	100.99	58.58
Non-current lease liabilities	305.26	237.84
<b>Total lease liabilities</b>	<b>406.25</b>	<b>296.42</b>

The following amounts are recognised in the statement of profit and loss :

	(₹ in crores)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on lease liabilities	34.22	49.00
Variable lease payment not included in the measurement of lease liabilities	-*	-*
Income from sub-leasing of right-of-use assets	1.85	0.45
Expenses related to short-term leases	2.43	1.46
Expenses related to low-value assets, excluding short-term leases of low-value assets	5.83	13.87

\*less than ₹ 50,000/-

# Notes

forming part of Financial Statements

(₹ in crores)

Right of use assets	Land	Buildings	Plant, machinery and equipments	Vehicles	Computers and other IT assets	Total
<b>Cost as at April 1, 2022</b>	<b>55.36</b>	<b>219.27</b>	<b>115.15</b>	<b>102.27</b>	<b>187.07</b>	<b>679.11</b>
Additions	-	55.75	63.95	115.99	3.16	238.85
Disposals/adjustments	(10.85)	(38.13)	(38.14)	(10.31)	(178.20)	(275.63)
<b>Cost as at March 31, 2023</b>	<b>44.51</b>	<b>236.89</b>	<b>140.96</b>	<b>207.95</b>	<b>12.03</b>	<b>642.33</b>
Accumulated amortisation as at April 1, 2022	(1.97)	(73.20)	(73.36)	(17.11)	(181.01)	(346.65)
Amortisation for the year	(0.65)	(49.54)	(4.05)	-	(2.97)	(57.21)
Amortisation - considered as employee cost	-	-	-	(38.75)	-	(38.75)
Disposal/adjustments	-	26.66	14.61	2.08	178.20	221.55
<b>Accumulated amortisation as at March 31, 2023</b>	<b>(2.62)</b>	<b>(96.08)</b>	<b>(62.80)</b>	<b>(53.78)</b>	<b>(5.78)</b>	<b>(221.06)</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>41.89</b>	<b>140.81</b>	<b>78.16</b>	<b>154.17</b>	<b>6.25</b>	<b>421.27</b>
<b>Cost as at April 1, 2021</b>	<b>91.77</b>	<b>339.10</b>	<b>624.98</b>	<b>40.50</b>	<b>203.49</b>	<b>1,299.84</b>
Additions (refer note (ii) below)	-	94.35	41.41	96.62	1.75	234.13
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	(29.66)	(139.22)	(813.41)	(25.11)	(8.02)	(1,015.42)
Adjustments due to conversion of Joint Operation to Joint Venture	(6.75)	(0.73)	274.31	-	(3.38)	263.46
Disposals/adjustments	-	(74.23)	(12.15)	(9.74)	(6.78)	(102.90)
<b>Cost as at March 31, 2022</b>	<b>55.36</b>	<b>219.27</b>	<b>115.15</b>	<b>102.27</b>	<b>187.07</b>	<b>679.11</b>
Accumulated amortisation as at April 1, 2021	(2.29)	(125.85)	(209.31)	(2.75)	(191.05)	(531.25)
Amortisation for the year	(0.66)	(43.10)	(5.79)	-	(3.02)	(52.57)
Amortisation for discontinued operations	(0.21)	(7.98)	(17.29)	-	(0.67)	(26.14)
Amortisation - considered as employee cost	-	-	-	(17.21)	-	(17.21)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	0.94	48.22	186.18	2.14	5.82	243.30
Adjustments due to conversion of Joint Operation to Joint Venture	0.25	0.44	(27.32)	-	1.13	(25.50)
Disposal/adjustments	-	55.07	0.16	0.71	6.78	62.72
<b>Accumulated amortisation as at March 31, 2022</b>	<b>(1.97)</b>	<b>(73.20)</b>	<b>(73.36)</b>	<b>(17.11)</b>	<b>(181.01)</b>	<b>(346.65)</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>53.39</b>	<b>146.07</b>	<b>41.78</b>	<b>85.16</b>	<b>6.05</b>	<b>332.45</b>

Note:

i. There are no leases with residual value guarantees.

ii. Include assets of ₹97.82 crores capitalized during August 24, 2021 to December 31, 2021 which is pertaining to PV undertaking. (refer note 45)

(c) There are certain vehicles which are being given to the customers along with operations and maintenance of the same. These are accounted as finance lease as the material risks and rewards are transferred to the lessee.

The average effective interest rate contracted approximates between **5.09% to 8.10%** (2022: 5.09 % to 8.10% ) per annum.

# Notes

forming part of Financial Statements

The following amounts are included in the Balance Sheet : (₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Current lease receivables (refer note 12)	32.18	31.54
Non-current lease receivables (refer note 11)	367.15	399.01
<b>Total lease receivables</b>	<b>399.33</b>	<b>430.55</b>

The following amounts are recognised in the statement of profit and loss : (₹ in crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales Revenue for finance leases	-	278.58
Finance income on the net investment in finance leases	34.75	25.90
Income relating to variable lease payments not included in the net investment in finance leases	-	-

The table below provides details regarding the contractual maturities of finance lease receivables:

	As at March 31, 2023				
	Due in 1 <sup>st</sup> Year	Due in 2 <sup>nd</sup> Year	Due in 3 <sup>rd</sup> to 5 <sup>th</sup> Year	Due beyond 5 <sup>th</sup> Year	Total contractual cash flows
Finance lease receivables	32.18	32.53	114.20	220.42	399.33

  

	As at March 31, 2022				
	Due in 1 <sup>st</sup> Year	Due in 2 <sup>nd</sup> Year	Due in 3 <sup>rd</sup> to 5 <sup>th</sup> Year	Due beyond 5 <sup>th</sup> Year	Total contractual cash flows
Finance lease receivables	31.54	31.82	105.70	261.49	430.55

## 5. Other Intangible assets

### (a) Accounting policy

Intangible assets purchased are measured at cost or fair value as on the date of acquisition less accumulated amortisation and impairment, if any.

Amortisation is provided on a straight-line basis over estimated useful lives of the intangible assets as per details below:

	Estimated amortisation period
Technical know-how	8 to 10 years
Software	4 years
Product development cost	2 to 10 years

The amortisation period for intangible assets with finite useful lives is reviewed at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

### Internally generated intangible asset

Research costs are charged to the statement of Profit and Loss in the year in which they are incurred.

# Notes

## forming part of Financial Statements

Product development costs incurred on new vehicle platform, engines, transmission and new products are recognised as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate future economic benefits.

The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.

Interest cost incurred is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

Product development expenditure is measured at cost less accumulated amortisation and impairment, if any. Amortisation is not recorded on product engineering in progress until development is complete.

### Derecognition of intangible assets

An item of intangible assets is derecognized on disposal or when fully amortized and no longer in use. Any gain or loss arising from derecognition of an item of intangible assets is included in the statement of profit and loss.

### (b) Intangible assets consist of the following:

	Technical know how	Computer Software	Product development	Total
	(₹ in crores)			
<b>Cost as at April 1, 2022</b>	<b>478.15</b>	<b>518.54</b>	<b>4,396.93</b>	<b>5,393.62</b>
Additions	86.89	29.75	1,043.08	1,159.72
Asset fully amortised not in use	-	(0.84)	(2,422.55)	(2,423.39)
<b>Cost as at March 31, 2023</b>	<b>565.04</b>	<b>547.45</b>	<b>3,017.46</b>	<b>4,129.95</b>
Accumulated amortisation as at April 1, 2022	(363.62)	(477.43)	(2,542.70)	(3,383.75)
Amortisation for the year	(41.30)	(19.68)	(695.43)	(756.41)
Fully amortised not in use	-	0.84	2,422.55	2,423.39
<b>Accumulated amortisation as at March 31, 2023</b>	<b>(404.92)</b>	<b>(496.27)</b>	<b>(815.58)</b>	<b>(1,716.77)</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>160.12</b>	<b>51.18</b>	<b>2,201.88</b>	<b>2,413.18</b>
<b>Cost as at April 1, 2021</b>	<b>478.15</b>	<b>614.30</b>	<b>11,536.76</b>	<b>12,629.21</b>
Additions	-	25.83	1,203.39	1,229.22
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	-	(82.68)	(7,886.38)	(7,969.06)
Adjustments due to conversion of Joint Operation to Joint Venture	-	(38.91)	(456.84)	(495.75)
<b>Cost as at March 31, 2022</b>	<b>478.15</b>	<b>518.54</b>	<b>4,396.93</b>	<b>5,393.62</b>
Accumulated amortisation as at April 1, 2021	(317.39)	(568.10)	(5,341.78)	(6,227.27)
Amortisation for the year	(46.23)	(19.52)	(691.14)	(756.89)
Amortisation for discontinued operations	-	(2.73)	(455.84)	(458.57)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	-	79.31	3,584.77	3,664.08
Adjustments due to conversion of Joint Operation to Joint Venture	-	33.61	361.29	394.90
<b>Accumulated amortisation as at March 31, 2022</b>	<b>(363.62)</b>	<b>(477.43)</b>	<b>(2,542.70)</b>	<b>(3,383.75)</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>114.54</b>	<b>41.11</b>	<b>1,854.23</b>	<b>2,009.87</b>

# Notes

forming part of Financial Statements

## (c) Intangible assets under development

	(₹ in crores)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning</b>	<b>882.03</b>	<b>1,605.64</b>
Additions (refer note below)	1,057.37	700.57
Capitalised during the year	(1,159.72)	(1,229.22)
Provision made during the year	(270.38)	-
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	-	(190.58)
Adjustments due to conversion of Joint Operation to Joint Venture	-	(4.38)
<b>Balance at the end</b>	<b>509.30</b>	<b>882.03</b>

Note:

Additions for the year ended March 31, 2022 include assets of ₹99.96 crores purchased during August 24, 2021 to December 31, 2021 which is pertaining to PV undertaking. (refer note 45)

## (d) Ageing of intangible assets under development

	As at March 31, 2023				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	367.01	88.91	16.20	37.18	509.30
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>367.01</b>	<b>88.91</b>	<b>16.20</b>	<b>37.18</b>	<b>509.30</b>

  

	As at March 31, 2022				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	404.32	87.28	72.08	48.00	611.68
Projects temporarily suspended	2.13	8.21	38.47	221.54	270.35
<b>As at March 31, 2022</b>	<b>406.45</b>	<b>95.49</b>	<b>110.55</b>	<b>269.54</b>	<b>882.03</b>

## (e) Expected Completion schedule of intangible assets under development where cost or time overrun has exceeded original plan

	As at March 31, 2023				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	-	-	-	-	-
Other Projects*	8.47	-	-	-	8.47
Projects temporarily suspended					
Project 1	-	-	-	-	-
Project 2	-	-	-	-	-
	<b>8.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.47</b>

# Notes

forming part of Financial Statements

(₹ in crores)

	As at March 31, 2022				Total
	Up to 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Project 1	97.81	-	-	-	97.81
Other Projects*	18.76	-	-	-	18.76
Projects temporarily suspended					
Project 1	-	-	-	61.31	61.31
Project 2	-	-	-	209.04	209.04
	<b>116.57</b>	<b>-</b>	<b>-</b>	<b>270.35</b>	<b>386.92</b>

\*Individual projects less than ₹ 50 crores have been clubbed together in other projects.

Original plan is considered as that plan which is approved and on the basis of which implementation progress is evaluated. Such original plan includes management's estimates and assumptions w.r.t future business, economy / industry and regulatory environments.

## 6. Investments in subsidiaries, joint ventures and associates measured at cost - non-current

### (a) Accounting policy

Investments in Subsidiaries, Joint ventures and Associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in Subsidiaries, Joint ventures and Associates, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

### (b) Investments in subsidiaries, joint ventures and associates consist of the following:

(₹ in crores)

Number	Face value per unit (Fully Paid up)	Description	As at March 31, 2023	As at March 31, 2022
		<b>Equity shares</b>		
		<b>i) Subsidiaries</b>		
		<b>Unquoted</b>		
9,417,000,000	10	Tata Motors Passenger Vehicles Limited	9,417.00	9,417.00
700,000,000	10	Tata Passenger Electric Mobility Limited	784.61	743.36
303,006,000	2	Tata Technologies Limited	224.10	224.10
53,059,549	10	TML Business Services Limited [Note 7 below]	254.92	434.65
45,000,000	10	TML CV Mobility Solutions Limited	45.00	0.05
7,900	-	Tata Technologies Inc. (USA)	0.63	0.63
1,741,593,442	10	TMF Holdings Limited [Note 2 and 3 below]	4,028.95	3,594.95
	10	Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited) [8,33,00,000 shares acquired during the year]	261.69	161.70
218,387,096		TML Holdings Pte Ltd, (Singapore) [Note 5 and 6 below]	10,158.52	10,158.52
1,384,523 (EUR)	31.28	Tata Hispano Motors Carrocera S.A., (Spain)	61.56	61.56
1,220 (IDR)	8,855	PT Tata Motors Indonesia	0.01	0.01
212,000 (MAD)	1,000	Tata Hispano Motors Carroceries Maghreb S.A., (Morocco)	57.72	57.72
18,359,203 (SGD)	1	Tata Precision Industries Pte. Ltd, (Singapore)	40.53	40.53



# Notes

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(₹ in crores)

Number	Face value per unit (Fully Paid up)	Description	As at March 31, 2023	As at March 31, 2022
5,000,000	10	Tata Motors Insurance Broking and Advisory Services Ltd	19.31	19.31
-	-	TMNL Motor Services Nigeria Ltd	-	0.00 #
9,897,908	10	Brabo Robotics and Automation Ltd	13.00	13.00
5,000,000	10	Jaguar Land Rover Technology and Business Services India (P) Ltd. (Formerly known as JT Special Vehicle (P) Ltd.)	2.52	2.52
5,000,000	10	TML Smart City Mobility Solutions Limited	5.00	-
			25,375.07	24,929.61
		Advance towards investments	-	0.01
		Less: Provision for impairment	(171.92)	(219.82)
			25,203.15	24,709.80
		<b>ii) Associates</b>		
		<b>Quoted</b>		
2,982,214	10	Automobile Corporation of Goa Ltd	108.22	108.22
		<b>Unquoted</b>		
16,000 (TK)	1,000	NITA Co. Ltd (Bangladesh)	1.27	1.27
45,428,572	10	Tata Hitachi Construction Machinery Company Private Ltd	238.50	238.50
52,333,170	10	Tata AutoComp Systems Ltd	77.47	77.47
			425.46	425.46
		<b>(iii) Joint Venture (JV)</b>		
		<b>Unquoted</b>		
122,257,983	100	Fiat India Automobiles Private Ltd	2,334.65	2,334.65
		<b>(iv) Subsidiaries</b>		
		Cumulative convertible preference shares (unquoted)		
-	-	TMF Holdings Limited [Note 3 below]	-	434.00
		Cumulative Redeemable Preference shares (unquoted)		
1,354,195	100	TML Business Services Ltd	13.54	13.54
		<b>Total</b>	<b>27,976.80</b>	<b>27,917.45</b>

# Less than ₹ 50,000

Notes:

- (1) Market Value of quoted investments 214.09 278.55
- (2) Includes option pricing value for call/ put option provided by the Company towards perpetual debt issued by TMF Holdings Limited.
- (3) Converted 4,34,00,000 Cumulative convertible preference shares (unquoted) of ₹ 100 each into 9,33,00,000 Equity shares of ₹10 each in the ratio of 2.15:1 issued by TMF Holdings Limited.
- (4) The Company has given a letter of comfort to Bank of China, Shanghai Branch for RMB 5 billion (₹5,980.75 crores as at March 31, 2023) against loan granted by the bank to Jaguar Land Rover (China) Investment Co. Ltd.
- (5) The Company has given a letter of comfort to State Bank of India, Bahrain for USD 100 million (₹821.83 crores as on March 31, 2023) against Credit Facility given to TML Holding PTE Ltd., Singapore and a letter of comfort to Bank of Baroda, London for GBP 100 million (₹1,016.45 crores as on March 31, 2023) against the SBLC Facility extended to TML Holding PTE Ltd., Singapore.

# Notes

## forming part of Financial Statements

- (6) The Company has given a letter of comfort to Citi Corp International for USD 300 million (₹2,465.48 crores as on March 31, 2023) and USD 425 million (₹3,492.76 crores as on March 31, 2023) to TML Holding PTE Ltd., Singapore against ECB Bonds.
- (7) Pursuant to the Scheme of Arrangement between, two wholly owned subsidiaries of the Company, viz., TML Distribution Company Limited (TMLD) and TML Business Services Limited (TMLBSL) and the Company, under order issued by NCLT dated March 11, 2022, with appointed date of April 1, 2021, TMLD has been merged with TMLBSL. TMLBSL has issued 117,22,50,000 equity share of face value of ₹10 each fully paid-up in lieu of 22,50,00,000 equity shares of ₹10 each fully paid-up held by the Company in TMLD. Further, as per the scheme, TMLBSL has done the reduction of its share capital by cancellation and extinguishment of 128,28,88,145 equity shares of ₹10 each fully paid-up aggregating to ₹1,282.89 crores and has paid ₹131.83 crores to the Company for such cancellation and extinguishment. The amount of ₹131.83 crores is return of capital.

## 7. Investments-non-current

(₹ in crores)

Number	Face value per unit (Fully Paid up)	Description	As at March 31, 2023	As at March 31, 2022
<b>Investment in equity shares measured at fair value through other comprehensive income</b>				
<b>Quoted</b>				
54,962,950	1	Tata Steel Ltd	574.37	718.49
<b>Unquoted</b>				
75,000	1,000	Tata International Ltd	162.58	111.58
1,383	1,000	Tata Services Ltd	0.14	0.14
350	900	The Associated Building Company Ltd	0.01	0.01
1,03,10,242	100	Tata Industries Ltd	198.10	191.26
33,600	100	Kulkarni Engineering Associates Ltd	-	-
12,375	1,000	Tata Sons Pvt Ltd	85.34	95.20
2,25,00,001	10	Haldia Petrochemicals Ltd	125.78	199.80
2,40,000	10	Oriental Floratech (India) Pvt. Ltd	-	-
43,26,651	15	Tata Capital Ltd	58.45	22.41
50,000	10	NICCO Jubilee Park Ltd.	0.05	0.05
		<b>Total</b>	<b>1,204.82</b>	<b>1,338.94</b>

Note:

a) Investment in equity shares measured at fair value through other comprehensive income also include:

Number	Face value per unit (Fully Paid up)	Description	As at March 31, 2023	As at March 31, 2022
50	5	Jamshedpur Co-operative Stores Ltd.	250	250
16,56,517	(M\$) 1	Tatab Industries Sdn. Bhd., (Malaysia)	1	1
4	25000	ICICI Money Multiplier Bond	1	1
100	10	Optel Telecommunications	1,995	1,995

# Notes

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		(₹ in crores)	
b)		As at March 31, 2023	As at March 31, 2022
(1)	Book Value of quoted investments	574.37	718.49
(2)	Book Value of unquoted investments	630.45	620.45
(3)	Market Value of quoted investments	574.37	718.49

## 8. Investments-current

			(₹ in crores)	
Number	Face value per unit	Description	As at March 31, 2023	As at March 31, 2022
<b>Investments in Mutual funds measured at Fair value through profit and loss</b>				
<b>Unquoted</b>				
-	-	Mutual funds	3,142.96	5,143.08
<b>Total</b>			<b>3,142.96</b>	<b>5,143.08</b>

Note:

		(₹ in crores)	
		As at March 31, 2023	As at March 31, 2022
Book Value of unquoted investments		3,142.96	5,143.08

## 9. Loans and advances- non current

		(₹ in crores)	
		As at March 31, 2023	As at March 31, 2022
<b>Unsecured :</b>			
(a)	Loans to employees, considered good	34.63	12.01
(b)	Loan to subsidiaries		
	Considered good	57.04	12.04
	Credit impaired	607.26	607.26
		664.30	619.30
	Less : Allowances for credit impaired balances	(607.26)	(607.26)
		57.04	12.04
(c)	Dues from subsidiary companies, credit impaired		
	Tata Hispano Motors Carrocera S.A.	53.74	53.74
	Less : Allowances for credit impaired balances	(53.74)	(53.74)
		-	-
(d)	Others		
	Considered good	22.73	24.38
	Credit impaired	-	2.60
		22.73	26.98
	Less : Allowances for credit impaired balances	-	(2.60)
		22.73	24.38
<b>Total</b>		<b>114.40</b>	<b>48.43</b>

# Notes

forming part of Financial Statements

## 10. Loans and advances- current

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
<b>Secured :</b>		
Finance receivables (net of allowances for credit impaired balances of ₹5.25 crores and ₹5.25 crores as at March 31, 2023 and 2022, respectively)	-	13.42
<b>Unsecured :</b>		
(a) Advances and other receivables (net of allowances for credit impaired balances of ₹51.90 crores and ₹72.02 crores as at March 31, 2023 and 2022, respectively)	114.52	98.52
(b) Intercorporate deposits Considered good	15.00	-
(c) Dues from subsidiary companies (Note below)		
Considered good	2.77	27.43
Credit impaired	-	0.20
	2.77	27.63
Less : Allowances for credit impaired balances	-	(0.20)
<b>Total</b>	<b>132.29</b>	<b>139.37</b>

**Note:**

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2023
<b>Dues from subsidiary company:</b>		
(a) Tata Motors Passenger Vehicles Limited	-	19.69
(b) TML Business Services Ltd	-	5.03
(c) Tata Motors (SA) (Proprietary) Ltd	1.11	1.08
(d) Tata Motors Nigeria Ltd	-	0.20
(e) Jaguar Land Rover Ltd	0.06	0.67
(f) Tata Passenger Electric Mobility Limited	-	0.44
(g) Tata Motors Finance Solutions Ltd	0.01	-
(h) TML Smart City Mobility Solutions Ltd	1.17	-
(i) TML Smart City Mobility Solutions J&K Private Ltd	0.22	-
(j) TML CV Mobility Solutions Limited	0.20	0.52
	<b>2.77</b>	<b>27.63</b>

## 11. Other financial assets - non-current

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Derivative financial instruments	902.68	675.60
(b) Restricted deposits	5.21	8.62
(c) Finance lease receivable	367.15	399.01
(d) Government incentives	1,075.35	843.66
(e) Recoverable from suppliers	18.32	32.26
(f) Security deposits (net of allowances for credit impaired balances of ₹1.15 crores and ₹1.15 crores as at March 31, 2023 and March 31, 2022, respectively)	35.19	32.38
(g) Others	1.33	0.99
<b>Total</b>	<b>2,405.23</b>	<b>1,992.52</b>

# Notes

forming part of Financial Statements

## 12. Other financial assets - current

	As at March 31, 2023	As at March 31, 2022
(a) Derivative financial instruments	38.72	45.50
(b) Interest accrued on loans and deposits	2.17	7.51
(c) Deposit with financial institutions	-	300.00
(d) Finance lease receivable	32.18	31.54
(e) Government incentives	151.57	348.54
(f) Recoverable from suppliers	28.15	74.93
(g) Security deposits	2.46	1.49
<b>Total</b>	<b>255.25</b>	<b>809.51</b>

## 13. Other non-current assets

	As at March 31, 2023	As at March 31, 2022
(a) Capital advances	60.13	76.78
(b) Taxes recoverable, statutory deposits and dues from government (net of allowances for credit impaired balances of ₹31.66 crores and ₹31.66 crores as at March 31, 2023 and 2022, respectively)	479.26	494.39
(c) Recoverable from Insurance companies	17.45	85.86
(d) Employee benefits	31.91	-
(e) Others	8.07	5.21
<b>Total</b>	<b>596.82</b>	<b>662.24</b>

## 14. Other current assets

	As at March 31, 2023	As at March 31, 2022
(a) Advance to suppliers and contractors (net of allowances for credit impaired balances of ₹41.18 crores and ₹39.34 crores as at March 31, 2023 and 2022, respectively)	730.48	514.39
(b) Taxes recoverable, statutory deposits and dues from government (net of allowances for credit impaired balances of ₹84.02 crores and ₹83.66 crores as at March 31, 2023 and 2022, respectively)	331.51	392.52
(c) Prepaid expenses	112.13	161.80
(d) Recoverable from Insurance companies	3.33	0.23
(e) Employee benefits	2.06	1.18
(f) Others	39.67	21.83
<b>Total</b>	<b>1,219.18</b>	<b>1,091.95</b>

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## 15. Inventories

### (a) Accounting policy

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

### (b) Inventories consist of the following:

	As at March 31, 2023	As at March 31, 2022
(a) Raw materials and components	1,096.27	1,263.95
(b) Work-in-progress	299.33	427.66
(c) Finished goods	1,430.52	1,786.87
(d) Stores and spare parts	136.33	135.22
(e) Consumable tools	19.16	21.15
(f) Goods-in-transit - Raw materials and components	46.29	83.64
<b>Total</b>	<b>3,027.90</b>	<b>3,718.49</b>

During the year ended March 31, 2023 and 2022, the Company recorded inventory write-down expenses of ₹32.21 crores and ₹25.25 crores, respectively.

Cost of inventories (including cost of purchased products) recognized as expense during the year ended March 31, 2023 and 2022 amounted to ₹ 54,083.75 crores and ₹ 43,334.20 crores, respectively.

## 16. Trade receivables (unsecured)

	As at March 31, 2023	As at March 31, 2022
Receivables considered good	2,307.72	2,111.78
Credit impaired receivables	554.93	430.24
	2,862.65	2,542.02
Less : Allowance for credit impaired receivables	(554.93)	(430.24)
<b>Total</b>	<b>2,307.72</b>	<b>2,111.78</b>

## 17. Allowance for trade receivables, loans and other receivables

	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning	1,325.97	1,511.80
Allowances made during the year *	105.32	42.71
Provision for loan/intercorporate deposits given to subsidiary companies	-	4.04
Written off	(0.20)	(62.89)
Transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	-	(169.69)
<b>Balance at the end</b>	<b>1,431.09</b>	<b>1,325.97</b>

\* Includes ₹33.77 crores netted off in revenue (₹32.26 crores for the year ended March 31, 2022)

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## 18. Cash and cash equivalents

### (a) Accounting policy

Cash and cash equivalents comprises cash on hand, demand deposits and highly liquid investments with an original maturity of up to three month that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### (b) Cash and cash equivalents consist of the following:

	As at March 31, 2023	As at March 31, 2022
	(₹ in crores)	
(a) Cash on hand	0.04	0.03
(b) Cheques on hand	154.54	110.28
(c) Balances with banks	626.85	330.63
(d) Deposits with banks	340.00	2,009.29
<b>Total</b>	<b>1,121.43</b>	<b>2,450.23</b>

## 19. Other bank balances

	As at March 31, 2023	As at March 31, 2022
	(₹ in crores)	
<b>With upto 12 months maturity:</b>		
(a) Earmarked balances with banks (refer note below)	293.17	155.15
(b) Bank deposits	0.05	0.05
<b>Total</b>	<b>293.22</b>	<b>155.20</b>

Note:

Earmarked balances with banks as at March 31, 2023 of ₹270.00 crores (as at March 31, 2022 ₹135.00 crores) is held as security in relation to repayment of borrowings.

## 20. Equity Share Capital

	As at March 31, 2023	As at March 31, 2022
	(₹ in crores)	
<b>(a) Authorised:</b>		
(i) 400,00,00,000 Ordinary shares of ₹2 each (as at March 31, 2022: 400,00,00,000 Ordinary shares of ₹2 each)	800.00	800.00
(ii) 100,00,00,000 'A' Ordinary shares of ₹2 each (as at March 31, 2022: 100,00,00,000 'A' Ordinary shares of ₹2 each)	200.00	200.00
(iii) 30,00,00,000 Convertible Cumulative Preference shares of ₹100 each (as at March 31, 2022: 30,00,00,000 shares of ₹100 each)	3,000.00	3,000.00
<b>Total</b>	<b>4,000.00</b>	<b>4,000.00</b>

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		(₹ in crores)	
		As at March 31, 2023	As at March 31, 2022
<b>(b) Issued: [Note (h)]</b>			
(i)	3,32,18,36,884 Ordinary shares of ₹2 each (as at March 31, 2022: 3,32,11,54,566 Ordinary shares of ₹2 each)	664.37	664.23
(ii)	50,87,36,110 'A' Ordinary shares of ₹2 each (as at March 31, 2022: 50,87,36,110 'A' Ordinary shares of ₹2 each)	101.75	101.75
	<b>Total</b>	<b>766.12</b>	<b>765.98</b>
<b>(c) Subscribed and called up: [Note (h)]</b>			
(i)	3,32,13,44,325 Ordinary shares of ₹2 each (as at March 31, 2022: 3,32,06,62,007 Ordinary shares of ₹2 each)	664.27	664.13
(ii)	50,85,02,896 'A' Ordinary shares of ₹2 each (as at March 31, 2022: 50,85,02,896 'A' Ordinary shares of ₹2 each)	101.70	101.70
		<b>765.97</b>	<b>765.83</b>
<b>(d) Calls unpaid - Ordinary shares</b>			
	310 Ordinary shares of ₹2 each (₹1 outstanding on each) and 260 Ordinary shares of ₹2 each (₹0.50 outstanding on each) (as at March 31, 2022: 310 Ordinary shares of ₹2 each (₹1 outstanding on each) and 260 Ordinary shares of ₹2 each (₹0.50 outstanding on each))	(0.00)*	(0.00)*
<b>(e) Paid-up (c+d):</b>		<b>765.97</b>	<b>765.83</b>
<b>(f) Forfeited - Ordinary shares</b>		<b>0.05</b>	<b>0.05</b>
	<b>Total (e+f)</b>	<b>766.02</b>	<b>765.88</b>

\*less than ₹ 50,000/-

**(g) The movement of number of shares and share capital**

	Year ended March 31, 2023		Year ended March 31, 2022	
	(No. of shares)	(₹ in crores)	(No. of shares)	(₹ in crores)
<b>(i) Ordinary shares</b>				
Balance as at April 1	332,06,62,007	664.13	332,03,07,765	664.06
Add: Allotment of shares on exercise of stock options by employees	682,318	0.14	354,242	0.07
Balance as at March 31	<b>332,13,44,325</b>	<b>664.27</b>	<b>332,06,62,007</b>	<b>664.13</b>
<b>(ii) 'A' Ordinary shares</b>				
Balance as at April 1	50,85,02,896	101.70	50,85,02,896	101.70
Balance as at March 31	<b>50,85,02,896</b>	<b>101.70</b>	<b>50,85,02,896</b>	<b>101.70</b>

(h) The entitlements to 4,92,559 Ordinary shares of ₹2 each (as at March 31, 2022 : 4,92,559 Ordinary shares of ₹2 each) and 2,33,214 'A' Ordinary shares of ₹2 each (as at March 31, 2022: 2,33,214 'A' Ordinary shares of ₹2 each) are subject matter of various suits filed in the courts / forums by third parties for which final order is awaited and hence kept in abeyance.

**(i) Rights, preferences and restrictions attached to shares :**

**(i) Ordinary shares and 'A' Ordinary shares both of ₹2 each :**

- The Company has two classes of shares – the Ordinary shares and the 'A' Ordinary shares both of ₹2 each (together referred to as shares). In respect of every Ordinary share (whether fully or partly paid), voting rights shall be in the same proportion as the capital paid up on such Ordinary share bears to the total paid up Ordinary share capital of the Company. In case of every 'A' Ordinary share, if any resolution is put to vote on



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a poll or by postal ballot at any general meeting of shareholders, the holder shall be entitled to one vote for every ten 'A' Ordinary shares held as per the terms of its issue and if a resolution is put to vote on a show of hands, the holder of 'A' Ordinary shares shall be entitled to the same number of votes as available to holders of Ordinary shares.

- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The holders of 'A' Ordinary shares shall be entitled to receive dividend for each financial year at five percentage point more than the aggregate rate of dividend declared on Ordinary shares for that financial year.
  - In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.
- (ii) American Depository Shares (ADSs) and Global Depository Shares (GDSs) :
- The Company notified the New York Stock Exchange (the "NYSE") on November 9, 2022 of its intent to: (i) voluntarily delist its American Depository Shares (the "ADSs"), each representing five (5) Ordinary Shares of the Company, par value of ₹2 per share (the "Ordinary Shares"), from the NYSE; (ii) deregister such ADSs, its Ordinary Shares underlying such ADSs, and its 'A' Ordinary Shares, par value of ₹2 per share, issued in connection with the 2015 rights offering by the Company ("A' Ordinary Shares", and together with the ADSs and the Ordinary Shares underlying such ADSs, the "Securities") from the U.S. Securities and Exchange Commission (the "SEC"); and (iii) terminate its reporting obligations under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

Accordingly, the Company filled a Form 25 with the SEC on January 13, 2023 to delist its ADSs from the NYSE and the last trading day of the ADSs on the NYSE was January 23, 2023. Once the Company satisfies the conditions for deregistration, the Company will file a Form 15F with the SEC to deregister the Securities and to terminate its reporting obligations under the Exchange Act. Thereafter, all the Company's reporting obligations under the Exchange Act will be suspended. The deregistration and termination of its reporting obligations under the Exchange Act is effective ninety (90) days after filing of the Company's Form 15F.

**(j) Number of shares held by each shareholder holding more than 5 percent of the issued share capital :**

	As at March 31, 2023		As at March 31, 2022	
	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	No. of Shares
<b>(i) Ordinary shares :</b>				
(a) Tata Sons Private Limited	43.72%	1,45,21,13,801	43.73%	1,45,21,13,801
(b) Life Insurance Corporation Of India	5.21%	173,087,356	4.75%	157,782,041
(c) Citibank N.A. as Depository	*	*	#	17,09,78,800
<b>(ii) 'A' Ordinary shares :</b>				
(a) Tata Sons Private Limited	7.57%	38,511,281	7.57%	3,85,11,281
(b) ICICI Prudential Equity & Debt Fund	20.49%	104,176,790	15.86%	8,06,52,318

# held by Citibank, N.A. as depository for American Depository Receipts (ADRs) and Global Depository Receipts (GDRs)

\* Less than 5%

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**(k) Information regarding issue of shares in the last five years**

- (a) The Company has not issued any shares without payment being received in cash.
- (b) The Company has not issued any bonus shares.
- (c) The Company has not undertaken any buy-back of shares.

**(l) Disclosure of Shareholding of Promoters**

Promoter name	As at March 31, 2023		As at March 31, 2022		% change during the year
	No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	
(i) Ordinary shares :					
Tata Sons Private Limited	1,45,21,13,801	43.72%	1,45,21,13,801	43.73%	-
(ii) 'A' Ordinary shares :					
Tata Sons Private Limited	3,85,11,281	7.57%	3,85,11,281	7.57%	-

  

Promoter name	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	
(i) Ordinary shares :					
Tata Sons Private Limited	1,45,21,13,801	43.73%	1,45,21,13,801	43.73%	-
(ii) 'A' Ordinary shares :					
Tata Sons Private Limited	3,85,11,281	7.57%	3,85,11,281	7.57%	-

## 21. A) Other components of equity

**(a) The movement of Equity instruments through Other Comprehensive Income is as follows:**

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	606.03	287.70
Other comprehensive (loss)/income for the year	(134.12)	371.29
Income tax relating to loss/gain arising on other comprehensive income where applicable	39.47	(52.96)
<b>Balance at the end</b>	<b>511.38</b>	<b>606.03</b>

**(b) The movement of Hedging reserve is as follows:**

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	(13.80)	(101.17)
Gain/(loss) recognised on cash flow hedges	71.59	136.87
Income tax relating to gain/(loss) recognised on cash flow hedges	(20.09)	(47.83)
(Gain)/loss reclassified to profit or loss	0.90	(2.57)
Income tax relating to (gain)/loss reclassified to profit or loss	(0.23)	0.90
<b>Balance at the end</b>	<b>38.37</b>	<b>(13.80)</b>

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(c) The movement of Cost of Hedging reserve is as follows:

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	(87.12)	(0.80)
Gain/(loss) recognised on cash flow hedges	(306.09)	(133.90)
Income tax relating to gain/(loss) recognised on cash flow hedges	77.03	46.78
(Gain)/loss reclassified to profit and loss	133.90	1.22
Income tax relating to gain/(loss) reclassified to profit and loss	(46.78)	(0.42)
<b>Balance at the end</b>	<b>(229.06)</b>	<b>(87.12)</b>

(d) Summary of Other components of equity:

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Equity instruments through other comprehensive income	511.38	606.03
Hedging reserve	38.37	(13.80)
Cost of hedging reserve	(229.06)	(87.12)
<b>Total</b>	<b>320.69</b>	<b>505.11</b>

## (B) Notes to reserves

a) **Capital redemption reserve**

The Indian Companies Act, 2013 (the "Companies Act") requires that where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the company to be issued to shareholders of the company as fully paid bonus shares. Tata Motors Limited established this reserve pursuant to the redemption of preference shares issued in earlier years.

b) **Debenture redemption reserve (DRR)**

The Companies Act requires that where a company issues debentures, it shall create a debenture redemption reserve out of profits of the Company available for payment of dividend. The company is required to maintain a Debenture Redemption Reserve of 25% of the value of debentures issued, either by a public issue or on a private placement basis. The amounts credited to the debenture redemption reserve may not be utilised by the Company except to redeem debentures. No DRR is required for debentures issued after August 16, 2019.

c) **Securities premium**

The amount received in excess of face value of the equity shares is recognised in Securities Premium.

d) **Retained earnings**

Retained earnings are the profits that the Company has earned till date, add/(less) any transfers from/(to) general reserve, securities premium and debenture redemption reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement gain/(loss) on defined benefit obligations, net of taxes that will not be reclassified to Profit and Loss.

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**e) Capital reserve**

The capital reserve represents the excess of the identifiable assets and liabilities over the consideration paid/received or vice versa in a common control sale/transfer of business/investment.

**f) Share-based payments reserve**

Share-based payments reserve represents amount of fair value, as on the date of grant, of unvested options and vested options not exercised till date, that have been recognised as expense in the statement of profit and loss till date.

**e) Dividends**

Any dividend declared by Tata Motors Limited is based on the profits available for distribution as reported in the statutory financial statements of Tata Motors Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Tata Motors Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act. However, in the absence of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in this Financial Statements may not be fully distributable.

For the year ended March 31, 2023, the Board of Directors has recommended a final dividend of ₹ 2.00 per share on Ordinary shares and ₹ 2.10 per share on 'A' Ordinary shares subject to approval from shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of ₹ 771.07 crores (March 31, 2022: Nil).

## 22. Long-term borrowings

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>Secured:</b>		
(a) Privately placed Non-Convertible Debentures (refer note 23 I (ii) below)	-	998.64
(b) Term loans:		
(i) from financial institutions	-	1,345.11
(ii) others (refer note 23 I (i) (a) below)	46.31	40.64
	<b>46.31</b>	<b>2,384.39</b>
<b>Unsecured:</b>		
(a) Privately placed Non-Convertible Debentures (refer note 23 I (ii) below)	2,096.88	2,895.88
(b) Term loan from banks		
(i) Buyer's line of credit (at floating interest rate) (refer note 23 I (v) below)	1,850.00	2,883.33
(ii) External commercial borrowings (ECB) (at floating interest rate) (refer note 23 I (iv) below)	1,943.80	1,788.35
(c) Senior Notes (refer note 23 I (iii) below)	4,508.71	4,150.79
	<b>10,399.39</b>	<b>11,718.35</b>
<b>Total</b>	<b>10,445.70</b>	<b>14,102.74</b>

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## 23. Short-term borrowings

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>Secured:</b>		
Loans from banks (refer note II (i) below)	-	568.14
	-	<b>568.14</b>
<b>Unsecured:</b>		
(a) Loans from banks (refer note II (i) below)	-	75.80
(b) Inter corporate deposits from subsidiaries and associates (refer note II (ii) below)	5,398.75	4,466.00
(c) Commercial paper (refer note II (iii) below)	-	895.03
(d) Collateralized debt obligations (refer note II (iv) below)	528.17	-
	<b>5,926.92</b>	<b>5,436.83</b>
Current maturities of long-term borrowings (refer note below)	2,499.82	3,124.94
<b>Total</b>	<b>8,426.74</b>	<b>9,129.91</b>

Note:

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>Details of Current maturities of long-term borrowings :</b>		
(i) Non Convertible Debentures (Unsecured) (refer note I (ii) below)	800.00	899.94
(ii) Non Convertible Debentures (Secured) (refer note I (ii) below)	999.82	-
(iii) Loans from financial institutions (Secured)	-	1,050.00
(iv) Buyers Credit (Capex) (Unsecured) (refer note I (v) below)	700.00	1,175.00
	<b>2,499.82</b>	<b>3,124.94</b>

### I. Information regarding long-term borrowings

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

- (a) The term loan of ₹112.82 crores (recorded in books at ₹46.31 crores) is due for repayment from the quarter ending June 30, 2030 to December 31, 2037, along with a simple interest of 0.01% p.a. The loan is secured by bank guarantee for the due performance of the conditions as per the terms of the agreement.

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

	Redeemable on	As at March 31, 2023
(₹ in crores)		
<b>Non-Convertible Debentures (NCDs)</b>		
<b>Secured :</b>		
8.80% Non-Convertible Debentures (2023)	May 26, 2023	1,000.00
Debt issue cost		(0.18)
<b>Total</b>		<b>999.82</b>

The 8.80% Non-convertible Debentures are secured by a charge over Company's leasehold land together with building structures, plant and machinery, fixtures and other assets.

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(₹ in crores)		
Unsecured :	Redeemable on	As at March 31, 2023
8.50% Non-Convertible Debentures (2027)	January 29, 2027	250.00
8.50% Non-Convertible Debentures (2026)	December 30, 2026	250.00
6.60% Non-Convertible Debentures (2026)	May 29, 2026	500.00
6.95% Non-Convertible Debentures (2026)	March 31, 2026	500.00
9.77% Non-Convertible Debentures (2024)	September 12, 2024	200.00
9.81% Non-Convertible Debentures (2024)	August 20, 2024	300.00
9.54% Non-Convertible Debentures (2024)	June 28, 2024	100.00
9.35% Non-Convertible Debentures (2023)	November 10, 2023	400.00*
9.31% Non-Convertible Debentures (2023)	September 29, 2023	200.00*
9.27% Non-Convertible Debentures (2023)	June 30, 2023	200.00*
Debt issue cost		(3.12)
<b>Total</b>		<b>2,896.88</b>

\* Classified as Current maturities of long-term borrowings (refer note 23) being maturity before March 31, 2024.

(iii) **Schedule of repayment of Senior Notes:**

(₹ in crores)					
	Redeemable on	Currency	Amount (in million)	As at March 31, 2023	As at March 31, 2022
5.750% Senior Notes	October 30, 2024	USD	250	2,049.47	1,886.33
5.875% Senior Notes	May 20, 2025	USD	300	2,459.24	2,264.46
				<b>4,508.71</b>	<b>4,150.79</b>

- (iv) The external commercial borrowings of USD 250 million (**₹1,943.80 crores**) bearing floating interest rate of 3 months LIBOR+128bps is due for repayment in June 2025.
- (v) The buyer's line of credit from banks bearing floating interest ranging from 6.30% to 8.80%, amounting to **₹1,850.00 crores** is repayable within a maximum period of seven years from the drawdown dates. All the repayments are due from period ending September 30, 2024 to November 30, 2026. The Buyer's line of credit of **₹700.00 crores** classified under Short Term Borrowings-current being maturity before March 31, 2024.

## II. Information regarding short-term borrowings

- (i) Loans, cash credits, overdrafts and buyers line of credit from banks bearing fixed interest rate from 4.00% to 7.45% are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase / leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.
- (ii) Inter-corporate deposits from subsidiaries and associates are unsecured bearing interest rate at 5% to 7.05%.
- (iii) Commercial paper are unsecured short-term papers issued at discount bearing no coupon interest. The yield on commercial paper issued by the Company ranges from 4.58% to 4.67%.
- (iv) Loan from bank is availed as per the requirements of the Company at interest rates mutually agreed at the time of drawing the facility with interest rates varying from 5.90% - 7.00%.

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## III. Collateral

### Assets pledged as collateral/security against borrowings

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Inventory	-	648.00
Property, plant and equipment	1,250.00	4,250.00
<b>Total</b>	<b>1,250.00</b>	<b>4,898.00</b>

(i) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

### Annual disclosure for reporting of fund raising of issuance of Debt Securities by Large Corporate :

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(i) Incremental borrowing done (a)	-	2,000.00
(ii) Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	-	500.00
(iii) Actual borrowings done through debt securities (c)	-	1,000.00
(iv) Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c)	-	-
(v) Reasons for short fall, if any, in mandatory borrowings through debt securities	-	-

## V. Reconciliation of movements of liabilities to cash flows arising from financing activities

(₹ in crores)

	Short-term borrowings	Long-term borrowings *	Total
<b>Balance at April 1, 2021</b>	2,542.50	19,206.22	21,748.72
Proceeds from issuance of debt	5,137.27	1,999.79	7,137.06
Repayment of financing	(1,666.02)	(3,482.07)	(5,148.09)
Foreign exchange	-	211.00	211.00
Amortisation / EIR adjustments of prepaid borrowings (net)	3.72	(163.70)	(159.98)
Adjustments due to conversion of Joint Operation to Joint Venture	(12.50)	(543.56)	(556.06)
<b>Balance at March 31, 2022</b>	<b>6,004.97</b>	<b>17,227.68</b>	<b>23,232.65</b>
<b>Balance at March 31, 2022</b>	<b>6,004.97</b>	<b>17,227.68</b>	<b>23,232.65</b>
Proceeds from issuance of debt	52.35	8.99	61.34
Repayment of financing	(111.33)	(4,808.33)	(4,919.66)
Foreign exchange	-	503.39	503.39
Amortisation / EIR adjustments of prepaid borrowings (net)	(19.07)	13.79	(5.28)
<b>Balance at March 31, 2023</b>	<b>5,926.92</b>	<b>12,945.52</b>	<b>18,872.44</b>

\* includes current maturities of long term borrowings

# Notes

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## 24. Trade payables

(₹ in crores)

	As at March 31, 2023					Total
	Not due	Overdue				
		Up to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Outstanding dues of micro and small enterprises</b>						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	88.04	22.26	4.25	0.12	-	114.67
<b>Total</b>	<b>88.04</b>	<b>22.26</b>	<b>4.25</b>	<b>0.12</b>	<b>-</b>	<b>114.67</b>
<b>Outstanding dues other than micro and small enterprises</b>						
(a) Disputed dues	-	-	0.01	-	0.02	0.03
(b) Undisputed dues	4,866.87	2,102.78	51.91	16.94	9.40	7,047.90
Total	4,866.87	2,102.78	51.92	16.94	9.42	7,047.93
<b>Balance as at March 31, 2023</b>	<b>4,954.91</b>	<b>2,125.04</b>	<b>56.17</b>	<b>17.06</b>	<b>9.42</b>	<b>7,162.60</b>

(₹ in crores)

	As at March 31, 2022					Total
	Not due	Overdue				
		Up to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Outstanding dues of micro and small enterprises</b>						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	87.17	40.55	2.00	5.69	10.70	146.11
Total	87.17	40.55	2.00	5.69	10.70	146.11
<b>Outstanding dues other than micro and small enterprises</b>						
(a) Disputed dues	-	-	-	0.09	-	0.09
(b) Undisputed dues	4,886.68	1,029.13	8.44	5.25	26.40	5,955.90
Total	4,886.68	1,029.13	8.44	5.34	26.40	5,955.99
<b>Balance as at March 31, 2022</b>	<b>4,973.85</b>	<b>1,069.68</b>	<b>10.44</b>	<b>11.03</b>	<b>37.10</b>	<b>6,102.10</b>

## 25. Other financial liabilities – non-current

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
(a) Derivative financial instruments	142.03	77.00
(b) Liability towards employee separation scheme	89.01	109.50
(c) Option premium payable	122.79	209.28
(d) Others	60.61	64.59
<b>Total</b>	<b>414.44</b>	<b>460.37</b>



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## 26. Other financial liabilities – current

	As at March 31, 2023	As at March 31, 2022
(a) Interest accrued but not due on borrowings	303.09	348.48
(b) Liability for capital expenditure (refer note below)	372.53	119.38
(c) Deposits and retention money	433.45	452.06
(d) Derivative financial instruments	40.95	2.79
(e) Liability towards Investors Education and Protection Fund under Section 125 of the Companies Act, 2013 not due		
(i) Unpaid dividends	1.48	1.48
(ii) Unpaid debentures and interest thereon	0.18	0.18
(f) Liability towards employee separation scheme	24.12	29.18
(g) Option premium payable	104.14	95.02
(h) Others	20.24	64.69
<b>Total</b>	<b>1,300.18</b>	<b>1,113.26</b>

Note:

Includes ₹19.54 crores (₹21.49 crores as at March 31, 2022) outstanding towards principal and interest provision on dues of micro enterprises and small enterprises as per MSMED ACT 2006.

## 27. Provisions

### (a) Accounting policy

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. When the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

#### Product warranty expenses

The estimated liability for product warranties is recognised when products are sold or when new warranty programmes are initiated. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future warranty claims, customer goodwill and recall complaints. The timing of outflows will vary depending on when warranty claim will arise, being typically up to six years. The Company also has back-to-back contractual arrangement with its suppliers in the event that a vehicle fault is proven to be a supplier's fault.

Estimates are made of the expected reimbursement claim based upon historical levels of recoveries from supplier, adjusted for inflation and applied to the population of vehicles under warranty as on Balance Sheet date. Supplier reimbursements are recognised as separate asset.

#### Provision for onerous obligations

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting its obligations under the contract. It is recognized when the Company has entered into a binding legal agreement for the purchase of components from suppliers that exceeds the benefits from the expected future use of the components and the Company sells the finished goods using the components at a loss.

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## (b) Provisions-non current

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Employee benefits obligations	871.80	771.45
(b) Warranty	716.95	702.66
<b>Total</b>	<b>1,588.75</b>	<b>1,474.11</b>

## (c) Provisions-current

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Warranty	389.84	572.96
(b) Employee benefits obligations	14.53	11.85
(c) Others	4.52	23.25
<b>Total</b>	<b>408.89</b>	<b>608.06</b>

Note:

### Warranty provision movement

	(₹ in crores)
	Year ended March 31, 2023
	Warranty
<b>Balance at the beginning</b>	<b>1,275.62</b>
Provision made during the year	1,059.99
Provision used during the year	(1,104.32)
Impact of discounting	(124.50)
<b>Balance at the end</b>	<b>1,106.79</b>
Current	389.84
Non-current	716.95

## 28. Income taxes

### (a) Accounting policy

Income tax expense comprises current tax and deferred tax. Income tax expense is recognised in the statement of Profit and Loss except when they relate to items that are recognised outside of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside profit and loss. Current income taxes are determined based on respective taxable income of each taxable entity.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognised to the extent it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could 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 profits will be available to allow all or part of the asset to be recovered.

# Notes

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Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised.

Deferred tax liabilities on taxable temporary differences arising from interests in joint arrangements are not recognised if the Company is able to control the timing of the reversal and it is probable that the temporary difference will not reverse in the foreseeable future.

- (b) **The reconciliation of income tax expense calculated as per tax rates applicable to individual entities with income tax expense is as follows:**

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(Loss) before tax from continuing operations	1,254.80	(1,640.05)
Profit/(Loss) before tax from discontinued operations	-	392.51
Profit/(Loss) before tax	1,254.80	(1,247.54)
Income tax expense at tax rates applicable to individual entities	315.81	(440.02)
Provision/reversal for loan given to/investment in/cost of closure of subsidiary companies	1.15	(244.31)
Undistributed earnings of joint operations	67.61	47.41
Deferred tax assets recognised on Unabsorbed Depreciation and others (refer note 2 below)	(1,757.24)	-
Deferred tax assets recognised on Long term capital loss (refer note 2 below)	(150.48)	-
Utilisation/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	(364.72)	(585.31)
Profit on sale of investments in a subsidiary company and other investments	-	(0.88)
Impact of change in rates on moving to new tax regime (refer note 1 and 2 below)	292.30	-
Profit on Sale of PV undertaking	-	1,282.92
Others	122.24	83.51
<b>Income tax expense reported in statement of profit and loss</b>	<b>(1,473.33)</b>	<b>143.32</b>

Note:

- The company has opted for the New Tax Regime inserted by section 115BAA of the Income Tax Act, 1961 ("Act") and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial year beginning April 1, 2019. It has accordingly applied the tax rate as applicable under the provision of section 115BAA of the Act, in the financial statement for the year ended March 31, 2023.
- During the year ended March 31, 2023, the Company recognised Deferred Tax Assets on previously unrecognised unused unabsorbed depreciation and long term capital losses incurred in the current year based on the probability of sufficient taxable profit in future periods, mostly those arising from planned divestments which will yield capital gains against which such unabsorbed depreciation and capital loss will be set off. Accordingly, ₹1,615.42 crores deferred tax has been recognised as at March 31, 2023.

# Notes

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(c) Significant components of deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

	Opening balance	Impact of change in tax rates recognised in statement of profit and loss (Refer Note 28 (b) (1))	Recognised in statement of profit and loss	Recognised in/ reclassified from OCI	Closing balance
(₹ in crores)					
<b>Deferred tax assets:</b>					
Unabsorbed depreciation	2,221.74	(873.80)	1,485.39	-	2,833.33
Other tax losses - Long term capital loss	-	-	150.49	-	150.49
Expenses deductible in future years:					
- provisions, allowances for doubtful receivables and others	404.47	(113.05)	22.78	-	314.20
Compensated absences and retirement benefits	158.29	(42.35)	24.90	(4.51)	136.33
Derivative financial instruments	106.48	(29.78)	108.51	9.93	195.14
Unrealised profit on inventory	(0.84)	-	(0.97)	-	(1.81)
Others	100.69	(27.80)	(2.74)	-	70.15
<b>Total deferred tax assets</b>	<b>2,990.83</b>	<b>(1,086.78)</b>	<b>1,788.36</b>	<b>5.42</b>	<b>3,697.83</b>
<b>Deferred tax liabilities:</b>					
Property, plant and equipment	2,075.35	(564.86)	33.42	-	1,543.91
Intangible assets	787.61	(220.62)	(24.72)	-	542.27
Undistributed earnings in joint operations	90.93	40.07	8.13 *	-	139.13
Others	210.67	(49.07)	(75.70)	(39.47)	46.42
<b>Total deferred tax liabilities</b>	<b>3,164.56</b>	<b>(794.48)</b>	<b>(58.87)</b>	<b>(39.47)</b>	<b>2,271.73</b>
<b>Net Deferred tax assets / (liabilities)</b>	<b>(173.73)</b>	<b>(292.30)</b>	<b>1,847.23</b>	<b>44.89</b>	<b>1,426.10</b>
Deferred tax assets					1,477.26
Deferred tax liabilities					(51.16)

\* Net of ₹ 59.48 crores reversed on dividend distribution by Joint Operation.

As at March 31, 2023, unrecognised deferred tax assets amount to ₹2,010.29 crores which can be carried forward to a specified period. These relate primarily to other deductible temporary differences and business losses. The deferred tax asset has not been recognised on the basis that its recovery is not probable in the foreseeable future.

As at March 31, 2023 unrecognised deferred tax assets expire unutilised based on the year of origination as follows:

March 31,	(₹ in crores)
2025	418.88
2027	306.01
2028	829.14
Thereafter	456.26

# Notes

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Significant components of deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

	(₹ in crores)					
	Opening balance	Recognised in profit and loss	Recognised in/ reclassified from OCI	Adjustments due to conversion of Joint Operation to Joint Venture	Movement due to assets and liabilities transferred to Tata Motors Passenger Vehicles Ltd	Closing balance
Deferred tax assets:						
Unabsorbed depreciation	2454.41	(115.18)	-	(40.09)	(77.40)	2,221.74
Business loss carry forwards	1715.83	13.30	-	-	(1,729.13)	-
Expenses deductible in future years:						
- provisions, allowances for doubtful receivables and others	488.57	(11.09)	-	(0.68)	(72.33)	404.47
Compensated absences and retirement benefits	159.35	(21.51)	20.64	(0.19)	-	158.29
Minimum alternate tax carry-forward	0.77	-	-	-	-	0.77
Derivative financial instruments	119.9	(12.85)	(0.57)	-	-	106.48
Unrealised profit on inventory	2.97	1.10	-	(4.91)	-	(0.84)
Others	119.59	(2.37)	-	(16.05)	(1.25)	99.92
<b>Total deferred tax assets</b>	<b>5,061.39</b>	<b>(148.60)</b>	<b>20.07</b>	<b>(61.92)</b>	<b>(1,880.11)</b>	<b>2,990.83</b>
Deferred tax liabilities:						
Property, plant and equipment	2603.99	44.42	-	(55.55)	(517.52)	2,075.35
Intangible assets	2451.61	(300.13)	-	(1.28)	(1,362.59)	787.61
Undistributed earnings in joint operations	222.28	47.41	-	(178.76)	-	90.93
Others	50.01	107.70	52.97	-	-	210.67
<b>Total deferred tax liabilities</b>	<b>5,327.89</b>	<b>(100.60)</b>	<b>52.97</b>	<b>(235.59)</b>	<b>(1,880.11)</b>	<b>3,164.55</b>
<b>Deferred tax liabilities</b>	<b>(266.50)</b>	<b>(48.00)</b>	<b>(32.90)</b>	<b>173.67</b>	<b>-</b>	<b>(173.72)</b>

## 29. Other non-current liabilities

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Contract liabilities (note (a) below)	637.58	430.95
(b) Government incentives	23.23	32.81
(c) Employee Benefit Obligations - Funded	20.35	39.45
(d) Others	10.92	10.92
<b>Total</b>	<b>692.08</b>	<b>514.13</b>

# Notes

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## 30. Other current liabilities

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Contract liabilities (note (a) below)	1,022.84	922.20
(b) Statutory dues (GST,VAT etc)	1,263.05	933.09
(c) Government incentives (note (b) below)	178.09	153.84
(d) Others	47.10	38.14
<b>Total</b>	<b>2,511.08</b>	<b>2,047.27</b>

**Note:**

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
<b>(a) Contract liabilities</b>		
Opening contract liabilities	1,353.15	1,452.35
Amount recognised in revenue	(498.54)	(363.24)
Assets transferred to Tata Motors Passenger Vehicles Limited	-	(383.84)
Amount received in advance during the year	881.12	800.00
Amount refunded to customers	(75.31)	(152.12)
<b>Closing contract liabilities</b>	<b>1,660.42</b>	<b>1,353.15</b>

		(₹ in crores)	
		As at March 31, 2023	As at March 31, 2022
Advances received from customers	Current	749.89	763.48
Deferred revenue	Current	272.95	158.72
	Non-current	637.58	430.95
		<b>1,660.42</b>	<b>1,353.15</b>

Performance obligations in respect of amount received in respect of future maintenance service and extended warranty will be fulfilled over a period of 6 years from year ending March 31, 2023 till March 31, 2029.

- (b) Government incentives include ₹167.96 crores as at March 31, 2023 (₹143.16 crores as at March 31, 2022) grants relating to property, plant and equipment related to duty saved on import of capital goods and spares under the Exports Promotion Capital Goods (EPCG) scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.

# Notes

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## 31. Revenue recognition

### (a) Accounting policy

The Company generates revenue principally from-

#### i) **Sale of products** - commercial vehicles and vehicle parts

The Company recognises revenues from sale of products measured at the amount of transaction price (net of variable consideration), when it satisfies its performance obligation at a point in time which is when products are delivered to dealers or when delivered to a carrier for export sales, which is when control including risks and rewards and title of ownership pass to the customer, and when there are no longer any unfulfilled obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Company offers sales incentives in the form of variable marketing expense to customers, which vary depending on the timing and customer of any subsequent sale of the vehicle. This sales incentive is accounted for as a revenue reduction and is constrained to a level that is highly probable not to reverse the amount of revenue recognised when any associated uncertainty is subsequently resolved. The Company estimates the expected sales incentive by market and considers uncertainties including competitor pricing, ageing of retailer stock and local market conditions.

The consideration received in respect of transport arrangements for delivering of vehicles to the customers are recognised net of their costs within revenues in the income statement.

Revenues are recognised when collectability of the resulting receivable is reasonably assured.

#### ii) **Sale of services** - maintenance service and extended warranties for commercial vehicles.

Income from sale of maintenance services and extended warranties are recognised as income over the relevant period of service or extended warranty.

When the Company sells products that are bundled with maintenance service or extended period of warranty, such services are treated as a separate performance obligation only if the service or warranty is optional to the customer or includes an additional service component. In such cases, the transaction price allocated towards such maintenance service or extended period of warranty based on relative standalone selling price and is recognised as a contract liability until the service obligation has been met. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Company operates certain customer loyalty programs under which customer is entitled to reward points on the spend towards Company's products. The reward points earned by customers can be redeemed to claim discounts on future purchase of certain products or services. Transaction price allocated towards reward points granted to customers is recognised as a deferred income liability and transferred to income when customers redeem their reward points.

Sales of services include certain performance obligations that are satisfied over a period of time. Any amount received in advance in respect of such performance obligations that are satisfied over a period of time is recorded as a contract liability and recorded as revenue when service is rendered to customers.

Refund liabilities comprise of obligation towards customers to pay for discounts and sales incentives.

# Notes

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## (b) Revenue From Operations

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
<b>(a) Sale of products</b> (refer note 1 and 2 below)		
(i) Vehicles	54,581.45	39,555.18
(ii) Spare parts	7,172.69	4,881.81
(iii) Miscellaneous products	2,274.62	1,733.92
<b>Total Sale of products</b>	<b>64,028.76</b>	<b>46,170.91</b>
<b>(b) Sale of services</b>	<b>1,270.08</b>	710.06
Revenue	<b>65,298.84</b>	<b>46,880.97</b>
<b>(c) Other operating revenues</b> (refer note 3 below)	458.49	382.71
<b>Total</b>	<b>65,757.33</b>	<b>47,263.68</b>
Note:		
(1) Includes variable marketing expenses netted off against revenue	(14,222.59)	(9,963.06)
(2) Includes exchange loss (net) on hedges reclassified from hedge reserve to statement of profit and loss	(0.44)	(0.98)
(3) Includes profit on sale of properties	102.75	65.48

## 32. Other income

### (a) Accounting policy

#### Government Grants and Incentives

Other income includes export and other recurring and non-recurring incentives from Government (referred as "incentives").

Government grants are recognised when there is a reasonable assurance that the Company will comply with the relevant conditions and the grant will be received.

Government grants are recognised in the statement of profit and loss, either on a systematic basis when the Company recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred. Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Company are recognised as income in the period in which the grant is received.



# Notes

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## (b) Other income

	Year ended March 31, 2023	Year ended March 31, 2022
	(₹ in crores)	
(a) Interest income	245.42	276.57
(b) Dividend income (refer note below)	187.52	80.08
(c) Government incentives	309.37	183.29
(d) Profit on sale of investments at FVTPL (net)	71.82	109.82
(e) Market-to-market Investments measured at FVTPL	6.81	10.16
<b>Total</b>	<b>820.94</b>	<b>659.91</b>
Note:		
Includes :		
(a) Dividend from subsidiary companies and associates	145.17	53.03
(b) From investment measured at FVTOCI	42.35	27.05

## 33. Employee benefits expense

	Year ended March 31, 2023	Year ended March 31, 2022
	(₹ in crores)	
(a) Salaries, wages and bonus *	3,364.21	2,993.01
(b) Contribution to provident fund and other funds	232.45	218.75
(c) Staff welfare expenses	424.97	389.75
<b>Total</b>	<b>4,021.63</b>	<b>3,601.51</b>

\* The amount of ₹20.46 crores and ₹16.73 crores has accrued for the year ended March 31, 2023 and 2022, respectively towards share based payments.

### (A) Share based payments

#### Accounting policy

The Company recognises compensation expense relating to share based payments in accordance with Ind AS 102 Share-based Payment. Stock options granted by the Company to its employees are accounted as equity settled options. Accordingly, the estimated fair value of options granted that is determined on the date of grant, is charged to statement of Profit and Loss on a straight line basis over the vesting period of options which is the requisite service period, with a corresponding increase in equity.

#### Equity-settled share option plan

##### (i) Tata Motors Limited Employees Stock Option Scheme 2018

The Company has allotted share based incentives to certain employees during the year ended March 31, 2019, under Tata Motors Limited Employee Stock Options Scheme 2018 approved by Nomination and Remuneration Committee (NRC). As per the scheme, the number of shares that will vest is conditional upon certain performance measures determined by NRC. The performance is measured over vesting period of the options granted which ranges from 3 to 5 years. The performance measures under this scheme include growth in sales, earnings and free cash flow. The options granted under this scheme is exercisable by employees till one year from date of its vesting. The Company has granted options at an exercise price of ₹345/-. Option granted will vest equally each year starting from three years from date of grant up to five years from date of grant. Number of shares that will vest range from 0.5 to 1.5 per option granted depending on performance measures.

# Notes

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	Year ended March 31, 2023	Year ended March 31, 2022
Option exercisable at the beginning of the year	6,662,551	6,804,003
Granted during the year	-	335,209
Forfeited/Expired during the year	(3,045,214)	(122,419)
Exercised during the year	(753,622)	(354,242)
Option exercisable at the end of the year	2,863,715	6,662,551
<b>Number of shares to be issued for outstanding options (conditional on performance measures)</b>		
Maximum	4,295,573	9,993,827
Minimum	1,431,858	3,331,276
Share price for options exercised during the year	372 - 490	392 - 530
Remaining contractual life	3 months	3 - 15 months

The Company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted.

Assumption factor	Year ended March 31, 2023	Year ended March 31, 2022
Risk free rate	7%-8%	7%-8%
Expected life of option	2-4 years	2-4 years
Expected volatility	33%- 37%	33%- 37%
Share price	170.60	170.60

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly-traded equity shares during a period equivalent to the expected term of the options.

## (ii) Share-based Long Term Incentive Scheme 2021

The Company has granted Performance Stock Units ("PSUs") and Employee Stock Options ("ESOs") to its employees under the Tata Motors Limited Share-based Long Term Incentive Scheme 2021 ("TML SLTI Scheme 2021" or "Scheme").

As per the scheme, the number of shares that will vest is conditional upon certain performance measures determined by Nomination and Remuneration Committee (NRC). The performance is measured over vesting period of the options granted. The performance measures under this scheme include growth in sales, earnings and free cash flow. The options granted under this scheme is exercisable by employees till one year from date of its vesting. The Company has granted options at an exercise price of ₹338/- for ESOs and ₹2/- for PSUs. Option granted will vest after three years from date of grant. Number of shares that will vest range from 0.5 to 1.2 per option granted depending on performance measures.

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PSUs and ESOs are exercisable within one year from the date of vesting.

Reconciliation of outstanding ESOs/ PSUs	Year ended March 31, 2023		Year ended March 31, 2022	
	ESOs	PSUs	ESOs	PSUs
	No of options	No of options	No of options	No of options
(i) Option exercisable at the beginning of the year	839,650	964,569	-	-
(ii) granted during the year	-	659,186	839,650	964,569
(iii) forfeited during the year	(78,822)	(92,349)	-	-
(iv) exercised during the year	-	-	-	-
(v) Option exercisable at the end of the year	760,828	1,531,406	839,650	964,569
(vi) Remaining contractual life	16 Months	28 Months	28 Months	28 Months

The Company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted.

#### Assumption factor

	Granted during Year ended March 31, 2023	Granted during Year ended March 31, 2022	
	PSUs	ESOs	PSUs
Risk free interest rate	5.3%	5.3%	5.3%
Expected life of option	4 years	3.8 years	3.8 years
Expected volatility	52.0%	50.7%	50.7%
Share price	453.40	376.40	376.40

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly-traded equity shares during a period equivalent to the expected term of the options.

## (B) Employee benefits

### (a) Accounting policy

#### (i) Gratuity

Tata Motors Limited and its Joint operation have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Tata Motors Limited makes annual contributions to gratuity funds established as trusts. Tata Motors Limited account for the liability for gratuity benefits payable in the future based on an actuarial valuation.

#### (ii) Superannuation

Tata Motors Limited have two superannuation plans, a defined benefit plan and a defined contribution plan. An eligible employee on April 1, 1996 could elect to be a member of either plan.

Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range

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from 0.75% to 2% of the annual basic salary for each year of service. Tata Motors Limited account for superannuation benefits payable in future under the plan based on an actuarial valuation.

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

During the year ended March 31, 2015, the employees covered by this plan were given a one-time option to exit from the plan prospectively. Furthermore, the employees who opted for exit were given one-time option to withdraw accumulated balances from the superannuation plan.

The Company maintains a separate irrevocable trust for employees covered and entitled to benefits. The Company contributes up to 15% or ₹1,50,000 whichever is lower of the eligible employee's salary to the trust every year. The Company recognises such contribution as an expense when incurred and has no further obligation beyond this contribution.

### (iii) **Bhavishya kalyan yojana (BKY)**

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees of Tata Motors Limited. The benefits of the plan include pension in certain cases, payable up to the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the appropriate authority. The monthly payment to dependents of the deceased/disabled employee under the plan equals 50% of the salary drawn at the time of death or accident or a specified amount, whichever is greater. Tata Motors Limited account for the liability for BKY benefits payable in the future based on an actuarial valuation.

### (iv) **Provident fund and family pension**

In accordance with Indian law, eligible employees of Tata Motors Limited and joint operations are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, as specified under the law, were made to the provident fund and pension fund set up as an irrevocable trust or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. The interest rate, payable to the members of the trust, was not to be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, was made good by the Company. The embedded interest rate guarantee is considered to be defined benefit.

The provident fund trust and pension trust set up by Tata Motors Limited (the "Company") have lost its exempt status w.e.f. April 1, 2022, due to incurrence of losses for three consecutive years by the Company, as per its standalone financial statements prepared in accordance with Indian Accounting Standards. Accordingly, the Company has surrendered the provident fund exemption and transferred the assets and obligations of the trust to the government managed provident fund. With this transfer of assets and obligations, the Company will no longer be obligated to provide any interest rate guarantee and accordingly, the provident fund is considered as a defined contribution scheme from April 1, 2022. As regards pension, the Company is still maintaining the pension fund, as an ad interim measure, since EPFO has still not accepted the transfer of pension fund/corpus to its statutory pension fund.

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## (v) Post-retirement medicare

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

## (vi) Compensated absences

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

## (vii) Remeasurement gains and losses

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on assets (excluding interest) relating to retirement benefit plans, are recognised directly in other comprehensive income in the period in which they arise. Remeasurement recorded in other comprehensive income is not reclassified to statement of Profit and Loss.

Actuarial gains and losses relating to long-term employee benefits are recognised in the statement of Profit and Loss in the period in which they arise.

## (viii) Measurement date

The measurement date of retirement plans is March 31.

The present value of the defined benefit liability and the related current service cost and past service cost are measured using projected unit credit method.

The present value of the post-employment benefit obligations depends on a number of factors, it is determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of post-employment benefit obligations. Key assumptions and sensitivities for post employment benefit obligations are disclosed in note below.

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**(b) Employee benefits consists of the following:**

**(i) Defined Benefit Plan**

Pension and post retirement medical plans

The following tables sets out the funded and unfunded status and the amounts recognised in the financial statements for the pension and the post retirement medical plans in respect of Tata Motors and joint operations:

	(₹ in crores)			
	Pension Benefits *		Post retirement medical Benefits	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Change in defined benefit obligations :</b>				
Defined benefit obligation, beginning of the year	1,103.17	1,189.05	249.65	171.78
Current service cost	66.60	70.07	11.91	7.79
Interest cost	75.36	74.31	17.30	11.03
Remeasurements (gains) / losses				
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.81)	4.25	0.30	5.86
Actuarial losses arising from changes in financial assumptions	11.48	7.12	13.58	26.24
Actuarial (gains) / losses arising from changes in experience adjustments	14.22	77.40	19.50	32.70
Transfer out of liability	(13.91)	(256.65)	(2.24)	(11.83)
Benefits paid from plan assets	(52.74)	(67.75)	-	-
Benefits paid directly by employer	(10.22)	(10.26)	(14.97)	(16.87)
Past service cost- plan amendments	-	30.47	32.84	22.94
Adjustments due to conversion of Joint Operation to Joint Venture	-	(14.84)	-	-
<b>Defined benefit obligation, end of the year</b>	<b>1,193.15</b>	<b>1,103.17</b>	<b>327.87</b>	<b>249.65</b>
<b>Change in plan assets:</b>				
Fair value of plan assets, beginning of the year	915.46	1,100.28	-	-
Adjustments due to conversion of Joint Operation to Joint Venture	-	(14.10)	-	-
Interest income	67.11	70.40	-	-
Return on plan assets, (excluding amount included in net Interest expense)	(2.25)	9.13	-	-
Employer's contributions	136.63	42.55	-	-
Transfer out of liability	(12.07)	(225.05)	-	-
Benefits paid	(52.74)	(67.75)	-	-
<b>Fair value of plan assets, end of the year</b>	<b>1,052.14</b>	<b>915.46</b>	<b>-</b>	<b>-</b>

\* Includes Gratuity, Superannuation and BKY

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	(₹ in crores)			
	Pension Benefits *		Post retirement medical Benefits	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Amount recognised in the balance sheet consists of</b>				
Present value of defined benefit obligation	1,193.15	1,103.17	327.87	249.65
Fair value of plan assets	1,052.14	915.46	-	-
	(141.01)	(187.71)	(327.87)	(249.65)
Asset ceiling	(3.69)	(3.34)	-	-
<b>Net liability</b>	<b>(144.70)</b>	<b>(191.05)</b>	<b>(327.87)</b>	<b>(249.65)</b>
<b>Amounts in the balance sheet:</b>				
Non-current assets	31.91	0.16	-	-
Non-current liabilities	(176.61)	(191.21)	(327.87)	(249.65)
<b>Net liability</b>	<b>(144.70)</b>	<b>(191.05)</b>	<b>(327.87)</b>	<b>(249.65)</b>

**Information for funded plans with a defined benefit obligation in excess of plan assets:**

	(₹ in crores)	
	Pension Benefits *	
	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	38.51	887.73
Fair value of plan assets	34.08	863.41

**Information for funded plans with a defined benefit obligation less than plan assets:**

	(₹ in crores)	
	Pension Benefits *	
	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	982.47	48.87
Fair value of plan assets	1,018.06	52.05

**Information for unfunded plans:**

	(₹ in crores)			
	Pension Benefits *		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Defined benefit obligation	172.17	166.57	327.87	249.65

**Net pension and post retirement medical cost consist of the following components:**

	(₹ in crores)			
	Pension Benefits *		Post retirement medical Benefits	
	Year ended March 31,		Year ended March 31,	
	2023	2022	2023	2022
Service cost	66.60	70.07	11.91	7.79
Net interest cost	8.24	3.92	17.30	11.03
Past service cost- plan amendments	-	30.47	32.84	22.94
<b>Net periodic cost</b>	<b>74.84</b>	<b>104.46</b>	<b>62.05</b>	<b>41.76</b>

\* Includes Gratuity, Superannuation and BKY

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Other changes in plan assets and benefit obligation recognised in other comprehensive income. (₹ in crores)

	Pension Benefits *		Post retirement medical Benefits	
	Year ended March 31,		Year ended March 31,	
	2023	2022	2023	2022
Remeasurements				
Return on plan assets, (excluding amount included in net Interest expense)	2.25	(9.13)	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.81)	4.25	0.30	5.86
Actuarial (gains)/losses arising from changes in financial assumptions	11.48	7.12	13.58	26.24
Asset ceiling	0.35	0.49	-	-
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	14.22	77.40	19.50	32.70
<b>Total recognised in other comprehensive income</b>	<b>27.49</b>	<b>80.12</b>	<b>33.38</b>	<b>64.81</b>
<b>Total recognised in statement of comprehensive income</b>	<b>102.34</b>	<b>184.57</b>	<b>95.43</b>	<b>106.57</b>

The assumptions used in accounting for the pension and post retirement medical plans are set out below:

	Pension Benefits *		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Discount rate	7.1% - 7.3%	6.5% - 7.1%	7.3%	7.2%
Rate of increase in compensation level of covered employees	6.0% - 12.0%	6.0% - 9.0%	NA	NA
Increase in health care cost	NA	NA	6.0%	6.0%

## Plan Assets

The fair value of Company's pension plan asset as of March 31, 2023 and 2022 by category are as follows:

Asset category:	Pension Benefits *	
	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	10.6%	2.5%
Debt instruments (quoted)	67.3%	66.6%
Debt instruments (unquoted)	0.5%	0.0%
Equity instruments (quoted)	8.5%	8.0%
Deposits with Insurance companies	13.1%	22.8%
	<b>100.0%</b>	<b>100.0%</b>

\* Includes Gratuity, Superannuation and BKY

The Company's policy is driven by considerations of maximising returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published bench marks.



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The weighted average duration of the defined benefit obligation as at March 31, 2023 is **10.3 years** ( March 31, 2022 : 11.7 years).

The Company expects to contribute **₹59.54 crores** to the funded pension plans in the year ending March 31, 2024.

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and health care cost:

Assumption	Change in assumption	Impact on defined benefit obligation	Impact on service cost and interest cost
Discount rate	Increase by 1%	₹ 116.06 crores	₹ 19.54 crores
	Decrease by 1%	₹ 134.41 crores	₹ 20.97 crores
Salary escalation rate	Increase by 1%	₹ 83.92 crores	₹ 17.45 crores
	Decrease by 1%	₹ 75.55 crores	₹ 15.59 crores
Health care cost	Increase by 1%	₹ 41.64 crores	₹ 7.88 crores
	Decrease by 1%	₹ 34.67 crores	₹ 6.44 crores

- (ii) On November 4, 2022, the Hon'ble Supreme Court of India, in the case of Employees' Provident Fund Organisation and Anr. Etc. vs. Sunil Kumar B. and Ors. Etc., passed a judgment upholding the validity of the 2014 amendment to the Employees' Pension Scheme 1995 and allowed the members of statutory pension fund as on September 1, 2014, to exercise the joint option for contribution into the pension fund beyond the statutory limit. The Hon'ble Supreme Court has clearly laid down that it was not addressing the case of the exempted establishments in the said judgment.

The Company has been operating its provident fund and pension scheme as an exempted establishment. The Company has been legally advised that due to the incurrence of losses for three consecutive years, the Company has lost its provident fund and pension fund exemption status w.e.f. April 1, 2022. While the Employees Provident Fund Organization ("EPFO") has already accepted the transfer of entire Provident Fund/ corpus into its statutory provident fund, the Company is still maintaining the pension fund, as an ad interim measure, since EPFO has still not accepted the transfer of pension fund/ corpus to its statutory pension fund.

Pending the transfer of the pension fund, the Company had communicated to its employees that if they wish to avail the option of contributing beyond the statutory limit, they may choose to apply on the EPFO portal to exercise the option, subject to EPFO accepting the joint option. This is also subject to EPFO's decision on applicability, calculation formula, contribution, amount of higher pension and transfer of corpus from statutory provident fund to the statutory pension fund. The EPFO, in compliance with the Supreme Court judgment, has issued various circulars, calling upon eligible pensioners to exercise joint option, however, with no mention with regard to the treatment of the members of the exempted pension funds.

Considering all of the above, and more particularly the fact that the EPFO is in the process of providing clarity on various key elements referred to above, the non-applicability of the Supreme Court judgement to exempted establishments and the legal advice on status of the exemption, the Company believes that no provision is warranted on this matter as of March 31, 2023.

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### Provident Fund

The following tables set out the funded status of the defined benefit provident fund plan of Tata Motors Limited and Joint Operation and the amounts recognized in the Company's financial statements.

(₹ in crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Change in benefit obligations:</b>		
Defined benefit obligations at the beginning	4,040.00	4,320.88
Balance transferred to government managed provident fund	(3,918.93)	-
Service cost	4.10	125.22
Employee contribution	7.30	287.68
Acquisitions (credit) / cost	-	(799.07)
Transfer in / Transfer out	1.29	-
Interest expense	8.85	353.32
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	1.58	(78.83)
Actuarial (gains) / losses arising from demographic assumptions	-	3.31
Actuarial (gains) / losses arising from changes in financial assumptions	(4.01)	143.83
Benefits paid	(5.53)	(316.32)
<b>Defined benefit obligations at the end</b>	<b>134.65</b>	<b>4,040.00</b>
<b>Change in plan assets:</b>		
Fair value of plan assets at the beginning	4,108.08	4,235.50
Balance transferred to government managed provident fund	(3,990.88)	-
Acquisition Adjustment	-	(799.07)
Transfer in / Transfer out	1.29	-
Interest income	8.58	347.83
Return on plan assets excluding amounts included in interest income	(2.99)	227.47
Contributions (employer and employee)	11.41	412.67
Benefits paid	(5.53)	(316.32)
Fair value of plan assets at the end	<b>129.96</b>	<b>4,108.08</b>

	As at March 31, 2023	As at March 31, 2022
<b>Amount recognised in the balance sheet consists of</b>		
Present value of defined benefit obligation	134.65	4,040.00
Fair value of plan assets	129.96	4,108.08
Effect of asset ceiling	-	(71.90)
Net liability	<b>(4.69)</b>	<b>(3.82)</b>
<b>Non-Current liability</b>	<b>(4.69)</b>	<b>(3.82)</b>

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	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Net periodic cost for Provident Fund consists of following components:</b>		
Service cost	4.10	125.22
Net interest cost / (income)	0.27	5.48
Net periodic cost	<b>4.37</b>	<b>130.70</b>

#### Other changes in plan assets and benefit obligation recognised in other comprehensive income

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Remeasurements</b>		
Return on plan assets, (excluding amount included in net Interest expense)	2.99	(227.47)
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	1.58	(78.83)
Actuarial (gains) / losses arising from changes in financial assumptions	(4.01)	143.83
Actuarial (gains) / losses arising from demographic assumptions	-	3.31
Effect of asset ceiling	-	71.90
<b>Total recognised in other comprehensive income</b>	<b>0.56</b>	<b>(87.26)</b>
<b>Total recognised in statement of profit and loss and other comprehensive income</b>	<b>4.93</b>	<b>43.44</b>

#### The assumptions used in determining the present value obligation of the Provident Fund is set out below:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.3%	7.1%
Expected rate of return on plan assets	8.5%	8.0%
Remaining term to maturity of portfolio (years)	19.0	13.5

#### The breakup of the plan assets into various categories as at March 31, 2023 is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Central and State government bonds	-	42.7%
Government debt instruments	50.7%	-
Other debt instruments	40.1%	-
Equity instruments	9.2%	-
Public sector undertakings and Private sector bonds	-	32.3%
Others	-	25.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

The asset allocation for plan assets is determined based on investment criteria prescribed under the relevant regulations.

As at March 31, 2023, the defined benefit obligation would be affected by approximately ₹10.37 crores on account of a 1.00% decrease in the expected rate of return on plan assets.

The Company expects to contribute ₹12.55 crores to the defined benefit provident fund plan in Fiscal 2024.

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- (ii) The Company's contribution to defined contribution plan aggregated to ₹179.60 crores and ₹77.79 crores for the years ended March 31, 2023 and 2022, respectively as below:

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Superannuation	16.61	18.36
Provident fund	124.67	6.55
Family pension	38.32	52.88
	<b>179.60</b>	<b>77.79</b>

### 34. Finance costs

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
(a) Interest	1,672.59	1,818.74
Add: Exchange fluctuation considered as interest cost	1.37	1.31
Less: Transferred to capital account	(66.48)	(114.79)
	<b>1,607.48</b>	<b>1,705.26</b>
(b) Discounting charges	440.03	416.47
<b>Total</b>	<b>2,047.51</b>	<b>2,121.73</b>

Note:

The weighted average rate for capitalisation of interest relating to general borrowings were approximately 6.85% and 6.82% for the years ended March 31, 2023 and 2022, respectively.

### 35. Other expenses

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
(a) Processing charges	1,292.71	1,039.05
(b) Consumption of stores and spare parts	424.32	406.36
(c) Power and fuel	420.98	344.78
(d) Freight, transportation, port charges etc.	1,142.31	1,025.95
(e) Publicity	439.71	321.49
(f) Warranty expenses ^	996.23	717.36
(g) Information technology/computer expenses	770.44	705.47
(h) Allowances made for trade and other receivables (net)	71.55	32.70
(i) Works operation and other expenses (note below)	2,261.49	1,425.55
<b>Total</b>	<b>7,819.74</b>	<b>6,018.71</b>

^ Net of estimated recovery from suppliers (60.74) (78.37)

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Note:

Works operation and other expenses include:

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>(a) Auditors' Remuneration (excluding GST)</b>		
(i) Audit Fees	5.37	5.51
(ii) Audit fees for financial statements as per IFRS (including SOX certification) ^	2.00	3.39
(iii) In other Capacities :		
Tax Audit / Transfer Pricing Audit	0.53	0.58
Taxation Matters	0.05	0.05
(iv) Other Services	0.27	0.38
(v) Reimbursement of travelling and out-of-pocket expenses	1.27	0.09
^ Amount paid to KPMG Assurance and Consulting Services LLP		
<b>(b) Cost Auditors' Remuneration (excluding GST)</b>		
Cost Audit Fees	0.25	0.25
<b>(c) Corporate Social Responsibility (CSR) expenditure</b>		

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Amount required to be spent by the Company during the year	-	-
Amount of expenditure incurred on*:		
(i) Construction/acquisition of any assets	-	-
(ii) On purposes other than (i) above	20.81	23.70
Shortfall at the end of the year	-	-
Total of previous year shortfall	-	-
Reason for shortfall	NA	NA

Nature of CSR activities Education, skilling, health, environmental sustainability, Rural Development, COVID-19 relief activities

\*spent by Tata Motors Ltd on standalone basis excluding interest in the joint operations, towards various schemes of Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013

- (d) Remuneration payable to non- executive independent directors aggregating ₹5.50 crores (₹2.35 crores for the year ended March 31, 2022) includes ₹3.28 crores (₹Nil for the year ended March 31, 2022) of remuneration in respect of Mr. O P Bhatt ₹0.88 crores, Ms. Hanne Birgitte Sorensen ₹0.88 crores, Mr. Mitsuhiro Yamashita ₹0.63 crores and Mr. Al Noor Ramji ₹0.89 crores, which are subject to approval of shareholders.

## 36. Amount transferred to capital and other accounts

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
(a) Capital work in progress	(145.87)	(101.67)
(b) Intangible asset under development	(464.67)	(322.76)
(c) Product development/Engineering expenses	(456.19)	(480.99)
<b>Total</b>	<b>(1,066.73)</b>	<b>(905.42)</b>

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## 37. Commitments and contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

### Litigation

The Company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of material nature, other than those described below.

### Income Tax

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly include disallowed expenses, the tax treatment of certain expenses claimed by the Company as deductions and the computation of, or eligibility of, the Company's use of certain tax incentives or allowances.

Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.

The Company has a right of appeal to the Commissioner of Income Tax (Appeals), or CIT (A), the Dispute Resolution Panel, or DRP, and to the Income Tax Appellate Tribunal, or ITAT, against adverse decisions by the assessing officer, DRP or CIT (A), as applicable. The income tax authorities have similar rights of appeal to the ITAT against adverse decisions by the CIT (A) or DRP. The Company has a further right of appeal to the Bombay High Court or the Hon'ble Supreme Court of India against adverse decisions by the appellate authorities for matters involving substantial question of law. The income tax authorities have similar rights of appeal.

As at March 31, 2023, there are contingent liabilities towards matters and/or disputes pending in appeal amounting to **₹161.94 crores** (₹216.10 crores as at March 31, 2022).

### Customs, Excise Duty and Service Tax

As at March 31, 2023, there are pending litigation for various matters relating to customs, excise duty and service taxes involving demands, including interest and penalties, of **₹398.26 crores** (₹610.78 crores as at March 31, 2022). These demands challenged the basis of valuation of the Company's products and denied the Company's claims of Central Value Added Tax, or CENVAT credit on inputs.

### Sales Tax/VAT

The total sales tax demands (including interest and penalty), that are being contested by the Company amount to **₹932.77 crores** as at March 31, 2023 (₹1,225.74 crores as at March 31, 2022). The details of the demands for more than ₹100 crores are as follows:

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The Sales Tax Authorities have raised demand of **₹231.09 crores** as at March 31, 2023 (₹324.00 crores as at March 31, 2022) towards rejection of certain statutory forms for concessional lower/nil tax rate (Form F and Form C) on technical grounds and few other issues such as late submission, single form issued against different months / quarters dispatches / sales, etc. and denial of exemption from tax in absence of proof of export for certain years. The Company has contended that the benefit cannot be denied on technicalities, which are being complied with. The matter is pending at various levels.

The Sales Tax authorities have denied input tax credit and levied interest and penalty thereon due to varied reasons aggregating to **₹267.49 crores** as at March 31, 2023 (₹283.62 crores as at March 31, 2022). The reasons for disallowing credit was mainly due to Taxes not paid by Vendors, incorrect method of calculation of set off as per the department, alleging suppression of sales as per the department etc. The matter is contested in appeal.

The Sales Tax authorities have raised demand for Check post/ Entry Tax liability at various states amounting to **₹309.47 crores** as at March 31, 2023 (₹501.38 crores as at March 31, 2022). The company is contesting this issue.

### Other Taxes and Dues

Other amounts for which the Company may contingently be liable aggregate to **₹305.04 crores** as at March 31, 2023 (₹242.66 crores as at March 31, 2022). Following are the cases involving more than ₹100 crores:

As at March 31, 2023, property tax amounting to **₹150.58 crores** (₹100.07 crores as at March 31, 2022) has been demanded by the local municipal authorities in respect of vacant land of the Company in the plant in Pimpri (including residential land), Chinchwad and Chikhali. The Company had filed Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against an unfavorable decision of the Bombay High Court. The Hon'ble Supreme Court of India had disposed of the SLP and remanded the matter back to the local municipal corporation for fresh adjudication. After fresh hearing, the municipal authority again passed the same order as it had passed earlier, which the Company has challenged before the Civil Court. The Civil Court has passed an injunction order restraining the municipal authority from taking any action of recovery.

### Other claims

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. Pending the directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The Company has complied with this on a prospective basis, from the date of the SC order. Also refer note 33 (B) (b) (ii) for pension.

### Commitments

The Company has entered into various contracts with vendors and contractors for the acquisition of plant and machinery, equipment and various civil contracts of a capital nature amounting to **₹634.96 crores** as at March 31, 2023 (₹587.13 crores as at March 31, 2022), which are yet to be executed.

The Company has entered into various contracts with vendors and contractors for the acquisition of intangible assets of a capital nature amounting to **₹82.91 crores** as at March 31, 2023, (₹102.29 crores as at March 31, 2022), which are yet to be executed.

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## 38. Earnings/(loss) per Share ("EPS")

### (a) Accounting policy

Basic earnings per share has been computed by dividing net income by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be antidilutive.

### (b) EPS - Continuing operations

		Year ended March 31, 2023	Year ended March 31, 2022
(a) Profit/(loss) after tax	₹ crores	2,728.13	(1,739.23)
(b) The weighted average number of Ordinary shares for Basic EPS	Nos.	3,321,146,115	3,320,402,491
(c) The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	508,502,896
(d) The nominal value per share (Ordinary and 'A' Ordinary)	₹	2	2
(e) Share of profit / (loss) for Ordinary shares for Basic EPS	₹ crores	2,361.48	(1,508.25)
(f) Share of profit / (loss) for 'A' Ordinary shares for Basic EPS *	₹ crores	366.65	(230.98)
(g) Earnings per Ordinary share (Basic)	₹	7.11	(4.54)
(h) Earnings per 'A' Ordinary share (Basic)	₹	7.21	(4.54)
(i) Profit after tax for Diluted EPS	₹ crores	2,728.13	#
(j) The weighted average number of Ordinary shares for Basic EPS	Nos.	3,321,146,115	#
(k) Add: Adjustment for shares held in abeyance	Nos.	492,559	#
(l) Add: Adjustment for Options relating to ESOP/PSP	Nos.	1,282,388	#
(m) The weighted average number of Ordinary shares for Diluted EPS	Nos.	3,322,921,062	#
(n) The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	#
(o) Add: Adjustment for 'A' Ordinary shares held in abeyance	Nos.	233,214	#
(p) The weighted average number of 'A' Ordinary shares for Diluted EPS	Nos.	508,736,110	#
(q) Share of profit for Ordinary shares for Diluted EPS	₹ crores	2,361.50	#
(r) Share of profit for 'A' Ordinary shares for Diluted EPS *	₹ crores	366.63	#
(s) Earnings per Ordinary share (Diluted)	₹	7.11	(4.54)
(t) Earnings per 'A' Ordinary share (Diluted)	₹	7.21	(4.54)

### (c) EPS - Discontinued operations

		Year ended March 31, 2023	Year ended March 31, 2022
(a) Profit/(loss) after tax	₹ crores	-	348.37
(b) The weighted average number of Ordinary shares for Basic EPS	Nos.	-	3,320,402,491
(c) The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	-	508,502,896
(d) The nominal value per share (Ordinary and 'A' Ordinary)	₹	-	2
(e) Share of profit / (loss) for Ordinary shares for Basic EPS	₹ crores	-	297.69
(f) Share of profit / (loss) for 'A' Ordinary shares for Basic EPS *	₹ crores	-	50.68
(g) Earnings per Ordinary share (Basic)	₹	-	0.90
(h) Earnings per 'A' Ordinary share (Basic)	₹	-	1.00
(i) Profit after tax for Diluted EPS	₹ crores	-	348.37
(j) The weighted average number of Ordinary shares for Basic EPS	Nos.	-	3,320,402,491
(k) Add: Adjustment for shares held in abeyance	Nos.	-	492,559



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		Year ended March 31, 2023	Year ended March 31, 2022
(l) Add: Adjustment for Options relating to ESOP/PSP	Nos.	-	498,268
(m) The weighted average number of Ordinary shares for Diluted EPS	Nos.	-	3,321,393,318
(n) The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	-	508,502,896
(o) Add: Adjustment for 'A' Ordinary shares held in abeyance	Nos.	-	233,214
(p) The weighted average number of 'A' Ordinary shares for Diluted EPS	Nos.	-	508,736,110
(q) Share of profit for Ordinary shares for Diluted EPS	₹ crores	-	297.69
(r) Share of profit for 'A' Ordinary shares for Diluted EPS *	₹ crores	-	50.68
(s) Earnings per Ordinary share (Diluted)	₹	-	0.90
(t) Earnings per 'A' Ordinary share (Diluted)	₹	-	1.00

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

# Since there is a loss for the year ended March 31, 2022 in continued operations, potential equity shares are not considered as dilutive and hence Diluted EPS is same as Basic EPS.

## 39. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, non-convertible debentures, senior notes and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Total borrowings includes all long and short-term borrowings as disclosed in notes 22 and 23 to the financial statements. Equity comprises all components excluding (profit)/loss on cash flow hedges.

The following table summarises the capital of the Company:

	As at March 31, 2023	As at March 31, 2022
	(₹ in crores)	
<b>Equity</b>	<b>22,660.54</b>	<b>20,045.07</b>
Short-term borrowings and current maturities of long-term borrowings	8,426.74	9,129.91
Long-term borrowings	10,445.70	14,102.74
Total borrowings	<b>18,872.44</b>	<b>23,232.65</b>
<b>Total capital (Debt + Equity)</b>	<b>41,532.98</b>	<b>43,277.72</b>
Total equity as reported in balance sheet	22,469.85	19,944.15
Hedging reserve	(38.37)	13.80
Cost of Hedge reserve	229.06	87.12
<b>Equity as reported above</b>	<b>22,660.54</b>	<b>20,045.07</b>

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## 40. Financial instruments

### (a) Accounting policy

#### (i) Recognition:

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 instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

#### Initial measurement

Financial instruments are initially recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in the statement of profit and loss.

Subsequently, financial instruments are measured according to the category in which they are classified.

#### Classification and measurement – financial assets

Classification of financial assets is based on the business model in which the instruments are held as well as the characteristics of their contractual cash flows. The business model is based on management's intentions and past pattern of transactions. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Company reclassifies financial assets when and only when its business model for managing those assets changes.

#### Financial assets are classified into three categories

**Financial assets at amortised cost:** Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses.

**Equity investments at fair value through other comprehensive income (Equity instruments):** These include financial assets that are equity instruments and are designated as such upon initial recognition irrevocably. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognised in the statement of Profit and Loss when the right to receive payment has been established.

When the equity investment is derecognised, the cumulative gain or loss in equity is transferred to retained earnings.

**Financial assets at fair value through other comprehensive income (Debt instruments):** Financial assets having contractual terms that give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows as well as to sell the financial asset, are classified in this

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category. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in other comprehensive income apart from any expected credit losses or foreign exchange gains or losses, which are recognised in profit or loss.

**Financial assets at fair value through profit and loss:** Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in profit and loss.

**Classification and measurement – financial liabilities:**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial guarantee contracts: These are initially measured at their fair values and, are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognised less, the cumulative amount of income recognised.

Other financial liabilities: These are measured at amortised cost using the effective interest method.

**Equity instruments:** Equity instruments: An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

**(ii) Determination of fair value:**

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, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received).

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation methods.

**(iii) Derecognition of financial assets and financial liabilities:**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership

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and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity is transferred to the statement of profit and loss unless it was an equity instrument electively held at fair value through other comprehensive income. In this case, any cumulative gain or loss in equity is transferred to retained earnings. Financial assets are written off when there is no reasonable expectation of recovery. The Company reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities.

Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

#### **(iv) Impairment of financial assets:**

The Company recognises a loss allowance for expected credit losses on a financial asset that is at amortised cost or at fair value through other comprehensive income. Expected credit losses are forward looking and are measured in a way that is unbiased and represents a probability-weighted amount, takes into account the time value of money (values are discounted using the applicable effective interest rate) and uses reasonable and supportable information.

#### **(v) Hedge accounting:**

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates these forward contracts in a cash flow hedging relationship by applying the hedge accounting principles. The Company also uses interest rate swaps to hedge its variability in cash flows from interest payments arising from floating rate liabilities i.e. when interests are paid according to benchmark market interest rates.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

At inception of the hedge relationship, the Company documents the economic relationship between the hedging instrument and the hedged item, including whether changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of the hedged item. The Company documents its risk management objective and strategy for undertaking its hedging transactions. The Company designates only the intrinsic value of foreign exchange options in the hedging relationship. The Company designates amounts excluding foreign currency basis spread in the hedging relationship for both foreign exchange forward contracts and cross-currency interest rate swaps. Changes in the fair value of the derivative contracts that are designated and effective as hedges of future cash flows are recognised in the cash flow hedge reserve within other comprehensive income (net of tax), and any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts accumulated in equity are reclassified to the statement of Profit and Loss in the periods in which the forecasted transactions occurs.

For forwards and options, forward premium and the time value are not considered part of the hedge. These are treated as cost of hedge and the changes in fair value attributable to forward premium is recognised in

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the other comprehensive income along with the changes in fair value determined to be effective portion of the hedge.

Effective portion of fair value changes of interest rate swaps that are designated as hedges against interest rate risk arising from floating rate debt are recognised in other comprehensive income.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Amounts accumulated in equity are reclassified to the statement of profit and loss in the periods in which the forecast transactions affect profit or loss or as an adjustment to a non-financial item (e.g. inventory) when that item is recognised on the balance sheet. These deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of goods sold). For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in equity is retained there until the forecast transaction occurs.

If the forecast transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is immediately transferred to the statement of Profit and Loss for the year.

## (b) Disclosures on financial instruments

### (a) Financial assets and liabilities

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2023.

							(₹ in crores)	
Financial assets	Cash, and other financial assets at amortised cost	Investments - FVTOCI	Investments - FVTPL	Derivatives other than in hedging relationship (at fair value through profit or loss)	Derivatives in hedging relationship (at fair value)	Total carrying value	Total fair value	
(a) Investments - non-current	-	1,204.82	-	-	-	1,204.82	1,204.82	
(b) Investments - current	-	-	3,142.96	-	-	3,142.96	3,142.96	
(c) Trade receivables	2,307.72	-	-	-	-	2,307.72	2,307.72	
(d) Cash and cash equivalents	1,121.43	-	-	-	-	1,121.43	1,121.43	
(e) Other bank balances	293.22	-	-	-	-	293.22	293.22	
(f) Loans and advances - non-current	114.40	-	-	-	-	114.40	114.40	
(g) Loans and advances - current	132.29	-	-	-	-	132.29	132.29	
(h) Other financial assets - non-current	1,502.55	-	-	523.18	379.50	2,405.23	2,405.23	
(i) Other financial assets - current	216.53	-	-	34.85	3.87	255.25	255.25	
<b>Total</b>	<b>5,688.14</b>	<b>1,204.82</b>	<b>3,142.96</b>	<b>558.03</b>	<b>383.37</b>	<b>10,977.32</b>	<b>10,977.32</b>	

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(₹ in crores)					
Financial liabilities	Derivatives other than in hedging relationship (at fair value)	Derivatives in hedging relationship (at fair value)	Other financial liabilities (at amortised cost)	Total carrying value	Total fair value
(a) Long-term borrowings (including Current maturities of long-term borrowings)	-	-	12,945.52	12,945.52	12,964.78
(b) Lease liabilities- non current	-	-	305.26	305.26	305.26
(c) Short-term borrowings	-	-	5,926.92	5,926.92	5,926.92
(d) Lease liabilities- current	-	-	100.99	100.99	100.99
(e) Trade payables	-	-	7,162.60	7,162.60	7,162.60
(f) Acceptances	-	-	5,839.39	5,839.39	5,839.39
(g) Other financial liabilities - non-current	142.03	-	272.41	414.44	414.44
(h) Other financial liabilities - current	35.45	5.50	1,259.23	1,300.18	1,300.18
<b>Total</b>	<b>177.48</b>	<b>5.50</b>	<b>33,812.32</b>	<b>33,995.30</b>	<b>34,014.56</b>

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2022.

(₹ in crores)							
Financial assets	Cash, and other financial assets at amortised cost	Investments - FVTOCI	Investments - FVTPL	Derivatives other than in hedging relationship (at fair value through profit or loss)	Derivatives in hedging relationship (at fair value)	Total carrying value	Total fair value
(a) Investments - non-current	-	1,338.94	-	-	-	1,338.94	1,338.94
(b) Investments - current	-	-	5,143.08	-	-	5,143.08	5,143.08
(c) Trade receivables	2,111.78	-	-	-	-	2,111.78	2,111.78
(d) Cash and cash equivalents	2,450.23	-	-	-	-	2,450.23	2,450.23
(e) Other bank balances	155.20	-	-	-	-	155.20	155.20
(f) Loans and advances - non-current	48.43	-	-	-	-	48.43	48.43
(g) Loans and advances - current	139.37	-	-	-	-	139.37	139.37
(h) Other financial assets - non-current	1,316.92	-	-	258.95	416.65	1,992.52	1,992.52
(i) Other financial assets - current	764.01	-	-	29.04	16.46	809.51	809.51
<b>Total</b>	<b>6,985.94</b>	<b>1,338.94</b>	<b>5,143.08</b>	<b>287.99</b>	<b>433.11</b>	<b>14,189.06</b>	<b>14,189.06</b>

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(₹ in crores)					
Financial liabilities	Derivatives other than in hedging relationship (at fair value)	Derivatives in hedging relationship (at fair value)	Other financial liabilities (at amortised cost)	Total carrying value	Total fair value
(a) Long-term borrowings (including Current maturities of long-term borrowings)	-	-	17,227.68	17,227.68	17,475.16
(b) Lease liabilities- non current	-	-	237.84	237.84	241.20
(c) Short-term borrowings	-	-	6,004.97	6,004.97	6,004.97
(d) Lease liabilities- current	-	-	58.58	58.58	58.58
(e) Trade payables	-	-	6,102.10	6,102.10	6,102.10
(f) Acceptances	-	-	7,883.96	7,883.96	7,883.96
(g) Other financial liabilities - non-current	56.69	20.31	383.37	460.37	460.37
(h) Other financial liabilities - current	2.18	0.61	1,110.47	1,113.26	1,113.26
<b>Total</b>	<b>58.87</b>	<b>20.92</b>	<b>39,008.97</b>	<b>39,088.76</b>	<b>39,339.60</b>

## Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Quoted prices in an active market (Level 1): This level of hierarchy includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e; as prices) or indirectly (i.e; derived from prices). This level of hierarchy include Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There has been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2023 and 2022.

The investments in certain unquoted equity instruments which are held for medium or long-term strategic purpose and are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value in profit or loss.

Derivatives are fair valued using market observable rates and published prices together with forecast cash flow information where applicable.

# Notes

forming part of Financial Statements

(₹ in crores)

	As at March 31, 2023			
	Level 1	Level 2	Level 3 *	Total
<b>Financial assets measured at fair value</b>				
(a) Investments	3,717.33	-	630.45	4,347.78
(b) Derivative assets	-	941.40	-	941.40
<b>Total</b>	<b>3,717.33</b>	<b>941.40</b>	<b>630.45</b>	<b>5,289.18</b>
<b>Financial liabilities measured at fair value</b>				
(a) Derivative liabilities	-	182.98	-	182.98
<b>Total</b>	<b>-</b>	<b>182.98</b>	<b>-</b>	<b>182.98</b>

  

	As at March 31, 2022			
	Level 1	Level 2	Level 3 *	Total
<b>Financial assets measured at fair value</b>				
(a) Investments	5,861.57	-	620.45	6,482.02
(b) Derivative assets	-	721.10	-	721.10
<b>Total</b>	<b>5,861.57</b>	<b>721.10</b>	<b>620.45</b>	<b>7,203.12</b>
<b>Financial liabilities measured at fair value</b>				
(a) Derivative liabilities	-	79.79	-	79.79
<b>Total</b>	<b>-</b>	<b>79.79</b>	<b>-</b>	<b>79.79</b>

\* Movement due to change in fair value of unquoted Investment in equity shares measured at fair value through other comprehensive income

The following table provides an analysis of fair value of financial instruments that are not measured at fair value on recurring basis, grouped into Level 1 to Level 3 categories:

	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
<b>Financial liabilities not measured at fair value</b>				
(a) Long-term borrowings (including Current maturities of long-term borrowings)	4,466.03	8,498.75	-	12,964.78
(b) Short-term borrowings	-	5,926.92	-	5,926.92
(c) Option premium accrual	-	226.93	-	226.93
<b>Total</b>	<b>4,466.03</b>	<b>14,652.60</b>	<b>-</b>	<b>19,118.63</b>

  

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial liabilities not measured at fair value</b>				
(a) Long-term borrowings (including Current maturities of long-term borrowings)	4,241.13	13,234.03	-	17,475.16
(b) Short-term borrowings	-	9,129.91	-	9,129.91
(c) Option premium accrual	-	304.29	-	304.29
<b>Total</b>	<b>4,241.13</b>	<b>22,668.23</b>	<b>-</b>	<b>26,909.36</b>



# Notes

forming part of Financial Statements

Other short-term financial assets and liabilities are stated at amortised cost which is approximately equal to their fair value.

The fair value of borrowings which have a quoted market price in an active market is based on its market price and for other borrowings the fair value is estimated by discounting expected future cash flows, using a discount rate equivalent to the risk-free rate of return, adjusted for the credit spread considered by the lenders for instruments of similar maturity.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, substantially for all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

(b) Offsetting

Certain financial assets and financial liabilities are subject to offsetting where there is currently a legally enforceable right to set off recognised amounts and the Company intends to either settle on a net basis, or to realise the asset and settle the liability, simultaneously.

Certain derivative financial assets and financial liabilities are subject to master netting arrangements, whereby in the case of insolvency, derivative financial assets and financial liabilities will be settled on a net basis.

The following table discloses the amounts that have been offset, in arriving at the balance sheet presentation and the amounts that are available for offset only under certain conditions as at March 31, 2023:

	Gross amount recognised	Gross amount recognised as set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to an enforceable master netting arrangement		Net amount after offsetting
				Financial instruments	Cash collateral (received/ pledged)	
(₹ in crores)						
Financial assets						
(a) Derivative financial instruments	941.40	-	941.40	(39.68)	-	901.72
(b) Trade receivables	2,616.43	(308.71)	2,307.72	-	-	2,307.72
(c) Loans and advances-current	194.86	(62.57)	132.29	-	-	132.29
<b>Total</b>	<b>3,752.69</b>	<b>(371.28)</b>	<b>3,381.41</b>	<b>(39.68)</b>	<b>-</b>	<b>3,341.73</b>
Financial liabilities						
(a) Derivative financial instruments	182.98	-	182.98	(39.68)	-	143.30
(b) Trade payables	7,533.88	(371.28)	7,162.60	-	-	7,162.60
<b>Total</b>	<b>7,716.86</b>	<b>(371.28)</b>	<b>7,345.58</b>	<b>(39.68)</b>	<b>-</b>	<b>7,305.90</b>

# Notes

## forming part of Financial Statements

The following table discloses the amounts that have been offset in arriving at the balance sheet presentation and the amounts that are available for offset only under certain conditions as at March 31, 2022:

(₹ in crores)

	Gross amount recognised	Gross amount recognised as set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to an enforceable master netting arrangement		Net amount after offsetting
				Financial instruments	Cash collateral (received/pledged)	
<b>Financial assets</b>						
(a) Derivative financial instruments	721.10	-	721.10	(9.68)	-	711.42
(b) Trade receivables	2,291.96	(180.18)	2,111.78	-	-	2,111.78
(c) Loans and advances-current	157.12	(17.75)	139.37	-	-	139.37
<b>Total</b>	<b>3,170.18</b>	<b>(197.93)</b>	<b>2,972.25</b>	<b>(9.68)</b>	-	<b>2,962.57</b>
<b>Financial liabilities</b>						
(a) Derivative financial instruments	79.79	-	79.79	(9.68)	-	70.11
(b) Trade payables	6,300.03	(197.93)	6,102.10	-	-	6,102.10
<b>Total</b>	<b>6,379.82</b>	<b>(197.93)</b>	<b>6,181.89</b>	<b>(9.68)</b>	-	<b>6,172.21</b>

### (c) Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

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

#### (i) Market risk

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

##### (a) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement, statement of comprehensive income, balance sheet, statement of changes in equity and statement of cash flows where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, Euro and GBP against the respective functional currencies of the Company.

# Notes

forming part of Financial Statements

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. Any weakening of the functional currency may impact the Company's cost of exports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of each currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 10% while keeping the other variables as constant.

The exposure as indicated below is mitigated by some of the derivative contracts entered into by the Company as disclosed in (iv) derivative financial instruments and risk management below.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives disclosed at clause (iv) below) as of March 31, 2023:

	(₹ in crores)			
	U.S. dollar	GBP	Others <sup>1</sup>	Total
Financial assets	276.14	80.38	42.28	398.80
Financial liabilities	6,735.99	7.89	73.70	6,817.58

<sup>1</sup> Others mainly include currencies such as the Euro, Chinese yuan, South african rand, Singapore Dollar, Thai bahts and Bangladesh taka.

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately ₹39.88 crores and ₹681.76 crores for financial assets and financial liabilities respectively for the year ended March 31, 2023.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives disclosed at clause (iv) below) as of March 31, 2022:

	(₹ in crores)			
	U.S. dollar	GBP	Others <sup>2</sup>	Total
Financial assets	267.59	5.74	47.94	321.27
Financial liabilities	6,126.39	81.59	127.22	6,335.20

<sup>2</sup> Others mainly include currencies such as the Euro, Chinese yuan, South african rand, Singapore Dollar, Thai bahts and Bangladesh taka.

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately ₹32.13 crores and ₹633.52 crores for financial assets and financial liabilities respectively for the year ended March 31, 2022.

(Note: The impact is indicated on the profit/(loss) before tax basis.)

# Notes

## forming part of Financial Statements

### (b) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Company.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

As at March 31, 2023 and 2022, financial liabilities of **₹4,493.80 crores** and ₹5,954.82 crores, respectively, were subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of **₹44.94 crores** and ₹59.55 crores for the year ended March 31, 2023 and 2022, respectively.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(Note: The impact is indicated on the profit/(loss) before tax basis).

### (c) Equity Price risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities.

The fair value of some of the Company's investments measured at fair value through other comprehensive income exposes the Company to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Company's investment in quoted equity securities as of March 31, 2023 and 2022 was **₹574.37** crores and ₹718.49 crores, respectively. A 10% change in equity price as of March 31, 2023 and 2022 would result in a pre- tax impact of **₹57.44 crores** and ₹71.85 crores, respectively.

(Note: The impact is indicated on equity before consequential tax impact, if any).

## (ii) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of investments classified as fair value through profit and loss, trade receivables, loans and advances and derivative financial instruments. The Company strives to promptly identify and reduce concerns about collection due to a deterioration in the financial conditions and others of its main counterparties by regularly monitoring their situation based on their financial condition. None of the financial instruments of the Company result in material concentrations of credit risks.

# Notes

forming part of Financial Statements

## Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹10,346.83 crores and ₹13,568.58 crores as at March 31, 2023 and 2022, respectively, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, finance receivables, margin money and other financial assets excluding equity investments.

## Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including short term deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at March 31, 2023, and March 31, 2022, that defaults in payment obligations will occur.

## Credit quality of financial assets and impairment loss

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

(₹ in crores)

Trade receivables	As at March 31, 2023							As at March 31, 2022						
	Not due	Overdue					Total	Not due	Overdue					Total
		Up to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years			Up to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>														
(a) Considered good	1,090.95	475.03	162.94	57.72	67.08	454.00	2,307.72	1,145.96	387.22	14.54	81.73	86.70	395.13	2,111.28
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Credit impaired	104.60	21.85	32.49	21.63	29.74	168.42	378.73	33.33	27.55	42.53	16.34	27.87	118.41	266.03
<b>Disputed</b>														
(a) Considered good	-	-	-	-	-	-	-	-	-	-	-	0.50	-	0.50
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	0.58	0.19	175.43	176.20	-	-	-	0.41	5.85	157.95	164.21
<b>Total</b>	<b>1,195.55</b>	<b>496.88</b>	<b>195.43</b>	<b>79.93</b>	<b>97.01</b>	<b>797.85</b>	<b>2,862.65</b>	<b>1,179.29</b>	<b>414.77</b>	<b>57.07</b>	<b>98.48</b>	<b>120.92</b>	<b>671.49</b>	<b>2,542.02</b>
Less: Allowance for credit impaired balances							(554.93)							(430.24)
<b>Total</b>							<b>2,307.72</b>							<b>2,111.78</b>
Trade receivable from Government organizations	355.21	150.49	112.13	45.39	53.69	473.94	1,190.86	225.13	238.84	31.79	56.37	50.18	375.56	977.87

Trade receivables consist of a large number of various types of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of these trade receivables and where appropriate allowance for losses are provided. Further the Company, groups the trade receivables depending on type of customers and accordingly credit risk is determined.

# Notes

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### (iii) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulty to meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. Further, the Company has access to funds from debt markets through commercial paper programs, non-convertible debentures, senior notes and other debt instruments. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks. The Company has also invested 15% of the amount of non-convertible debentures (taken/issued by the Company) falling due for repayment in the next 12 months in bank deposits, to meet the regulatory norms of liquidity requirements.

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

The table below provides undiscounted contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2023:

						(₹ in crores)
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables	7,162.60	7,162.60	-	-	-	7,162.60
(b) Acceptances	5,839.39	5,839.39	-	-	-	5,839.39
(c) Borrowings and interest thereon	19,175.53	8,962.28	3,471.67	7,957.21	53.30	20,444.46
(d) Other financial liabilities	1,228.55	956.14	139.98	116.05	52.81	1,264.98
(e) Lease liabilities	406.25	134.86	125.72	168.77	97.57	526.92
(f) Derivative liabilities	182.98	40.95	-	142.03	-	182.98
<b>Total</b>	<b>33,995.30</b>	<b>23,096.22</b>	<b>3,737.37</b>	<b>8,384.06</b>	<b>203.68</b>	<b>35,421.33</b>

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2022:

						(₹ in crores)
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables	6,102.10	6,102.10	-	-	-	6,102.10
(b) Acceptances	7,883.96	7,883.96	-	-	-	7,883.96
(c) Borrowings and interest thereon	23,581.13	10,677.39	3,535.61	12,522.71	129.74	26,865.45
(d) Other financial liabilities	1,145.36	761.99	124.75	180.44	144.73	1,211.91
(e) Lease liabilities	296.42	79.96	83.83	143.31	72.53	379.63
(f) Derivative liabilities	79.79	2.79	-	77.00	-	79.79
<b>Total</b>	<b>39,088.76</b>	<b>25,508.19</b>	<b>3,744.19</b>	<b>12,923.46</b>	<b>347.00</b>	<b>42,522.84</b>

# Notes

forming part of Financial Statements

## (iv) Derivative financial instruments and risk management

The Company has entered into a variety of foreign currency, interest rates and commodity forward contracts and options to manage its exposure to fluctuations in foreign exchange rates, interest rates and commodity price risk. The counterparty is generally a bank. These financial exposures are managed in accordance with the Company's risk management policies and procedures.

The Company also enters into interest rate swaps and cross currency interest rate swap agreements, mainly to manage exposure on its fixed rate or variable rate debt. The Company uses interest rate derivatives or currency swaps to hedge exposure to exchange rate fluctuations on principal and interest payments for borrowings denominated in foreign currencies.

Specific transactional risks include risks like liquidity and pricing risks, interest rate and exchange rate fluctuation risks, volatility risks, counterparty risks, settlement risks and gearing risks.

Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

The fair value of derivative financial instruments is as follows:

	As at March 31, 2023	As at March 31, 2022
(a) Foreign currency forward exchange contracts and options	840.70	687.18
(b) Commodity Derivatives	(1.22)	26.16
(c) Interest rate derivatives	(81.06)	(72.03)
<b>Total</b>	<b>758.42</b>	<b>641.31</b>

(₹ in crores)

The gain/(loss) due to fluctuation in foreign currency exchange rates on derivative contracts, recognised in the income statement was ₹228.36 crores and ₹48.78 crores for the years ended March 31, 2023 and 2022, respectively.

## (v) Commodity Price Risk

The Company is exposed to commodity price risk arising from the purchase of certain raw materials such as aluminium, copper, platinum and palladium. This risk is mitigated through the use of derivative contracts and fixed-price contracts with suppliers. The derivative contracts are not hedge accounted under Ind AS 109 but are instead measured at fair value through profit or loss.

The (gain)/loss on commodity derivative contracts, recognised in the statement of profit and loss was ₹49.16 crores and ₹17.96 crores for the years ended March 31, 2023 and 2022, respectively.

# Notes

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## 41. Related-party transactions

The Company's related parties principally includes subsidiaries, joint operations, associates and their subsidiaries, Tata Sons Pvt Limited, subsidiaries and joint ventures of Tata Sons Pvt Limited. The Company routinely enters into transactions with these related parties in the ordinary course of business.

All transactions with related parties are conducted at arm's length price under normal terms of business and all amounts outstanding are unsecured and will be settled in cash.

The following table summarises related-party transactions and balances for the year ended / as at March 31, 2023:

	(₹ in crores)				
	Subsidiaries	Joint Arrangements	Associates and its subsidiaries	Tata Sons Pvt Ltd, its subsidiaries and joint arrangements	Total
<b>A) Transaction</b>					
Purchase of products	2,676.70	2,528.59	1,841.54	173.57	7,220.40
Sale of products	588.81	1,659.27	282.55	1,234.76	3,765.39
Services received	646.99	0.39	2.34	286.39	936.11
Services rendered	930.42	6.22	20.55	47.21	1,004.40
Bills discounted	4,806.57	-	-	7,903.93	12,710.50
Purchase of property, plant and equipment	13.01	-	9.81	2.33	25.15
Finance given (including loans and equity)	171.95	-	-	-	171.95
Finance given, taken back (including loans and equity)	20.75	-	-	-	20.75
Finance taken (including loans and equity)	18,081.75	-	143.00	-	18,224.75
Finance taken, paid back (including loans and equity)	17,106.00	-	186.00	-	17,292.00
Interest expense	409.53	-	4.23	40.69	454.45
Interest income	1.26	-	-	-	1.26
Dividend income	123.49	236.34	21.68	14.32	395.83
<b>(B) Balances</b>					
Amounts receivable in respect of loans and interest thereon	679.29	-	-	-	679.29
Amounts payable in respect of loans and interest thereon	5,350.75	-	48.00	2.50	5,401.25
Trade and other receivables	302.11	199.70	22.76	188.11	712.68
Trade payables	209.50	85.98	46.67	117.32	459.47
Acceptances	1,167.52	-	-	882.11	2,049.63
Assets / deposits given/taken as security	0.07	-	-	-	0.07
Provision for amount receivable (including loans)	661.00	-	-	-	661.00



# Notes

## forming part of Financial Statements

The following table summarises related-party transactions and balances for the year ended / as at March 31, 2022:

(₹ in crores)

	Subsidiaries	Joint Arrangements	Associates and its subsidiaries	Tata Sons Pvt Ltd, its subsidiaries and joint arrangements	Total
<b>A) Transactions</b>					
Purchase of products	1,007.25	5,565.39	3,272.49	22.82	9,867.95
Sale of products	538.10	1,693.00	379.29	920.00	3,530.39
Services received	871.76	0.31	10.95	196.30	1,079.32
Services rendered	449.82	5.23	10.48	25.96	491.49
Bills discounted	336.14	-	-	3,697.86	4,034.00
Purchase of property, plant and equipment	5.91	-	25.99	8.42	40.32
Sale of business	-	-	-	234.09	234.09
Finance given (including loans and equity)	10,342.14	-	-	-	10,342.14
Finance given, taken back (including loans and equity)	55.00	-	-	-	55.00
Finance taken (including loans and equity)	10,605.49	-	148.00	-	10,753.49
Finance taken, paid back (including loans and equity)	6,602.49	-	152.00	-	6,754.49
Interest expense	78.06	19.62	5.87	87.02	190.57
Interest income	17.56	1.17	-	-	18.73
Dividend income	53.02	22.95	-	13.32	89.29
Borrowing towards lease Liability	-	41.40	-	-	41.40
Repayment towards lease liability	-	17.27	-	-	17.27
<b>(B) Balances</b>					
Amounts receivable in respect of loans and interest thereon	619.49	-	-	-	619.49
Amounts payable in respect of loans and interest thereon	4,375.00	-	91.00	2.90	4,468.90
Trade and other receivables	98.26	83.85	50.35	157.35	389.81
Trade payables	150.71	111.92	75.11	28.54	366.28
Acceptances	235.96	-	-	1,529.72	1,765.68
Assets / deposits given/taken as security	0.11	-	-	-	0.11
Provision for amount receivable (including loans)	661.00	-	-	-	661.00

# Notes

## forming part of Financial Statements

Details of significant transactions are given below (More than 10% of total transaction value with related parties) :

(₹ in crores)

Name of Related Party	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
i) Purchase of products			
Tata Motors Body Solutions Limited	Subsidiary	655.96	284.15
Tata Motors Passenger Vehicles Limited	Subsidiary	2,009.19	525.92
Tata Cummins Private Limited	Joint Arrangements	2,528.03	1,843.36
Fiat India Automobiles Private Limited	Joint Arrangements	-	3,739.30
ii) Sale of products			
Fiat India Automobiles Private Limited	Joint Arrangements	1,546.06	1,589.81
Tata Advance Systems Limited	Tata Sons Pvt Ltd, its subsidiaries and joint arrangements	524.46	-
iii) Services received			
TML Business Services Limited	Subsidiary	100.93	119.08
Tata Technologies Limited	Subsidiary	426.69	448.60
Tata Motors European Technical Centre PLC	Subsidiary	11.03	115.74
iv) Services rendered			
Jaguar Land Rover Limited	Subsidiary	101.79	110.03
Tata Motors Passenger Vehicles Limited	Subsidiary	689.72	256.00
v) Bill discounted			
Tata Capital Financial Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint arrangements	7,903.93	3,697.86
Tata Motors Finance Limited	Subsidiary	4,636.80	336.14
vi) Purchase of property, plant and equipment			
Tata Technologies Limited	Subsidiary	12.86	5.95
Tata Toyo Radiator Limited	Associates and its subsidiaries	3.49	3.53
TM Automotive Seating Systems Private Limited	Associates and its subsidiaries	3.19	11.45
vii) Finance given (including loans and equity)			
Tata Passenger Electric Mobility Limited	Subsidiary	41.25	743.36
Tata Motors Body Solutions Limited	Subsidiary	35.00	-
TML CV Mobility Solutions Limited	Subsidiary	89.95	-
viii) Finance given, taken back (including loans and equity)			
Tata Motors Body Solutions Limited	Subsidiary	20.00	-
ix) Finance taken (including loans and equity)			
Tata Motors Passenger Vehicles Limited	Subsidiary	13,775.00	6,055.00
Tata Passenger Electric Mobility Limited	Subsidiary	92.75	2,875.00
Tata Technologies Limited	Subsidiary	1,839.50	1,481.00
x) Finance taken, paid back (including loans and equity)			
Tata Motors Passenger Vehicles Limited	Subsidiary	12,810.00	4,285.00
Tata Passenger Electric Mobility Limited	Subsidiary	534.25	375.00
Tata Technologies Limited	Subsidiary	1,397.25	1,688.50
xi) Interest expense			
Tata Passenger Electric Mobility Limited	Subsidiary	138.15	22.54
Tata Motors Passenger Vehicles Limited	Subsidiary	170.11	3.84
Tata Technologies Limited	Subsidiary	25.46	32.47
Fiat India Automobiles Private Limited	Joint Arrangements	-	19.62

# Notes

forming part of Financial Statements

		(₹ in crores)	
Name of Related Party	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
xi) Interest income			
Tata Motors Body Solutions Limited	Subsidiary	1.06	3.57
TML CV Mobility Solutions Limited	Subsidiary	0.18	-
Tata Motors European Technical Centre PLC	Subsidiary	-	2.22
xii) Dividend income			
TML Business Services Limited	Subsidiary	63.49	-
Tata Cummins Private Limited	Joint Arrangements	236.34	22.95
Tata Motors Insurance Broking and Advisory Services Ltd	Subsidiary	60.00	40.00
Tata Motors Finance Limited	Subsidiary	-	13.02
Tata Sons Pvt Ltd	Promoter Company	12.38	12.38
xiii) Slump sale of PV undertaking (Refer note 45)			
Tata Motors Passenger Vehicles Limited	Subsidiary	-	9,417.00

Note:

The Company is required, in terms of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, to obtain the approval of shareholders for the transaction of sale of products aggregating to ₹1,546.06 Crores with Fiat India Automobiles Private Limited, a joint arrangement, which has become a material related party transaction for the year ended March 31, 2023. The Company proposes to take the approval of the shareholders at the forthcoming Annual General Meeting.

#### Compensation of key management personnel:

		(₹ in crores)	
		Year ended March 31, 2023	Year ended March 31, 2022
Short-term benefits		17.27	29.84
Post-employment benefits*		0.66	1.44
Employees stock option plan		4.67	2.46

The compensation of erstwhile CEO and Managing Director is ₹16.97 crores for the year ended March 31, 2022, which includes ₹9.63 crores of performance bonus and long term incentive for the year ended March 31, 2021, approved in the quarter ended June 30, 2021.

The compensation of Executive Director is ₹4.64 crores and ₹3.34 crores for the year ended March 31, 2023 and 2022, respectively.

The compensation of Group CFO is ₹13.29 crores and ₹9.12 crores for the year ended March 31, 2023 and 2022 respectively.

\* Provisions for contribution to gratuity, leave encashment and other defined benefit are determined by actuary on an overall Company basis at the end of each year and, accordingly, have not been considered in the above information. The amount is disclosed only at the time of payment.

Refer note 33(B) for information on transactions with post employment benefit plans.

# Notes

forming part of Financial Statements

## 42. Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of the Companies Act, 2013

(a) Amount of loans / advances in nature of loans outstanding from subsidiaries on a standalone basis.

(₹ in crores)

Name of the Company	Outstanding as at March 31, 2023 / March 31, 2022	Maximum amount outstanding during the year
(i) Subsidiaries:		
<b>Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited)</b>	15.00	35.00
(Tata Motors Body Solutions Limited has utilised this loan for meeting its capex requirement and general corporate purposes)	-	-
<b>Jaguar Land Rover Technology and Business Services India (P) Ltd. (Formerly known as JT Special Vehicle (P) Ltd.)</b>	-	0.75
(Jaguar Land Rover Technology and Business Services India (P) Ltd. has utilised this loan for meeting its capex requirement and general corporate purposes)	-	-
<b>TML CV Mobility Solutions Limited</b>	45.00	45.00
(TML CV Mobility Solutions Limited has utilised this loan for meeting its capex requirement and general corporate purposes)	-	-
<b>Tata Hispano Motors Carrocera S.A.</b>	561.10	561.10
(Tata Hispano Motors Carrocera S.A. has utilised this loan for meeting its capex requirement, grant repayment and general corporate purposes, which is fully provided)	561.10	561.10
<b>Tata Hispano Motors Carroceries Maghreb SA</b>	58.39	58.39
(Tata Hispano Motors Carroceries Maghreb SA has utilised this loan for general corporate purposes, which is partly provided)	58.39	58.39

(b) Details of Investments made are given in notes 6, 7 and 8.

# Notes

forming part of Financial Statements

## 43. Details of significant investments in subsidiaries, joint ventures and associates

Name of the Company	Country of incorporation/ Place of business	% direct holding	
		As at March 31, 2023	As at March 31, 2022
<b>Subsidiaries</b>			
Tata Motors Passenger Vehicles Limited	India	100.00	100.00
Tata Passenger Electric Mobility Limited	India	100.00	100.00
TML CV Mobility Solutions Limited	India	100.00	100.00
TML Business Services Ltd	India	100.00	100.00
Tata Motors Insurance Broking and Advisory Services Ltd	India	100.00	100.00
Tata Technologies Ltd	India	74.69	74.43
TMF Holdings Ltd	India	100.00	100.00
Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited)	India	100.00	61.86
TML Holdings Pte Ltd	Singapore	100.00	100.00
Tata Hispano Motors Carrocera S.A	Spain	100.00	100.00
Tata Hispano Motors Carroceries Maghreb S.A	Morocco	100.00	100.00
Brabo Robotics and Automation Limited	India	100.00	100.00
Tata Precision Industries Pte Ltd	Singapore	78.39	78.39
Jaguar Land Rover Technology and Business Services India (P) Ltd. (Formerly known as JT Special Vehicle (P) Ltd.)	India	100.00	100.00
TML Smart City Mobility Solutions Limited	India	100.00	-
<b>Associates</b>			
Automobile Corporation of Goa Limited	India	48.98	48.98
Nita Co. Ltd	Bangladesh	40.00	40.00
Tata AutoComp Systems Ltd	India	26.00	26.00
Tata Hitachi Construction Machinery Company Private Ltd	India	39.74	39.74
<b>Joint Venture (JV)</b>			
Fiat India Automobiles Private Ltd	India	50.00	50.00

# Notes

forming part of Financial Statements

## 44. Transactions with struck off companies

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2023:

(₹ in crores)

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Jessica Motors Pvt. Ltd.	Warranty/AMC claims	-	0.01	External customer
Anandji Haridas & Co Pvt Ltd	Warranty/AMC claims	-	(0.02)	External customer
Sai Prashad Auto Pvt Ltd	Warranty/AMC claims	-	(0.00) #	External customer
R K Reprocess Powder Coating OPC Pvt Ltd	Warranty/AMC claims	-	(0.00) #	External customer
Aargee Equipments Pvt Ltd	Material purchase	(0.34)	(0.00) #	External vendor

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2022:

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Jessica Motors Pvt. Ltd.	Warranty/AMC claims	-	0.01	External customer
Axis Systems Private Limited	Material purchase	(0.69)	(0.03)	External vendor
Aargee Equipments Pvt Ltd	Material purchase	(0.34)	(0.00) #	External vendor
Akshay industries Private Limited	Services availed	(0.19)	(0.01)	External vendor
Anil Enterprises Private Limited	Material purchase	(0.01)	-	External vendor
Durga Automobiles Private Limited	Services availed	(0.09)	-	External vendor
Harsh Enterprises Private Limited	Material purchase	(0.00) #	-	External vendor
Interface Micro Systems Private Limited	Material purchase	(10.24)	(0.07)	External vendor
K K Enterprises Pvt Ltd	Material purchase	(0.01)	-	External vendor
Karnavati Motors Private Limited	Services availed	(0.02)	-	External vendor
Lala Enterprises Pvt Ltd	Services availed	(0.18)	(0.00) #	External vendor
Murarka Trading Company Pvt Ltd	Material purchase	(1.16)	(0.05)	External vendor
Madhavi Constructions Private Limited	Services availed	(1.24)	-	External vendor
Microtech Industries Limited	Material purchase	(0.05)	(0.00) #	External vendor
Prakash Industries Limited	Material purchase	(8.64)	(0.06)	External vendor
Prakash Motors Private Limited	Services availed	(0.03)	-	External vendor
Pratap Motors Private Limited	Services availed	(0.08)	(0.00) #	External vendor
Rushi Motors Private Limited	Services availed	(5.09)	(0.06)	External vendor
Rudraksha Electricals Private Limited	Material purchase	(0.06)	-	External vendor
Sanch Marketing Private Limited	Material purchase	(0.01)	-	External vendor
Shiva Motors Pvt Ltd	Services availed	(0.20)	-	External vendor
Savitri Motors Private Limited	Services availed	(0.02)	(0.01)	External vendor
Suprabha Enterprises Private Limited	Material purchase	(0.52)	(0.03)	External vendor
Sarna Motors Private Limited	Services availed	(0.01)	-	External vendor
Shanti Motors Pvt Ltd	Services availed	(0.01)	-	External vendor
Shah Associates Private Limited	Material purchase	(0.17)	(0.01)	External vendor
Shreya Industries Private Limited	Material purchase	(0.16)	(0.06)	External vendor
Super Transports Private Limited	Services availed	(0.00) #	-	External vendor

# less than ₹ 50,000 /-

# Notes

forming part of Financial Statements

(₹ in crores)

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Sandeep Automobiles Private Limited	Services availed	(0.07)	(0.00) #	External vendor
Tara Tools Private Limited	Material purchase	(0.25)	(0.12)	External vendor
Total Solutions Private Limited	Material purchase	(0.00) #	-	External vendor
Unique Marketing Private Limited	Material purchase	(0.00) #	-	External vendor
V Solutions Privatelimited	Services availed	(0.01)	-	External vendor
Yadav Motors Private Limited	Services availed	(0.04)	0.00 #	External vendor
Zenith Motors Private Limited	Services availed	(0.00) #	-	External vendor
Active Automobiles Private Limited	Services availed	-	(0.00) #	External vendor
Akhilshwar Packaging (India) Private Limited	Services availed	-	(0.05)	External vendor
Constant Security Services Private Ltd	Services availed	-	0.00 #	External vendor
Parikh Inn Private Limited	Services availed	-	0.00 #	External vendor
Friends Auto(India)Pvt Ltd	Material purchase	-	0.18	External vendor
Riddhi Motors Private Limited	Services availed	-	(0.00) #	External vendor
S I Enterprises Private Limited	Material purchase	-	0.15	External vendor
Shri Ganesh Industries India Private Ltd	Services availed	-	(0.00) #	External vendor
Vaishnavi Motors Private Limited	Services availed	-	0.00 #	External vendor

# less than ₹ 50,000 /-

## 45. Discontinued operations

A Scheme of Arrangement, between Tata Motors Limited and Tata Motors Passenger Vehicles Limited (Transferee Company) for transfer of the PV Undertaking of the Company to the Transferee Company, was effective from January 1, 2022. Post transfer of PV Undertaking, the arrangement with Fiat India Automobiles Private Limited (FIAPL) is considered to be a Joint Venture of the Company.

Accordingly, the results of PV undertaking along with joint operation Fiat India Automobiles Private Limited (FIAPL) has been disclosed as discontinued operations in the Statement of Profit and Loss for the year ended March 31, 2022 as follows:

Statement of Profit and Loss of PV Undertaking (including Joint Operation) is as follows:

	(₹ in crores)
	Nine months ended December 31, 2021
I Revenue from operations	21,376.71
II Other Income	411.77
III Total Income (I+II)	21,788.48
IV Expenses	21,955.88
V Profit/(loss) before exceptional items and tax (III-IV)	(167.40)
VI Exceptional items	(559.91)
VII Profit before tax from discontinued operations (V-VI)	392.51
VIII Tax expense (net) from discontinued operations	44.14
IX Profit for the period from discontinued operations (VII-VIII)	<b>348.37</b>

# Notes

## forming part of Financial Statements

The Company had stopped depreciation from the date of receipt of NCLT order. Accordingly Depreciation and Amortisation of ₹737.07 crores is not provided from August 25, 2021 to December 31, 2021.

Net Cash flow attributable to PV Undertaking are as follows

(₹ in crores)

	Nine months ended December 31, 2021
Cash flow from Operating activities	2,689.36
Cash flow used in Investing activities	(847.73)
Cash flow used in Financing activities	(383.01)
<b>Net increase in cash and cash equivalent</b>	<b>1,458.62</b>

## 46. Additional information

The financial statements include the Company's proportionate share of assets, liabilities, income and expenditure in its two Joint Operations, namely Tata Cummins Private Limited and Fiat India Automobile Private Limited (which ceased to be a joint operation w.e.f. January 1, 2022). Below are supplementary details of Tata Motors Limited on standalone basis excluding interest in the aforesaid Joint Operations:

### A. Balance Sheet

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
<b>I. ASSETS</b>		
<b>(1) NON-CURRENT ASSETS</b>		
(a) Property, plant and equipment	11,187.42	11,201.05
(b) Capital work-in-progress	548.03	561.34
(c) Right of use assets	417.59	329.85
(d) Other intangible assets	2,233.70	1,914.76
(e) Intangible assets under development	508.78	879.77
(f) Investments in subsidiaries, joint arrangements and associates	27,299.19	27,239.85
(g) Financial assets		
(i) Investments	1,204.82	1,338.94
(ii) Loans and advances	114.01	48.11
(iii) Other financial assets	2,414.75	1,977.74
(h) Deferred tax assets (net)	1,615.42	-
(i) Non-current tax assets (net)	806.57	720.22
(j) Other non-current assets	583.08	652.68
	<b>48,933.36</b>	<b>46,864.31</b>
<b>(2) CURRENT ASSETS</b>		
(a) Inventories	2,765.51	3,412.51
(b) Financial assets		
(i) Investments	3,035.92	5,067.48
(ii) Trade receivables	2,175.01	2,006.57
(iii) Cash and cash equivalents	1,091.28	2,425.92
(iv) Bank balances other than (iii) above	293.17	155.15
(v) Loans and advances	130.79	137.24



# Notes

forming part of Financial Statements

	As at March 31, 2023	As at March 31, 2022
		(₹ in crores)
(vi) Other financial assets	297.19	831.90
(c) Other current assets	1,206.96	1,075.39
	<b>10,995.83</b>	<b>15,112.16</b>
<b>TOTAL ASSETS</b>	<b>59,929.19</b>	<b>61,976.47</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	766.02	765.88
(b) Other equity	20,434.25	17,887.97
	<b>21,200.27</b>	<b>18,653.85</b>
<b>LIABILITIES</b>		
<b>(1) NON-CURRENT LIABILITIES</b>		
(a) Financial liabilities		
(i) Borrowings	10,445.70	14,102.74
(ii) Lease liabilities	305.26	237.84
(iii) Other financial liabilities	414.44	460.37
(b) Provisions	1,535.10	1,416.66
(c) Other non-current liabilities	659.45	477.21
	<b>13,359.95</b>	<b>16,694.82</b>
<b>(2) CURRENT LIABILITIES</b>		
(a) Financial liabilities		
(i) Borrowings	7,898.57	9,054.11
(ii) Lease liabilities	99.87	58.58
(iii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	91.60	136.86
(b) Total outstanding dues of creditors other than micro and small enterprises	6,727.28	5,722.51
(iv) Acceptances	6,367.56	7,883.96
(v) Other financial liabilities	1,254.73	1,098.31
(b) Provisions	431.57	638.24
(c) Current tax liabilities (net)	32.69	31.36
(d) Other current liabilities	2,465.10	2,003.87
	<b>25,368.97</b>	<b>26,627.80</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>59,929.19</b>	<b>61,976.47</b>

# Notes

forming part of Financial Statements

## B. Statement of Profit and Loss

(₹ in crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Revenue from operations</b>		
Revenue	64,553.55	46,286.03
Other operating revenue	455.80	382.89
I. Total revenue from operations	65,009.35	46,668.92
II. Other Income	1,033.61	683.46
III. <b>Total Income (I+II)</b>	<b>66,042.96</b>	<b>47,352.38</b>
IV. <b>Expenses</b>		
(a) Cost of materials consumed	42,261.55	31,669.81
(b) Purchases of products for sale	6,561.32	5,030.01
(c) Changes in inventories of finished goods, work-in-progress and products for sale	476.10	(386.24)
(d) Employee benefits expense	3,867.28	3,465.71
(e) Finance costs	2,042.52	2,113.36
(f) Foreign exchange loss (net)	280.34	135.78
(g) Depreciation and amortisation expense	1,683.82	1,678.28
(h) Product development/Engineering expenses	899.06	593.90
(i) Other expenses	7,551.67	5,833.73
(j) Amount transferred to capital and other accounts	(1,048.46)	(903.16)
<b>Total Expenses (IV)</b>	<b>64,575.20</b>	<b>49,231.18</b>
V. <b>Profit/(loss) before exceptional items and tax (III-IV)</b>	<b>1,467.76</b>	<b>(1,878.80)</b>
VI. Exceptional items		
(a) Employee separation cost	1.36	8.35
(b) Cost of slump sale of PV undertaking	-	50.00
(c) Provision/(Reversal) for loan given to/investment in subsidiary companies	4.55	(139.24)
(d) Provision for Intangible assets under development	276.91	-
(e) Others (refer note 49(iii))	-	(2.52)
VII. <b>Profit/(loss) before tax (V-VI)</b>	<b>1,184.94</b>	<b>(1,795.39)</b>
VIII. <b>Tax expense/(credit) (net)</b>		
(a) Current tax	8.27	(0.28)
(b) Deferred tax	(1,570.95)	(31.77)
<b>Total tax expense/(credit) (net)</b>	<b>(1,562.68)</b>	<b>(32.05)</b>
IX. <b>Profit/(loss) for the year from continuing operations (VII-VIII)</b>	<b>2,747.62</b>	<b>(1,763.34)</b>
X. <b>Profit/(loss) before tax for the year from discontinued operations</b>	-	143.81
XI. <b>Tax expense (net) of discontinued operations</b>		
(a) Current tax	-	-
(b) Deferred tax	-	-
<b>Total tax expense</b>	<b>-</b>	<b>-</b>
XII. <b>Profit for the year after tax from discontinued operations (X-XI)</b>	-	143.81
XIII. <b>Profit/(loss) for the year (IX+XII)</b>	<b>2,747.62</b>	<b>(1,619.53)</b>

# Notes

forming part of Financial Statements

## B. Statement of Profit and Loss

(₹ in crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>XIV.. Other comprehensive income/(loss):</b>		
(A) (i) Items that will not be reclassified to profit and loss:		
(a) Remeasurement losses on defined benefit obligations (net)	(59.77)	(62.24)
(b) Equity instruments at fair value through other comprehensive income	(134.12)	371.29
(ii) Income tax credit/(expense) relating to items that will not be reclassified to profit and loss	34.54	(31.20)
(B) (i) Items that will be reclassified to profit and loss - gains/(losses) in cash flow hedges	(99.70)	1.62
(ii) Income tax credit/(expense) relating to items that will be reclassified to profit and loss	9.93	(0.57)
<b>Total other comprehensive income/(loss), net of taxes</b>	<b>(249.12)</b>	<b>278.90</b>
<b>XV. Total comprehensive income/(loss) for the year (XIII+XIV)</b>	<b>2,498.50</b>	<b>(1,340.63)</b>
<b>XVI. Earnings/(loss) per share (EPS)</b>		
<b>Earnings/(loss) per share from continuing operations (EPS)</b>		
(a) Ordinary shares:		
(i) Basic	₹ 7.16	(4.61)
(ii) Diluted	₹ 7.16	(4.61)
(b) 'A' Ordinary shares:		
(i) Basic	₹ 7.26	(4.61)
(ii) Diluted	₹ 7.26	(4.61)
<b>Earnings/(loss) per share from discontinued operations (EPS)</b>		
(A) Ordinary shares (face value of ₹ 2 each) :		
(i) Basic	₹ -	0.36
(ii) Diluted	₹ -	0.36
(B) 'A' Ordinary shares (face value of ₹ 2 each) :		
(i) Basic	₹ -	0.46
(ii) Diluted	₹ -	0.46
<b>Earnings/(loss) per share from continuing and discontinued operations (EPS)</b>		
(A) Ordinary shares (face value of ₹ 2 each) :		
(i) Basic	₹ 7.16	(4.23)
(ii) Diluted	₹ 7.16	(4.23)
(B) 'A' Ordinary shares (face value of ₹ 2 each) :		
(i) Basic	₹ 7.26	(4.23)
(ii) Diluted	₹ 7.26	(4.23)

# Notes

forming part of Financial Statements

## C. Statement of Changes in Equity for the year ended March 31, 2023

### i) Equity Share Capital

Particulars	(₹ in crores)
Balance as at April 1, 2022	765.88
Changes in equity share capital due to prior period errors	-
<b>Restated balance as at April 1, 2022</b>	<b>765.88</b>
Issue of shares on exercise of stock options by employees	0.14
<b>Balance as at March 31, 2023</b>	<b>766.02</b>

### ii) Other Equity

Particulars	(₹ in crores)												
	Securities premium	Share based payments reserve	Share application money pending allotment	Capital redemption reserve	Debt redemption reserve	Capital reserve (on merger)/ (sale of business) (net)	General Reserve (Ind AS 101)	Undistributable (Ind AS 101)	Distributable	Equity instruments through OCI	Hedging reserve	Cost of hedging reserve	Total other equity
<b>Balance as at April 1, 2022</b>	14,459.14	38.28	6.39	2.28	411.14	1,609.90	1,726.83	627.03	(1,498.14)	606.03	(13.80)	(87.12)	17,887.97
Changes in accounting policies or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at April 1, 2022</b>	<b>14,459.14</b>	<b>38.28</b>	<b>6.39</b>	<b>2.28</b>	<b>411.14</b>	<b>1,609.90</b>	<b>1,726.83</b>	<b>627.03</b>	<b>(1,498.14)</b>	<b>606.03</b>	<b>(13.80)</b>	<b>(87.12)</b>	<b>17,887.97</b>
Profit for the year	-	-	-	-	-	-	-	-	2,747.62	-	-	-	2,747.62
Remeasurement gain / (loss) on defined benefit obligations (net)	-	-	-	-	-	-	-	-	(64.70)	-	-	-	(64.70)
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	-	(94.65)	52.17	(141.94)	(184.42)
<b>Total comprehensive income/ (loss) for the year</b>	-	-	-	-	-	-	-	-	<b>2,682.92</b>	<b>(94.65)</b>	<b>52.17</b>	<b>(141.94)</b>	<b>2,498.50</b>
Share-based payments	-	28.31	-	-	-	-	-	-	-	-	-	-	28.31
Money received on exercise of stock options by employees	23.40	-	(3.93)	-	-	-	-	-	-	-	-	-	19.47
Exercise of stock option by employees	3.79	(3.79)	-	-	-	-	-	-	-	-	-	-	-
Transfer of lapsed stock options	-	(1.30)	-	-	-	-	-	-	1.30	-	-	-	-
Transfer from debt redemption reserve	-	-	-	-	(199.80)	-	-	-	199.80	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>14,486.33</b>	<b>61.50</b>	<b>2.46</b>	<b>2.28</b>	<b>211.34</b>	<b>1,609.90</b>	<b>1,726.83</b>	<b>627.03</b>	<b>1,385.88</b>	<b>511.38</b>	<b>38.37</b>	<b>(229.06)</b>	<b>20,434.25</b>

# Notes

forming part of Financial Statements

## D. Statement of Changes in Equity for the period ended March 31, 2022

### i) Equity Share Capital

Particulars	(₹ in crores)
Balance as at April 1, 2021	765.81
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2021	765.81
Issue of shares on exercise of stock options by employees	0.07
Balance as at March 31, 2022	765.88

Particulars	Retained earnings							Other components of equity (OCI)			Total other equity		
	Securities premium	Share based payment reserve	Money received against Share Warrants	Capital redemption reserve	Debt redemption reserve	Capital reserve (on merger)	General Reserve	Undistributable (Ind AS 101)	Distributable	Equity instruments through OCI		Hedging reserve	Cost of Hedging reserve
Balance as at April 1, 2021	25,618.63	22.18	-	2.28	904.44	(350.15)	1,726.83	627.03	(11,505.01)	287.70	(101.17)	(0.80)	17,231.97
Changes in accounting policies or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	25,618.63	22.18	-	2.28	904.44	(350.15)	1,726.83	627.03	(11,505.01)	287.70	(101.17)	(0.80)	17,231.97
Loss for the year	-	-	-	-	-	-	-	-	(1,619.53)	-	-	-	(1,619.53)
Remeasurement gain/(loss) on defined benefit obligations (net)	-	-	-	-	-	(40.49)	-	-	-	-	-	-	(40.49)
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	-	318.33	87.37	(86.32)	319.38
Total comprehensive income/ (loss) for the year	-	-	-	-	-	-	-	-	(1,660.02)	318.33	87.37	(86.32)	(1,340.64)
Share-based payments	-	18.05	-	-	-	-	-	-	-	-	-	-	18.05
Money received on exercise of stock options by employees	12.15	-	6.39	-	-	-	-	-	-	-	-	-	18.54
Exercise of stock option by employees	1.95	(1.95)	-	-	-	-	-	-	-	-	-	-	-
Reduction of share capital in accordance with approved Scheme of Arrangement (refer note 45)	(11,173.59)	-	-	-	-	-	-	-	11,173.59	-	-	-	-
Excess of consideration received over the carrying value of net assets transferred of PV undertaking (refer note 45)	-	-	-	-	-	1,960.05	-	-	-	-	-	-	1,960.05
Transfer from debt redemption reserve	-	-	-	-	(493.30)	-	-	-	493.30	-	-	-	-
Balance as at March 31, 2022	14,459.14	38.28	6.39	2.28	411.14	1,609.90	1,726.83	627.03	(1,498.14)	606.03	(13.80)	(87.12)	17,887.97

# Notes

forming part of Financial Statements

## 47. Ratio

Sr No	Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Change	Reason for change
a)	Debt Equity Ratio (number of times) [Total Debt(i)/ Shareholders' Equity(ii)]	0.84	1.16	(27.59%)	With the reduction in total debt during the year and increase in shareholders' equity on account of profit during the year, the ratio has decreased compared to previous year
b)	Debt Service Coverage Ratio (number of times) [(Profit/(loss) before exceptional items and tax+Interest on Borrowings)/(Interest on Borrowings + Repayment of Borrowings(iii))]	0.48	0.01	3215.11%	Due to repayment of borrowings in current year as compared to net proceeds from borrowings in previous year
c)	Current ratio (number of times) [Current assets (excluding Assets classified as held for sale) / Current liabilities (excluding Liabilities directly associated with Assets Classified as Held For Sale)]	0.45	0.58	(22.41%)	
d)	Trade receivable turnover (number of times) [Revenue from operations / Average Trade receivables]	29.76	25.88	14.99%	
e)	Inventory turnover (number of times) [Raw material consumed(v) / average inventory(vi)]	14.61	10.60	37.83%	During the year, there has been a reduction in the average inventory levels and with higher sales, material consumption for the year has also increased reducing the inventory turnover ratio
f)	Trade payable turnover (number of times) [Cost of material consumed(viii) / Average Trade payables]	3.62	2.87	26.12%	During the year, there has been a reduction in average trade payables and with higher sales, material consumption for the year has also increased resulting into an increase in the trade payable turnover ratio
g)	Net capital turnover (number of times) [Revenue from operations / Working capital(iv)]	(5.72)	(5.98)	(4.43%)	
h)	Net profit margin (%) [Net profit after tax / Revenue from continuing operations]	4.15%	(2.94%)	(240.98%)	Due to net profit after tax during the year
i)	Return on equity (number of times) [Net profit after tax / Average shareholders' equity]	0.13	(0.07)	(283.70%)	Due to net profit after tax during the year
j)	Return on capital employed (number of times) [Profit before interest and tax / Capital employed(vii)]	0.09	0.01	840.12%	Due to higher profit before interest and tax during the year
k)	Return on investments (number of times) [Net profit after tax / Average investments]	0.08	(0.05)	(253.14%)	Due to net profit after tax during the year

# Notes

## forming part of Financial Statements

Notes:

- i Total debts includes non current and current borrowings
- ii Equity = Equity share capital + Other equity
- iii Repayment of borrowings includes repayment of long-term borrowings, proceeds from short-term borrowings, repayment of short-term borrowings and net change in other short-term borrowings (with maturity up to three months).
- iv Working capital = Current assets (excluding Assets classified as held for sale) - Current liabilities (excluding current maturities of long term debt, interest accrued on borrowings and liabilities directly associated with assets classified as held for sale).
- v Raw material consumed includes Cost of materials consumed, Purchases of products for sale and Changes in inventories of finished goods, work-in-progress and products for sale.
- vi Inventory includes Raw materials and components, Work-in-progress, Finished goods, Stores and spare parts, Consumable tools and Goods-in-transit - Raw materials and components.
- vii Capital employed includes Shareholders' Equity, non current and current borrowings.
- viii Includes Cost of material consumed and Purchases of products for sale.

### 48. Other statutory information :

- (I) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (II) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (III) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (IV) the Company has not advanced or loaned or invested funds to any person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (V) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (VI) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (VII) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

# Notes

## forming part of Financial Statements

- VIII) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- IX) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

### 49. Other notes:

#### (i) Details of dues to Micro, Small and Medium Enterprises Development Act, 2006

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

		(₹ in crores)	
Particulars		As at March 31, 2023	As at March 31, 2022
(a) Amounts outstanding but not due (including capital creditors) as at March 31,		130.66	158.71
(b) Amounts due but unpaid as at March 31,	- Principal	3.55	8.89
(c) Amounts paid after appointed date during the year	- Principal	189.38	335.52
(d) Amount of interest accrued and unpaid as at March 31,	- Interest	7.05	5.44
(e) Amount of estimated interest due and payable for the period from April 1, 2023 to actual date of payment or May 12, 2023 (whichever is earlier)	- Interest	0.34	0.11

- (ii) The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in books of account.
- (iii) In April 2021, the Company has completed the sale of certain assets related to defence business to Tata Advanced Systems Limited (TASL) for sale consideration of ₹234.09 crores againsts the Net Assets of ₹231.57 crores resulting in a gain of ₹2.52 crores recorded as an exceptional item in Statement of Profit and Loss.

In terms of our report attached

For and on behalf of the Board

#### For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

#### SHIRAZ VASTANI

Partner

Membership No. 103334

UDIN: 23103334BGYMRR6797

Place: Mumbai

Date: May 12, 2023

#### N CHANDRASEKARAN [DIN: 00121863]

Chairman

#### GIRISH WAGH [DIN: 03119361]

Executive Director

#### P B BALAJI

Group Chief Financial Officer

#### MALOY KUMAR GUPTA [ACS: 24123]

Company Secretary

Place: Mumbai

Date: May 12, 2023



# Independent Auditor's Report

To the Members of Tata Motors Limited

Report on the Audit of the Consolidated Financial Statements

## Opinion

We have audited the consolidated financial statements of Tata Motors Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures and joint operations, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate/consolidated financial statements/financial information of such subsidiaries, associates, joint ventures and joint operations as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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, joint ventures and joint operations as at 31 March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates, joint ventures and joint operations in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate/consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Impairment of property, plant and equipment, intangible and right of use non-currents as reported by the component auditor of JLR Group**

See Note 2(i) and 7 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>There is a risk that the carrying value of property, plant and equipment (PPE), intangible assets, and right-of-use assets (ROUAs) may be higher than the recoverable amount. Where a review for impairment, or reversal of impairment, is conducted, the recoverable amount is determined based on the higher of 'value in use' or 'fair value less costs of disposal.'</p>	<p>The audit procedures applied by the auditor of the component (JLR Group) included:</p>
<p>The JLR Group holds a significant amount of property, plant and equipment, intangible assets and right-of-use assets on its balance sheet.</p>	<p>→ <b>Historical comparison:</b> Assessed the appropriateness of the JLR Group's key assumptions used in the discounted cash flow forecasts by comparing those, where appropriate, to historical trends in terminal value variable profit and terminal value capital expenditure.</p>
<p>There are execution risks associated with the JLR Group's transition to Battery Electric Vehicles ('BEV') resulting from its previously announced 'Reimagine' strategy. In addition, there are other headwinds facing the JLR Group and the industry, including the continuation of semi-conductor and other supply constraints, production constraints, cost inflationary pressures, COVID-related lockdowns and the conflict in Ukraine. It is also important to consider the effect of this economic uncertainty on the discount rate.</p>	<p>→ <b>Benchmarking assumptions:</b> Assessed the appropriateness of the JLR Group's estimated value in use amount by comparing the implied trading multiples to market multiples of comparative companies with the assistance of their valuation specialists. Assessed the appropriateness of the JLR Group's assumptions used in the cash flow projections by comparing key assumptions of sales volumes to externally derived data. Compared the JLR Group's discount rate and long-term growth rate to external benchmark data and comparative companies and re-performed the discount rate calculation using the capital asset pricing model with the assistance of their valuation specialists.</p>
<p>The effect of these matters is that, as part of our risk assessment, the component auditor determined that the calculation of the value in use of property, plant and equipment, intangible assets, and right-of use assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.</p>	<p>→ <b>Sensitivity analysis:</b> Performed a sensitivity analysis on key assumptions, to independently estimate a range for comparison, taking account of the JLR Group's Reimagine strategy and risks facing the industry.</p> <p>→ <b>Comparing valuations:</b> Assessed the JLR Group's reconciliation between the estimated market capitalisation of the Group, by reference to the overall market capitalisation of the Holding Company and compared to the estimated recoverable amount of the cash generating unit.</p> <p>→ <b>Impairment reversal:</b> Assessed whether the JLR Group's estimated value in use was indicative of an impairment reversal.</p> <p>→ <b>Assessing transparency:</b> Assessed the adequacy of the JLR Group's disclosures in the financial statements and ensured that the disclosure reflects the reasonably possible changes in key assumptions that erode the headroom in the recoverable amount compared to the cash generating unit carrying value to nil.</p>

**JLR Group Going concern, as reported by the component auditor of Jaguar Land Rover Automotive Plc (hereinafter referred to as JLR Group)**

See Note 2(e) to consolidated financial statements

**The key audit matter**

**Disclosure Quality**

The financial statements explain how the Board of JLR Group has formed a judgement that it is appropriate to adopt the going concern basis of preparation for the JLR Group.

That judgement is based on an evaluation of the inherent risks to the JLR Group's business model, in particular risks associated with semi-conductor shortages, and how those risks might affect the JLR Group's financial resources or ability to continue operations over the going concern period of assessment (a period of at least a year from the date of approval of the financial statements).

The risks most likely to adversely affect the JLR Group's available financial resources and compliance with covenant thresholds over this period were:

- The impact of JLR Group's supply chain and consequent production capability from semi-conductor shortages and related supply shortages and supplies continuity risks
- The impact of increasing prices of key commodities passed through the supply chain.

The risk for our audit was whether or not those risks were such that they amount to a material uncertainty that may cast significant doubt about the ability to continue as a going concern. Had they been such, then that fact would have been required to be disclosed.

**How the matter was addressed in our audit**

The auditor of the component (JLR Group) considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the Directors' sensitivities over the level of available financial resources and covenant thresholds indicated by the JLR Group's financial forecasts taking account of severe, but plausible, adverse effects that could arise from these risks individually and collectively.

Their procedures also included:

- **Assessment of management's process:** Evaluated management's process to produce forecasts, including the assessment of internal and external factors used to determine the risks to the business, and the process management used to complete the reverse stress test.
- **Funding assessment:** Evaluated JLR Group's financing facilities available by obtaining relevant facility agreements. Inspected existing and new loan agreements in order to determine covenants attached and considered compliance of financial covenants in the context of the cash flow forecasts.
- **Key dependency assessment:** Evaluated whether the key assumptions underpinning the forecast cash flows, which the Directors have used to support the going concern basis of preparation and to assess whether the JLR Group can meet its financial commitments as they fall due, were realistic, achievable and consistent with the external environment and other matters identified in the audit. The key assumptions include sales volumes, including the variable profit optimisation strategy, together with material cost inflation in variable profit.
- **Historical comparisons:** Evaluated the historical cash flow forecasting accuracy of the JLR Group by comparing historical cash flows to actual results reported, as well as assessing the accuracy of key assumptions previously applied.
- **Benchmarking assumptions:** Assessed the appropriateness of the JLR Group's key assumptions used in the cash flow forecasts by benchmarking them to externally derived data, with particular focus on forecast sales volumes.
- **Sensitivity analysis:** Considered sensitivities over the key assumptions underlying the JLR Group's cash flow forecasts and their impact on the covenant test and the level of available financial resources.
- **Assessing transparency:** Assessed the completeness and accuracy of the matters disclosed in the going concern disclosure by considering whether it is consistent with their knowledge of the business.

## Capitalisation of product engineering assets, as reported by the component auditor of JLR Group

See Note 6 to consolidated financial statements

### The key audit matter

#### Subjective judgement

There is a key judgement in determining whether the nature of the product engineering costs satisfy the criteria for capitalisation to "Intangible assets under development" and when this capitalisation should commence.

The consolidated financial statements disclose that had the value of central overheads not been classified as directly attributable would have reduced the amount capitalised by Rs. 782.66 crores.

### How the matter was addressed in our audit

The audit procedure applied by the auditor of the component (JLR Group) included:

- **Control operation:** Tested controls including in relation to the Directors' assessment as to whether product engineering costs are eligible for capitalisation.
- **Personnel interviews:** Corroborated judgements made by the Directors around the timing of capitalisation of product engineering costs through discussions with project level staff.
- **Component auditor's sector experience:** Critically assessed the Directors' judgements regarding product engineering costs identified against both the accounting standards and our experience of practical application of these standards in other companies.
- **Tests of details:** For a sample of product engineering costs identified, agreed that the coding of those costs was consistent with their nature.
- **Assessing transparency:** Assessed the adequacy of the JLR Group's disclosures in respect of the key judgements made relating to the nature of the costs capitalised and the point at which capitalisation commences.

## Valuation of defined benefit plan obligations, as reported by the component auditor of JLR Group

See Note 36 to consolidated financial statements

### The key audit matter

#### Subjective valuation

Small changes in the key assumptions and estimates, being the discount rate, inflation rate and mortality/life expectancy, used to value the JLR Group's pension obligation (before deducting scheme assets) would have a significant effect on the amount of the JLR Group's net defined benefit plan asset. The risk is that these assumptions are inappropriate resulting in an inappropriate valuation of plan obligations.

The effect of these matters is that, as part of the risk assessment of the component auditors determined that valuation of the pension obligation has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The consolidated financial statements disclose the sensitivity estimated by the JLR Group.

### How the matter was addressed in our audit

The audit procedure applied by the auditor of the component (JLR Group) included:

- **Control Operation:** Tested controls over the assumptions applied in the valuation and inspected the JLR Group's annual validation of the assumptions used by its actuarial expert. Tested the JLR Group's controls operating over selection and monitoring of its actuarial expert for competence and objectivity.
- **Benchmarking assumptions:** Challenged, with the support of their own actuarial specialists, the key assumptions applied to the valuation of the liabilities, being the discount rate, inflation rate and mortality/life expectancy against externally derived data.
- **Assessing transparency:** Considered the adequacy of the JLR Group's disclosures in respect of the sensitivity of the JLR Group's net defined benefit plan asset to these assumptions.

## Recognition of deferred tax asset on unused tax losses

See Note 22 to consolidated financial statements

### The key audit matter

As detailed in note 22 of the consolidated financial statements, during the year, the Holding Company has recognised deferred tax asset ('DTA') of Rs. 1,615.42 crores on unabsorbed depreciation and long-term capital losses.

The Holding Company's ability to recover the deferred tax assets is assessed by the management at the end of each reporting period which is based on an assessment of the probability that future taxable income will be available against which the carried forward unused tax losses can be utilized.

As per the assessment done by the management and election of tax planning opportunities available with the Holding Company, the management believes that the carried forward unused tax losses will get offset against the capital gains projected by the Holding Company in future years on sale of certain investments in subsidiaries held by the Company.

Thus, auditing the Holding Company's assessment of the recoverability of deferred tax assets is dependent on the Holding Company's ability to generate future taxable gains through sale of these investments. The valuation of these investments is subject to significant judgments and estimates applied by the management.

This is considered to be a key audit matter, considering the past history of losses in the Holding Company and complexity of the accounting requirements for recognition of deferred tax assets.

### How the matter was addressed in our audit

In view of the significance of the matter we applied the following audit procedures in this area to obtain sufficient appropriate audit evidence.

#### Test of Controls:

We tested the design, implementation and operating effectiveness of key controls over the key inputs and assumptions, used in valuation of its investments proposed to be sold as part of the tax planning opportunities.

#### Test of details:

- Evaluated the appropriateness of the assumptions applied to key inputs in valuation of the investments.
- Involved independent valuation specialists in reviewing the appropriateness of the valuation model including evaluating whether the comparable companies considered in the valuation are appropriate
- Performed necessary procedures to verify the accuracy of amounts disclosed in the consolidated financial statements and adequacy of disclosures made for compliance with applicable Indian Accounting Standards and accounting principles generally accepted in India

## Impairment of loans to customers, as reported by the component auditor of TMF Holding Limited ("TMFL Group")

See Notes 41A(iv) and 41B(d)(ii) to consolidated financial statements

### The key audit matter

The estimation of Expected Credit Loss (ECL) on financial instruments involves significant judgements and estimates. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecast of future economic conditions which could impact the credit quality of TMFL Group's loans and advances.

In view of such high degree of management's judgement involved in estimation of ECL, it is a key audit matter.

### How the matter was addressed in our audit

The audit procedures applied by the auditor of the component included:

- Review of the TMFL Group's accounting policies for impairment of loan assets in terms of accounting principles laid down in Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued from time to time.
- Understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation so as to evaluate the reasonableness of the management estimates.

**Impairment of loans to customers, as reported by the component auditor of TMF Holding Limited (“TMFL Group”)**  
**See Notes 41A(iv) and 41B(d)(ii) to consolidated financial statements**

**The key audit matter**

**How the matter was addressed in our audit**

- Assessed the criteria for staging of loans based on their past due status. Tested a sample of performing (stage 1) loans to assess whether any indicators were present requiring them to be classified under higher stages.
- Performed analytical reviews of disaggregated data to observe any unusual trends warranting additional audit procedures.
- Assessed the additional considerations applied by the management for staging of loans as SICR or default categories in view of the TMFL Group’s policy on one-time restructuring.
- Tested the ECL model, including assumptions and underlying computation.
- Tested assumptions used by the management in determining the overlay for macro-economic variables and the control over the scenario selection and application of probability weights.
- Tested management’s controls over authorisation and calculation of post model adjustments and management overlays.
- Assessed disclosures included in the financial statements in respect of expected credit losses.

**Other Information**

The Holding Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company’s annual report, but does not include the financial statements and auditor’s reports thereon.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the 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.

**Management’s and Board of Directors’ Responsibilities for the Consolidated Financial Statements**

The Holding Company’s Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates, joint ventures and joint operations in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies;

making judgments 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 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 financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 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 and joint operations to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associates and joint ventures and joint operations to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and

performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated 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 financial statements of the current period 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.

## Other Matters

- a. We did not audit the financial statements/information of one joint operation, whose financial statements/financial information reflects total assets (before consolidation adjustments) of Rs. 9,252.62 crores as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 20,557.77 crores and net cash outflows (before consolidation adjustments) amounting to Rs. 311.39 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditor whose report has been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this joint operation, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint operation, is based solely on the report of the other auditor.

We did not audit the financial statements / financial information of two subsidiaries and 57 step-down subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs. 2,81,958.09 crores as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 2,32,496.19 crores and net cash outflows (before consolidation adjustments) (net) amounting to Rs. 4,361.93 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs. 145.37 crores for the year ended 31 March 2023, in respect of six associates and two joint ventures, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

Two of these step-sub-subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Group's management has converted the financial statements/financial information of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Group's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Group and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.



- b. The financial statements/financial information of five subsidiaries and eleven step-down subsidiaries., whose financial statements/financial information reflects total assets (before consolidation adjustments) of Rs. 1,844.81 crores as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 821.02 crores and net cash inflows (before consolidation adjustments) (net) amounting to Rs. 93.34 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs. 1.53 crores for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of three associates and two joint ventures, whose financial statements/financial information have not been audited by us or by other auditors. These unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, step-down subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, step-down subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements/financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(II) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/consolidated financial

statements of such subsidiaries, associates, joint ventures and joint operations as were audited by other auditors, as noted in the "Other Matters" paragraph, 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 financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements .
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. With respect to the adequacy of the internal financial control with reference to financial statements of the Holding Company, its subsidiary companies, associates companies, joint venture companies and joint operation companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- f. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies, joint venture companies and joint operation companies incorporated in India, none of the directors of the Group companies, its associate companies, joint venture companies and joint operation companies

incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- B. 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries, associates, joint ventures and joint operations, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group, its associates and joint ventures and joint operations. Refer Note 39 to the consolidated financial statements.
  - b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 31 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures and joint operations.
  - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies, joint venture companies and joint operation companies incorporated in India during the year ended 31 March 2023.
  - d (i) The respective management of the Holding Company and its subsidiary companies, associate companies, joint venture companies and joint operations incorporated in India whose financial statements/financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies, associate companies, joint venture companies and joint operation companies respectively that, to the best of their knowledge and

belief, as disclosed in the Note 48(d) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company of any such subsidiary companies, associate companies, joint venture companies and joint operation companies to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies, associate companies, joint venture companies and joint operation companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The respective management of the Holding Company and its subsidiary companies, associate companies, joint venture companies and joint operation companies incorporated in India whose financial statements/financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies, associate companies, joint venture companies and joint operation companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 48(e) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies, associate companies, joint venture companies and joint operation companies from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, associate companies, joint venture companies and joint operation

- companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Board of Directors of the Holding Company and certain subsidiary companies and associate companies incorporated in India have proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend. The final dividend paid by an associate company and a joint operation company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by certain subsidiary companies, associate companies and a joint operation company during the year and until the date of this audit report is in compliance with Section 123 of the Act.
- f. As proviso to rule 3(l) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies, associate companies, joint venture companies and joint operation companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: We draw attention to Note 38(b) to the consolidated financial statements for the year ended 31 March 2023 according to which the managerial remuneration payable to certain non-executive directors of the Holding Company (amounting to Rs. 3.75 crores) and consequently the total managerial remuneration paid/payable by the Holding Company for the financial year (amounting to Rs. 10.14 crores) exceed the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013 by Rs. 3.28 crores. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the Holding Company proposes to obtain in the forthcoming Annual General Meeting. Further according to the information and explanations given to us and based on the reports of the statutory auditors of subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation companies incorporated in India, the remuneration paid during the current year by the subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation companies to its directors is in accordance with the provisions of Section 197 of the Act, where applicable. The remuneration paid to any director by its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration No.:101248W/W-100022

**Shiraz Vastani**  
Partner  
Membership No.: 103334  
ICAI UDIN:23103334BGYMRQ5348

Place: Mumbai  
Date: 12 May 2023

**Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Tata Motors Limited for the year ended 31 March 2023**
**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Tata Motors Limited	L28920MH1945PLC004520	Parent Company	Clause (iii)(c), (iii) (d), (ix)(d) and (xi)(a)
2	Tata Motors Body Solutions Limited	U34101MH2006PLC164771	Subsidiary	Clause (i)(c), (ix)(d) and (xvii)
3	Jaguar Land Rover India Limited	U34200MH2012FLC237194	Step-down subsidiary	Clause (vii)(a)
4	Tata Motors Finance Solutions Limited	U65910MH1992PLC187184	Step- down subsidiary	Clause (iii)(c) and (xi)(a)
5	TMF Holdings Limited	U34200MH2012FLC237194	Subsidiary	Clause (ix)(d) and (xvii)
6	Tata Motors Finance Limited	U45200MH1989PLC050444	Step-dpwn subsidiary	Clause (iii)(c) and (xi)(a)
7	Automobile Corporation of Goa Limited	L35911GA1980PLC000400	Associate	Clause (i)(c), (ii)(b) and (vii) (a)
8	Tata Passenger Electric Mobility Ltd.	U34100MH2021PLC373648	Subsidiary	Clause (xvii)
9	TACO Punch Powertrain Private Limited	U29200PN2022PTC217236	Subsidiary of Associate	Clause (xvii)
10	TACO EV Component Solutions Private Limited	U29100PN2022PTC217137	Subsidiary of Associate	Clause (xvii)
11	Tata Autocomp GY Batteries Private Limited	U31300PN2005PTC021394	Joint Venture of Associate	Clause (xvii) and (ix)(d)
12	TML Smart City Mobility Solutions (J&K) Private Limited	U34300JK2022PTC013897	Step-down subsidiary	Clause (xvii)
13	Brabo Robotics and Automation Limited	U29309MH2019PLC328152	Subsidiary	Clause (xvii) and (xix)
14	TML Smart City Mobility Solutions Limited	U34300MH2022PLC383389	Subsidiary	Clause (xvii)

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

Name of the entities	CIN	Subsidiary/ JV/ Associate
Tata Hitachi Construction Machinery Company Private Limited	U85110KA1998PTC024588	Associate
Tata Precision Industries (India) Limited	U29120MPI995PLC009773	Associate
Jaguar Land Rover Technology and Business Services India Private Limited	U34102TZ2016PTC027770	Subsidiary
Tata HAL Technologies Limited	U93000KA2008PLC046588	Joint Venture
TML CV Mobility Solutions Limited	U50500MH2021PLC361754	Subsidiary
Loginomic Tech Solutions Private Limited	U74900KA2015 PTC080558	Joint Venture
TACO Prestolite Electric Private Limited	U74140PN2015FTC207678	Joint Venture of Associate
Tata AutoComp Gotion Green Energy Solutions Private Limited	U29304PN2020PTC190510	Joint Venture of Associate

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Shiraz Vastani**

Partner

Membership No.: 103334

ICAI UDIN:23103334BGYMRQ5348

Place: Mumbai

Date: 12 May 2023

## **Annexure B to the Independent Auditor's Report on the consolidated financial statements of Tata Motors Limited for the year ended 31 March 2023**

### **Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

#### **(Referred to in paragraph 2(A)(F) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

## **Opinion**

In conjunction with our audit of the consolidated financial statements of Tata Motors Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which is its subsidiary companies, its associate companies, its joint venture companies and joint operation companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements/financial information of subsidiary companies, associate companies, joint venture companies and joint operation companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which is its subsidiary companies, its associate companies, its joint venture companies and joint operation companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

## **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria

established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies, joint venture companies and joint operation companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

### Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated 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 consolidated financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements/ financial information insofar as it relates to two subsidiary companies, two step-down subsidiaries and one joint operation company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

The internal financial controls with reference to financial statements/financial information insofar as it relates to two subsidiary companies, two associate companies and two joint venture companies, which are companies incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditors. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary companies, associate companies and joint venture companies are not material to the Holding Company.

Our opinion is not modified in respect of these matters.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Shiraz Vastani**

Partner

Place: Mumbai

Membership No.: 103334

Date: 12 May 2023

ICAI UDIN:23103334BGYMRQ5348

# Consolidated Balance Sheet

Particulars	Notes	(₹ in crores)	
		As at March 31, 2023	As at March 31, 2022
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3 (B)	76,641.43	80,900.13
(b) Capital work-in-progress	3 (C)	5,219.87	3,529.04
(c) Right of use assets	4	7,801.04	6,686.02
(d) Goodwill	5	840.60	807.17
(e) Other intangible assets	6 (B)	46,796.69	50,462.13
(f) Intangible assets under development	6 (C)	9,054.63	6,722.05
(g) Investment in equity accounted investees	9	4,675.66	4,349.39
(h) Financial assets:			
(i) Other investments	10	2,865.19	2,320.92
(ii) Finance receivables	18	7,416.41	11,135.85
(iii) Loans and advances	12	870.65	843.35
(iv) Other financial assets	13	7,027.66	5,179.49
(i) Deferred tax assets (net)	22	5,184.67	3,870.85
(j) Non-current tax assets (net)		1,556.36	1,196.79
(k) Other non-current assets	20	8,602.05	5,639.21
		<b>184,552.91</b>	<b>183,642.39</b>
<b>(2) Current assets</b>			
(a) Inventories	14	40,755.39	35,240.34
(b) Financial assets:			
(i) Other investments	11	18,838.31	22,709.22
(ii) Trade receivables	15	15,737.97	12,442.12
(iii) Cash and cash equivalents	16	31,886.95	38,159.01
(iv) Bank balances other than (iii) above	17	5,128.61	2,510.18
(v) Finance receivables	18	23,417.31	22,095.35
(vi) Loans and advances	12	2,302.84	1,671.93
(vii) Other financial assets	13	2,786.72	3,799.82
(c) Current tax assets (net)		259.26	259.84
(d) Assets classified as held-for-sale		827.78	523.85
(e) Other current assets	21	9,587.33	7,565.88
		<b>151,528.47</b>	<b>146,977.54</b>
<b>TOTAL ASSETS</b>		<b>336,081.38</b>	<b>330,619.93</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	23	766.02	765.88
(b) Other equity	24	44,555.77	43,795.36
Equity attributable to owners of Tata Motors Limited		<b>45,321.79</b>	<b>44,561.24</b>
Non-controlling interests		7,277.72	4,271.06
		<b>52,599.51</b>	<b>48,832.30</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities:			
(i) Borrowings	26	88,695.81	97,759.17
(ii) Lease liabilities		7,568.49	5,962.44
(iii) Other financial liabilities	28	8,322.47	5,333.66
(b) Provisions	31	13,196.53	12,955.89
(c) Deferred tax liabilities (net)	22	1,406.95	1,558.44
(d) Other non-current liabilities	32	9,264.29	7,535.22
		<b>128,454.54</b>	<b>131,104.82</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities:			
(i) Borrowings	27	36,964.66	41,917.87
(ii) Lease liabilities		884.48	809.55
(iii) Trade payables	30		
(a) Total outstanding dues of micro and small enterprises		316.01	183.92
(b) Total outstanding dues of creditors other than micro and small enterprises		71,739.76	59,786.46
(iv) Acceptances		7,195.99	9,779.95
(v) Other financial liabilities	29	13,828.58	14,420.24
(b) Provisions	31	11,810.66	10,766.31
(c) Current tax liabilities (net)		1,254.19	1,253.85
(d) Liabilities directly associated with Assets held-for-sale		-	3.12
(e) Other current liabilities	33	11,033.00	11,761.54
		<b>155,027.33</b>	<b>150,682.81</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>336,081.38</b>	<b>330,619.93</b>

See accompanying notes to consolidated financial statements  
In terms of our report attached

For and on behalf of the Board

**For B S R & Co. LLP**

Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**N CHANDRASEKARAN** [DIN: 00121863]

Chairman

**P B BALAJI**

Group Chief Financial Officer

**SHIRAZ VASTANI**

Partner  
Membership No. 103334  
UDIN: 23103334BGYMRQ5348  
Place: Mumbai  
Date: May 12, 2023

**GIRISH WAGH** [DIN: 03119361]

Executive Director

**MALOY KUMAR GUPTA** [ACS: 24123]

Company Secretary

Place: Mumbai  
Date: May 12, 2023



# Consolidated Statement of Profit and Loss

(₹ in crores)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>I. Revenue from operations</b>	34		
(a) Revenue		342,874.59	275,235.23
(b) Other operating revenues		3,092.38	3,218.39
<b>Total revenue from operations</b>		<b>345,966.97</b>	<b>278,453.62</b>
<b>II. Other income (includes government incentives)</b>	35	4,633.18	3,053.63
<b>III. Total Income (I+II)</b>		<b>350,600.15</b>	<b>281,507.25</b>
<b>IV. Expenses:</b>			
(a) Cost of materials consumed			
(i) Cost of materials consumed		208,218.05	159,598.06
(ii) Basis adjustment on hedge accounted derivatives		726.26	1,322.50
(b) Purchase of products for sale		22,306.95	18,374.77
(c) Changes in inventories of finished goods, work-in-progress and products for sale		(4,781.62)	1,590.49
(d) Employee benefits expense	36	33,654.70	30,808.52
(e) Finance costs	37	10,225.48	9,311.86
(f) Compulsorily convertible preference share measured at Fair Value		13.75	14.45
(g) Foreign exchange (gain)/loss (net)		(103.88)	78.68
(h) Depreciation and amortisation expense		24,860.36	24,835.69
(i) Product development/engineering expenses		10,661.96	9,209.50
(j) Other expenses	38	61,785.96	47,133.85
(k) Amount transferred to capital and other account		(18,434.84)	(14,397.29)
<b>Total Expenses (IV)</b>		<b>349,133.13</b>	<b>287,881.08</b>
<b>V. Profit/ (loss) before exceptional items and tax (III-IV)</b>		<b>1,467.02</b>	<b>(6,373.83)</b>
<b>VI. Exceptional Items:</b>			
(a) Defined benefit pension plan amendment past service credit		(1,495.07)	-
(b) Employee separation cost		1.45	9.83
(c) Write off/provision for tangible/intangible assets (including under development) (net)		229.96	-
(d) Reversal for onerous contracts and related supplier claims		(61.03)	-
(e) Reversal for cost of closure of operation of a subsidiary		-	(21.47)
(f) Reversal of Impairment in subsidiaries		(214.39)	(86.26)
(g) Cost of slump sale of passenger vehicle undertaking	8	9.00	301.34
(h) Provision for Russia market	49 (b)	-	428.66
(i) Others	49 (c)	(60.45)	(2.52)
<b>VII. Profit/(loss) before tax (V-VI)</b>		<b>3,057.55</b>	<b>(7,003.41)</b>
<b>VIII. Tax expense/(credit) (net):</b>			
(a) Current tax (including Minimum Alternate Tax)		3,258.35	2,669.98
(b) Deferred tax		(2,554.29)	1,561.31
<b>Total tax expense/(credit) (net)</b>	22	<b>704.06</b>	<b>4,231.29</b>
<b>IX. Profit/(loss) for the year from continuing operations (VII-VIII)</b>		<b>2,353.49</b>	<b>(11,234.70)</b>
<b>X. Share of profit/(loss) of joint ventures and associates (net)</b>	9	336.38	(74.06)
<b>XI. Profit/(Loss) for the year (IX+X)</b>		<b>2,689.87</b>	<b>(11,308.76)</b>
Attributable to:			
(a) Shareholders of the Company		2,414.29	(11,441.47)
(b) Non-controlling interests		275.58	132.71
<b>XII. Other comprehensive income/(loss):</b>			
(A) (i) Items that will not be reclassified to profit or loss:			
(a) Remeasurement gain/(losses) on defined benefit obligations (net)		(198.00)	7,083.47
(b) Equity instruments at fair value through other comprehensive income (net)		(137.65)	392.46
(c) Share of other comprehensive income in equity accounted investees (net)		6.29	4.77
(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit or loss		73.53	(963.79)
(B) (i) Items that will be reclassified to profit or loss:			
(a) Exchange differences in translating the financial statements of foreign operations		737.36	(325.94)
(b) Gains/(losses) in cash flow hedges (including forecast inventory purchases)		(1,298.76)	(9,093.01)
(c) Gains/(losses) on finance receivables held at fair value through other comprehensive income (net)		77.66	198.16
(d) Share of other comprehensive income in equity accounted investees (net)		5.30	217.89
(ii) Income tax (expense)/credit relating to items that will be reclassified to profit or loss		(1,181.06)	2,030.80
<b>Total other comprehensive income/(loss) for the year (net of tax)</b>		<b>(1,915.33)</b>	<b>(455.19)</b>
Attributable to:			
(a) Shareholders of the Company		(1,935.09)	(455.81)
(b) Non-controlling interests		19.76	0.62
<b>XIII. Total comprehensive income/(loss) for the year (net of tax) (XI+XII)</b>		<b>774.54</b>	<b>(11,763.95)</b>
Attributable to:			
(a) Shareholders of the Company		479.20	(11,897.28)
(b) Non-controlling interests		295.34	133.33
<b>XIV. Earnings per equity share (EPS)</b>	46		
(a) Ordinary shares (face value of ₹2 each):			
(i) Basic EPS	₹	6.29	(29.88)
(ii) Diluted EPS	₹	6.29	(29.88)
(b) 'A' Ordinary shares (face value of ₹2 each):			
(i) Basic EPS	₹	6.39	(29.88)
(ii) Diluted EPS	₹	6.39	(29.88)

See accompanying notes to consolidated financial statements  
In terms of our report attached

For and on behalf of the Board

## For B S R & Co. LLP

Chartered Accountants  
Firm's Registration No: IO1248W/W-100022

**N CHANDRASEKARAN** [DIN: 00121863]  
Chairman

## P B BALAJI

Group Chief Financial Officer

## SHIRAZ VASTANI

Partner  
Membership No. 103334  
UDIN: 23103334BGYMRQ5348  
Place: Mumbai  
Date: May 12, 2023

**GIRISH WAGH** [DIN: 03119361]  
Executive Director

**MALOY KUMAR GUPTA** [ACS: 24123]  
Company Secretary

Place: Mumbai  
Date: May 12, 2023

# Consolidated Cash Flow Statement

Particulars	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flows from operating activities:</b>		
Profit/(Loss) for the year	2,689.87	(11,308.76)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	24,860.36	24,835.69
Allowances for finance receivables	2,039.15	1,307.59
Provision for trade and other receivables	80.63	151.26
Inventory write-down (net)	723.21	125.34
Reversal for costs of closure of operations of a subsidiary company	-	(3.32)
Discounting of warranty and other provisions	(140.76)	-
Write off/provision for tangible/intangible assets (including under development) (net)	229.95	-
Reversal of Impairment in subsidiaries	(214.39)	(104.42)
Reversal for onerous contracts and related supplier claims	(61.03)	-
Defined benefit pension plan amendment past service credit	(1,495.07)	-
Other exceptional items	(61.99)	-
Accrual for share-based payments	30.03	18.05
Marked-to-market gain on investments measured at fair value through profit or loss	(93.27)	-
Loss on sale of assets (including assets scrapped/written off) (net)	354.96	94.19
Profit on sale of investments (net)	(303.44)	(266.56)
Share of (profit)/loss of joint ventures and associates (net)	(336.38)	74.06
Tax expense (net)	704.06	4,231.29
Finance costs and Compulsorily convertible preference share measured at Fair Value	10,239.23	9,326.31
Interest income	(1,251.18)	(625.22)
Dividend income	(46.42)	(34.22)
Foreign exchange gain (net)	3,746.61	(878.51)
<b>Cash flows from operating activities before changes in following assets and liabilities</b>	<b>41,694.13</b>	<b>26,942.77</b>
Finance receivables	617.45	(75.63)
Trade receivables	(2,830.10)	261.08
Loans and advances and other financial assets	(736.04)	129.26
Other current and non-current assets	(3,182.09)	(5,312.17)
Inventories	(5,665.36)	472.06
Trade payables and acceptances	6,944.85	(7,011.86)
Other current and non-current liabilities	537.16	(3,065.37)
Other financial liabilities	706.43	(178.55)
Provisions	480.57	4,030.88
<b>Cash from operations</b>	<b>38,567.00</b>	<b>16,192.47</b>
Income tax paid (net)	(3,178.99)	(1,909.64)
<b>Net cash from operating activities</b>	<b>35,388.01</b>	<b>14,282.83</b>
<b>Cash flows from investing activities:</b>		
Payments for property, plant and equipments	(8,492.63)	(9,039.40)
Payments for other intangible assets	(9,603.05)	(6,129.02)
Proceeds from sale of property, plant and equipments	285.03	230.10
Payment for acquisition of Ford assets (refer note 3(B))	(836.29)	-
Investments in mutual fund (purchased)/sold (net)	3,963.25	(2,968.54)
Disposal of subsidiaries (net of cash disposed)	19.37	(98.45)
Investment in government securities	(2,839.87)	(1,228.21)
Investments - others	(50.00)	(39.71)
Proceeds from sale of investments in other companies	59.33	103.55
Proceeds from sale of investments in government securities	2,872.88	-
Proceeds from disposal of defence business	-	234.09

# Consolidated Cash Flow Statement

Particulars	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Interest received	973.44	652.94
Purchase of other assets with a view to resale	(298.20)	-
Dividend received	46.42	32.01
Dividend received from equity accounted investees	21.69	-
Deposit/restricted deposits with financial institution	(2,169.57)	(600.00)
Realisation of deposit with financial institution	1,469.59	1,300.00
Deposits/restricted deposits with banks	(17,723.34)	(13,203.08)
Realisation of deposits/restricted deposits with banks	15,497.79	25,978.60
<b>Net cash used in investing activities</b>	<b>(16,804.16)</b>	<b>(4,775.12)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issue of shares, warrants and share application pending allotment (net of issue expenses)	19.60	18.59
Proceeds from issuance of compulsorily convertible preference shares	3,750.00	3,750.00
Buy back of stake from minority shareholders	(295.92)	-
Payment for acquisition of minority stake of subsidiary	(99.50)	-
Proceeds from long-term borrowings	16,315.06	31,308.62
Repayment of long-term borrowings	(31,559.46)	(23,355.80)
Proceeds/(payment) from option settlement of long term borrowings	(106.51)	(97.77)
Proceeds from short-term borrowings	28,125.45	16,866.24
Repayment of short-term borrowings	(30,997.82)	(19,460.45)
Net change in other short-term borrowings (with maturity up to three months)	(753.73)	(1,975.59)
Repayment of lease liability (including interest)	(1,516.61)	(1,558.95)
Dividend paid to non-controlling interest shareholders of subsidiaries	(140.88)	(98.39)
Dividend paid (including transferred to IEPF)	-	(1.53)
Proceeds from issuance of perpetual debt instrument classified as equity by a subsidiary (net)	353.38	476.28
Interest paid [including discounting charges paid ₹740.75 crores (March 31, 2022 ₹1,082.52 crores)]	(9,335.96)	(9,251.42)
<b>Net cash (used in)/from financing activities</b>	<b>(26,242.90)</b>	<b>(3,380.17)</b>
Net (decrease)/increase in cash and cash equivalents	(7,659.05)	6,127.54
Cash and cash equivalents as at April 1, (opening balance)	38,159.01	31,700.01
Effect of foreign exchange on cash and cash equivalents	1,386.99	331.46
<b>Cash and cash equivalents as at March 31, (closing balance)</b>	<b>31,886.95</b>	<b>38,159.01</b>
<b>Non-cash transactions:</b>		
Liability towards property, plant and equipment and intangible assets purchased on credit/deferred credit	3,941.33	4,547.68

See accompanying notes to consolidated financial statements  
In terms of our report attached

For and on behalf of the Board

## For B S R & Co. LLP

Chartered Accountants  
Firm's Registration No: IOI248W/W-100022

## SHIRAZ VASTANI

Partner  
Membership No. 103334  
UDIN: 23103334BGYMRQ5348  
Place: Mumbai  
Date: May 12, 2023

## N CHANDRASEKARAN [DIN: 00121863]

Chairman

## GIRISH WAGH [DIN: 03119361]

Executive Director

## P B BALAJI

Group Chief Financial Officer

## MALOY KUMAR GUPTA [ACS: 24123]

Company Secretary

Place: Mumbai  
Date: May 12, 2023

# Consolidated Statement of Changes In Equity for the year ended March 31, 2023

## A. EQUITY SHARE CAPITAL

Particulars	₹ in crores	
	Equity Share Capital	Capital
Balance as at April 1, 2022	765.88	
Proceeds from issuance of shares	0.14	
<b>Balance as at March 31, 2023</b>	<b>766.02</b>	

## B. OTHER EQUITY

Particulars	Reserves										Other components of equity					Total other equity			
	Securities Premium reserve	Share-based payments reserve	Share application money pending allotment	Capital redemption reserve	Debt redemption reserve	Reserve for research and human resource development	Special reserve	Earned surplus reserve	Capital Reserve	Retained earnings	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Hedging Reserve	Cost of hedging reserve	Currency translation reserve		Attributable to Owners of Tata Motors Limited	Non-controlling interests	
<b>Opening balance as at April 1, 2022</b>	14,137.14	38.28	6.39	2.28	411.14	2007.4	617.25	45.65	1,164.20	22,946.58	399.74	663.22	(5,519.59)	65.95	86,163.39	43,795.36	4,271.06	48,066.42	
Profit/(Loss) for the period	-	-	-	-	-	-	-	-	2,442.29	-	-	-	-	-	-	-	2,75.58	2,689.87	
Remeasurement gains/(losses) on defined benefit obligations (net)	-	-	-	-	-	-	-	-	(63.18)	-	-	-	-	-	-	(63.18)	-	(63.18)	
Other comprehensive income / (loss) for the period	-	-	-	-	-	-	-	-	-	78.92	(92.37)	(1,355.78)	(1,105.44)	722.61	722.61	(1,752.06)	19.76	(1,732.30)	
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	-	-	-	-	-	2,251.11	76.92	(92.37)	(1,355.78)	(1,105.44)	722.61	722.61	499.05	295.34	794.39	
Amount reclassified to profit and loss	-	-	-	-	-	-	-	-	-	(19.86)	-	319.49	34.01	-	-	353.50	-	353.50	
Acquisition of minority	-	-	-	-	-	-	-	-	(21.78)	-	-	-	-	-	(19.86)	-	-	(19.86)	
Distribution to Minority	-	-	-	-	-	-	-	-	(21.78)	-	-	-	-	-	(21.78)	-	-	(21.78)	
Issue of perpetual instrument classified as equity by a subsidiary (refer note below)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19.81	(10.97)
Proceeds from Compulsory Convertible Preference Shares (net of debt issue cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	360.00	360.00	360.00
Share based payments	-	30.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,472.39	2,472.39
Money received on exercise of stock options by employees	2340	-	(3.93)	-	-	-	-	-	-	-	-	-	-	-	-	30.03	-	30.03	30.03
Exercise of stock option by employees	3.79	(3.79)	-	-	-	-	-	-	-	-	-	-	-	-	-	19.47	-	19.47	19.47
Transfer of lapsed stock options	-	(1.30)	-	-	-	-	-	-	1.30	-	-	-	-	-	-	-	-	-	-
Transfer from debenture redemption reserve	-	-	-	-	(199.80)	-	-	-	199.80	-	-	-	-	-	-	-	-	-	-
Transfer (from)/to retained earnings	-	-	-	-	-	-	25.99	-	(25.99)	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	14,164.33	63.22	2.46	2.28	211.34	2007.4	643.24	45.65	1,164.20	25,251.02	458.80	570.85	(6,555.88)	(1,005.48)	9,339.00	44,555.77	7,277.72	51,833.49	

Note: During the year ended March 31, 2023, Tata Motors Finance Limited, a subsidiary of the Company issued perpetual securities of ₹ 360.00 crores bearing a coupon interest rate of 9.23% and 9.30% per annum, with a step up provision if the securities are not called after 10 years from the issue date. The payment of any coupon may be cancelled or suspended at the discretion of the Board of Directors of Tata Motors Finance Limited. Accordingly, the Company has accounted these securities as equity instruments and any amount attributable to investors of these perpetual securities have been presented as non-controlling interest.

See accompanying notes to consolidated financial statements  
In terms of our report attached

For and on behalf of the Board

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248/W/-100022

**N CHANDRASEKARAN** [DIN: 00121863]

Chairman

**SHIRAZ VASTANI**

Partner

Membership No. 103334

UDIN: 23103334BG/YMRG5348

Place: Mumbai

Date: May 12, 2023

**GIRISH WAGH** [DIN: 03119361]

Executive Director

**P B BALAJI**

Group Chief Financial Officer

**MALLOY KUMAR GUPTA** [ACS: 24123]

Company Secretary

Place: Mumbai

Date: May 12, 2023

# Statement of Changes in Equity for the year ended March 31, 2022

## A. EQUITY SHARE CAPITAL

Particulars	₹ in crores	
	Equity Share Capital	
Balance as at April 1, 2021	765.81	
Proceeds from issuance of shares	0.07	
<b>Balance as at March 31, 2022</b>	<b>765.88</b>	

## B. OTHER EQUITY

Particulars	Reserves											Other components of equity				Total other equity		
	Securities Premium	Share-based payments reserve	Share application money pending allotment	Capital redemption reserve	Debt redemption reserve	Reserve for research and human resource development	Special reserve	Earned surplus reserve	Capital Reserve	Retained earnings	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Hedging Reserve	Cost of hedging reserve	Currency translation reserve		Attributable Owners of Tata Motors Limited	Non-controlling interests
Opening balance as at April 1, 2021	25,296.63	22.18	-	2.28	904.44	200.74	578.86	45.65	1,164.20	16,592.83	256.78	320.88	311.35	66.88	8,727.21	54,480.91	1,573.49	56,054.40
Profit/(Loss) for the period	-	-	-	-	-	-	-	-	(1,441.47)	-	-	-	-	-	-	(1,441.47)	132.71	(1,308.76)
Remeasurement gains/(losses) on defined benefit obligations (net)	-	-	-	-	-	-	-	-	6,176.72	-	-	-	-	-	-	6,176.72	-	6,176.72
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-	-	142.96	342.34	(6,937.65)	(6,936)	(110.82)	(6,632.53)	0.62	(6,631.91)	
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	-	-	-	-	-	<b>(5,264.75)</b>	<b>142.96</b>	<b>342.34</b>	<b>(6,537.65)</b>	<b>(69.36)</b>	<b>(110.82)</b>	<b>(11,897.28)</b>	<b>133.33</b>	<b>(11,763.95)</b>	
Amounts recognized in inventory	-	-	-	-	-	-	-	-	-	-	-	-	11,067.1	68.43	11,135.54	-	(146.06)	(146.06)
Distribution to Minority	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of perpetual instrument classified as equity by a subsidiary (refer note below)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	485.00	485.00
Liability for buy back of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(245.79)	(245.79)
Proceeds from Compulsory Convertible Preference Shares (net of Debt issue cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,471.09	2,471.09
Share based payments	-	18.05	-	-	-	-	-	-	-	-	-	-	-	-	18.05	-	18.05	
Money received on exercise of stock options by employees	12.15	-	6.39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.54
Exercise of stock option by employees	1.95	(1.95)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer (from)/to retained earnings	(1173.59)	-	-	-	(493.30)	-	38.39	-	-	11,628.50	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>14,137.14</b>	<b>38.28</b>	<b>6.39</b>	<b>2.28</b>	<b>411.14</b>	<b>200.74</b>	<b>617.25</b>	<b>45.65</b>	<b>1,164.20</b>	<b>22,946.58</b>	<b>399.74</b>	<b>653.22</b>	<b>(5,519.59)</b>	<b>65.95</b>	<b>8,616.39</b>	<b>43,795.36</b>	<b>4,271.06</b>	<b>48,066.42</b>

Note: During the year ended March 31, 2022, Tata Motors Finance Limited, a subsidiary of the Company issued perpetual securities of ₹ 485.00 crores bearing a coupon interest rate of 8.35% to 9.10% per annum, with a step up provision if the securities are not called after 10 years from the issue date. The payment of any coupon may be cancelled or suspended at the discretion of the Board of Directors of Tata Motors Finance Limited. Accordingly, the Company has accounted these securities as equity instruments and any amount attributable to investors of these perpetual securities have been presented as non-controlling interest.

See accompanying notes to consolidated financial statements  
In terms of our report attached

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board

**N CHANDRASEKARAN** [DIN: 00121863]

Chairman

**SHIRAZ VASTANI**

Partner

Membership No. 103334

UDIN: 23103334BGYMRG5348

Place: Mumbai

Date: May 12, 2023

**GIRISH WAGH** [DIN: 03119361]

Executive Director

**P B BALAJI**

Group Chief Financial Officer

**MALLOY KUMAR GUPTA** [ACS: 24123]

Company Secretary

Place: Mumbai

Date: May 12, 2023

# Notes

forming part of Consolidated Financial Statements

## 1. Background and operations

Tata Motors Limited and its subsidiaries, collectively referred to as ("the Company" or "Tata Motors"), designs, manufactures and sells a wide range of automotive vehicles. The Company provides financing for the vehicles sold by dealers of the Company in certain markets. The Company also manufactures engines for industrial and marine applications, aggregates such as axles and transmissions for commercial vehicles and factory automation equipment, and provides information technology services.

Tata Motors Limited is a public limited company incorporated and domiciled in India and has its registered office at Mumbai, Maharashtra, India. As at March 31, 2023, Tata Sons Private Limited, together with its subsidiaries and joint venture owns 46.32% of the Ordinary shares and 7.66% of 'A' Ordinary shares of the Company, and has the ability to significantly influence the Company's operation.

The Company's subsidiaries includes the Jaguar Land Rover business (referred to as JLR or Jaguar Land Rover).

The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 12, 2023.

## 2. Significant accounting policies

### (a) Statement of compliance

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 ("the Act") as amended from time to time.

### (b) Basis of preparation

The consolidated financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period as explained in the accounting policies below.

### (c) Basis of consolidation

#### Subsidiaries

The consolidated financial statements include Tata Motors Limited and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power to direct relevant activities of the investee. Relevant activities are those activities that significantly affect an entity's returns. The Company 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 listed above. In assessing control, potential voting rights that currently are exercisable and other contractual arrangements that may influence control are taken into account. The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance. Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted

# Notes

forming part of Consolidated Financial Statements

for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

## Interests in joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

## Joint operations

Certain of the Company's activities, are conducted through joint operations, which are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Company recognises, in the consolidated financial statements, its share of the assets, liabilities, income and expenses of these joint operations incurred jointly with the other partners,

along with its share of income from the sale of the output and any assets, liabilities and expenses that it has incurred in relation to the joint operation.

## Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are incorporated in these financial statements using the equity method of accounting as described below.

## Associates

Associates are those entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control those policies. Significant influence is presumed to exist when the Company holds 20 percent or more of the voting power of the investee. If accounting policies of associates differ from those adopted by the Group, the accounting policies of associates are aligned with those of the Group. The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting as described below.

## Equity method of accounting (equity accounted investees)

An interest in an associate or joint venture is accounted for using the equity method from the date the investee becomes an associate or a joint venture and are recognised initially at cost. The carrying value of investment in associates and joint ventures includes goodwill identified on date of acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Company's share of profits or losses, other comprehensive income and equity movements of equity accounted investments, from the date that significant influence or joint control commences until the date that significant influence

# Notes

## forming part of Consolidated Financial Statements

or joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investment, the carrying amount of that interest (including any long-term interests in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has incurred constructive or legal obligations or has made payments on behalf of the investee.

When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture.

Dividends are recognised when the right to receive payment is established.

### (d) Business combination

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard.

Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

### (e) Going Concern

These financial statements have been prepared on a Going Concern basis

The Company has performed an assessment of its financial position as at March 31, 2023 and forecasts of the Company and JLR for a period of at least twelve months from the date of authorisation of

these financial statements (the 'Going Concern Assessment Period' and the 'Foreseeable Future').

The Company and JLR have assessed their projected cash flows over the going concern assessment period. In developing these forecasts, the Company and JLR have modelled a base case, which has been further sensitised using severe but plausible downside scenarios. The base case uses the most recent Board-approved forecasts that include the going concern assessment period; taking into account the Group's expectations of improved semiconductor supply, optimisation of production to prioritise the highest margin products along with the expectations relating to prevailing economic conditions, including the impact of inflationary pressures on material costs and environmental, social and governance ("ESG") commitments.

For the Company, the base case has been further sensitized using more severe but plausible scenarios considering external market commentaries and other factors impacting the global economy and automotive industry.

For JLR, a reverse stress test against the base case has been carried out to determine the decline in wholesale volume over a 12-month period that would result in a liquidity level that breaches the GBP 1 billion liquidity financing covenants. The reverse stress test assumes continued supply constraints and optimisation of supply to maximise production of higher margin products. In order to reach a liquidity level that breaches covenants, it would require a sustained decline in wholesale volumes of more than 65% compared to base case over a 12-month period. The reverse test reflects variable profit impact of the wholesale volume decline, and assume all other assumptions, are held in line with the base case. It does not reflect other potential upside measures that could be taken in such a reduced volume scenario or any new funding. JLR does not consider this scenario to be plausible given the reverse stress test volumes are significantly lower than those achieved during the peak of the Covid-19 pandemic and the quarters most severely



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impacted by the semiconductor shortages. JLR has also considered other severe but plausible downside scenarios and expected volumes under each of these scenarios is much higher than under the reverse stress test. JLR has considered severe but plausible downside scenarios, including scenario that reflect a decrease in variable profit per unit compared with the base case to include additional increase in material costs as a result of inflationary increases and other related production costs. The expected wholesale volumes under all of these scenarios is higher than under the reverse stress test.

Based on the evaluation described above, management believes that the Company and JLR have sufficient financial resources available to it at the date of approval of these financial statements and that it will be able to continue as a 'going concern' in the foreseeable future and for a period upto at least twelve months from the date of authorisation of these financial statement.

### (f) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent 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 at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- i) Note 3, 6, 7 and 8 - Property, plant and equipment and intangible assets – Useful lives and impairment
- ii) Note 5 - Impairment of goodwill
- iii) Note 22 - Recoverability/recognition of deferred tax assets
- iv) Note 31 - Provision for product warranty
- v) Note 36 - Assets and obligations relating to employee benefits
- vi) Note 18 - Allowances for credit losses for finance receivables
- vii) Estimated discounts / incentives required to be paid to dealers on retail of vehicles
- viii) Note 2(e) – Going concern assessment

### (g) Cost recognition

Costs and expenses are recognised when incurred and are classified according to their nature.

Expenditure are capitalised, where appropriate, in accordance with the policy for internally generated intangible assets and represents employee costs, stores and other manufacturing supplies, and other expenses incurred for construction and product development undertaken by the Company.

Material and other cost of sales as reported in the consolidated statement of profit and loss is presented net of the impact of realised foreign exchange relating to derivatives hedging cost exposures.

### (h) Foreign currency

These consolidated financial statements are presented in Indian rupees, which is the functional currency of Tata Motors Limited. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the

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balance sheet date. Exchange differences are recognised in the consolidated statement of profit and loss except to the extent, exchange differences on foreign currency borrowings which are capitalized when they are regarded as an adjustment to interest costs.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations (having non-INR functional currency) are translated to Indian rupees at the exchange rate prevailing on the balance sheet date. Income and expenses items are translated at the average rate of exchange for the respective months. Exchange differences arising on such translation are recognised as currency translation reserve under equity. Exchange differences arising from the translation of a foreign operation previously recognised in currency translation reserve in equity are not reclassified from equity to the consolidated profit or loss until the disposal of the operation."

### (i) Impairment

#### i) Goodwill

Cash generating units to which goodwill is allocated are tested for impairment annually at each balance sheet date, 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 the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to the other assets of the unit pro rata on the basis of carrying amount of each asset in the unit. Goodwill impairment loss recognised is not reversed in subsequent period.

#### ii) Property, plant and equipment and other intangible assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be

impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

#### iii) Equity accounted investments: Joint ventures and associates:

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 (or cash generating unit) for which the estimates of future cash flows have not been adjusted. Cash flow projections are developed generally for five years using data from the Company's latest internal forecasts and extrapolated beyond five years using estimated long-term growth rates.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to

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its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit and loss.

An asset or cash-generating unit impaired in prior years is reviewed at each balance sheet date to determine whether there is any indication of a reversal of impairment loss recognised in prior years.

### (j) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

#### i) Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements.

#### ii) Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

#### iii) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2024.

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## forming part of Consolidated Financial Statements

(l) The following subsidiary companies are considered in the consolidated financial statements:

Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2023	As at March 31, 2022
<b>Direct Subsidiaries</b>				
1	TML Business Services Limited	India	100.00	100.00
2	Tata Motors Insurance Broking and Advisory Services Limited	India	100.00	100.00
3	Tata Technologies Limited	India	76.69	74.42
4	TMF Holdings Limited	India	100.00	100.00
5	Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited)	India	100.00	61.86
6	TML Holdings Pte. Limited	Singapore	100.00	100.00
7	Tata Hispano Motors Carrocera S.A.	Spain	100.00	100.00
8	Tata Hispano Motors Carroceries Maghreb SA	Morocco	100.00	100.00
9	Tata Precision Industries Pte. Limited	Singapore	78.39	78.39
10	Brabo Robotics and Automation Limited	India	100.00	100.00
11	Jaguar Land Rover Technology and Business Services India Private Limited (Formerly known as JT Special Vehicles Pvt. Limited)	India	100.00	100.00
12	TML CV Mobility Solutions Limited	India	100.00	100.00
13	Tata Passenger Electric Mobility Limited	India	100.00	100.00
14	Tata Motors Passenger Vehicles Limited	India	100.00	100.00
15	TML Smart City Mobility Solutions Limited (Incorporated on May 25, 2022)	India	100.00	-
<b>Indirect Subsidiaries *</b>				
16	Tata Motors European Technical Centre PLC	UK	100.00	100.00
17	Trilix S.r.l.	Italy	100.00	100.00
18	Tata Daewoo Commercial Vehicle Company Limited	South Korea	100.00	100.00
19	Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited	South Korea	100.00	100.00
20	Tata Motors (Thailand) Limited	Thailand	97.21	97.21
21	Tata Motors (SA) (Proprietary) Limited	South Africa	60.00	60.00
22	PT Tata Motors Indonesia	Indonesia	100.00	100.00
23	Tata Technologies (Thailand) Limited	Thailand	76.69	74.42
24	Tata Technologies Pte Limited	Singapore	76.69	74.42
25	INCAT International Plc.	UK	76.69	74.42
26	Tata Technologies Europe Limited	UK	76.69	74.42
27	Tata Technologies Nordics AB	UK	76.69	74.42
28	Tata Technologies GmbH	Germany	76.69	74.42
29	Tata Technologies Inc. (Formerly known as INCAT GmbH)	USA	76.74	74.48
30	Tata Technologies de Mexico, S.A. de C.V.	Mexico	76.74	74.48
31	Cambric Limited	USA	76.74	74.48
32	Tata Technologies SRL Romania	Romania	76.74	74.48
33	Tata Manufacturing Technologies (Shanghai) Limited	China	76.69	74.42
34	Jaguar Land Rover Automotive Plc	UK	100.00	100.00
35	Jaguar Land Rover Limited	UK	100.00	100.00
36	Jaguar Land Rover Austria GmbH	Austria	100.00	100.00

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Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2023	As at March 31, 2022
37	Jaguar Land Rover Belux NV	Belgium	100.00	100.00
38	Jaguar Land Rover Japan Limited	Japan	100.00	100.00
39	Jaguar Cars South Africa (Pty) Limited	South Africa	100.00	100.00
40	JLR Nominee Company Limited	UK	100.00	100.00
41	The Daimler Motor Company Limited	UK	100.00	100.00
42	Daimler Transport Vehicles Limited	UK	100.00	100.00
43	S.S. Cars Limited	UK	100.00	100.00
44	The Lanchester Motor Company Limited	UK	100.00	100.00
45	Jaguar Land Rover Deutschland GmbH	Germany	100.00	100.00
46	Jaguar Land Rover Classic Deutschland GmbH	Germany	100.00	100.00
47	Jaguar Land Rover Holdings Limited	UK	100.00	100.00
48	Jaguar Land Rover North America LLC	USA	100.00	100.00
49	Land Rover Ireland Limited	Ireland	100.00	100.00
50	Jaguar Land Rover Nederland BV	Netherlands	100.00	100.00
51	Jaguar Land Rover Portugal - Veiculos e Pecas, Lda.	Portugal	100.00	100.00
52	Jaguar Land Rover Australia Pty Limited	Australia	100.00	100.00
53	Jaguar Land Rover Italia Spa	Italy	100.00	100.00
54	Jaguar Land Rover Espana SL	Spain	100.00	100.00
55	Jaguar Land Rover Korea Company Limited	South Korea	100.00	100.00
56	Jaguar Land Rover (China) Investment Co. Limited	China	100.00	100.00
57	Jaguar Land Rover Canada ULC	Canada	100.00	100.00
58	Jaguar Land Rover France, SAS	France	100.00	100.00
59	Jaguar Land Rover (South Africa) (pty) Limited	South Africa	100.00	100.00
60	Jaguar e Land Rover Brasil industria e Comercio de Veiculos LTDA	Brazil	100.00	100.00
61	Limited Liability Company "Jaguar Land Rover" (Russia)	Russia	100.00	100.00
62	Jaguar Land Rover (South Africa) Holdings Limited	UK	100.00	100.00
63	Jaguar Land Rover India Limited	India	100.00	100.00
64	Jaguar Cars Limited	UK	100.00	100.00
65	Land Rover Exports Limited	UK	100.00	100.00
66	Jaguar Land Rover Pension Trustees Limited	UK	100.00	100.00
67	Jaguar Racing Limited	UK	100.00	100.00
68	InMotion Ventures Limited	UK	100.00	100.00
69	In-Car Ventures Limited	UK	100.00	100.00
70	InMotion Ventures 2 Limited	UK	100.00	100.00
71	InMotion Ventures 3 Limited	UK	100.00	100.00
72	Shanghai Jaguar Land Rover Automotive Services Company Limited	China	100.00	100.00
73	Jaguar Land Rover Slovakia s.r.o	Slovakia	100.00	100.00
74	Jaguar Land Rover Singapore Pte. Ltd	Singapore	100.00	100.00
75	Jaguar Land Rover Columbia S.A.S	Columbia	100.00	100.00
76	PT Tata Motors Distribusi Indonesia	Indonesia	100.00	100.00
77	Tata Motors Finance Solutions Limited	India	100.00	100.00
78	Tata Motors Finance Limited	India	100.00	100.00
79	Jaguar Land Rover Ireland (Services) Limited	Ireland	100.00	100.00

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Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2023	As at March 31, 2022
80	Jaguar Land Rover Taiwan Company Limited	Taiwan	100.00	100.00
81	Jaguar Land Rover Servicios Mexico,S.A. de C.V.	Mexico	100.00	100.00
82	Jaguar Land Rover Mexico,S.A.P.I. de C.V.	Mexico	100.00	100.00
83	Jaguar Land Rover Hungary KFT	Hungary	100.00	100.00
84	Jaguar Land Rover Classic USA LLC	USA	100.00	100.00
85	Jaguar Land Rover Ventures Limited	UK	100.00	100.00
86	Bowler Motors Limited	UK	100.00	100.00
87	Jaguar Land Rover (Ningbo) Trading Co. Limited	China	100.00	100.00
88	TML Smart City Mobility Solutions (J&K) Private Limited (Incorporated with effect from October 13, 2022)	India	100.00	-
89	Tata Technologies Limited Employees Stock Option Trust	India	76.69	74.42
90	INCAT International Limited ESOP 2000	UK	76.69	74.42

\* Effective holding % of the Company directly and through its subsidiaries.

The following Jointly controlled companies are considered in the consolidated financial statements:

Sr No.	Name of the jointly controlled company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2023	As at March 31, 2023
<b>Joint Operations</b>				
1	Fiat India Automobiles Private Limited	India	50.00	50.00
2	Tata Cummins Private Limited	India	50.00	50.00
<b>Joint Ventures</b>				
3	Tata HAL Technologies Limited **	India	37.21	37.21
4	Chery Jaguar Land Rover Automotive Company Limited	China	50.00	50.00
5	Loginomic Tech Solutions Private Limited ("TruckEasy")	India	26.00	26.00
6	Jaguar Land Rover Switzerland AG	Switzerland	30.00	30.00

\*\* Effective holding % of the Company as it is a Joint Venture of Tata Technologies Ltd

The following associates companies are considered in the consolidated financial statements:

Sr No.	Name of the associate company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2023	As at March 31, 2023
1	Automobile Corporation of Goa Limited	India	49.77	49.77
2	Nita Company Limited	Bangladesh	40.00	40.00
3	Tata Hitachi Construction Machinery Company Private Limited	India	39.99	39.99
4	Tata Precision Industries (India) Limited	India	39.19	39.19
5	Tata AutoComp Systems Limited	India	26.00	26.00
6	Jaguar Cars Finance Limited	UK	49.90	49.90
7	Cloud Car Inc	USA	26.30	26.30
8	Synaptiv Limited	UK	37.50	37.50
9	DriveClubService Pte. Ltd.	Singapore	25.07	25.07
10	Inchcape JLR Europe Limited	UK	30.00	30.00
11	Sertec Corporation Limited* (acquired on June 17, 2022)	UK	40.00	-

\* As at March 31, 2023, equity pick-up is not done as the entity is acquired with the view to resale.

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## 3. Property, plant and equipment

### (A) Accounting policy

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any.

Freehold land is measured at cost and is not depreciated.

Heritage assets, comprising antique vehicles purchased by the Company, are not depreciated as they are considered to have a residual value in excess of cost.

Residual values are re-assessed on an annual basis.

Cost includes purchase price, non-recoverable taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Depreciation is provided on the Straight-Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support. Taking into account these factors, the Company and its domestic group companies have decided to retain the useful life hitherto adopted for various categories of property, plant and equipment, which are different from those prescribed in Schedule II of the Act.

Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life (years)
Buildings, Roads, Bridge and culverts	4 to 60 years
Plant, machinery and equipment	3 to 30 years
Computers and other IT assets	3 to 6 years
Vehicles	3 to 11 years
Furniture, fixtures and office appliances	3 to 21 years

The useful lives and method of depreciation is reviewed at least at each year-end. Changes in expected useful lives are treated as change in accounting estimates.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

An item of property, plant and equipment is derecognized on disposal. Any gain or loss arising from derecognition of an item of property, plant and equipment is included in profit or loss when it is derecognised.

# Notes

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**(B) Property, plant and equipment**

	(₹ in crores)											
	Owned assets					Given on lease						
	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computers	Heritage Assets	Land	Buildings	Plant and equipment	Vehicles	Total
<b>Cost as at April 1, 2022</b>	7,456.81	28,644.08	147,024.91	1,815.70	411.18	2,933.15	301.66	21.58	35.60	5.16	142.13	188,791.96
Additions	-	721.02	5,265.88	72.56	30.84	333.07	-	-	-	0.77	24.17	6,448.31
Additions on account of Ford plant acquisition (refer note below)	331.92	176.25	-	-	-	-	-	45.08	74.46	-	-	627.71
Assets classified as held for sale	(95.57)	(520.13)	-	-	-	-	(18.65)	-	-	-	-	(634.35)
Disposal/Adjustments	-	(146.78)	(2,864.76)	(18.48)	(74.65)	(19.64)	(37.97)	-	(4.02)	(0.19)	(37.63)	(3,204.12)
Currency translation differences	63.80	696.92	2,781.32	39.51	4.18	62.85	0.24	-	-	-	-	3,648.82
<b>Cost as at March 31, 2023</b>	<b>7,756.96</b>	<b>29,571.36</b>	<b>152,207.35</b>	<b>1,909.29</b>	<b>371.55</b>	<b>3,309.43</b>	<b>245.28</b>	<b>66.66</b>	<b>106.04</b>	<b>5.74</b>	<b>128.67</b>	<b>195,678.33</b>
<b>Accumulated depreciation as at April 1, 2022</b>	-	8,111.24	96,074.21	1,235.51	294.29	1,954.26	167.09	-	3.26	4.12	47.85	107,891.83
Depreciation for the year	-	1,300.10	10,115.18	93.00	30.84	237.18	-	-	0.63	-	21.94	11,798.87
Assets classified as held for sale	-	(57.56)	-	-	-	-	-	-	-	-	-	(57.56)
Disposal/Adjustments	-	(33.78)	(2,706.28)	(14.22)	(67.95)	(16.68)	-	-	(1.04)	(0.10)	(24.72)	(2,864.77)
Provision/(Reversal) for impairment/Write off	-	-	(58.77)	-	-	-	-	-	-	-	-	(58.77)
Currency translation differences	-	242.07	1,996.09	26.65	22.01	40.48	-	-	-	-	-	2,327.30
<b>Accumulated depreciation as at March 31, 2023</b>	-	<b>9,562.07</b>	<b>105,420.43</b>	<b>1,340.94</b>	<b>279.19</b>	<b>2,215.24</b>	<b>167.09</b>	-	<b>2.85</b>	<b>4.02</b>	<b>45.07</b>	<b>119,036.90</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>7,756.96</b>	<b>20,009.29</b>	<b>46,786.92</b>	<b>568.35</b>	<b>92.36</b>	<b>1,094.19</b>	<b>78.19</b>	<b>66.66</b>	<b>103.19</b>	<b>1.72</b>	<b>83.60</b>	<b>76,641.43</b>
<b>Cost as at April 1, 2021</b>	<b>7,513.05</b>	<b>28,534.98</b>	<b>137,463.16</b>	<b>1,814.99</b>	<b>498.44</b>	<b>2,755.67</b>	<b>353.68</b>	<b>25.03</b>	<b>36.49</b>	<b>5.16</b>	<b>170.88</b>	<b>179,171.53</b>
Additions	12.26	599.05	12,467.83	121.10	41.29	226.91	5.08	-	-	-	13.69	13,487.21
Assets classified as held for sale	(21.19)	(95.89)	-	-	-	-	(46.49)	(3.67)	(1.10)	-	-	(168.34)
Disposal/Adjustments	-	(43.21)	(1,230.33)	(74.50)	(126.84)	(20.34)	(8.87)	-	(0.16)	-	(42.44)	(1,546.69)
Currency translation differences	(47.31)	(350.85)	(1,675.75)	(45.89)	(1.71)	(29.09)	(1.74)	0.22	0.37	-	-	(2,151.75)
<b>Cost as at March 31, 2022</b>	<b>7,456.81</b>	<b>28,644.08</b>	<b>147,024.91</b>	<b>1,815.70</b>	<b>411.18</b>	<b>2,933.15</b>	<b>301.66</b>	<b>21.58</b>	<b>35.60</b>	<b>5.16</b>	<b>142.13</b>	<b>188,791.96</b>
<b>Accumulated depreciation as at April 1, 2021</b>	-	6,992.50	89,067.35	1,191.86	310.10	1,755.22	167.09	-	3.75	4.12	39.49	99,531.48
Depreciation for the year	-	1,306.19	9,354.53	101.74	61.19	218.60	-	-	0.03	-	25.84	11,068.12
Assets classified as held for sale	-	(62.52)	-	-	-	-	(27.33)	-	(0.53)	-	-	(90.38)
Disposal/Adjustments	-	(17.49)	(1,200.32)	(55.07)	(75.11)	(15.56)	-	-	-	-	(17.48)	(1,381.03)
Provision/(Reversal) for impairment/Write off	-	-	(26.40)	(6.35)	(0.06)	(2.46)	-	-	-	-	-	(35.27)
Currency translation differences	-	(107.44)	(1,120.95)	3.33	(1.83)	(1.54)	27.33	-	0.01	-	-	(1,201.09)
<b>Accumulated depreciation as at March 31, 2022</b>	-	<b>8,111.24</b>	<b>96,074.21</b>	<b>1,235.51</b>	<b>294.29</b>	<b>1,954.26</b>	<b>167.09</b>	-	<b>3.26</b>	<b>4.12</b>	<b>47.85</b>	<b>107,891.83</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>7,456.81</b>	<b>20,532.84</b>	<b>50,950.70</b>	<b>580.19</b>	<b>116.89</b>	<b>978.89</b>	<b>134.57</b>	<b>21.58</b>	<b>32.34</b>	<b>1.04</b>	<b>94.28</b>	<b>80,900.13</b>

Note:

On May 30, 2022, Tata Passenger Electric Mobility Ltd (TPEML), wholly owned subsidiary of the Company, Ford India Private Limited ("FIP") and the Government of Gujarat signed a memorandum of understanding for the potential acquisition of FIP's Sanand vehicle manufacturing facility, including (i) the land and buildings, (ii) the vehicle manufacturing plant, machinery and equipment, and (iii) the transfer of all eligible employees of FIP's Sanand vehicle manufacturing operations. FIP will operate its powertrain manufacturing facilities by leasing back the land and buildings of the powertrain unit from TPEML. On August 7, 2022, TPEML and FIP have signed a Unit Transfer Agreement (UTA) for the acquisition of FIP's manufacturing plant situated at Sanand, Gujarat for a total consideration, exclusive of taxes, of ₹ 725.70 crores. Pursuant to the fulfillment of the necessary condition precedents, including receipt of relevant regulatory approvals, the parties have completed the transaction on January 10, 2023 and the Company has acquired the Sanand Property and the Plant and Machinery. Additionally, all the eligible employees were offered employment, and those who have accepted the Company's offer of employment, have been transferred to the Company and have become employees of the Company with effect from January 10, 2023.



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## (C) Capital Work-in-Progress

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	3,529.04	8,377.14
Additions	7,364.73	8,354.02
Additions on account of Ford plant acquisition (refer note 3(B))	313.22	-
Transferred to cost of Property, plant and equipment	(6,119.09)	(13,145.37)
(Provision)/Reversal for impairment/(Write off) (Net)	(0.11)	(72.28)
Currency translation impact	132.08	15.53
<b>Balance at the end</b>	<b>5,219.87</b>	<b>3,529.04</b>

## (D) Ageing of Capital Work-in-Progress

(₹ in crores)

	As at March 31, 2023				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,783.90	268.28	516.66	651.03	5,219.87
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>3,783.90</b>	<b>268.28</b>	<b>516.66</b>	<b>651.03</b>	<b>5,219.87</b>

  

	As at March 31, 2022				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,619.97	770.66	320.13	317.70	3,028.46
Projects temporarily suspended	32.81	34.97	28.47	404.33	500.58
<b>As at March 31, 2022</b>	<b>1,652.78</b>	<b>805.63</b>	<b>348.60</b>	<b>722.03</b>	<b>3,529.04</b>

## (E) Expected Completion schedule of Capital Work-in-Progress where cost and time overrun has exceeded original plan

(₹ in crores)

	As at March 31, 2023				
	To be completed in				
Project in Progress	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	578.48	-	-	-	578.48
Project 2	555.43	-	-	-	555.43
Various Projects*	813.79	15.53	9.60	3.36	842.28
Project Temporarily suspended	-	-	-	-	-
	<b>1,947.70</b>	<b>15.53</b>	<b>9.60</b>	<b>3.36</b>	<b>1,976.19</b>

  

	As at March 31, 2022				
	To be completed in				
Project in Progress	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Various Projects*	1,901.38	41.21	-	-	1,942.59
Project Temporarily suspended	-	-	-	-	-
Project 1	434.22	-	-	-	434.22
Various Projects*	29.84	-	-	-	29.84
	<b>2,365.44</b>	<b>41.21</b>	<b>-</b>	<b>-</b>	<b>2,406.65</b>

\*Individual projects less than 10% of total Capital work-in-progress have been clubbed together in various projects. Original plan is considered as that plan which is approved and on the basis of which implementation progress is evaluated. Such original plan includes management's estimates and assumptions w.r.t future business, economy / industry and regulatory environments.

# Notes

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## 4. Leases

### (A) Accounting policy

#### Lessee:

At inception of a contract, the Company assesses whether a contract is, or contain a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision making rights that are most relevant to changing how and for what purposes the asset is used.
- In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - The Company has the right to operate the asset; or
  - The Company designed the asset in a way that predetermines how and for what purposes it will be used.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and estimated dilapidation costs, less any lease incentives received. The right-of-use asset is subsequently amortised using the straight-line method over the shorter of the useful life of the leased asset or the period of lease. If ownership of the leased asset is automatically transferred at the end of the lease term or the exercise of a purchase option is reflected in the lease payments, the right-of-use asset is amortised on a straightline basis over the expected useful life of the leased asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets (lease of assets worth less than ₹0.03 crores) . The Company associates the lease payments associated with these leases as an expense on a straight line basis over the lease term.

Lease payments include fixed payments, i.e. amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option

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and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

### Lessor:

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on contractual terms & substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

- (B) The Company leases a number of buildings, plant and equipment, IT hardware and software assets, certain of which have a renewal and/or purchase option in the normal course of the business. Extension and termination options are included in a number of leases across the Company. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option. The Company re-assesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control. It is recognised that there is potential for lease term assumptions to change in the future and this will continue to be monitored by the Company where relevant. The Company's leases mature between 2024 and 2052.

When measuring lease liability, the Group discounted lease payments using its incremental borrowing rate. The weighted-average rate applied is 8.01% per annum.

The following amounts are included in the Consolidated Balance Sheet

	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	884.48	809.55
Non-current lease liabilities	7,568.49	5,962.44
<b>Total lease liabilities</b>	<b>8,452.97</b>	<b>6,771.99</b>

(₹ in crores)

The following amounts are recognised in the consolidated statement of Profit & Loss:

	Year ended March 31, 2023	Year ended M arch 31, 2022
Interest expense on lease liabilities	627.18	541.76
Variable lease payment not included in the measurement of lease liabilities	3.98	3.57
Income from sub-leasing of right-of-use assets	9.92	0.99
Expenses related to short-term leases	117.47	115.58
Expenses related to low-value assets, excluding short-term leases of low-value assets	124.55	115.14

(₹ in crores)

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(₹ in crores)

Right of use assets	Land	Buildings	Plant, machinery and equipments	Furniture, Fixtures and Office Appliances	Vehicles	Computers & other IT assets	Other Assets	Total
<b>Cost as at April 1, 2022</b>	<b>303.49</b>	<b>7,785.86</b>	<b>1,560.56</b>	<b>168.19</b>	<b>313.37</b>	<b>449.57</b>	<b>49.77</b>	<b>10,630.81</b>
Additions	5.99	1,444.01	252.54	2.02	225.71	55.42	-	1,985.69
Disposals/adjustments	(24.74)	(348.84)	(367.22)	(4.31)	(125.95)	(317.07)	(17.30)	(1,205.43)
Currency translation differences	3.74	222.09	18.27	8.74	3.13	1.58	0.27	257.82
<b>Cost as at March 31, 2023</b>	<b>288.48</b>	<b>9,103.12</b>	<b>1,464.15</b>	<b>174.64</b>	<b>416.26</b>	<b>189.50</b>	<b>32.74</b>	<b>11,668.89</b>
<b>Accumulated amortisation as at April 1, 2022</b>	<b>119.81</b>	<b>2,312.93</b>	<b>908.73</b>	<b>62.86</b>	<b>129.75</b>	<b>374.97</b>	<b>35.74</b>	<b>3,944.79</b>
Amortisation for the year	33.71	739.21	230.00	13.63	40.08	43.83	6.99	1,107.45
Amortisation - considered as employee cost	-	-	-	-	59.39	-	-	59.39
Reversal of Impairment Loss	-	(214.39)	-	-	-	-	-	(214.39)
Disposal/adjustments	(1.95)	(316.07)	(320.77)	(4.31)	(117.24)	(315.47)	(16.33)	(1,092.14)
Currency translation differences	3.83	39.72	15.37	3.18	0.72	(0.42)	0.35	62.75
<b>Accumulated amortisation as at March 31, 2023</b>	<b>155.40</b>	<b>2,561.40</b>	<b>833.33</b>	<b>75.36</b>	<b>112.70</b>	<b>102.91</b>	<b>26.75</b>	<b>3,867.85</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>133.08</b>	<b>6,541.72</b>	<b>630.82</b>	<b>99.28</b>	<b>303.56</b>	<b>86.59</b>	<b>5.99</b>	<b>7,801.04</b>
<b>Cost as at April 1, 2021</b>	<b>306.01</b>	<b>6,965.05</b>	<b>1,404.59</b>	<b>141.48</b>	<b>175.36</b>	<b>416.47</b>	<b>39.81</b>	<b>9,448.77</b>
Additions	-	1,077.89	180.88	33.18	149.39	43.97	10.74	1,496.05
Disposals/adjustments	-	(157.10)	(12.14)	-	(8.46)	(7.02)	-	(184.72)
Currency translation differences	(2.52)	(99.98)	(12.77)	(6.47)	(2.92)	(3.85)	(0.78)	(129.29)
<b>Cost as at March 31, 2022</b>	<b>303.49</b>	<b>7,785.86</b>	<b>1,560.56</b>	<b>168.19</b>	<b>313.37</b>	<b>449.57</b>	<b>49.77</b>	<b>10,630.81</b>
<b>Accumulated amortisation as at April 1, 2021</b>	<b>81.85</b>	<b>1,725.41</b>	<b>670.50</b>	<b>29.27</b>	<b>92.74</b>	<b>338.76</b>	<b>19.58</b>	<b>2,958.11</b>
Amortisation for the year	39.74	708.72	247.67	35.08	21.78	46.21	16.82	1,116.02
Amortisation - considered as employee cost	-	-	-	-	20.80	-	-	20.80
Reversal of Impairment Loss	-	(3.76)	-	-	-	-	-	(3.76)
Disposal/adjustments	-	(86.40)	(0.16)	-	(3.25)	(7.02)	-	(96.83)
Currency translation differences	(1.78)	(31.04)	(9.28)	(1.49)	(2.32)	(2.98)	(0.66)	(49.55)
<b>Accumulated amortisation as at March 31, 2022</b>	<b>119.81</b>	<b>2,312.93</b>	<b>908.73</b>	<b>62.86</b>	<b>129.75</b>	<b>374.97</b>	<b>35.74</b>	<b>3,944.79</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>183.68</b>	<b>5,472.93</b>	<b>651.83</b>	<b>105.33</b>	<b>183.62</b>	<b>74.60</b>	<b>14.03</b>	<b>6,686.02</b>

The Company has committed towards leases of Plant Machinery and Equipments which have not yet commenced for ₹19.48 crores as on March 31, 2023 (₹ 22.00 crores as on March 31, 2022). There are no leases with residual value guarantees.

(C) There are certain vehicles which are being given to the customers along with operations and maintenance of the same. These are accounted as finance lease as the material risks and rewards are transferred to the lessee.

The average effective interest rate contracted approximates **3.67% to 8.50%** (2022: 3.67% and 8.10%) per annum.

# Notes

## forming part of Consolidated Financial Statements

The following amounts are included in the Consolidated Balance Sheet :

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Current lease receivables	39.14	28.92
Non-current lease receivables	539.13	430.70
<b>Total lease receivables</b>	<b>578.27</b>	<b>459.62</b>

The following amounts are recognised in the statement of profit and loss :

(₹ in crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales Revenue for finance leases	138.94	278.58
Finance income on the net investment in finance leases	47.03	26.02

The table below provides details regarding the contractual maturities of finance lease liabilities as at March 31, 2023:

(₹ in crores)

	As at March 31, 2023					Total contractual cash flows
	Due in 1 <sup>st</sup> Year	Due in 2 <sup>nd</sup> Year	Due in 3 <sup>rd</sup> to 5 <sup>th</sup> Year	Due beyond 5 <sup>th</sup> Year		
Finance lease receivables	39.14	45.68	157.24	336.21		578.27

The table below provides details regarding the contractual maturities of finance lease liabilities as at March 31, 2022:

	As at March 31, 2022					Total contractual cash flows
	Due in 1 <sup>st</sup> Year	Due in 2 <sup>nd</sup> Year	Due in 3 <sup>rd</sup> to 5 <sup>th</sup> Year	Due beyond 5 <sup>th</sup> Year		
Finance lease receivables	28.93	33.49	114.86	282.34		459.62

## 5. Goodwill

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	807.17	803.72
Currency translation differences	33.43	3.45
<b>Balance at the end</b>	<b>840.60</b>	<b>807.17</b>

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
The carrying amount of goodwill has been allocated to CGU as follows:		
Passenger vehicles - automotive and related activity segment (Tata and other brand vehicles)	99.09	99.09
Others - software consultancy and service	741.51	708.08
<b>Total</b>	<b>840.60</b>	<b>807.17</b>

The recoverable amount has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions. As at March 31, 2023, the estimated cash flows for a period of 5 years were developed using internal forecasts, and a pre-tax discount rate of 14.996%. The cash flows beyond 5 years have been extrapolated assuming 5% long-term growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit. The recoverable value was also determined using the Fair value less cost of Disposal, using Comparable Company Market Multiple method which is significantly higher than the carrying amount.

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## 6. Other intangible assets

### (A) Accounting policy

Intangible assets purchased, including those acquired in business combinations, are measured at cost which is the fair value as of the date of acquisition where applicable less accumulated amortization and impairment, if any. Intangible assets with indefinite lives are reviewed annually to determine whether an indefinite-life assessment continues to be supportable. If not, the change in the useful-life assessment from indefinite to finite is made on a prospective basis.

For intangible assets with finite lives, amortization is provided on a straight-line basis over the estimated useful lives of the acquired intangible assets as per the estimated amortization period below

Type of Asset	Estimated amortization period
Patents and technological know-how	2 to 12 years
Computer software	1 to 8 years
Customer related intangibles - Dealer network	20 years
Intellectual property rights	3 to 10 years
Product development costs	2 to 10 years

The amortisation period for intangible assets with finite useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

#### Internally generated intangible asset

Research costs are charged to the consolidated statement of profit and loss in the year in which they are incurred.

Product development costs incurred on new vehicle platform, engines, transmission and new products are recognised as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future economic benefits.

The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use. Interest cost incurred is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

Product development expenditure is measured at cost less accumulated amortisation and impairment, if any.

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## (B) Other intangible assets

(₹ in crores)

	Software	Patents and technological know how	Customer related	Intellectual property rights and other intangibles	Indefinite life trade marks and patents	Product development	Total
<b>Cost as at April 1, 2022</b>	<b>9,696.28</b>	<b>1,746.69</b>	<b>653.86</b>	<b>367.04</b>	<b>6,147.73</b>	<b>105,254.48</b>	<b>123,866.08</b>
Additions	667.60	86.89	-	-	-	6,874.76	7,629.25
Asset fully amortised not in use	(27.77)	(0.21)	-	-	-	(11,020.79)	(11,048.77)
Currency translation differences	253.16	31.90	12.93	7.95	75.14	2,125.90	2,506.98
<b>Cost as at March 31, 2023</b>	<b>10,589.27</b>	<b>1,865.27</b>	<b>666.79</b>	<b>374.99</b>	<b>6,222.87</b>	<b>103,234.35</b>	<b>122,953.54</b>
<b>Accumulated amortisation as at April 1, 2022</b>	<b>7,477.08</b>	<b>1,631.61</b>	<b>481.02</b>	<b>249.20</b>	<b>1,462.01</b>	<b>62,103.03</b>	<b>73,403.95</b>
Amortization for the year	720.24	24.62	24.53	28.67	-	11,155.98	11,954.04
Asset fully amortised not in use	(27.77)	(0.21)	-	-	-	(11,020.79)	(11,048.77)
Currency translation differences	249.23	(33.51)	11.12	15.12	55.46	1,550.21	1,847.63
<b>Accumulated amortisation as at March 31, 2023</b>	<b>8,418.78</b>	<b>1,622.51</b>	<b>516.67</b>	<b>292.99</b>	<b>1,517.47</b>	<b>63,788.43</b>	<b>76,156.85</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>2,170.49</b>	<b>242.76</b>	<b>150.12</b>	<b>82.00</b>	<b>4,705.40</b>	<b>39,445.92</b>	<b>46,796.69</b>
<b>Cost as at April 1, 2021</b>	<b>9,599.96</b>	<b>1,732.13</b>	<b>662.80</b>	<b>395.46</b>	<b>6,230.72</b>	<b>105,647.26</b>	<b>124,268.33</b>
Additions	273.14	35.16	-	2.61	-	11,645.36	11,956.27
Asset fully amortised not in use	(53.10)	-	-	(22.79)	-	(10,758.43)	(10,834.32)
Currency translation differences	(123.72)	(20.60)	(8.94)	(8.24)	(82.99)	(1,279.71)	(1,524.20)
<b>Cost as at March 31, 2022</b>	<b>9,696.28</b>	<b>1,746.69</b>	<b>653.86</b>	<b>367.04</b>	<b>6,147.73</b>	<b>105,254.48</b>	<b>123,866.08</b>
<b>Accumulated amortisation as at April 1, 2021</b>	<b>6,897.44</b>	<b>1,612.38</b>	<b>461.97</b>	<b>243.45</b>	<b>1,481.74</b>	<b>61,798.17</b>	<b>72,495.15</b>
Amortization for the year	730.75	39.32	25.89	31.57	-	11,824.02	12,651.55
Asset fully amortised not in use	(53.10)	-	-	(22.79)	-	(10,758.43)	(10,834.32)
Currency translation differences	(98.01)	(20.09)	(6.84)	(3.03)	(19.73)	(760.73)	(908.43)
<b>Accumulated amortisation as at March 31, 2022</b>	<b>7,477.08</b>	<b>1,631.61</b>	<b>481.02</b>	<b>249.20</b>	<b>1,462.01</b>	<b>62,103.03</b>	<b>73,403.95</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>2,219.20</b>	<b>115.08</b>	<b>172.84</b>	<b>117.84</b>	<b>4,685.72</b>	<b>43,151.45</b>	<b>50,462.13</b>

## (C) Intangible assets under development

(₹ in crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning</b>	<b>6,722.05</b>	<b>12,586.79</b>
Additions*	9,385.40	6,060.61
Transferred to cost of other intangible assets	(7,107.67)	(11,813.07)
Provision for impairment/Write off	(178.98)	(91.81)
Currency translation impact	233.83	(20.47)
<b>Balance at the end</b>	<b>9,054.63</b>	<b>6,722.05</b>

Note:

\* the additions during the year include allocation of central overheads amounting to ₹ 782.66 crores (₹ 529.41 crores as at March 31, 2022).

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- (D) The useful life of trademarks and brands in respect of the acquired Jaguar Land Rover businesses have been determined to be indefinite as the Company expects to generate future economic benefits indefinitely from these assets.

## (E) Ageing of intangible assets under development

(₹ in crores)

	As at March 31, 2023				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	7,688.25	930.91	301.48	133.99	9,054.63
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>7,688.25</b>	<b>930.91</b>	<b>301.48</b>	<b>133.99</b>	<b>9,054.63</b>

  

	As at March 31, 2022				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,158.92	1,874.02	1,243.66	168.42	6,445.02
Projects temporarily suspended	2.29	8.21	38.47	228.06	277.03
<b>As at March 31, 2022</b>	<b>3,161.21</b>	<b>1,882.23</b>	<b>1,282.13</b>	<b>396.48</b>	<b>6,722.05</b>

## (F) Expected Completion schedule of intangible assets under development where cost and time overrun has exceeded original plan

(₹ in crores)

	As at March 31, 2023				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	-	-	-	-	-
Various Projects*	1,431.13	23.42	-	-	1,454.55
Projects temporarily suspended					
	<b>1,431.13</b>	<b>23.42</b>	<b>-</b>	<b>-</b>	<b>1,454.55</b>

  

	As at March 31, 2022				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	2,241.40	-	-	-	2,241.40
Project 2	844.68	-	-	-	844.68
Project 3	731.03	-	-	-	731.03
Various Projects*	1,265.03	4.18	-	-	1,269.21
Projects temporarily suspended					
Various Projects*	-	6.52	-	270.36	276.88
	<b>5,082.14</b>	<b>10.70</b>	<b>-</b>	<b>270.36</b>	<b>5,363.20</b>

\*Individual projects less than 10% of total Intangible assets under development have been clubbed together in various projects.

Original plan is considered as that plan which is approved and on the basis of which implementation progress is evaluated. Such original plan includes management's estimates and assumptions w.r.t future business, economy / industry and regulatory environments.



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## 7. Impairment assessment of Jaguar Land Rover Business

The operations of subsidiary Jaguar Land Rover (JLR), excluding equity accounted investments, represents a single cash-generating unit ("CGU"). This is because of the closely connected nature of the cash flows and the degree of integrated development and manufacturing activities.

In accordance with accounting standard, management have performed an impairment assessment as at January 31, 2023. The date of the assessment was changed from that of the prior year (March 31, 2022) to better align with the business plan cycle.

The impairment assessment determined that the CGU recoverable value exceeded the carrying amount by ₹15,246.72 crores (€1,500 million) (2022: ₹5,965.40 crores (€600 million) and therefore no impairment was identified. The increase in headroom has largely been driven by the improved performance experienced in the latter part of the year. It was further determined that this increase did not require the reversal of the previously recorded impairment loss as the underlying drivers for the increased headroom do not reflect a change in the assumptions used when the impairment was recognised.

JLR has considered it appropriate to undertake the impairment assessment with reference to the approved business plan that was in effect as at the assessment date. The business plan includes a five-year cash flow forecast and contains growth rates that are primarily a function of the JLR's Cycle Plan assumptions, historic performance and management's expectation of future market developments through to 2027/28.

In estimating the future cash flows management have given due consideration to the inherent uncertainty of forecast information and have adjusted some of the assumptions in the business plan to take into account possible variations in the amount or timing of the cashflows. In doing so, management has incorporated the following risks into the VIU, as well as other risks that may impact future cash flows.

- execution risks associated with our 'Reimagine' strategy and the transition to electrified powertrain, with the supporting transformation plan 'Refocus 2.0', which includes a dedicated environmental sustainability strategy – 'Planet Regenerate'
- near-term supply chain challenges related to global chip shortages which has continued to impact JLR in FY23; and
- economical and geopolitical factors increasing inflationary pressures, driving up material costs in particular.

Climate risk - JLR recognises that the potential impact of climate risk to areas such as supply chain, operations, and material and compliance costs may result in variations to the timing and amounts of future cash flows. As such climate risk is incorporated into the development of our forecast cash flows in the VIU by reference to our climate change risk assessment. These risks are principally reflected by the risk adjustments related to the variable profit and volumes which would be most affected by climate change events, for example, scarcity of certain commodities driving up costs and therefore adversely impacting variable profit.

### Key assumptions

The assessment of impairment is based on forecasts of future cashflows which are inherently uncertain and are developed using informed assumptions such as historical trends and market information. The key assumptions are:

- (i) the recoverable amount is most sensitive;
- (ii) involve a significant amount of judgement and estimation; and
- (iii) drive significant changes to the recoverable amount when flexed under reasonably possible outcomes.

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**Variable profit per unit and volumes** – The approach to determining the forecast variable profit per unit and volumes is based on consideration of historical performance, the order bank, profit optimisation efforts and Group Cycle Plan assumptions, along with the impact of risks on future cashflows discussed above. A small change in either assumption may have a significant impact to future cashflows and for this reason, as well as the impact of risks associated with supply and inflationary pressures on variable profit and volumes, JLR consider variable profit per unit and volumes to be key assumptions. Further, the variable profit per unit and volumes included in the business plan are largely driven by an updated portfolio, which includes estimates and judgements related to the transition to electrified powertrain, including the introduction of new Jaguar.

**Terminal value capital expenditure** – the five year cash flows timing and amount are based on the latest Cycle Plan. The terminal value is based on the best estimate of a maintenance level of capital expenditure which has been derived from depreciation and amortisation expectations and funding requirements in responses to longer-term industry trends and risks informed by those listed above, which are anticipated in the VIU calculation. Due to the judgement and estimation involved in the calculation of terminal value capital expenditure, as well as the sensitivity of the recoverable amount to any change in the value, JLR consider this to be a key assumption.

**Discount rate** – the approach to determining the discount rate is based on the Capital Asset Pricing Model and a market participant after tax cost of debt. These inputs are based on a typical build up approach, calculated using country specific premiums without size premium and with an unlevered equity Beta with reference to industry peers. The discount rate is regarded as a key assumption as it is the rate which drives the discounted cashflows used to determine the VIU of the CGU primarily due to the level of judgement and estimation involved and the sensitivity of the recoverable amount to small changes in the percentage.

The VIU assessment is sensitive to certain assumptions, such as Sales, General & Administration ("SG&A") costs, due to the relative total value but involve limited judgement and estimation, and significant changes are not considered reasonably possible, and therefore are not considered to be key assumptions. Similarly, certain assumptions which involve greater judgement and estimation, such as growth rate, but for which even relatively significant changes have a limited impact on the assessment are not regarded as key assumptions.

### Sensitivity to Key Assumptions

The value of key assumptions used to calculate the recoverable amount are as follows:

	As at March 31, 2023	As at March 31, 2022
Pre-tax discount rate	15.6%	13.4%
Terminal value variable profit (%GVR)*	23.9%	24.8%
Terminal value capital expenditures (%GVR)	8.3%	10.0%

\* Based on forecast variable profit per unit and volumes

#### Sensitivity to reasonably possible changes to key assumptions

Given the inherent uncertainty about the timing and amount of any change in key assumptions, as well as the significant portion of the recoverable amount related to the VIU terminal value, JLR consider a net impact on terminal period cash flows to be the best means of indicating the sensitivity of key assumptions.

JLR considers the variable profit and volumes assumptions to be interdependent as movement in one assumption will impact the other, impacting the overall variable profit. For example, the profit optimisation efforts discussed above will likely result in higher average variable profit per unit with lower volumes whereas a focus on volumes would likely see a reduction in the average variable profit per unit. Consequently, the terminal value variable profit sensitivity below incorporates sensitivity in volumes via the impact on variable profit.

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The table below shows the amount by which the value assigned to the key assumptions must change for the recoverable amount of the CGU to be equal to its carrying amount, none of which are considered to be reasonably plausible:

	As at March 31, 2023	As at March 31, 2022
	% Change	
Pre-tax discount rate	31.4%	8.7%
Terminal value variable profit (%GVR)	(5.5)%	(2.1)%
Terminal value capital expenditures (%GVR)	17.5%	5.8%

## 8. Reversal of impairment in subsidiaries

As part of slump sale (passenger vehicle undertaking), the investments in wholly owned subsidiaries of the Company engaged in designing services namely Tata Motors European Technical Centre PLC (TMETC) and Trilix S.r.l (Trilix) have been transferred to Tata Motors Passenger Vehicle Limited, a wholly owned subsidiary of the Company, w.e.f. January 1, 2022. These subsidiaries were then transferred to Tata Passenger Electric Mobility Ltd., another wholly owned subsidiary of the Company. During the year ended March 31, 2023 the Company reassessed the recoverable value of assets belonging to Tata Motors European Technical Centre PLC (TMETC) and accordingly provision for impairment towards the assets is reversed amounting to **₹214.39 crores. (£23.57 million)**. During the previous year the Company reassessed the recoverable value of TMETC business and accordingly reversed the provision of impairment of ₹38.18 crores (£3.8 million) and also reversed the impairment to the tune of ₹48.08 crores (€5.6 million) with respect to Trilix.

## 9. Investments in equity accounted investees:

### (a) Associates:

The Company has no material associates as at March 31, 2023. The aggregate summarized financial information in respect of the Company's immaterial associates that are accounted for using the equity method is set forth below.

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
Carrying amount of the Company's interest in associates	1,329.81	1,159.81
	As at March 31, 2023	As at March 31, 2022
Company's share of profit/(loss) in associates *	192.03	131.40
Company's share of other comprehensive income in associates	(0.34)	5.14
Company's share of total comprehensive income in associates	191.69	136.54

- (i) Fair value of investment in an equity accounted associate for which published price quotation is available, which is a level 1 input, was **₹218.95 crores** and ₹283.07 crores as at March 31, 2023 and 2022, respectively. The carrying amount as at March 31, 2023 and 2022 was **₹151.31 crores** and ₹140.72 crores, respectively.

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## (b) Joint ventures:

### (i) Details of the Company's material joint venture is as follows:

Name of joint venture	Principal activity	Principal place of the business	% holding as at March 31,	
			2023	2022
Chery Jaguar Land Rover Automotive Co. Limited (Chery)	Manufacture and assembly of vehicles	China	50%	50%

Chery is a limited liability company, whose legal form confers separation between the parties to the joint arrangement. There is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint venture have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, Chery is classified as a joint venture. Chery is not publicly listed.

The following tables sets out the summarised financial information of Chery after adjusting for material differences in accounting policies:

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
Current assets	6,592.45	6,253.93
Non-current assets	12,873.54	14,343.24
Current liabilities	(11,948.02)	(13,722.53)
Non-current liabilities	(749.58)	(421.66)

The above amounts of assets and liabilities include the following:

	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	4,028.79	3,887.42
Current financial liabilities (excluding trade and other payables and provisions)	(3,447.19)	(4,441.11)
Non-current financial liabilities (excluding trade and other payables and provisions)	(723.06)	(384.50)
Share of net assets of material joint venture	3,384.20	3,226.49
Other consolidation adjustments	(48.47)	(46.82)
Carrying amount of the Company's interest in joint venture	3,335.73	3,179.67

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Revenue	16,181.42	16,988.45
Net income/(loss)	285.61	(369.59)
Total comprehensive Income/(loss) for the year	285.61	(369.59)

The above net income includes the following:

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation and amortization	(1,695.39)	(1,842.37)
Interest income	97.99	50.89
Interest expense (net)	(138.65)	(173.04)
Income tax expense/(credit)	(104.56)	203.58

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Reconciliation of above summarized financial information to the carrying amount of the interest in the joint venture recognized in the consolidated financial statements:

	As at March 31, 2023	As at March 31, 2022
Net assets of the joint venture	6,768.39	6,452.98
Proportion of the Company's interest in joint venture	3,384.20	3,226.49
Other consolidation adjustments	(48.47)	(46.82)
<b>Carrying amount of the Company's interest in joint venture</b>	<b>3,335.73</b>	<b>3,179.67</b>

(₹ in crores)

(ii) The aggregate summarized financial information in respect of the Company's immaterial joint ventures that are accounted for using the equity method is set forth below.

	As at March 31, 2023	As at March 31, 2022
Carrying amount of the Company's interest in joint ventures	10.13	9.91
Company's share of profit/(loss) in immaterial joint ventures*	-	-
Company's share of other comprehensive income in immaterial joint ventures	0.22	(0.13)
<b>Company's share of total comprehensive income in immaterial joint ventures</b>	<b>0.22</b>	<b>(0.13)</b>

(₹ in crores)

(₹ in crores)

(c) Summary of carrying amount of the Company's interest in equity accounted investees:

	As at March 31, 2023	As at March 31, 2022
Carrying amount in immaterial associates	1,329.81	1,159.81
Carrying amount in material joint venture	3,335.73	3,179.67
Carrying amount in immaterial joint ventures	10.12	9.91
<b>Total</b>	<b>4,675.66</b>	<b>4,349.39</b>

(₹ in crores)

(d) Summary of Company's share of profit/(loss) in equity accounted investees:

	Year ended March 31, 2023	Year ended March 31, 2022
Share of profit/(loss) in immaterial associates	192.03	131.40
Share of profit/(loss) in material joint venture	142.81	(184.80)
Share of profit/(loss) on other adjustments in material joint venture	1.54	(20.66)
Share of profit/(loss) in immaterial joint ventures	-	-
	<b>336.38</b>	<b>(74.06)</b>
Share of other comprehensive income in immaterial associates	6.29	4.77
Currency translation differences-immaterial associates	(6.63)	0.37
Currency translation differences-material joint venture	11.71	217.65
Currency translation differences-immaterial joint ventures	0.22	(0.13)
	<b>11.59</b>	<b>222.66</b>

(₹ in crores)

(₹ in crores)

\* Company's share of profit/(loss) of the equity accounted investees has been determined after giving effect for the subsequent amortization/depreciation and other adjustments arising on account of fair value adjustments made to the identifiable net assets of the equity accounted investee as at the date of acquisition and other adjustment arising under the equity method of accounting.

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## 10. Other Investments - non-current

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>(a) Investments - measured at Fair value through Other Comprehensive Income</b>		
<b>Quoted:</b>		
Equity shares	643.31	802.91
<b>Unquoted:</b>		
Equity shares	691.65	669.71
<b>Total</b>	<b>1,334.96</b>	<b>1,472.62</b>
<b>(b) Investments - measured at Fair value through profit or loss</b>		
<b>Quoted:</b>		
(i) Investment in government securities	9.49	-
(ii) Others	4.89	-
<b>Unquoted:</b>		
(i) Non-cumulative redeemable preference shares	0.40	0.40
(ii) Cumulative redeemable preference shares	1.50	1.50
(iii) Equity shares	370.64	248.60
(iv) Convertible debentures	67.31	55.19
<b>Total</b>	<b>454.23</b>	<b>305.69</b>
<b>(c) Investments - measured at amortised cost</b>		
<b>Quoted:</b>		
(i) Investment in government securities	1,076.00	542.61
<b>Total</b>	<b>1,076.00</b>	<b>542.61</b>
<b>Total (a+b+c)</b>	<b>2,865.19</b>	<b>2,320.92</b>
Aggregate book value of quoted investments	1,733.69	1,345.52
Aggregate market value of quoted investments	1,733.69	1,345.52
Aggregate book value of unquoted investments	1,131.50	975.40

## 11. Other Investments - current

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>(a) Investments - measured at Fair value through profit and loss</b>		
<b>Unquoted:</b>		
(i) Mutual funds	4,076.48	5,752.62
(ii) Convertible debentures	-	51.50
<b>Total</b>	<b>4,076.48</b>	<b>5,804.12</b>
<b>(b) Investments - measured at amortised cost</b>		
<b>Quoted:</b>		
Investment in government securities	134.45	685.62
<b>Unquoted:</b>		
Mutual funds	14,627.38	16,219.48
<b>Total</b>	<b>14,761.83</b>	<b>16,905.10</b>
<b>Total (a+b)</b>	<b>18,838.31</b>	<b>22,709.22</b>
Aggregate book value of unquoted investments	18,703.86	22,023.60
Aggregate book value of quoted investments	134.45	685.62
Aggregate market value of quoted investments	134.45	685.62

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## 12. Loans and advances

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>Non-current</b>		
<b>Secured, considered good:</b>		
(a) Loans to channel partners (Net of allowances for credit impaired balances ₹Nil and ₹16.99 crores as at March 31, 2023 and 2022, respectively.)	609.89	691.83
<b>Unsecured, considered good:</b>		
(a) Loans to employees	49.42	28.97
(b) Deposits (Net of allowances for credit impaired balances ₹3.00 crores and ₹1.75 crores as at March 31, 2023 and 2022, respectively.)	59.59	60.48
(c) Advances to channel partners (Net of allowances for credit impaired balances ₹26.89 crores and ₹27.22 crores as at March 31, 2023 and 2022, respectively.)	125.34	44.75
(d) Loans to channel partners	24.02	13.29
(e) Others	2.39	4.03
<b>Total</b>	<b>870.65</b>	<b>843.35</b>
<b>Current</b>		
<b>Secured, considered good:</b>		
(a) Loans to channel partners	69.38	73.77
<b>Unsecured, considered good:</b>		
(a) Advances to supplier, contractors etc. (Net of allowances for credit impaired balances ₹61.92 crores and ₹89.39 crores as at March 31, 2023 and 2022, respectively.)	2,179.31	1,546.74
(b) Loans to channel partners	49.85	47.12
(c) Inter corporate deposits	4.30	4.30
<b>Total</b>	<b>2,302.84</b>	<b>1,671.93</b>

## 13. Other financial assets

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>Non-current</b>		
(a) Derivative financial instruments	2,686.01	2,017.59
(b) Security deposits	196.00	152.00
(c) Interest accrued on loans and deposits	106.47	25.50
(d) Deposits with banks	192.13	83.24
(e) Deposit with financial institutions	900.00	-
(f) Restricted deposits	133.53	209.98
(g) Margin money / cash collateral with banks	53.06	363.84
(h) Government grant receivables	1,648.83	1,224.10
(i) Recoverable from suppliers	557.92	664.82
(j) Finance Lease receivables	539.13	430.70
(k) Other deposits	14.58	7.72
<b>Total</b>	<b>7,027.66</b>	<b>5,179.49</b>

Margin money with banks in restricted cash deposits consists of collateral provided for transfer of finance receivables. Restricted deposits as at March 31, 2023 and 2022 includes ₹54.24 crores and ₹64.14 crores, respectively, held as a deposit in relation to ongoing legal cases.

# Notes

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	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
(a) Derivative financial instruments	1,157.49	1,918.49
(b) Security deposits	209.49	136.67
(c) Interest accrued on loans and deposits	45.86	27.49
(d) Government grant receivable	380.53	522.75
(e) Deposit with financial institutions	100.23	300.00
(f) Recoverable from suppliers	536.86	626.08
(g) Finance Lease receivables	39.14	28.92
(h) Others	317.12	239.42
<b>Total</b>	<b>2,786.72</b>	<b>3,799.82</b>

## 14. Inventories

### (A) Accounting Policy

Inventories (other than those recognised consequent to the sale of vehicles subject to repurchase arrangements) are valued at the lower of cost and net realisable value. Cost of raw materials, components and consumables are ascertained on a first in first out basis. Cost, including fixed and variable production overheads, are allocated to work-in-progress and finished goods determined on a full absorption cost basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses. Inventories include vehicles sold subject to repurchase arrangements. These vehicles are carried at cost to the Company and are amortised in changes in inventories of finished goods to their residual values (i.e., estimated second hand sale value) over the term of the arrangement.

### (B) Inventories consist of the following:

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Raw materials and components	4,164.96	4,032.42
(b) Work-in-progress	5,840.74	5,596.54
(c) Finished goods	29,171.27	23,885.39
(d) Stores and spare parts	228.91	208.02
(e) Consumable tools	465.87	468.33
(f) Goods-in-transit - Raw materials and components	883.64	1,049.64
<b>Total</b>	<b>40,755.39</b>	<b>35,240.34</b>

Notes:

- (i) Inventories of finished goods include ₹4,086.12 crores and ₹3,589.18 crores as at March 31, 2023 and 2022, respectively, relating to vehicles sold subject to repurchase arrangements.
- (ii) Cost of goods sold recognised as expense during the year ended March 31, 2023 and 2022 amounted to ₹2,46,274.56 crores and ₹2,06,761.79 crores, respectively.
- (iii) During the year ended March 31, 2023 and 2022, the Company recorded inventory write-down expense of ₹723.20 crores and ₹125.34 crores, respectively.



# Notes

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## 15. Trade receivables (Unsecured)

	As at March 31, 2023	As at March 31, 2022
Receivables considered good	15,737.97	12,442.12
Credit impaired receivables	821.24	851.56
	16,559.21	13,293.68
Less: Allowance for credit impaired receivables	(821.24)	(851.56)
<b>Total</b>	<b>15,737.97</b>	<b>12,442.12</b>

(₹ in crores)

## 16. Cash and cash equivalents

### (A) Accounting Policy

Cash and cash equivalents comprises cash on hand, demand deposits and highly liquid investments with an original maturity of up to three months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### (B) Cash and cash equivalents consist of the following:

	As at March 31, 2023	As at March 31, 2022
(a) Cash on hand	7.72	11.47
(b) Cheques on hand	198.07	156.24
(c) Balances with banks	8,067.10	10,310.66
(d) Deposits with banks	23,614.06	27,680.64
<b>Total</b>	<b>31,886.95</b>	<b>38,159.01</b>

(₹ in crores)

## 17. Bank balances

	As at March 31, 2023	As at March 31, 2022
With upto 12 months maturity:		
(a) Earmarked balances with banks (refer notes below)	641.51	472.60
(b) Bank deposits	4,487.10	2,037.58
<b>Total</b>	<b>5,128.61</b>	<b>2,510.18</b>

(₹ in crores)

Notes:

Earmarked balances with bank includes ₹504.00 crores and ₹316.71 crores as at March 31, 2023 and 2022, respectively held as security in relation to interest and repayment of bank borrowings. Out of these deposits, ₹233.81 crores and ₹180.71 crores as at March 31, 2023 and 2022, respectively are pledged till the maturity of the respective borrowings.

# Notes

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## 18. Finance receivables

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
Finance receivables	32,741.43	35,038.63
Less: allowance for credit losses	(1,907.71)	(1,807.43)
<b>Total</b>	<b>30,833.72</b>	<b>33,231.20</b>
Current portion	23,417.31	22,095.35
Non-current portion	7,416.41	11,135.85
<b>Total</b>	<b>30,833.72</b>	<b>33,231.20</b>

Changes in the allowance for credit losses in finance receivables are as follows:

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	1,807.43	1,247.68
Allowances made during the year	2,039.15	1,307.59
Written off	(1,938.87)	(747.84)
<b>Balance at the end</b>	<b>1,907.71</b>	<b>1,807.43</b>

## 19. Allowance for trade and other receivables

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Change in the allowances for trade and other receivables are as follows:		
Balance at the beginning	1,155.81	1,274.38
Allowances made during the year*	80.63	151.26
Written off	(129.04)	(259.22)
Foreign exchange translation differences	0.88	(10.61)
<b>Balance at the end</b>	<b>1,108.28</b>	<b>1,155.81</b>

\* Includes ₹33.77 crores and ₹32.26 crores netted off in revenues as at March 31, 2023 and 2022, respectively.

## 20. Other non-current assets

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Capital advances	363.25	217.43
(b) Taxes recoverable, statutory deposits and dues from government (net of allowances for credit impaired balances of ₹31.66 crores and ₹31.66 crores as at March 31, 2023 and 2022, respectively)	644.74	621.59
(c) Prepaid expenses	764.46	282.53
(d) Recoverable from insurance companies	96.52	199.74
(e) Employee benefits	6,732.82	4,316.94
(f) Others	0.26	0.98
<b>Total</b>	<b>8,602.05</b>	<b>5,639.21</b>

# Notes

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## 21. Other current assets

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
(a) Advances and other receivables (Net of allowances for credit impaired balances ₹56.07 crores and ₹53.59 crores as at March 31, 2023 and 2022, respectively.)	980.59	815.21
(b) GST/VAT, other Taxes recoverable, statutory deposits and dues from government (Net of allowances for credit impaired balances ₹107.50 crores and ₹83.66 crores as at March 31, 2023 and 2022, respectively.)	5,486.49	4,031.28
(c) Prepaid expenses	2,256.78	2,029.30
(d) Others	863.47	690.09
<b>Total</b>	<b>9,587.33</b>	<b>7,565.88</b>

## 22. Income taxes

### (A) Accounting Policy

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the consolidated statement of profit and loss except when they relate to items that are recognised outside of profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination the tax effect is included in the accounting for the business combination. Current income taxes are determined based on respective taxable income of each taxable entity.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognised to the extent it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forwards and unused tax credits could 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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised.

Deferred tax liabilities on taxable temporary differences arising from investments in subsidiaries, branches and associated companies and interests in joint arrangements are not recognised if the Company is able to control the timing of the reversal and it is probable that the temporary difference will not reverse in the foreseeable future.

# Notes

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**(B) The domestic and foreign components of profit/(loss) before income tax is as follows:**

	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(loss) before income taxes		
India	1,359.41	(2,887.49)
Other than India	1,698.14	(4,115.92)
<b>Total</b>	<b>3,057.55</b>	<b>(7,003.41)</b>

(₹ in crores)

**The domestic and foreign components of income tax expense is as follows:**

	Year ended March 31, 2023	Year ended March 31, 2022
<b>Current taxes</b>		
India	446.92	339.73
Other than India	2,811.43	2,330.25
<b>Deferred taxes</b>		
India	(1,496.28)	(12.43)
Other than India	(1,058.01)	1,573.74
<b>Total income tax expense</b>	<b>704.06</b>	<b>4,231.29</b>

(₹ in crores)

The reconciliation of income tax expense calculated as per tax rates applicable to individual entities with income tax expense/(credit) reported in the consolidated statement of profit and loss is as follows:

	Year ended March 31, 2023	Year ended March 31, 2022
<b>Profit/(Loss) before tax</b>	<b>3,057.55</b>	<b>(7,003.41)</b>
Income tax expense at tax rates applicable to individual entities	1,116.55	(947.68)
Items (net) not deductible for tax/not liable to tax :		
- foreign currency (gain)/loss relating to loans and deposits (net), foreign currency (gain)/loss arising on account of Integral foreign operations.	(49.80)	(3.83)
- interest and other expenses relating to borrowings for investment	72.20	63.86
- Others	(88.33)	160.76
Undistributed earnings of subsidiaries, joint operations and equity accounted investees	602.29	407.25
Deferred tax assets not recognised because realisation is not probable	692.17	3,528.19
Deferred tax assets recognized on unabsorbed depreciation and others (refer note 3 below)	(1,977.01)	-
Deferred tax assets recognized on Long term capital loss	(150.48)	-
Previously recognised deferred tax assets written down	-	(6.34)
Utilization/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	(547.45)	(725.34)
Effect of change in statutory tax rates	19.32	2.04
Profit on sale of passenger vehicle undertaking (Common control transaction)	-	1,282.92
Impact of change in rates on moving to new tax regime (refer note 2 below)	522.36	-
Profit on sale of Defence Business	-	(0.88)
Others	492.24	470.34
<b>Income tax expense reported in consolidated statement of profit and loss</b>	<b>704.06</b>	<b>4,231.29</b>

(₹ in crores)

# Notes

## forming part of Consolidated Financial Statements

Notes :

- The UK Finance Act 2016 was enacted during the year ended March 31, 2017, which included provisions for a reduction in the UK corporation tax rate to 17% with effect from April 1, 2020. Subsequently a change to the main UK corporation tax rate, announced in 2020, was substantively enacted as at March 31, 2020. The rate applicable from April 1, 2020 now remains at 19% rather than previously enacted reduction to 17%. A further change to the main UK corporation tax rate from 19 to 25 percent with effect from 1 April 2023 was announced in the Budget on 3 March 2021, and was substantively enacted on 24 May 2021.

Accordingly, JLR UK deferred tax has been provided at a rate of 25% on assets (2022: 25%) and 25% on liabilities (2022: 25%), recognising the applicable tax rate at the point when the timing difference is expected to reverse.

- The Company has opted for the New Tax Regime inserted by section 115BAA of the Income Tax Act, 1961 ("Act") and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial year beginning April 1, 2019. It has accordingly applied the tax rate as applicable under the provision of section 115BAA of the Act, in the financial statement for the year ended March 31, 2023.
- During the year ended March 31, 2023, the Company recognised Deferred Tax Assets on previously unrecognised unused unabsorbed depreciation and long term capital losses incurred in the current year based on the probability of sufficient taxable profit in future periods, mostly those arising from planned divestments which will yield capital gains against which such unabsorbed depreciation and capital loss will be set off. Accordingly, ₹ 1,615.42 crores deferred tax has been recognised as at March 31, 2023.

Significant components of deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

	Opening balance	Impact of change in tax rates recognised in statement of profit and loss (Refer Note 22 (B) (2))	Recognised in statement of profit and loss	Recognised in/reclassified from other comprehensive income		MAT utilisation	Closing balance
				Translation	Other than translation		
(₹ in crores)							
<b>Deferred tax assets:</b>							
Unabsorbed depreciation	2,228.20	(873.80)	1,495.93	(0.12)	-	-	2,850.21
Business loss carry forwards	300.27	-	1,956.84	216.95	-	-	2,474.06
Other tax losses -Long term capital loss	-	-	150.48	-	-	-	150.48
Expenses deductible in future years:							
- provisions, allowances for doubtful receivables and others	3,145.72	(113.05)	(169.99)	25.12	0.01	-	2,887.81
Compensated absences and retirement benefits	(828.80)	(42.34)	(429.39)	(78.98)	39.77	-	(1,339.74)
Minimum alternate tax carry-forward	50.86	-	188.45	-	-	(124.80)	114.51
Property, plant and equipment	10,826.87	-	(3,027.31)	(83.24)	-	-	7,716.32
Derivative financial instruments	1,348.25	(29.79)	380.40	42.73	(1,166.04)	-	575.55
Unrealised profit on inventory	764.51	-	405.25	60.12	-	-	1,229.88
Others	203.23	(27.80)	1,981.83	195.24	5.24	-	2,357.74
<b>Total deferred tax assets</b>	<b>18,039.11</b>	<b>(1,086.78)</b>	<b>2,932.49</b>	<b>377.82</b>	<b>(1,121.02)</b>	<b>(124.80)</b>	<b>19,016.82</b>
<b>Deferred tax liabilities:</b>							
Property, plant and equipment	2,099.44	(564.33)	251.72	0.08	-	-	1,786.91
Intangible assets	11,343.57	(172.07)	(514.35)	195.66	-	-	10,852.81
Undistributed earnings in subsidiaries, joint operations and equity accounted investees	1,804.17	221.05	130.41*	38.00	-	-	2,193.63
Fair valuation of retained interest in a subsidiary subsequent to disposal of controlling equity interest	16.95	-	-	-	-	-	16.95
Others	462.57	(49.07)	(11.94)	0.73	(13.49)	-	388.80
<b>Total deferred tax liabilities</b>	<b>15,726.70</b>	<b>(564.42)</b>	<b>(144.16)</b>	<b>234.47</b>	<b>(13.49)</b>	<b>-</b>	<b>15,239.10</b>
<b>Net assets/(liabilities)</b>	<b>2,312.41</b>	<b>(522.36)</b>	<b>3,076.65</b>	<b>143.35</b>	<b>(1,107.53)</b>	<b>(124.80)</b>	<b>3,777.72</b>
Deferred tax assets							5,184.67
Deferred tax liabilities							(1,406.95)

\* Net off ₹ 250.83 crores reversed on dividend distribution by subsidiaries.

# Notes

## forming part of Consolidated Financial Statements

As at March 31, 2023, unrecognized deferred tax assets amount to ₹15,022.49 crores and ₹ 2,796.42 crores, which can be carried forward indefinitely and up to a specified period, respectively. These relate primarily to depreciation carry forwards, other deductible temporary differences and business losses. The deferred tax asset has not been recognized on the basis that its recovery is not probable in the foreseeable future.

Unrecognized deferred tax assets expire unutilized based on the year of origination as follows:

March 31,	(₹ in crores)
2024	52.69
2025	524.57
2026	45.04
2027	322.21
2028	842.43
Thereafter	1,009.48

The Company has not recognized deferred tax liability on undistributed profits of certain subsidiaries amounting to ₹ 28,177.20 crores and ₹28,735.73 crores as at March 31, 2023 and 2022, respectively, because it is able to control the timing of the reversal of temporary differences associated with such undistributed profits and it is probable that such differences will not reverse in the foreseeable future.

Significant components of deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

	Opening balance	Recognised in profit or loss	Recognised in/reclassified from other comprehensive income		Movement due to common control business combination **	Closing balance
			Translation	Other than translation		
(₹ in crores)						
<b>Deferred tax assets:</b>						
Unabsorbed depreciation	2,459.91	(154.31)	-	-	(77.40)	2,228.20
Business loss carry forwards	2,495.13	(481.77)	16.04	-	(1,729.13)	300.27
Expenses deductible in future years:						
- provisions, allowances for doubtful receivables and others	3,481.29	(356.53)	93.21	0.08	(72.33)	3,145.72
Compensated absences and retirement benefits	964.55	(920.70)	331.55	(1,204.20)	-	(828.80)
Minimum alternate tax carry-forward	0.05	50.81	-	-	-	50.86
Property, plant and equipment	7,733.08	3,328.57	(234.78)	-	-	10,826.87
Derivative financial instruments	(116.18)	(318.57)	(581.93)	2,364.93	-	1,348.25
Unrealised profit on inventory	1,074.89	(308.20)	(2.18)	-	-	764.51
Others	726.82	(539.63)	11.97	5.32	(1.25)	203.23
<b>Total deferred tax assets</b>	<b>18,819.54</b>	<b>299.67</b>	<b>(366.12)</b>	<b>1,166.13</b>	<b>(1,880.11)</b>	<b>18,039.11</b>
<b>Deferred tax liabilities:</b>						
Property, plant and equipment	2,558.77	58.07	0.12	-	(517.52)	2,099.44
Intangible assets	11,270.53	1,631.72	(196.09)	-	(1,362.59)	11,343.57
Undistributed earnings of subsidiaries, joint operations and equity accounted investees	1,764.30	52.00*	(12.13)	-	-	1,804.17
Fair valuation of retained interest in a subsidiary subsequent to disposal of controlling equity interest	16.95	-	-	-	-	16.95
Others	244.53	119.19	(0.27)	99.12	-	462.57
<b>Total deferred tax liabilities</b>	<b>15,855.08</b>	<b>1,860.98</b>	<b>(208.37)</b>	<b>99.12</b>	<b>(1,880.11)</b>	<b>15,726.70</b>
<b>Net assets/(liabilities)</b>	<b>2,964.46</b>	<b>(1,561.31)</b>	<b>(157.75)</b>	<b>1,067.01</b>	<b>-</b>	<b>2,312.41</b>
Deferred tax assets						3,870.85
Deferred tax liabilities						(1,558.44)

\* Net off ₹ 372.54 crores reversed on dividend distribution by subsidiaries.

\*\* Tata Motors Limited has transferred its Passenger Vehicle Business into a subsidiary. This has resulted in movement of balances at legal entity.

# Notes

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## 23. Equity Share Capital

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>(a) Authorised:</b>		
(i) 400,00,00,000 Ordinary shares of ₹2 each (as at March 31, 2022: 400,00,00,000 Ordinary shares of ₹2 each)	800.00	800.00
(ii) 100,00,00,000 'A' Ordinary shares of ₹2 each (as at March 31, 2022: 100,00,00,000 'A' Ordinary shares of ₹2 each)	200.00	200.00
(iii) 30,00,00,000 Convertible Cumulative Preference shares of ₹100 each (as at March 31, 2022: 30,00,00,000 shares of ₹100 each)	3,000.00	3,000.00
<b>Total</b>	<b>4,000.00</b>	<b>4,000.00</b>
<b>(b) Issued: [Note (h)]</b>		
(i) 3,32,18,36,884 Ordinary shares of ₹2 each (as at March 31, 2022: 3,32,11,54,566 Ordinary shares of ₹2 each)	664.37	664.23
(ii) 50,87,36,110 'A' Ordinary shares of ₹2 each (as at March 31, 2022: 50,87,36,110 'A' Ordinary shares of ₹2 each)	101.75	101.75
<b>Total</b>	<b>766.12</b>	<b>765.98</b>
<b>(c) Subscribed and called up: [Note (h)]</b>		
(i) 3,32,13,44,325 Ordinary shares of ₹2 each (as at March 31, 2022: 3,32,06,62,007 Ordinary shares of ₹2 each)	664.27	664.13
(ii) 50,85,02,896 'A' Ordinary shares of ₹2 each (as at March 31, 2022: 50,85,02,896 'A' Ordinary shares of ₹2 each)	101.70	101.70
	<b>765.97</b>	<b>765.83</b>
<b>(d) Calls unpaid - Ordinary shares</b>		
310 Ordinary shares of ₹2 each (₹1 outstanding on each) and 260 Ordinary shares of ₹2 each (₹0.50 outstanding on each) (as at March 31, 2022: 310 Ordinary shares of ₹2 each (₹1 outstanding on each) and 260 Ordinary shares of ₹2 each (₹0.50 outstanding on each) )	(0.00)*	(0.00)*
<b>(e) Paid-up (c+d):</b>	<b>765.97</b>	<b>765.83</b>
<b>(f) Forfeited - Ordinary shares</b>	<b>0.05</b>	<b>0.05</b>
<b>Total (e + f)</b>	<b>766.02</b>	<b>765.88</b>

\* less than ₹50,000/-

# Notes

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(g) **The movement of number of shares and share capital**

	Year ended March 31, 2023		Year ended March 31, 2022	
	(Number of shares)	(₹ in crores)	(Number of shares)	(₹ in crores)
<b>(i) Ordinary shares</b>				
Balance as at April 1	3,32,06,62,007	664.13	3,32,03,07,765	664.06
Add: Allotment of shares on exercise of stock options by employees	682,318	0.14	354,242	0.07
Balance as at March 31	<b>3,32,13,44,325</b>	<b>664.27</b>	<b>3,32,06,62,007</b>	<b>664.13</b>
<b>(ii) 'A' Ordinary shares</b>				
Balance as at April 1	50,85,02,896	101.70	50,85,02,896	101.70
Balance as at March 31	<b>50,85,02,896</b>	<b>101.70</b>	<b>50,85,02,896</b>	<b>101.70</b>

(h) The entitlements to **4,92,559** Ordinary shares of ₹2 each (as at March 31, 2022 : 4,92,559 Ordinary shares of ₹2 each) and **2,33,214 'A'** Ordinary shares of ₹2 each (as at March 31, 2022: 233,214 'A' Ordinary shares of ₹2 each) are subject matter of various suits filed in the courts / forums by third parties for which final order is awaited and hence kept in abeyance.

(i) **Rights, preferences and restrictions attached to shares :**

(i) Ordinary shares and 'A' Ordinary shares both of ₹ 2 each :

- The Company has two classes of shares – the Ordinary shares and the 'A' Ordinary shares both of ₹2 each (together referred to as shares). In respect of every Ordinary share (whether fully or partly paid), voting rights shall be in the same proportion as the capital paid up on such Ordinary share bears to the total paid up Ordinary share capital of the Company. In case of every 'A' Ordinary share, if any resolution is put to vote on a poll or by postal ballot at any general meeting of shareholders, the holder shall be entitled to one vote for every ten 'A' Ordinary shares held as per the terms of its issue and if a resolution is put to vote on a show of hands, the holder of 'A' Ordinary shares shall be entitled to the same number of votes as available to holders of Ordinary shares.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also declare an interim dividend. The holders of 'A' Ordinary shares shall be entitled to receive dividend for each financial year at five percentage point more than the aggregate rate of dividend declared on Ordinary shares for that financial year.
- In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(ii) American Depositary Shares (ADSs) and Global Depositary Shares (GDSs) :

The Company notified the New York Stock Exchange (the "NYSE") on November 9, 2022 of its intent to: (i) voluntarily delist its American Depositary Shares (the "ADSs"), each representing five (5) Ordinary Shares of the Company, par value of Rs. 2 per share (the "Ordinary Shares"), from the NYSE; (ii) deregister such ADSs, its Ordinary Shares underlying such ADSs, and its 'A' Ordinary Shares, par value of Rs.2 per share, issued in connection with the 2015 rights offering by the Company ("A' Ordinary Shares", and together with the ADSs and the Ordinary Shares underlying such ADSs, the "Securities") from the U.S. Securities and Exchange Commission (the "SEC"); and (iii) terminate its reporting obligations under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").



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Accordingly, the Company filled a Form 25 with the SEC on January 13, 2023 to delist its ADSs from the NYSE and the last trading day of the ADSs on the NYSE was January 23, 2023. Once the Company satisfies the conditions for deregistration, the Company will file a Form 15F with the SEC to deregister the Securities and to terminate its reporting obligations under the Exchange Act. Thereafter, all the Company's reporting obligations under the Exchange Act will be suspended. The deregistration and termination of its reporting obligations under the Exchange Act is effective ninety (90) days after filing of the Company's Form 15F.

### (j) Number of shares held by each shareholder holding more than 5 percent of the issued share capital :

	As at March 31, 2023		As at March 31, 2022	
	% Issued Share Capital	Number of Shares	% Issued Share Capital	Number of Shares
<b>(i) Ordinary shares :</b>				
(a) Tata Sons Private Limited	43.72%	1,45,21,13,801	43.73%	1,45,21,13,801
(b) Life Insurance Corporation Of India	5.21%	17,30,87,356	4.75%	15,77,82,041
(c) Citibank N.A. as Depository	*	*	#	17,09,78,800
<b>(ii) 'A' Ordinary shares :</b>				
(a) Tata Sons Private Limited	7.57%	3,85,11,281	7.57%	3,85,11,281
(b) ICICI Prudential Balanced Advantage Fund	20.49%	10,41,76,790	15.86%	8,06,52,318

# held by Citibank, N.A. as depository for American Depository Receipts (ADRs) and Global Depository Receipts (GDRs)

\* Less than 5%

### (k) Information regarding issue of shares in the last five years

- The Company has not issued any shares without payment being received in cash.
- The Company has not issued any bonus shares.
- The Company has not undertaken any buy-back of shares.

### (l) Disclosure of Shareholding of Promoters

Promoter name	As at March 31, 2023		As at March 31, 2022		% change during the year
	No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	
<b>(i) Ordinary shares :</b>					
Tata Sons Private Limited	1,45,21,13,801	43.72%	1,45,21,13,801	43.73%	-
<b>(ii) 'A' Ordinary shares :</b>					
Tata Sons Private Limited	38,511,281	7.57%	38,511,281	7.57%	-

#### Disclosure of Shareholding of Promoters

Promoter name	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	
<b>(i) Ordinary shares :</b>					
Tata Sons Private Limited	1,45,21,13,801	43.73%	1,45,21,13,801	43.73%	-
<b>(ii) 'A' Ordinary shares :</b>					
Tata Sons Private Limited	38,511,281	7.57%	38,511,281	7.57%	-

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## 24. Other components of equity

(a) The movement of Currency translation reserve is as follows: (₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	8,616.39	8,727.21
Exchange differences arising on translating the net assets of foreign operations (net)	717.31	(328.71)
Net change in translation reserve - equity accounted investees (net)	5.30	217.89
<b>Balance at the end</b>	<b>9,339.00</b>	<b>8,616.39</b>

(b) The movement of Equity instruments held as fair value through other comprehensive income(FVTOCI) is as follows:

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	663.22	320.88
Other Comprehensive income for the year	(131.79)	395.30
Income tax relating to gain/(loss) recognised on equity investments, where applicable	39.42	(52.96)
<b>Balance at the end</b>	<b>570.85</b>	<b>663.22</b>

(c) The movement of gain/(loss) on debt instruments held as fair value through other comprehensive income (FVTOCI) is as follows: (₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	399.74	256.78
Other Comprehensive income for the year	78.93	219.75
Income tax relating to gain/(loss) recognised on debt instrument, where applicable	(19.87)	(76.79)
<b>Balance at the end</b>	<b>458.80</b>	<b>399.74</b>

(d) The movement of Hedging reserve is as follows: (₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	(5,519.59)	311.35
Gain/(loss) recognised on cash flow hedges	(6,060.34)	(8,392.07)
Income tax relating to gain/(loss) recognized on cash flow hedges	(24.92)	1,949.36
(Gain)/loss reclassified to profit or loss	5,984.21	(621.37)
Income tax relating to gain/(loss) reclassified to profit or loss	(1,254.73)	126.43
Amounts reclassified from hedge reserve to inventory	394.43	1,366.28
Income tax related to amounts reclassified from hedge reserve to inventory	(74.94)	(259.57)
<b>Balance at the end</b>	<b>(6,555.88)</b>	<b>(5,519.59)</b>
Of the above balance related to :		
Continued Hedges	(6,552.84)	(5,423.58)
Discontinued Hedges	(3.04)	(96.01)

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(e) The movement of Cost of hedging reserve is as follows:		(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022	
Balance at the beginning	65.95	66.88	
Gain/(loss) recognised on cash flow hedges	(1,201.96)	139.93	
Income tax relating to gain/(loss) recognized on cash flow hedges	134.56	(30.26)	
(Gain)/loss reclassified to profit or loss	(20.62)	(219.50)	
Income tax relating to gain/(loss) reclassified to profit or loss	(17.42)	40.47	
Amounts removed from hedge reserve and recognised in inventory	41.99	84.51	
Income tax related to amounts removed from hedge reserve and recognised in inventory	(7.98)	(16.08)	
<b>Balance at the end</b>	<b>(1,005.48)</b>	<b>65.95</b>	
Of the above balance related to :			
Continued Hedges	(1,005.58)	61.18	
Discontinued Hedges	0.10	4.77	

  

(f) Summary of Other components of equity:		(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022	
Currency translation reserve	9,339.00	8,616.39	
Equity instruments through FVTOCI	570.85	663.22	
Debt instruments through FVTOCI	458.80	399.74	
Hedging reserve	(6,555.88)	(5,519.59)	
Cost of hedging reserve	(1,005.48)	65.95	
<b>Total</b>	<b>2,807.29</b>	<b>4,225.71</b>	

## 25. Notes to reserves and surplus

### (a) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities premium account.

### (b) Retained earnings

Retained earnings are the profits that the Company has earned till date.

### (c) Capital redemption reserve

The Indian Companies Act, 2013 (the "Companies Act") requires that where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the Balance Sheet. The capital redemption reserve account may be applied by the company, in paying up unissued shares of the company to be issued to shareholders of the company as fully paid bonus shares. Tata Motors Limited established this reserve pursuant to the redemption of preference shares issued in earlier years.

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## (d) Debenture redemption reserve (DRR)

The Companies Act requires that where a company issues debentures, it shall create a debenture redemption reserve out of profits of the company available for payment of dividend. The company is required to maintain a Debenture Redemption Reserve of 25% of the value of debentures issued, either by a public issue or on a private placement basis. The amounts credited to the debenture redemption reserve may not be utilized by the company except to redeem debentures. No DRR is required for debenture issued after August 16, 2019

## (e) Reserve for research and human resource development

In terms of Article 9 of the Act on Special Taxation Restriction in Korea, Tata Daewoo Commercial Vehicle Company Limited (TDCV, a subsidiary of Tata Motors Limited) is entitled for deferment of tax in respect of expenditures incurred on product development cost subject to fulfilment of certain conditions, by way of deduction from the taxable income, provided that TDCV appropriates an equivalent amount from "Retained Earnings" to "Reserve for Research and Human Resource Development".

The deferment is for a period of three years and from the fourth year onwards one-third of the reserve is offered to tax and an equal amount is then transferred from the reserve to "Retained earnings available for appropriation".

## (f) Special reserve

The special reserve represents the reserve created by two subsidiaries of Tata Motors Limited pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act") and related regulations applicable to those companies. Under the RBI Act, a non-banking finance company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purposes specified by the RBI.

## (g) Earned surplus reserve

Under the Korean commercial code, TDCV is required to appropriate at least 10% of cash dividend declared each year to a legal reserve until such reserves equal to 50% of capital stock. This reserve may not be utilized for cash dividends, but may only be used to offset against future deficits, if any, or may be transferred to capital stock.

## (h) Hedge Reserve

Effective portion of fair value gain/(loss) on all financial instruments designated in cash flow hedge relationship are accumulated in hedge reserve.

## (i) Cost of hedge reserve

Fair value gain/(loss) attributable to cost of hedge on all financials instruments designated in cash flow hedge relationship are accumulated in cost of hedge reserve.

## (j) Capital Reserve

The capital reserve represents the excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration.

## (k) Dividends

Any dividend declared by Tata Motors Limited is based on the profits available for distribution as reported in the statutory financial statements of Tata Motors Limited (standalone) prepared in accordance with Generally

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## forming part of Consolidated Financial Statements

Accepted Accounting Principles in India or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Tata Motors Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act. However, in the absence of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in this Financial Statements may not be fully distributable.

For the year ended March 31, 2023, the Board of Directors has recommended a final dividend of ₹ 2.00 per share on Ordinary shares and ₹ 2.10 per share on 'A' Ordinary shares subject to approval from shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of ₹ 771.07 crores (March 31, 2022: Nil).

### (l) Share-based payments reserve

Share-based payments reserve represents amount of fair value, as on the date of grant, of unvested options and vested options not exercised till date, that have been recognised as expense in the statement of profit or loss till date.

### (m) Reserve for Equity instruments through other comprehensive income

Fair value gain/loss arising on equity investment that are designated as held at fair value through Other comprehensive income is included here.

### (n) Reserve for Debt instruments through other comprehensive income

Fair value gain/loss arising on debt investment that are designated as held at fair value through Other comprehensive income is included here.

## 26. Long-term borrowings

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>Secured:</b>		
(a) Privately placed Non-Convertible Debentures	-	1,994.68
(b) Collateralized debt obligations	-	332.33
(c) Term loans:		
(i) from banks	10,877.50	11,213.85
(ii) from financial institutions	-	1,345.10
(d) Others	275.86	250.73
<b>Unsecured:</b>		
(a) Privately placed Non-Convertible Debentures	7,689.05	7,884.83
(b) Perpetual Debentures	1,744.09	1,718.20
(c) Term loans:		
(i) from banks	21,585.29	22,790.25
(ii) other parties	360.81	-
(d) Senior notes	46,152.39	49,873.48
(e) Others	10.82	355.72
<b>Total</b>	<b>88,695.81</b>	<b>97,759.17</b>

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## 27. Short-term borrowings

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>Secured:</b>		
(a) Loans from banks	2,293.93	4,801.28
(b) Current maturities of long-term borrowings	9,936.19	7,739.08
<b>Unsecured:</b>		
(a) Loans from banks	6,878.29	6,478.92
(b) Inter corporate deposits from associates	48.00	241.00
(c) Commercial paper	4,846.62	5,857.18
(d) Current maturities of long-term borrowings	12,961.63	16,800.41
<b>Total</b>	<b>36,964.66</b>	<b>41,917.87</b>

### 1) Collaterals against borrowing

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
Inventory	189.22	807.88
Finance receivables	22,766.69	25,487.73
Property, plant and equipment with a carrying amount	2,271.29	5,828.78
<b>Total</b>	<b>25,227.20</b>	<b>32,124.39</b>

### 2) Current maturities of long term borrowings consist of :

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>Secured:</b>		
(i) Privately placed Non-Convertible Debentures	1,998.77	778.55
(ii) Term loans		
(a) from banks	7,937.42	5,910.53
(b) other financial institutions	-	1,050.00
	<b>9,936.19</b>	<b>7,739.08</b>
<b>Unsecured:</b>		
(i) Privately placed Non-Convertible Debentures	1,629.42	2,454.57
(ii) Collateralised debt obligation	74.87	850.21
(iii) Senior Notes	6,794.73	7,748.41
(iv) Term loans from banks and others	4,462.62	5,747.22
<b>Total</b>	<b>12,961.64</b>	<b>16,800.41</b>

Notes :

## Long Term Borrowings

### (A) Non convertible debentures (Secured)

- (i) Rated, Listed, Secured, 8.80% Coupon, Non-Convertible Debentures amounting to ₹999.82 crores (2022: ₹998.64 crores) included within Current maturities of long term borrowings in note 27 are secured by a pari passu charge by way of the Company's property, plant and equipment. It bears Interest rate of 8.80% and maturity being in May 2023.

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(ii) Privately placed non-convertible debentures amounting to ₹Nil (2022: ₹996.04 crores) included within Long-term borrowings in note 26 and ₹999.95 crores (2022: ₹778.55 crores) included within Current maturities of long-term borrowings in note 27 are fully secured by :

- (a) Pari - passu charge is created in favour of debenture trustee on :
- All receivables of TMFL arising out of loan and lease transactions,
  - All book debts, trade advances forming part of movable property of TML.
- (b) Any other security as identified by TMFL and acceptable to the debenture trustee.

It bears interest rate ranging from 8.50% to 8.75% and maturity ranging from April 2023 to May 2023.

### (B) Collateralised debt obligations (Secured)

Collateralised debt obligation represent amount received against finance receivables securitised/assigned, which does not qualify for derecognition. The repayments are due from financial year ending March 31, 2025 to March 31, 2026.

### (C) Long-term loan from banks/financial institution and Government (Secured)

(₹ in crores)

	Amount included in Long-Term Borrowings (note 26)	Amount included in Current Maturities of Long-Term Borrowings (note 27)	Collateral, Interest rates and Maturity
<b>Term loans from bank</b>			
1	7,637.16	5,726.63	Pari-passu charge in favour of the security trustee on all receivables arising out of loan, lease transactions and trade advances, all other book debts, receivables from pass through certificates in which company has invested; and such other current assets as may be identified from time to time and accepted by the relevant lender/security trustee. The maturity ranges from June 23 to March 28.
2	3,064.19	1,845.30	Charge created on all receivables arising out of loan, trade advances, and all other book debts, receivables from pass through certificates in which company has invested; and such other current assets as may be identified from time to time and accepted by the relevant lender. The maturity ranges from April 23 to February 28.
3	-	238.84	First charge over fixed assets procured from its loan/jeep project. It bears floating interest rate based on LIBOR and MCLR. Due for repayment from May 2023.
4	11.61	3.58	Pari passu first charge on fixed assets. It bears floating interest rate currently at 9.20%. Repayable in equal quarterly installments upto May 2027.
5	164.54	-	Charge created on land and building. It bears fixed interest rate currently at 4.85%. Due for repayment from June 2025.
6	-	123.07	It bears fixed interest rate currently at 7.90%. Due for repayment in September 2023.
<b>Total</b>	<b>10,877.50</b>	<b>7,937.42</b>	

# Notes

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(₹ in crores)

	Amount included in Long-Term Borrowings (note 26)	Amount included in Current Maturities of Long-Term Borrowings (note 27)	Collateral, Interest rates and Maturity
<b>Term loan from others</b>			
1	212.71		- The loan is secured by a second and subservient charge (creation of charge is under process) over Company's freehold land together with immovable properties, plant and machinery and other movable assets (excluding stock and book debts) situated at Sanand plant in the State of Gujarat. The loan is due for repayment from the quarter ending March 31, 2033 to quarter ending March 31, 2039, along with simple interest at the rate of 0.10% p.a.
2	46.34		- The loan is secured by bank guarantee for the due performance of the conditions as per the terms of the agreement. The loan is due for repayment from the quarter ending June 30, 2030 to December 31, 2037, along with a simple interest of 0.01% p.a.
3	16.81		- Secured by bank guarantee
<b>Total</b>	<b>275.86</b>		-

## (D) Short-term borrowings

Loans, cash credits, overdrafts and buyers line of credit from banks are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase / leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

### LONG-TERM BORROWINGS: TERMS

#### (A) Senior notes (Euro MTF listed debt)

The senior notes of Jaguar Land Rover Automotive Plc (JLR) are listed on the Euro MTF market, which is a listed market regulated by the Luxembourg Stock Exchange.

Details of the tranches of the senior notes outstanding are as follows:

Particulars	Currency	Amount (in million)	(₹ in crores)	
			As at March 31, 2023	As at March 31, 2022
5.500% Senior Notes due 2029	USD	500	4,080.75	3,756.72
4.500% Senior Notes due 2028	EUR	500	4,443.98	4,189.43
5.875% Senior Notes due 2028	USD	650	5,298.24	4,874.58
4.500% Senior Notes due 2027	USD	500	4,086.39	3,761.73
6.875% Senior Notes due 2026	EUR	500	4,500.77	4,256.19
4.500% Senior Notes due 2026	EUR	500	3,109.09	3,537.02
7.750% Senior Notes due 2025	USD	700	5,715.33	5,255.28
5.875% Senior Notes due 2024	EUR	500	4,456.89	4,198.12
2.200% Senior Notes due 2024	EUR	650	5,806.90 *	5,472.73
3.875% Senior Notes due 2023	GBP	400	-	3,971.51
5.625% Senior Notes due 2023	USD	500	-	3,776.90
			<b>41,498.34</b>	<b>47,050.21</b>

\*Classified as other current liabilities being maturity before March 31, 2024.



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## (B) Senior notes (SGX-ST listed debt)

The senior notes of Tata Motors Limited and TML Holdings Pte Ltd are listed on the SGX-ST market, which is a listed market regulated by the Singapore Stock Exchange.

Details of the tranches of the senior notes outstanding at March 31, 2023 are as follows:

(₹ in crores)

Particulars:	Currency	Amount (in million)	As at March 31, 2023	As at March 31, 2022
4.350% Senior Notes due 2026	USD	425	3,486.28	3,199.46
5.875% Senior Notes due 2025	USD	300	2,459.24	2,273.92
5.750% Senior Notes due 2024	USD	250	2,049.47	1,876.86
5.500% Senior Notes due 2024	USD	300	2,465.96	2,261.25
4.000% Senior Notes due 2023	GBP	98	987.83 *	960.19
			<b>11,448.78</b>	<b>10,571.68</b>

\* Classified as other current liabilities being maturity before March 31, 2024.

(C) Non convertible debentures (unsecured) amounting to **₹7,689.05 crores** included within long-term borrowing in note 26 and **₹1,629.42 crores** included within current maturities of long term borrowings in note 27 bear interest rate ranging from 6.56% to 11.33% and maturity ranging from May 2023 to May 2029.

(D) Perpetual debenture amounting to **₹1,744.09 crores** (2022: ₹1,718.00 crores) included within long-term borrowing in note 26 bear interest rate ranging from 7.30% to 8.75% having simultaneous call/put option after 4/5th year from the date of issuance.

### (E) Loan from banks/ financial institutions (unsecured) consists of :

(i) **Term loans amounting to ₹8,928.60 crores** included within long-term borrowings in note 26 and **₹4,462.62 crores** included within current maturities of long term borrowings in note 27 bearing floating interest rate based on marginal cost of funds lending rate (MCLR) of respective bank having maturity ranging from September 2023 to October 2027.

(ii) External commercial borrowings in foreign currencies amounting to **₹1,943.80 crores** included within long-term borrowing in note 26 bearing floating interest rate currently of 3.38% and maturity in June 2025.

(iii) Foreign currency term loan amounting to **₹4,559.10 crores** included within long-term borrowing in note 26 bearing floating interest rate that are linked to LIBOR maturity ranging from July 2025 to October 2027.

(iv) Foreign currency syndicate loan amounting to **₹6,514.60 crores** included within long-term borrowing in note 26 bearing floating interest rate that are linked to LIBOR maturity in January 2025.

### (F) Short Term Borrowings : Terms

(i) Short-term loan from banks and other parties(financial institutions) consists of cash credit, overdrafts, short term loan, bill discounting amounting to **₹6,196.55 crores** bearing fixed rate of interest ranging from 2.55% to 3.48% and **₹2,138.77 crores** bear floating rate of interest based on MCLR of respective banks and other benchmark rates.

(ii) Commercial paper are unsecured short term papers issued at discount bearing no coupon interest. The yield on commercial paper issued by the Company ranges from 6.70 % to 8.65 %.

# Notes

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(G) Reconciliation of movements of liabilities to cash flows arising from financing activities

	(₹ in crores)		
	Short-term borrowings	Long-term borrowings	Total
<b>Balance at April 1, 2021</b>	<b>42,791.74</b>	<b>93,112.77</b>	<b>135,904.51</b>
Proceeds from issuance of debt	16,866.24	35,058.62	51,924.86
Repayment of financing	(21,436.04)	(25,012.52)	(46,448.56)
Reclassification of long-term debt	3,410.44	(3,410.44)	-
Foreign exchange	(82.28)	(507.71)	(589.99)
Amortisation / EIR adjustment of prepaid borrowing costs (net)	367.77	(1,481.55)	(1,113.78)
<b>Balance at March 31, 2022</b>	<b>41,917.87</b>	<b>97,759.17</b>	<b>139,677.04</b>
Proceeds from issuance of debt	28,125.45	16,561.93	44,687.38
Repayment of financing	(31,751.55)	(31,559.46)	(63,311.01)
Reclassification of long-term debt	(1,641.69)	1,641.69	-
Foreign exchange	161.36	4,105.22	4,266.58
Amortisation / EIR adjustment of prepaid borrowing costs (net)/other adjustment	153.22	187.26	340.48
<b>Balance at March 31, 2023</b>	<b>36,964.66</b>	<b>88,695.81</b>	<b>125,660.47</b>

## 28. Other financial liabilities – non-current

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Derivative financial instruments	5,384.10	3,415.54
(b) Liability towards employee separation scheme	89.01	109.50
(c) Option premium liability	122.79	209.28
(d) Compulsorily convertible preference shares - liability portion	2,500.00	1,250.00
(e) Advance towards supplier claim	55.87	-
(f) Others	170.70	349.34
<b>Total</b>	<b>8,322.47</b>	<b>5,333.66</b>

## 29. Other financial liabilities – current

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Interest accrued but not due on borrowings	1,675.91	1,746.37
(b) Liability towards vehicles sold under repurchase arrangements	3,022.01	2,658.14
(c) Liability for capital expenditure (Refer note below)	3,797.53	4,412.53
(d) Deposits and retention money	584.69	562.59
(e) Derivative financial instruments	4,382.23	4,443.42
(f) Liability towards Investors Education and Protection Fund under Section 125 of the Companies Act, 2013 (IEPF) not due	2.79	3.35
(g) Option premium payable	104.14	95.02
(h) Others	259.28	498.82
<b>Total</b>	<b>13,828.58</b>	<b>14,420.24</b>

Note:

Includes ₹31.26 crores (₹21.49 crores as at March 31, 2022) outstanding towards principal and interest provision on dues of micro enterprises and small enterprises as per MSMED ACT 2006.

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## 30. Trade payables

(₹ in crores)

	As at March 31, 2023					Total
	Not Due	Overdue				
		Up to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Outstanding dues of micro and small enterprises</b>						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	275.09	34.43	5.93	0.29	0.27	316.01
<b>Total</b>	<b>275.09</b>	<b>34.43</b>	<b>5.93</b>	<b>0.29</b>	<b>0.27</b>	<b>316.01</b>
<b>Outstanding dues other than micro and small enterprises</b>						
(a) Disputed dues	-	7.50	0.01	-	3.63	11.14
(b) Undisputed dues	68,015.26	3,394.12	198.74	31.89	88.61	71,728.62
<b>Total</b>	<b>68,015.26</b>	<b>3,401.62</b>	<b>198.75</b>	<b>31.89</b>	<b>92.24</b>	<b>71,739.76</b>

(₹ in crores)

	As at March 31, 2022					Total
	Not Due	Overdue				
		Up to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Outstanding dues of micro and small enterprises</b>						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	122.62	42.08	2.61	5.75	10.86	183.92
<b>Total</b>	<b>122.62</b>	<b>42.08</b>	<b>2.61</b>	<b>5.75</b>	<b>10.86</b>	<b>183.92</b>
<b>Outstanding dues other than micro and small enterprises</b>						
(a) Disputed dues	34.83	19.18	0.02	0.13	3.38	57.54
(b) Undisputed dues	50,550.55	8,918.04	84.98	26.82	148.53	59,728.92
<b>Total</b>	<b>50,585.38</b>	<b>8,937.22</b>	<b>85.00</b>	<b>26.95</b>	<b>151.91</b>	<b>59,786.46</b>

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## 31. Provisions

### (A) Accounting Policy

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. When the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

#### Product warranty expenses

The estimated liability for product warranties are recognized when products are sold or when new warranty programmes are initiated. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future warranty claims, customer goodwill and recall complaints. The timing of outflows will vary depending on when warranty claim will arise, being typically up to six years and for batteries in Electric Vehicles warranty period is typically up to eight years. The Company also has back-to-back contractual arrangement with its suppliers in the event that a vehicle fault is proven to be a supplier's fault.

Estimates are made of the expected reimbursement claim based upon historical levels of recoveries from supplier, adjusted for inflation and applied to the population of vehicles under warranty as on balance sheet date. Supplier reimbursements are recognised as a separate asset.

#### Provision for onerous obligations

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting its obligations under the contract. It is recognized when the Company has entered into a binding legal agreement for the purchase of components from suppliers that exceeds the benefits from the expected future use of the components and the Company sells the finished goods using the components at a loss.

#### Residual risk

In certain markets, the Company is responsible for the residual risk arising on vehicles sold by dealers under leasing arrangements. The provision is based on the latest available market expectations of future residual value trends. The timing of the outflows will be at the end of the lease arrangements being typically up to three years.

#### Legal and product liability

Legal and product liability provision is recorded in respect of compliance with regulations and known litigations which impact the Company. The product liability claim primarily relates to motor accident claims, consumer complaints, dealer terminations, personal injury claims and compliance with emission and battery disposal regulations.

The timing of outflows will vary depending on when claims are received and settled, which is not known with certainty. The assumptions made, especially the assumption about the outcome of legal proceedings, are subject to a high degree of uncertainty. The appropriateness of assumptions is regularly reviewed, based on assessments undertaken both by management and external experts, such as lawyers. If new developments arise in the future that result in a different assessment, provisions are adjusted accordingly.

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## Environmental liability

Environmental liability relates to various environmental remediation cost such as asbestos removal and land clean up. The timing of when these costs will be incurred is not known with certainty.

### (B) Provisions consists of following:

	As at March 31, 2023	As at March 31, 2022
(₹ in crores)		
<b>Non-current</b>		
(a) Employee benefits obligations	1,274.36	1,118.73
(b) Product warranty	10,716.59	10,952.76
(c) Legal and product liability	761.67	396.80
(d) Provision for residual risk	81.30	193.05
(e) Provision for environmental liability	265.87	225.86
(f) Other provisions	96.74	68.69
<b>Total</b>	<b>13,196.53</b>	<b>12,955.89</b>
<b>Current</b>		
(a) Employee benefit obligations	50.65	96.67
(b) Product warranty	7,775.24	6,780.86
(c) Legal and product liability	3,792.27	2,504.65
(d) Provision for residual risk	91.25	121.75
(e) Provision for environmental liability	59.38	28.92
(f) Provision for Onerous Contracts and related supplier claims	-	117.90
(g) Restructuring Provision	35.62	1,103.62
(h) Other provisions	6.25	11.94
<b>Total</b>	<b>11,810.66</b>	<b>10,766.31</b>

	Year ended March 31, 2023					
	Product warranty	Legal and product liability	Provision for residual risk	Provision for environmental liability	Restructuring provision	Provision for onerous contract and related supplier claims
Balance at the beginning	17,733.62	2,901.45	314.80	254.78	1,103.62	117.90
Provision made/(reversed) during the year	9,042.19	6,510.98	(150.31)	76.00	21.63	(42.65)
Provision used during the year	(8,776.13)	(5,153.35)	0.83	(14.38)	(1,062.73)	(14.15)
Impact of unwind of discounting	107.76	-	-	-	-	-
Impact of foreign exchange translation	384.39	294.86	7.23	8.85	(26.90)	-
Transfer to Liabilities	-	-	-	-	-	(61.10)
<b>Balance at the end</b>	<b>18,491.83</b>	<b>4,553.94</b>	<b>172.55</b>	<b>325.25</b>	<b>35.62</b>	<b>-</b>
Current	7,775.24	3,792.27	91.25	59.38	35.62	-
Non-current	10,716.59	761.67	81.30	265.87	-	-

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## 32. Other non-current liabilities

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Contract liabilities (refer note below)	5,942.18	4,535.90
(b) Government grants	2,978.04	2,640.60
(c) Employee benefits obligations	279.86	323.74
(d) Others	64.21	34.98
<b>Total</b>	<b>9,264.29</b>	<b>7,535.22</b>

## 33. Other current liabilities

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Contract liabilities (refer note below)	6,283.85	6,558.65
(b) Government grants	812.07	946.92
(c) Statutory dues (VAT, Excise, Service Tax, GST, Octroi etc)	3,804.17	4,143.75
(d) Others	132.91	112.22
<b>Total</b>	<b>11,033.00</b>	<b>11,761.54</b>

**Note:**

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>(a) Opening contract liabilities</b>	<b>11,094.55</b>	<b>10,583.63</b>
Amount recognised in revenue	(5,739.11)	(4,606.19)
Amount received in advance during the year	6,701.93	5,372.12
Amount refunded to customers	(18.84)	(152.20)
Currency translation	187.50	(102.81)
<b>Closing contract liabilities</b>	<b>12,226.03</b>	<b>11,094.55</b>
<b>(b) Contract liabilities include</b>		
Advances received from customers	2,901.59	3,497.23
Deferred revenue	3,382.26	3,061.42
	5,942.18	4,535.90
	Non-current	
<b>Total contract liabilities</b>	<b>12,226.03</b>	<b>11,094.55</b>

**(c) Government grants include:**

- (i) Government incentives includes ₹201.32 crores as at March 31, 2023 (₹197.39 crores as at March 31, 2022) grants relating to property, plant and equipment related to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.
- (ii) ₹3,588.79 crores as at March 31, 2023 (₹3,390.13 crores as at March 31, 2022) relating to Research and Development Expenditure Credit (RDEC) on qualifying expenditure incurred since April 1, 2013.

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## 34. Revenue from Operations

### (A) Accounting Policy

The Company generates revenue principally from –

- a) **Sale of products** – (i) commercial and passenger vehicles and vehicle parts and (ii) Sales of other products – certain software products and other automotive products

The Company recognises revenues from sale of products measured at the amount of transaction price (net of variable consideration), when it satisfies its performance obligation at a point in time which is when products are delivered to dealers or when delivered to a carrier for export sales, which is when control including risks and rewards and title of ownership pass to the customer, and when there are no longer any unfulfilled obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Company offers sales incentives in the form of variable marketing expense to customers, which vary depending on the timing and customer of any subsequent sale of the vehicle. This sales incentive is accounted for as a revenue reduction and is constrained to a level that is highly probable not to reverse the amount of revenue recognised when any associated uncertainty is subsequently resolved. The Company estimates the expected sales incentive by market and considers uncertainties including competitor pricing, ageing of retailer stock and local market conditions.

Revenue is recognised on a bill-and-hold basis where vehicles, for example, are sold to the customer but are retained in the Company's possession at a vehicle holding compound on behalf of the customer ahead of being physically transferred to them at a future time. In such arrangements it is ensured that the customer has obtained the ultimate control of the product.

There are certain vehicles which are being given to the customers along with operations and maintenance of the same. These are considered as finance leases and accordingly, revenue is recognised at the lease commencement date at fair value of the leased asset. The cost of sales is reduced for the present value of unguaranteed residual values. In addition, initial direct costs are recognised as cost of sales at the lease commencement date.

The consideration received in respect of transport arrangements for delivering of vehicles to the customers are recognised net of their costs within revenues in the income statement.

Revenues are recognised when collectability of the resulting receivable is reasonably assured.

- b) **Sale of services** - maintenance service, telematics features and extended warranties for commercial and passenger vehicles, software support services and insurance broking services.

Income from sale of maintenance services, telematics features and extended warranties, including software services are recognized as income over the relevant period of service or extended warranty.

When the Company sells products that are bundled with maintenance service or extended period of warranty, such services are treated as a separate performance obligation only if the service or warranty is optional to the customer or includes an additional service component. In such cases, the transaction price allocated towards such maintenance service or extended period of warranty based on relative standalone selling price and is recognised as a contract liability until the service obligation has been met. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a

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margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Company operates certain customer loyalty programs under which customer is entitled to reward points on the spend towards Company's products. The reward points earned by customers can be redeemed to claim discounts on future purchase of certain products or services. Transaction price allocated towards reward points granted to customers is recognized as a deferred income liability and transferred to income when customers redeem their reward points.

Sales of services include certain performance obligations that are satisfied over a period of time, any amount received in advance is recorded as contract liability and recognized as revenue when service is rendered to customers. Any amount of income accrued but not billed to customers in respect of such contracts is recorded as a contract asset. Such contract assets are transferred to Trade receivables on actual billing to customers.

Refund liabilities comprise of obligation towards customers to pay for discounts and sales incentives.

Vehicle sales do not typically include allowances for returns or refunds, although in some markets there is legislative requirement for the Company as an automotive manufacturer to repurchase or reacquire a vehicle if quality issues arise that have been remedied a number of times and where the owner no longer wishes to own the vehicle as a result.

Proceeds from sale of vehicles for which the Company or any of its subsidiaries have retained buy back obligation in future is recorded as a liability – (i) Proceeds received in excess of agreed buy back price is recognized as Deferred income liability and (ii) the agreed buy back price is recognized as Buy back liability. Deferred income liability is recognized as operating lease income on time proportionate basis over date of sale and date of buy back.

- c) Financing revenues - Interest income from financing transactions includes income from leasing of vehicles to customers. Finance and service charges are accrued on the unpaid principal balance of finance receivables using the effective interest method.

### (B) Revenue from Operations:

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>(a) Sale of products</b> (refer note 1 and 2 below)		
(i) Sale of vehicles	290,006.29	227,178.54
(ii) Sale of spare parts	32,327.64	28,779.29
(iii) Sale of miscellaneous products	12,558.12	11,294.42
<b>Total Sale of products</b>	<b>334,892.05</b>	<b>267,252.25</b>
(b) Sale of services	3,763.08	3,871.12
(c) Finance revenues	4,219.45	4,111.85
	<b>342,874.58</b>	<b>275,235.22</b>
<b>(d) Other operating revenues</b>	<b>3,092.39</b>	<b>3,218.40</b>
<b>Total</b>	<b>345,966.97</b>	<b>278,453.62</b>
Notes:		
(1) Includes exchange gain/(loss) (net) on hedges reclassified from hedge reserve to statement of profit or loss	(5,675.01)	779.16
(2) Includes variable marketing expenses netted off against revenue	(33,534.10)	(26,910.13)



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## 35. Other income

### (A) Accounting Policy

Other income includes export and other recurring and non-recurring incentives from Government (referred as "incentives").

Government grants are recognised when there is reasonable assurance that the Company will comply with the relevant conditions and the grant will be received.

Government grants are recognised in the consolidated statement of profit and loss, either on a systematic basis when the Company recognizes, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred. Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Company are recognised as income in the period in which the grant is received.

### (B) Other income:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Interest income	1,251.18	625.22
(b) Dividend income from investments measured at FVTOCI	46.42	34.22
(c) Profit on sale of investments measured at FVTPL	328.95	216.62
(d) Incentives (refer note below)	2,913.36	2,124.71
(e) Fair value gain /(loss) on investments measured at FVTPL	93.27	52.86
<b>Total</b>	<b>4,633.18</b>	<b>3,053.63</b>

Note:

Incentives include exports and other incentives of ₹779.97 crores and ₹658.61 crores, for the year ended March 31, 2023 and 2022, respectively and ₹2,133.39 crores and ₹1,466.10 crores, for the year ended March 31, 2023 and 2022, respectively received by foreign subsidiaries on Tax credit on qualifying expenditure for research and development.

## 36. Employee benefits expense

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Salaries, wages and bonus*(refer note below)	27,372.43	24,092.71
(b) Contribution to provident fund and other funds	2,263.48	2,855.92
(c) Staff welfare expenses	4,018.79	3,859.89
<b>Total</b>	<b>33,654.70</b>	<b>30,808.52</b>

\*The amount of ₹20.46 crores and ₹16.73 crores has accrued in salaries, wages and bonus for the year ended March 31, 2023 and March 31, 2022, respectively towards share based payments.

### (A) Share based payments

#### Accounting policy

The Company recognises compensation expense relating to share based payments in accordance with Ind AS 102 Share-based Payment. Stock options granted by the Company to its employees are accounted as equity settled options. Accordingly, the estimated fair value of options granted that is determined on the date of grant, is charged to statement of Profit and Loss on a straight line basis over the vesting period of options which is the requisite service period, with a corresponding increase in equity.

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## Equity-settled share option plan

### (i) Tata Motors Limited Employees Stock Option Scheme 2018

The Company has allotted share based incentives to certain employees during the year ended March 31, 2019, under Tata Motors Limited Employee Stock Options Scheme 2018, approved by Nomination and Remuneration Committee (NRC).

As per the scheme, the number of shares that will vest is conditional upon certain performance measures determined by NRC. The performance is measured over vesting period of the options granted which ranges from 3 to 5 years. The performance measures under this scheme include growth in sales, earnings and free cash flow. The options granted under this scheme is exercisable by employees till one year from date of its vesting.

The Company has granted options at an exercise price of ₹345/-. Option granted will vest equally each year starting from 3 years from date of grant up to 5 years from date of grant. Number of shares that will vest range from 0.5 to 1.5 per option granted depending on performance measures.

	Year ended March 31, 2023	Year ended March 31, 2022
Options outstanding at the beginning of the year	6,662,551	6,804,003
Granted during the year	-	335,209
Forfeited/Expired during the year	(4,552,458)	(122,419)
Exercised during the year	753,622	(354,242)
Outstanding at the end of the year	2,863,715	6,662,551
<b>Number of shares to be issued for outstanding options (conditional on performance measures)</b>		
Maximum	4,295,573	9,993,827
Minimum	1,431,858	3,331,276
Share price for options exercised during the year	372 - 490	392 - 530
Remaining contractual life	3 months	3 - 15 months

The Company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted.

	Year ended March 31, 2023	Year ended March 31, 2022
Assumption factor		
Risk free rate	7%-8%	7%-8%
Expected life of option	2-4 years	2-4 years
Expected volatility	33%- 37%	33%- 37%
Share price	170.6	170.6

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly-traded equity shares during a period equivalent to the expected term of the options.

### (ii) Share-based Long Term Incentive Scheme 2021

The Company has granted Performance Stock Units ("PSUs") and Employee Stock Options ("ESOs") to its employees under the Tata Motors Limited Share-based Long Term Incentive Scheme 2021 ("TML SLTI Scheme 2021" or "Scheme").

As per the scheme, the number of shares that will vest is conditional upon certain performance measures determined by NRC. The performance is measured over vesting period of the options granted. The performance measures under this scheme include growth in sales, earnings and free cash flow. The options

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granted under this scheme is exercisable by employees till one year from date of its vesting. The Company has granted options at an exercise price of ₹338/- for ESOs and ₹2/- for PSUs. Option granted will vest after 3 years from date of grant. Number of shares that will vest range from 0.5 to 1.2 per option granted depending on performance measures.

PSUs and ESOs are exercisable within one year from the date of vesting.

Reconciliation of outstanding ESOs/ PSUs	Year ended March 31, 2023		Year ended March 31, 2022	
	ESOs	PSUs	ESOs	PSUs
	No of options	No of options	No of options	No of options
(i) outstanding at the beginning of the period;	839,650	964,569	-	-
(ii) granted during the period;	-	659,186	839,650	964,569
(iii) forfeited during the period;	(78,822)	(92,349)	-	-
(iv) exercised during the period;	-	-	-	-
(v) outstanding at the end of the period;	760,828	1,531,406	839,650	964,569
(vi) Remaining contractual life	28 Months	28 Months	28 Months	28 Months

The Company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted.

Assumption factor	Granted during	Granted during	
	Year ended	Year ended	
	March 31, 2023	ESOs	PSUs
Risk free interest rate	5.3%	5.3%	5.3%
Expected life of option	4 years	3.8 years	3.8 years
Expected volatility	52.0%	50.7%	50.7%
Share price	453.40	376.40	376.40

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly-traded equity shares during a period equivalent to the expected term of the options.

## (B) Employee benefits

### (A) Accounting Policy

#### Pension plans

Jaguar Land Rover operate defined benefit pension plans for certain of its subsidiaries, which are contracted out of the second state pension scheme until April 5, 2016. The assets of the plan are held in separate trustee administered funds. The plans provide for monthly pension after retirement as per salary drawn and service period as set out in rules of each fund.

Contributions to the plans by the Jaguar Land Rover subsidiaries take into consideration the results of actuarial valuations. The plans with a surplus position at the year-end have been limited to the maximum economic benefit available from unconditional rights to refund from the scheme or reduction in future contributions. Where the subsidiary group is considered to have a contractual obligation to fund the pension plan above the accounting value of the liabilities, an onerous obligation is recognised. A separate defined contribution plan is available to employees of Jaguar Land Rover. Costs in respect of this plan are charged to the consolidated statement of profit and loss as incurred.

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## Gratuity

Tata Motors Limited and its subsidiaries and joint operations in India have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Tata Motors Limited and such subsidiaries make annual contributions to gratuity funds established as trusts or insurance companies. Tata Motors Limited and its subsidiaries in India account for the liability for gratuity benefits payable in the future based on an actuarial valuation.

## Superannuation

Tata Motors Limited and some of its subsidiaries in India have two superannuation plans, a defined benefit plan and a defined contribution plan. An eligible employee as on April 1, 1996 could elect to be a member of either plan. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range from 0.75% to 2% of the annual basic salary for each year of service. Tata Motors Limited and such subsidiaries account for superannuation benefits payable in future under the plan based on an actuarial valuation.

With effect from April 1, 2003, this plan was amended and benefits earned by covered employees have been protected as at March 31, 2003. Employees covered by this plan are prospectively entitled to benefits computed on a basis that ensures that the annual cost of providing the pension benefits would not exceed 15% of salary. During the year ended March 31, 2015, the employees covered by this plan were given a one-time option to exit from the plan prospectively. Furthermore, the employees who opted for exit were given one-time option to withdraw accumulated balances from the superannuation plan. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. Tata Motors Limited and its subsidiaries contribute up to 15% or ₹150,000, whichever is lower, of the eligible employees' salary to the trust every year. Such contributions are recognised as an expense when incurred. Tata Motors Limited and such subsidiaries have no further obligation beyond this contribution.

## Bhavishya Kalyan Yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees of Tata Motors Limited and some of its subsidiaries. The benefits of the plan include pension in certain cases, payable up to the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the appropriate authority. The monthly payment to dependents of the deceased/disabled employee under the plan equals 50% of the salary drawn at the time of death or accident or a specified amount, whichever is greater. Tata Motors Limited and these subsidiaries account for the liability for BKY benefits payable in the future based on an actuarial valuation.

## Provident fund and family pension

In accordance with Indian law, eligible employees of Tata Motors Limited and joint operations are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, as specified under the law, were made to the provident fund and pension fund set up as an irrevocable trust or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. The interest rate, payable to the members of the trust, was not to be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, was made good by the Company. The embedded interest rate guarantee is considered to be defined benefit.

# Notes

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The provident fund trust and pension trust set up by Tata Motors Limited (the "Company") have lost its exempt status w.e.f. April 1, 2022, due to incurrence of losses for three consecutive years by the Company, as per its standalone financial statements prepared in accordance with Indian Accounting Standards. Accordingly, the Company has surrendered this exemption and transferred the assets and obligations of the trust to the government managed provident fund. With this transfer of assets and obligations, the Company will no longer be obligated to provide any interest rate guarantee and accordingly, the provident fund is considered as a defined contribution scheme from April 1, 2022. As regards pension, the Company is still maintaining the pension fund, as an ad interim measure, since EPFO has still not accepted the transfer of pension fund/corpus to its statutory pension fund.

### Severance indemnity

Tata Daewoo Commercial Vehicle Company Limited, or TDCV, a subsidiary company incorporated in Korea; has an obligation towards severance indemnity, a defined benefit retirement plan, covering eligible employees. The plan provides for a lump sum payment to all employees with more than one year of employment equivalent to 30 days' salary payable for each completed year of service.

### Post-retirement medical scheme

Under this unfunded scheme, employees of Tata Motors Limited and some of its subsidiaries receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of an Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme.

Tata Motors Limited and such subsidiaries account for the liability for post-retirement medical scheme based on an actuarial valuation.

### Compensated absences

Tata Motors Limited and some of its subsidiaries and joint operations provide for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an actuarial valuation.

### Remeasurement gains and losses

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on assets (excluding interest) relating to retirement benefit plans, are recognised directly in other comprehensive income in the period in which they arise. Remeasurement recorded in other comprehensive income is not reclassified to consolidated statement of profit and loss. Actuarial gains and losses relating to long-term employee benefits are recognised in the consolidated statement of profit and loss in the period in which they arise.

### Measurement date

The measurement date of retirement plans is March 31.

The present value of the defined benefit liability and the related current service cost and past service cost are measured using projected unit credit method.

The present value of the post-employment benefit obligations depends on a number of factors, it is determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) for pensions include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of post-employment benefit obligations.

# Notes

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## (B) Employee benefits consists of following:

### Defined Benefit Plan

#### Pension and post retirement medical plans

The following table sets out the funded and unfunded status and the amounts recognized in the financial statements for the pension and the post retirement medical plans in respect of Tata Motors, its Indian subsidiaries and joint operations:

	(₹ in crores)			
	Pension benefits (Gratuity, Superannuation and BKY)		Post retirement medical benefits	
	2023	2022	2023	2022
Change in defined benefit obligations :				
Defined benefit obligation, beginning of the year	1,552.17	1,337.41	283.12	184.49
Current service cost	106.56	90.47	14.44	8.21
Interest cost	107.03	88.37	19.25	11.57
Remeasurements (gains) / losses				
Actuarial (gains) / losses arising from changes in demographic assumptions	(2.24)	6.81	0.43	6.95
Actuarial losses arising from changes in financial assumptions	16.57	21.73	15.63	32.00
Actuarial (gains) / losses arising from changes in experience adjustments	39.59	73.50	20.69	32.93
Benefits paid from plan assets	(77.77)	(83.93)	-	-
Benefits paid directly by employer	(11.62)	(10.90)	(15.39)	(17.24)
Past service cost - Plan amendment	-	32.49	43.19	24.46
Acquisition/(Divestment)	5.95	(3.78)	-	(0.25)
<b>Defined benefit obligation, end of the year</b>	<b>1,736.24</b>	<b>1,552.17</b>	<b>381.37</b>	<b>283.12</b>
<b>Change in plan assets:</b>				
Fair value of plan assets, beginning of the year	1,291.81	1,231.31	-	-
Acquisition/(Divestment)	5.97	(2.65)	-	-
Interest income	95.60	83.12	-	-
Return on plan assets, (excluding amount included in net interest cost)	1.10	11.01	-	-
Employer's contributions	196.26	52.95	-	-
Benefits paid	(77.77)	(83.93)	-	-
<b>Fair value of plan assets, end of the year</b>	<b>1,512.97</b>	<b>1,291.81</b>	<b>-</b>	<b>-</b>
Amount recognized in the balance sheet consists of:				
Present value of defined benefit obligation	1,736.24	1,552.17	381.37	283.12
Fair value of plan assets	1,512.97	1,291.81	-	-
	(223.27)	(260.36)	(381.37)	(283.12)
Asset ceiling	(4.88)	(4.20)	-	-
<b>Net liability</b>	<b>(228.15)</b>	<b>(264.56)</b>	<b>(381.37)</b>	<b>(283.12)</b>
<b>Amounts in the balance sheet:</b>				
Non-current assets	33.90	2.07	-	-
Non-current liabilities	(262.05)	(266.63)	(381.37)	(283.12)
<b>Net liability</b>	<b>(228.15)</b>	<b>(264.56)</b>	<b>(381.37)</b>	<b>(283.12)</b>

# Notes

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## Information for funded plans with a defined benefit obligation in excess of plan assets:

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)	
	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	449.16	1,065.53
Fair value of plan assets	410.29	1,008.43

## Information for funded plans with a defined benefit obligation less than plan assets:

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)	
	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	1,063.92	277.13
Fair value of plan assets	1,102.70	283.39

## Information for unfunded plans:

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Defined benefit obligation	223.16	209.50	381.37	283.12

Net pension and post retirement medical cost consist of the following components:

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)		Post retirement medical Benefits	
	For the year ended March 31,		For the year ended March 31,	
	2023	2022	2023	2022
Service cost	106.56	90.47	14.44	8.21
Net interest cost	11.43	5.25	19.25	11.57
Past service cost - Plan amendment	-	32.49	43.19	24.46
Net periodic cost	117.99	128.21	76.89	44.24

Other changes in plan assets and benefit obligation recognized in other comprehensive income.

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)		Post retirement medical Benefits	
	For the year ended March 31,		For the year ended March 31,	
	2023	2022	2023	2022
<b>Remeasurements</b>				
Return on plan assets, (excluding amount included in net Interest expense)	(1.10)	(11.01)	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	(2.24)	6.81	0.43	6.95
Actuarial losses arising from changes in financial assumptions	16.57	21.73	15.63	32.00
Asset ceiling	0.68	4.20	-	-
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	39.59	73.49	20.69	32.93
<b>Total recognized in other comprehensive income</b>	<b>53.50</b>	<b>95.22</b>	<b>36.75</b>	<b>71.88</b>
<b>Total recognized in consolidated statement of comprehensive income</b>	<b>171.49</b>	<b>223.43</b>	<b>113.64</b>	<b>116.12</b>

# Notes

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The assumptions used in accounting for the pension and post retirement medical plans are set out below:

	Pension benefits (Gratuity, Superannuation and BKY)		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Discount rate	7.1% - 7.3%	6.5% - 7.1%	7.3%	7.2%
Rate of increase in compensation				
level of covered employees	6% - 12%	6% - 10%	NA	NA
Increase in health care cost	NA	NA	6%	6%

## Plan Assets

The fair value of Company's pension plan asset as of March 31, 2023 and 2022 by category are as follows:

Asset category:	Pension benefits (Gratuity, Superannuation and BKY)	
	Plan assets as of March 31	
	2023	2022
Cash and cash equivalents	9.5%	2.3%
Debt instruments (quoted)	65.1%	66.1%
Debt instruments (unquoted)	0.0%	0.1%
Equity instruments (quoted)	7.7%	7.4%
Deposits with Insurance companies	17.7%	24.1%
	100.0%	100.0%

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published bench marks.

The weighted average duration of the defined benefit obligation as at March 31, 2023 is **10.30 years** (2022 : 11.69 years)

The Company expects to contribute ₹89.18 crores to the funded pension plans in the year ending March 31, 2024.



# Notes

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The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and health care cost:

Assumption	Change in assumption	Impact on defined benefit obligation	Impact on service cost and interest cost
Discount rate	Increase by 1%	Decrease by ₹ 169.94 crores	Decrease by ₹ 32.36 crores
	Decrease by 1%	Increase by ₹ 197.58 crores	Increase by ₹ 35.52 crores
Salary escalation rate	Increase by 1%	Increase by ₹ 133.70 crores	Increase by ₹ 30.64 crores
	Decrease by 1%	Decrease by ₹ 119.47 crores	Decrease by ₹ 27.06 crores
Health care cost	Increase by 1%	Increase by ₹ 51.43 crores	Increase by ₹ 10.04 crores
	Decrease by 1%	Decrease by ₹ 42.49 crores	Decrease by ₹ 8.14 crores

Note:

On November 4, 2022, the Hon'ble Supreme Court of India, in the case of Employees' Provident Fund Organisation and Anr. Etc. vs. Sunil Kumar B. and Ors. Etc., passed a judgment upholding the validity of the 2014 amendment to the Employees' Pension Scheme 1995 and allowed the members of statutory pension fund as on September 1, 2014, to exercise the joint option for contribution into the pension fund beyond the statutory limit. The Hon'ble Supreme Court has clearly laid down that it was not addressing the case of the exempted establishments in the said judgment.

The Company has been operating its provident fund and pension scheme as an exempted establishment. The Company has been legally advised that due to the incurrence of losses for three consecutive years, the Company has lost its provident fund and pension fund exemption status w.e.f. April 1, 2022. While the Employees Provident Fund Organization ("EPFO") has already accepted the transfer of entire Provident Fund/ corpus into its statutory provident fund, the Company is still maintaining the pension fund, as an ad interim measure, since EPFO has still not accepted the transfer of pension fund/ corpus to its statutory pension fund.

Pending the transfer of the pension fund, the Company had communicated to its employees that if they wish to avail the option of contributing beyond the statutory limit, they may choose to apply on the EPFO portal to exercise the option, subject to EPFO accepting the joint option. This is also subject to EPFO's decision on applicability, calculation formula, contribution, amount of higher pension and transfer of corpus from statutory provident fund to the statutory pension fund. The EPFO, in compliance with the Supreme Court judgment, has issued various circulars, calling upon eligible pensioners to exercise joint option, however, with no mention with regard to the treatment of the members of the exempted pension funds.

Considering all of the above, and more particularly the fact that the EPFO is in the process of providing clarity on various key elements referred to above, the non-applicability of the Supreme Court judgement to exempted establishments and the legal advice on status of the exemption, the Company believes that no provision is warranted on this matter as of March 31, 2023.

# Notes

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## Provident Fund

The following tables set out the funded status of the defined benefit provident fund plan of a Joint Operation and the amounts recognized in the Company's financial statements.

Particulars	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Change in benefit obligations:</b>		
Defined benefit obligations at the beginning	4,085.42	4,559.65
Balance transferred to government managed provident fund	(3,964.35)	(200.42)
Service cost	4.10	126.89
Employee contribution	7.30	292.36
Acquisitions (credit) / cost	-	(804.28)
Transfer in / Transfer out	1.29	-
Interest expense	8.85	356.47
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	1.58	(78.62)
Actuarial (gains) / losses arising from demographic assumptions	-	3.35
Actuarial (gains) / losses arising from changes in financial assumptions	(4.01)	147.32
Benefits paid	(5.53)	(317.30)
<b>Defined benefit obligation, end of the year</b>	<b>134.65</b>	<b>4,085.42</b>
<b>Change in plan assets:</b>		
Fair value of plan assets at the beginning	4,153.46	4,470.21
Balance transferred to government managed provident fund	(4,036.26)	(197.33)
Acquisition Adjustment	-	(804.28)
Transfer in / Transfer out	1.29	-
Interest income	8.58	350.92
Return on plan assets excluding amounts included in interest income	(2.99)	232.21
Contributions (employer and employee)	11.41	419.03
Benefits paid	(5.53)	(317.30)
Fair value of plan assets at the end	<b>129.96</b>	<b>4,153.46</b>
(₹ in crores)		
Amount recognized in the balance sheet consists of:	As at March 31 2023,	As at March 31 2022
Present value of defined benefit obligation	134.65	4,085.42
Fair value of plan assets	129.96	4,153.46
	<b>(4.69)</b>	68.04
Effect of asset ceiling	-	(68.45)
Net liability	<b>(4.69)</b>	<b>(0.41)</b>

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	(₹ in crores)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net periodic cost for Provident Fund consist of the following components:		
Service cost	4.10	126.89
Net interest cost / (income)	0.27	5.55
Net periodic cost	4.37	132.44

#### Other changes in plan assets and benefit obligation recognised in other comprehensive income:

	(₹ in crores)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Remeasurements</b>		
Return on plan assets, (excluding amount included in net Interest expense)	2.99	(232.21)
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	1.58	(78.62)
Actuarial (gains) / losses arising from changes in financial assumptions	-	3.35
Actuarial (gains) / losses arising from demographic assumptions	(4.01)	147.32
Reversal of OCI for previous years due to surrender of Provident Fund of subsidiaries	-	(3.09)
Effect of asset ceiling	-	71.91
<b>Total recognised in other comprehensive income</b>	<b>0.56</b>	<b>(91.34)</b>
<b>Total recognised in statement of profit and loss and other comprehensive income</b>	<b>4.93</b>	<b>41.10</b>

#### The assumptions used in determining the present value obligation of the Provident Fund is set out below:

Particulars	As at March 31 2023,	As at March 31 2022
Discount rate	7.3%	7.1%
Expected rate of return on plan assets	8.5%	8.0%
Remaining term to maturity of portfolio (years)	19.0	13.5

#### The breakup of the plan assets into various categories is as follows:

Particulars	As at March 31 2023,	As at March 31 2022
Central and State government bonds	-	42.9%
Government debt instruments	50.7%	-
Other debt instruments	40.1%	-
Equity instruments	9.2%	-
Public sector undertakings and Private sector bonds	-	32.1%
Others	-	25.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

The asset allocation for plan assets is determined based on investment criteria prescribed under the relevant regulations.

As at March 31, 2023, the defined benefit obligation would be affected by approximately ₹10.37 crores on account of a 1.00% decrease in the expected rate of return on plan assets.

The Company expects to contribute ₹12.55 crores to the defined benefit provident fund plan in fiscal 2024.

# Notes

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## Severance indemnity plan

Severance indemnity is a funded plan of Tata Daewoo Commercial Vehicles Limited (TDCV), a subsidiary of Tata Motors Limited.

The following table sets out, the amounts recognized in the financial statements for the severance indemnity plan.

	As at March 31 2023,	As at March 31 2022
(₹ in crores)		
<b>Change in defined benefit obligation:</b>		
Defined benefit obligation, beginning of the year	382.75	311.08
Service cost	53.90	48.21
Interest cost	11.19	6.39
Remeasurements (gains) / losses		
Actuarial (gains)/losses arising from changes in financial assumptions	(37.97)	(5.36)
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	1.75	41.22
Benefits paid from plan assets	(6.76)	(6.25)
Benefits paid directly by employer	(0.40)	(0.79)
Foreign currency translation	4.28	(11.75)
<b>Defined benefit obligation, end of the year</b>	<b>408.74</b>	<b>382.75</b>
<b>Change in plan assets:</b>		
Fair value of plan assets, beginning of the year	335.71	265.06
Interest income	10.50	6.35
Remeasurements (loss)		
Return on plan assets, (excluding amount included in net Interest expense)	(4.19)	(5.47)
Employer's contributions	46.13	86.25
Benefits paid	(6.76)	(6.25)
Foreign currency translation	4.46	(10.23)
Fair value of plan assets, end of the year	<b>385.85</b>	<b>335.71</b>
<b>Amount recognized in the balance sheet consist of:</b>		
Present value of defined benefit obligation	408.74	382.75
Fair value of plan assets	385.85	335.71
<b>Net liability</b>	<b>(22.89)</b>	<b>(47.04)</b>
Amounts in the balance sheet:		
Non- current liabilities	(22.89)	(47.04)

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Net severance indemnity cost consist of the following components:

	As at March 31, 2023,	As at March 31, 2022
Service cost	53.90	48.21
Net interest cost	0.69	0.04
<b>Net periodic pension cost</b>	<b>54.59</b>	<b>48.25</b>

(₹ in crores)

Other changes in plan assets and benefit obligation recognized in other comprehensive income for severance indemnity plan:

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Remeasurements (gains) / losses		
Return on plan assets, (excluding amount included in net Interest expense)	4.19	5.47
Actuarial losses arising from changes in financial assumptions	(37.97)	(5.36)
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	1.75	41.22
<b>Total recognized in other comprehensive income</b>	<b>(32.03)</b>	<b>41.33</b>
<b>Total recognized in statement of operations and other comprehensive income</b>	<b>22.56</b>	<b>89.58</b>

(₹ in crores)

The assumptions used in accounting for the Severance indemnity plan is set out below:

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Discount rate	3.4%	2.1%
<b>Rate of increase in compensation level of covered employees</b>	<b>3.9%</b>	<b>3.5%</b>

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation rate:

Assumption	Change in assumption	Impact on scheme liabilities	Impact on service cost and interest cost
Discount rate	Increase by 1%	Decrease by ₹ 42.80 crores	Decrease by ₹ 12.80 crores
	Decrease by 1%	Increase by ₹ 49.83 crores	Increase by ₹ 14.71 crores
Salary escalation rate	Increase by 1%	Increase by ₹ 49.06 crores	Increase by ₹ 15.18 crores
	Decrease by 1%	Decrease by ₹ 43.00 crores	Decrease by ₹ 13.08 crores

Severance indemnity plans asset allocation by category is as follows:

	As at March 31, 2023	As at March 31, 2022
Deposit with banks	100%	100%

The weighted average duration of the defined benefit obligation as at March 31, 2023 is **11.57 years** (2022 : 12.27 years)

The Company expects to contribute ₹5.85 crores to the funded severance indemnity plans in the year ending March 31, 2024.

# Notes

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### **Jaguar Land Rover Pension plan**

Jaguar Land Rover Ltd UK, have pension arrangements providing employees with defined benefits related to pay and service as set out in the rules of each fund.

The UK defined benefit schemes are administered by a separate fund that is legally separated from the Company. The trustees of the pension schemes are required by law to act in the interest of the fund and of all relevant stakeholders in the scheme, is responsible for the investment policy with regard to the assets of the schemes and all other governance matters. The board of trustees must be composed of representatives of the Company and plan participants in accordance with the plan's regulations.

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

### **Asset volatility**

The plan liabilities are calculated using a discount rate set with references to corporate bond yields; if plan assets under perform compared to the corporate bonds discount rate, this will create or increase a deficit. The defined benefit plans hold a significant proportion of equity type assets, which are expected to outperform corporate bonds in the long-term while providing volatility and risk in the short-term.

As the plans mature, the Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

However, the Company believes that due to the long-term nature of the plan liabilities and the strength of the supporting group, a level of continuing equity type investments is an appropriate element of the Company's long term strategy to manage the plans efficiently.

### **Changes in bond yields**

A decrease in corporate bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

### **Inflation risk**

Some of the Company's pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against high inflation). The plans hold a significant proportion of assets in index linked gilts, together with other inflation hedging instruments and also assets which are more closely correlated with inflation. However an increase in inflation will also increase the deficit to some degree.

### **Life expectancy**

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the UK defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

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The following table sets out the disclosure pertaining to employee benefits of Jaguar Land Rover Limited

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
	<b>Pension benefits</b>	
<b>Change in defined benefit obligation:</b>		
Defined benefit obligation, beginning of the year	74,783.71	84,961.96
Service cost	790.28	1,182.31
Interest cost	2,055.13	1,794.60
Remeasurements (gains) / losses		
Actuarial (gains)/losses arising from changes in demographic assumptions	0.58	104.56
Actuarial losses/(gains) arising from changes in financial assumptions	(22,823.92)	(7,181.23)
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	1,509.97	(27.49)
Past service cost/(credit)	(1,495.07)	0.20
Benefits paid	(3,619.14)	(5,131.71)
Member contributions	12.01	18.94
Premium Paid	-	(22.50)
Foreign currency translation	511.25	(915.93)
<b>Defined benefit obligation, end of the year</b>	<b>51,724.80</b>	<b>74,783.71</b>
<b>Change in plan assets:</b>		
Fair value of plan assets, beginning of the year	78,855.68	81,071.46
Interest Income	2,373.76	1,733.31
Remeasurements gains / (losses)		
Return on plan assets, (excluding amount included in net Interest expense)	(21,457.30)	92.75
Employer's contributions	1,584.83	2,418.48
Members contributions	12.01	18.94
Benefits paid	(3,619.14)	(5,131.71)
Premium paid	-	(22.50)
Expenses paid	(251.90)	(271.93)
Foreign currency translation	708.00	(1,053.12)
<b>Fair value of plan assets, end of the year</b>	<b>58,205.94</b>	<b>78,855.68</b>

The actual return on the schemes' assets for the year ended March 31, 2023 was ₹ 19,083.54 crores (2022: ₹ 1,779.68 crores).

# Notes

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Amount recognized in the balance sheet consist of:

	(₹ in crores)	
	Pension benefits	
	Year ended March 31, 2023	Year ended March 31, 2022
Present value of defined benefit obligation	51,724.80	74,783.71
Fair value of plan Assets	58,205.94	78,855.68
<b>Net Assets</b>	<b>6,481.14</b>	<b>4,071.97</b>
<b>Amount recognized in the balance sheet consist of:</b>		
Non- current assets	6,698.92	4,316.99
Non -current liabilities	(217.78)	(245.02)
<b>Net Assets</b>	<b>6,481.14</b>	<b>4,071.97</b>

Net pension and post retirement cost consist of the following components:

	(₹ in crores)	
	Pension benefits	
	As at March 31, 2023	As at March 31, 2022
Current service cost	790.28	1,182.31
Past service cost	(1,495.07)	0.20
Administrative expenses	251.90	271.93
Net interest cost (Including onerous obligations)	(318.63)	61.29
<b>Net periodic pension cost</b>	<b>(771.52)</b>	<b>1,515.73</b>

Amount recognized in other comprehensive income

	(₹ in crores)	
	Pension benefits	
	As at March 31, 2023	As at March 31, 2022
Actuarial (gains) / losses arising from changes in demographic assumptions	0.58	104.56
Actuarial losses / (gains) arising from changes in financial assumptions	(22,823.92)	(7,181.23)
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	1,509.97	(27.49)
Return on plan assets, (excluding amount included in net Interest expense)	21,457.30	(92.75)
<b>Total recognized in other comprehensive income</b>	<b>143.93</b>	<b>(7,196.91)</b>
<b>Total recognized in statement of profit and loss and other comprehensive income</b>	<b>(627.59)</b>	<b>(5,681.18)</b>

The assumptions used in accounting for the pension plans are set out below:

	Pension benefits	
	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate	4.8%	2.1%
Expected rate of increase in benefit revaluation of covered employees	1.9%	2.2%
CPI Inflation rate	1.7%	-
RPI Inflation rate	2.9%	3.5%



# Notes

## forming part of Consolidated Financial Statements

For the valuation at March 31, 2023, the mortality assumptions used are the Self-Administered Pension Schemes ('SAPS') mortality base table, S2PxA tables ("Light" tables for members of the Jaguar Executive Pension Plan).

For the Jaguar Pension Plan, scaling factors of 101% to 115% have been used for male members and scaling factors of 103% to 118% have been used for female members.

For the Land Rover Pension Scheme, scaling factors of 105% to 117% have been used for male members and scaling factors of 100% to 116% have been used for female members.

For the Jaguar Executive Pension Plan, scaling factors of 93% to 97% have been used for male members and scaling factors of 91% to 96% have been used for female members.

For the valuation at March 31, 2022, the mortality assumptions used were the SAPS mortality base table, S2PxA tables ("Light" tables for members of the Jaguar Executive Pension Plan).

For the Jaguar Pension Plan, scaling factor of 111% to 117% have been used for male members and scaling factor of 101% to 112% have been used for female members.

For the Land Rover Pension Scheme, scaling factor of 107% to 111% have been used for male members and scaling factor of 101% to 109% have been used for female members.

For the Jaguar Executive Pension Plan, an average scaling factor of 94% has been used for male members and an average scaling factor of 84% has been used for female members.

For the 2023 year end calculations there is an allowance for future improvements in line with the CMI (2022) projections and an allowance for long-term improvements of 1.25% per annum and a smoothing parameter of 7.50 (2022: CMI (2021) projections with 1.25% per annum improvements and a smoothing parameter of 7.5, 2021: CMI (2020) projections with 1.25% per annum improvements and a smoothing parameter of 7.5).

The assumed life expectations on retirement at age 65 are (years)

	As at March 31, 2023	As at March 31, 2022
Retiring today :		
Males	21.5	21.6
Females	23.8	23.8
Retiring in 20 years :		
Males	22.9	23.0
Females	25.7	25.7

# Notes

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Pension plans asset allocation by category is as follows:

(₹ in crores)

	As at March 31, 2023			As at March 31, 2022		
	Quoted *	Unquoted	Total	Quoted *	Unquoted	Total
<b>Equity Instruments</b>						
Information Technology	-	1,294.34	1,294.34	-	1,266.10	1,266.10
Energy	-	184.89	184.89	-	180.87	180.87
Manufacturing	-	970.81	970.81	-	949.57	949.57
Financials	-	416.03	416.03	-	406.96	406.96
Others	-	1,756.63	1,756.63	-	1,718.27	1,718.27
	-	<b>4,622.70</b>	<b>4,622.70</b>	-	<b>4,521.77</b>	<b>4,521.77</b>
<b>Debt Instruments</b>						
Government	18,429.22	665.00	19,094.22	18,026.46	650.47	18,676.93
Corporate Bonds (Investment Grade)	11,683.05	3,153.48	14,836.53	11,427.73	3,084.56	14,512.29
Corporate Bonds (Non Investment Grade)	-	9,890.04	9,890.04	-	9,673.90	9,673.90
	<b>30,112.27</b>	<b>13,708.52</b>	<b>43,820.79</b>	<b>29,454.19</b>	<b>13,408.93</b>	<b>42,863.12</b>
<b>Property Funds</b>						
UK	-	3,118.46	3,118.46	-	3,050.31	3,050.31
Other	-	2,441.51	2,441.51	-	2,388.15	2,388.15
	-	<b>5,559.97</b>	<b>5,559.97</b>	-	<b>5,438.46</b>	<b>5,438.46</b>
<b>Cash and cash equivalents</b>	<b>766.40</b>	<b>3,684.62</b>	<b>4,451.02</b>	<b>749.65</b>	<b>3,604.10</b>	<b>4,353.75</b>
Other						
Hedge Funds	-	5,139.16	5,139.16	-	5,026.85	5,026.85
Private Markets	-	10,146.18	10,146.18	-	9,924.44	9,924.44
Alternatives	-	4,691.92	4,691.92	-	4,589.38	4,589.38
	-	<b>19,977.26</b>	<b>19,977.26</b>	-	<b>19,540.67</b>	<b>19,540.67</b>
<b>Derivatives</b>						
Foreign exchange contracts	-	(353.72)	(353.72)	-	(345.99)	(345.99)
Interest Rate and inflation swaps	-	2,539.40	2,539.40	-	2,483.90	2,483.90
Equity protection derivatives	-	-	-	-	-	-
	-	<b>2,185.68</b>	<b>2,185.68</b>	-	<b>2,137.91</b>	<b>2,137.91</b>
<b>Total</b>	<b>30,878.67</b>	<b>49,738.75</b>	<b>80,617.42</b>	<b>30,203.84</b>	<b>48,651.84</b>	<b>78,855.68</b>

\*determined on the basis of quoted prices for identical assets or liabilities in active markets.

As at March 31, 2023, the schemes held Gilt Repos. The net value of these transactions is included in the value of government bonds in the table above. The value of the funding obligation for the Repo transactions is ₹ **4,950.11 crores** at March 31, 2023 (2022: ₹ 14,535.70 crores).

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

# Notes

## forming part of Consolidated Financial Statements

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

Assumption	Change in assumption	Impact on scheme liabilities	Impact on service cost
Discount rate	Increase/decrease by 0.25%	Decrease/increase by ₹ 1,938.37 crores	Decrease/increase by ₹ 29.48 crores
Inflation rate	Increase/decrease by 0.25%	Increase/decrease by ₹ 1,058.12 crores	Increase/decrease by ₹ 16.26 crores
Mortality rate	Increase/decrease by 1 year	Increase/decrease by ₹ 1,473.85 crores	Increase/decrease by ₹ 14.23 crores

Private Equity holdings have been measured using the most recent valuations, adjusted for cash and currency movements between the last valuation date and March 31, 2023. Given the movements in listed equity markets, the valuation of Private Equity holdings may vary significantly. The value of the Private Equity holdings in the JLR UK Plans included above is ₹ **7,745.33 crores** as at March 31, 2023.

Jaguar Land Rover contributes towards the UK defined benefit schemes. The April 5, 2018 valuations were completed in December 2018. As a result of these valuations it is intended to eliminate the pension scheme funding deficits over the 10 years to March 31, 2028. Whilst there is currently an additional liability over the projected benefit obligation, based on current legal advice the Group will not be required to recognise an additional obligation in the future. JLR has taken legal advice considering the documentation of the UK schemes and the regulatory environment. This confirmed the recoverability of any surplus in the scheme and JLR has based its accounting judgement on this advice.

In line with the schedule of contributions agreed following the 2018 statutory funding valuations and amended in April 2020, the current ongoing Group contribution rate for defined benefit accrual is c.21% of pensionable salaries in the UK. The 2021 statutory funding valuations are expected to be completed by June 30, 2022.

The average duration of the benefit obligation at March 31, 2023 is **14.5 years** (2022: 17.5 years).

The expected net periodic pension cost for the year ended March 31, 2024 is expected to be ₹ 376.09 crores. The Group expects to pay ₹ 304.93 crores to its defined benefit schemes, in total, for the year ended March 31, 2024.

### Defined contribution plan

The Company's contribution to defined contribution plans aggregated ₹ **1,358.36 crores**, ₹1,211.49 crores for years ended March 31, 2023 and 2022, respectively.

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## 37. Finance costs

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
(a) Interest	9,485.72	8,987.39
Add: Exchange fluctuation considered as interest cost	1.37	2.28
Less: Interest capitalised*	(298.28)	(573.71)
	<b>9,188.81</b>	<b>8,415.96</b>
(b) Discounting charges	1,036.67	895.90
<b>Total</b>	<b>10,225.48</b>	<b>9,311.86</b>

\* Represents borrowing costs capitalized during the period on qualifying assets (property plant and equipment and product development). The weighted average rate for capitalization of interest relating to general borrowings was approximately 5.77% and 5.23% for the years ended March 31, 2023 and 2022, respectively.

## 38. Other expenses

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
(a) Processing charges	1,785.85	1,406.48
(b) Consumption of stores and spare parts	1,609.63	1,446.09
(c) Power and fuel	2,513.33	2,178.29
(d) Information Technology (IT) related/Computer expenses	3,969.89	3,543.64
(e) Engineering expense	4,400.60	3,031.17
(f) MTM (gain)/loss on commodity derivatives	1,414.83	(1,370.57)
(g) Warranty and product liability expenses*	10,497.33	8,774.55
(h) Freight, transportation, port charges etc.	7,547.64	6,277.96
(i) Publicity	6,035.38	4,863.65
(j) Allowances for trade and other receivables	46.86	119.00
(k) Allowances for finance receivables	2,039.15	1,307.59
(l) Works operation and other expenses	19,925.47	15,556.00
<b>Total</b>	<b>61,785.96</b>	<b>47,133.85</b>
* Net of estimated recovery from suppliers	(403.87)	(395.60)

### Note

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Works operation and other expenses :</b>		
<b>(a) Auditors' remuneration</b>		
(i) Audit fees	94.08	73.53
(ii) Tax Audit fees	1.39	1.11
(iii) All other fees *	1.41	5.10
<b>TOTAL</b>	<b>96.88</b>	<b>79.74</b>

\* Includes ₹NIL (₹1.59 crores as at March 31, 2022) fees paid for issuance of Seniors Notes.

(b) Remuneration payable to non- executive independent directors aggregating ₹5.50 crores (₹2.35 crores for the year March 31, 2022) includes ₹3.28 crores (₹Nil for the year March 31, 2022) of remuneration in respect of Mr. O P Bhatt ₹0.88 crores, Ms. Hanne Birgitte Sorensen ₹0.88 crores, Mr. Mitsuhiro Yamashita ₹0.63 crores and Mr. Al Noor Ramji ₹0.89 crores, which are subject to approval of shareholders.

# Notes

forming part of Consolidated Financial Statements

## 39. Commitments and contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

### Litigation

The Company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of material nature, other than those described below.

### Income Tax

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly include disallowed expenses, the tax treatment of certain expenses claimed by the Company as deductions and the computation of, or eligibility of, the Company's use of certain tax incentives or allowances.

Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.

The Company has a right of appeal to the Commissioner of Income Tax (Appeals), or CIT (A), the Dispute Resolution Panel, or DRP, and to the Income Tax Appellate Tribunal, or ITAT, against adverse decisions by the assessing officer, DRP or CIT (A), as applicable. The income tax authorities have similar rights of appeal to the ITAT against adverse decisions by the CIT (A) or DRP. The Company has a further right of appeal to the Bombay High Court or the Hon'ble Supreme Court against adverse decisions by the appellate authorities for matters involving substantial question of law. The income tax authorities have similar rights of appeal.

As at March 31, 2023, contingent liabilities towards matters and/or disputes pending in appeal amount to **₹791.82 crores**, which includes **₹9.13 crores** in respect of equity accounted investees (₹975.96 crores, which includes ₹7.17 crores in respect of equity accounted investees as at March 31, 2022).

### Customs, Excise Duty and Service Tax

As at March 31, 2023, there are pending litigations for various matters relating to customs, excise duty and service tax involving demands, including interest and penalties, of **₹454.03 crores**, which includes **₹4.02 crores** in respect of equity accounted investees (₹680.90 crores, which includes ₹4.12 crores in respect of equity accounted investees as at March 31, 2022). These demands challenged the basis of valuation of the Company's products and denied the Company's claims of Central Value Added Tax, or CENVAT, credit on inputs. There are no demands of more than **₹100 crores** as at March 31, 2023.

# Notes

## forming part of Consolidated Financial Statements

### Sales Tax

The total sales tax demands (including interest and penalty), that are being contested by the Company amount to **₹1,106.65 crores**, which includes **₹10.55 crores** in respect of equity accounted investees as at March 31, 2023 (₹1,398.08 crores, which includes ₹10.77 crores in respect of equity accounted investees, as at March 31, 2022). The details of the demands for more than ₹100 crores are as follows:

The Sales Tax Authorities have raised demand of **₹231.09 crores** (₹324.00 crores as at March 31, 2022) towards rejection of certain statutory forms for concessional lower/nil tax rate (Form F and Form C) on technical grounds and few other issues such as late submission, single form issued against different months / quarters dispatches / sales, etc. and denial of exemption from tax in absence of proof of export for certain years. The Company has contended that the benefit cannot be denied on technicalities, which are being complied with. The matter is pending at various levels.

The Sales Tax authorities have denied input tax credit and levied interest and penalty thereon due to varied reasons aggregating to **₹267.49 crores** as at March 31, 2023 (₹283.62 crores as at March 31, 2022). The reasons for disallowing credit was mainly due to Taxes not paid by Vendors, incorrect method of calculation of set off as per the department, alleging suppression of sales as per the department etc. The matter is contested in appeal.

The Sales Tax Authorities have raised demand for Check Post/ Entry Tax liability at various states amounting to **₹309.47 crores** as at March 31, 2023 (₹501.38 crores as at March 31, 2022). The Company is contesting this issue.

### Other Taxes and Dues

Other amounts for which the Company may contingently be liable aggregate to **₹402.88 crores**, which includes **₹1.60 crores** in respect of equity accounted investees as at March 31, 2023 (₹255.15 crores, which includes ₹1.28 crores in respect of equity accounted investees, as at March 31, 2022).

As at March 31, 2023, property tax amounting to **₹150.58 crores** (₹100.07 crores as at March 31, 2022) has been demanded by the local municipal authorities in respect of vacant land of the Company in the plant in Pimpri ((including residential land), Chinchwad and Chikali Pune. The Company had filed Special Leave Petition (SLP) before the Supreme Court against an unfavorable decision of the Bombay High Court. The Hon'ble Supreme Court had disposed of the SLP and remanded the matter back to the local municipal corporation for fresh adjudication. After fresh hearing, the municipal authority again passed the same order as it had passed earlier, which the Company has challenged before the Civil Court. The Civil Court has passed an injunction order restraining the municipal authority from taking any action of recovery.

### Other claims

There are other claims against the Company, the majority of which pertain to government body investigations with regards to regulatory compliances, motor accident claims, product liability claims and consumer complaints. Some of the cases also relate to the replacement of parts of vehicles and/or the compensation for deficiencies in the services by the Company or its dealers.

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. Pending the directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The Company has complied with this on a prospective basis, from the date of the SC order. Also refer note 36(B)(b).

# Notes

## forming part of Consolidated Financial Statements

### Commitments

The Company has entered into various contracts with vendors and contractors for the acquisition of plant and machinery, equipment and various civil contracts of a capital nature amounting to **₹7,156.65 crores**, as at March 31, 2023 (₹8,847.53 crores as at March 31, 2022), which are yet to be executed.

The Company has entered into various contracts with vendors and contractors for the acquisition of intangible assets of a capital nature amounting to **₹591.19 crores** as at March 31, 2023, (₹335.83 crores as at March 31, 2022), which are yet to be executed.

Under the joint venture agreement with Chery Jaguar Land Rover Automotive Co. Limited, the Company is committed to contribute **₹5,980.75 crores** as at March 31, 2023 (₹5,977.00 crores as at March 31, 2022) towards its share in the capital of the joint venture of which **₹4,156.62 crores** (₹4,154.01 crores as at March 31, 2022) has been contributed as at March 31, 2022. As at March 31, 2023, the Company has an outstanding commitment of **₹1,824.13 crores** (₹1,822.98 crores as at March 31, 2022).

The Group's share of capital commitments of its joint venture agreement with Chery Jaguar Land Rover Automotive Co. Limited as at 31 March 2023 is **₹121.97 Crores** (2022: ₹119.3 crores).

The Company has contractual obligation towards Purchase Commitment for **₹22,871.36 crores** as at March 31, 2023 (₹18,650.90 crores as on March 31, 2022).

## 40. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, convertible and non-convertible debt securities, senior notes and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Total debt includes all long and short-term debts as disclosed in notes 26 and 27 to the consolidated financial statements. Equity comprises all components excluding (profit)/loss on cash flow hedges and foreign currency translation reserve.

The following table summarizes the capital of the Company:

	As at March 31, 2023	As at March 31, 2022
	(₹ in crores)	
Equity*	50,745.37	45,613.11
Short-term borrowings and current portion of long-term debt	36,964.66	41,917.87
Long-term debt	88,695.81	97,759.17
<b>Total debt</b>	<b>125,660.47</b>	<b>139,677.04</b>
<b>Total capital (Debt + Equity)</b>	<b>176,405.84</b>	<b>185,290.15</b>

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\* Details of equity :

	As at March 31, 2023	As at March 31, 2022
Total equity as reported in balance sheet	52,599.51	48,832.30
Currency translation reserve attributable to		
- Shareholders of Tata Motors Limited	(9,339.00)	(8,616.39)
- Non-controlling interests	(76.50)	(56.44)
Hedging reserve and cost of hedge reserve	7,561.36	5,453.64
<b>Equity as reported above</b>	<b>50,745.37</b>	<b>45,613.11</b>

(₹ in crores)

## 41. Financial instruments

### (A) Accounting Policy

#### (i) Recognition

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 instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument

#### Initial measurement

Financial instruments are initially recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in profit or loss

Subsequently, financial instruments are measured according to the category in which they are classified.

#### Classification and measurement – financial assets

Classification of financial assets is based on the business model in which the instruments are held as well as the characteristics of their contractual cash flows. The business model is based on management's intentions and past pattern of transactions. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Company reclassifies financial assets when and only when its business model for managing those assets changes.

#### Financial assets are classified into three categories

**Financial assets at amortised cost:** Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses.

**Equity investments at fair value through other comprehensive income (Equity instruments):** These include financial assets that are equity instruments and are designated as such upon initial recognition irrevocably. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.



# Notes

## forming part of Consolidated Financial Statements

Dividends from these equity investments are recognised in the statement of Profit and Loss when the right to receive payment has been established.

When the equity investment is derecognised, the cumulative gain or loss in equity is transferred to retained earnings.

**Financial assets at fair value through other comprehensive income (Debt instruments):** Financial assets having contractual terms that give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows as well as to sell the financial asset, are classified in this category. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in other comprehensive income apart from any expected credit losses or foreign exchange gains or losses, which are recognised in profit or loss.

**Financial assets at fair value through profit and loss:** Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in profit and loss.

### **Classification and measurement – financial liabilities:**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

**Financial guarantee contracts:** These are initially measured at their fair values and, are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognized less, the cumulative amount of income recognized.

**Other financial liabilities:** These are measured at amortised cost using the effective interest method.

### **Equity instruments:**

An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

## **(ii) Determination of fair value**

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, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received).

# Notes

## forming part of Consolidated Financial Statements

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation methods

### (iii) Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity is transferred to the statement of profit and loss unless it was an equity instrument electively held at fair value through other comprehensive income. In this case, any cumulative gain or loss in equity is transferred to retained earnings. Financial assets are written off when there is no reasonable expectation of recovery. The Company reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities.

Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

### (iv) Impairment of financial assets:

The Company recognises a loss allowance for expected credit losses on a financial asset that is at amortised cost or at fair value through other comprehensive income. Expected credit losses are forward looking and are measured in a way that is unbiased and represents a probability-weighted amount, takes into account the time value of money (values are discounted using the applicable effective interest rate) and uses reasonable and supportable information.

### (v) Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates these forward contracts in a cash flow hedging relationship by applying the hedge accounting principles. The Company also uses interest rate swaps to hedge its variability in cash flows from interest payments arising from floating rate liabilities i.e. when interests are paid according to benchmark market interest rates.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

At inception of the hedge relationship, the Company documents the economic relationship between the hedging instrument and the hedged item, including whether changes in the cash flows of the hedging instrument are

# Notes

## forming part of Consolidated Financial Statements

expected to offset changes in the cash flows of the hedged item. The Company documents its risk management objective and strategy for undertaking its hedging transactions. The Company designates only the intrinsic value of foreign exchange options in the hedging relationship. The Company designates amounts excluding foreign currency basis spread in the hedging relationship for both foreign exchange forward contracts and cross- currency interest rate swaps. Changes in the fair value of the derivative contracts that are designated and effective as hedges of future cash flows are recognised in the cash flow hedge reserve within other comprehensive income (net of tax), and any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts accumulated in equity are reclassified to the statement of Profit and Loss in the periods in which the forecasted transactions occurs.

For forwards and options, forward premium and the time value are not considered part of the hedge. These are treated as cost of hedge and the changes in fair value attributable to forward premium is recognised in the other comprehensive income along with the changes in fair value determined to be effective portion of the hedge.

Effective portion of fair value changes of interest rate swaps that are designated as hedges against interest rate risk arising from floating rate debt are recognised in other comprehensive income.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Amounts accumulated in equity are reclassified to the statement of profit and loss in the periods in which the forecast transactions affect profit or loss or as an adjustment to a non-financial item (e.g. inventory) when that item is recognised on the balance sheet. These deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of goods sold). For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in equity is retained there until the forecast transaction occurs.

If the forecast transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is immediately transferred to the statement of Profit and Loss for the year.

### **(B) Disclosure on financial instruments**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the consolidated financial statements.

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## (a) Financial assets and liabilities

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2023.

(₹ in crores)

Financial assets	Cash and other financial assets at amortised cost	Non-Derivative Financial assets at fair value	Derivatives other than in hedging relationship (at fair value through profit or loss)	Derivatives in hedging relationship (at fair value)	Total carrying value	Total fair value
(a) Other investments - non-current	1,076.00	1,789.19	-	-	2,865.19	2,865.19
(b) Investments - current	14,761.83	4,076.48	-	-	18,838.31	18,838.31
(c) Trade receivables	15,737.97	-	-	-	15,737.97	15,737.97
(d) Cash and cash equivalents	31,886.95	-	-	-	31,886.95	31,886.95
(e) Other bank balances	5,128.61	-	-	-	5,128.61	5,128.61
(f) Loans and advances - non-current	870.65	-	-	-	870.65	870.65
(g) Loans and advances - current	2,302.84	-	-	-	2,302.84	2,302.84
(h) Finance receivable - current	6,393.47	17,023.84	-	-	23,417.31	23,417.31
(i) Finance receivable - non-current	7,416.41	-	-	-	7,416.41	7,517.97
(j) Other financial assets - non-current	4,341.65	-	1,037.84	1,648.17	7,027.66	7,027.66
(k) Other financial assets - current	1,629.23	-	679.31	478.18	2,786.72	2,786.72
<b>Total</b>	<b>91,545.61</b>	<b>22,889.51</b>	<b>1,717.15</b>	<b>2,126.35</b>	<b>118,278.62</b>	<b>118,380.18</b>

Financial liabilities	Derivatives other than in hedging relationship (at fair value)	Derivatives in hedging relationship (at fair value)	Other financial liabilities (at fair value)	Other financial liabilities (at amortised cost)	Total carrying value	Total fair value
(a) Long-term borrowings (including current maturities of long-term borrowings) (refer note below)	-	-	-	111,593.63	111,593.63	108,998.58
(b) Lease Liability (including current)	-	-	-	8,452.97	8,452.97	8,452.97
(c) Short-term borrowings	-	-	-	14,066.84	14,066.84	14,066.84
(d) Trade payables	-	-	-	72,055.77	72,055.77	72,055.77
(e) Acceptances	-	-	-	7,195.99	7,195.99	7,195.99
(f) Other financial liabilities - non-current	580.82	4,803.28	2,500.00	438.37	8,322.47	8,322.47
(g) Other financial liabilities - current	597.43	3,784.80	-	9,446.35	13,828.58	13,828.58
<b>Total</b>	<b>1,178.25</b>	<b>8,588.08</b>	<b>2,500.00</b>	<b>223,249.92</b>	<b>235,516.25</b>	<b>232,921.20</b>

Notes:

- Includes ₹7,757.57 crores designated as hedged item in fair value hedge relationship. This includes a loss of ₹648.89 crores on account of fair value changes attributable to the hedged interest rate risk.
- Includes ₹10,916.65 crores (₹1,074 million) designated as hedging instrument in net investment hedge relationship.

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The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2022.

(₹ in crores)

Financial assets	Cash and other financial assets at amortised cost	Non-Derivative Financial assets at fair value	Derivatives other than in hedging relationship (at fair value through profit or loss)	Derivatives in hedging relationship (at fair value)	Total carrying value	Total fair value
(a) Other investments - non-current	542.61	1,778.31	-	-	2,320.92	2,320.92
(b) Investments - current	16,905.10	5,804.12	-	-	22,709.22	22,709.22
(c) Trade receivables	12,442.12	-	-	-	12,442.12	12,442.12
(d) Cash and cash equivalents	38,159.01	-	-	-	38,159.01	38,159.01
(e) Other bank balances	2,510.18	-	-	-	2,510.18	2,510.18
(f) Loans and advances - non-current	843.35	-	-	-	843.35	843.35
(g) Loans and advances - current	1,671.93	-	-	-	1,671.93	1,671.93
(h) Finance receivable - current	8,005.06	14,090.29	-	-	22,095.35	22,095.35
(i) Finance receivable - non-current	11,135.85	-	-	-	11,135.85	11,400.14
(j) Other financial assets - non-current	3,161.90	-	1,222.99	794.60	5,179.49	5,179.49
(k) Other financial assets - current	1,881.33	-	1,333.43	585.06	3,799.82	3,799.82
<b>Total</b>	<b>97,258.44</b>	<b>21,672.72</b>	<b>2,556.42</b>	<b>1,379.66</b>	<b>122,867.24</b>	<b>123,131.53</b>

Financial liabilities	Derivatives other than in hedging relationship (at fair value)	Derivatives in hedging relationship (at fair value)	Other financial liabilities (at fair value)	Other financial liabilities (at amortised cost)	Total carrying value	Total fair value
(a) Long-term borrowings (including current maturities of long-term borrowings) (note below)	-	-	-	121,048.66	121,048.66	122,374.08
(b) Lease Liability (including current)	-	-	-	6,771.99	6,771.99	6,771.99
(c) Short-term borrowings	-	-	-	17,378.38	17,378.38	17,378.38
(d) Trade payables	-	-	-	59,970.38	59,970.38	59,970.38
(e) Acceptances	-	-	-	9,779.95	9,779.95	9,779.95
(f) Other financial liabilities - non-current	529.74	2,885.80	1,250.00	1,918.12	6,583.66	5,333.66
(g) Other financial liabilities - current	306.00	4,137.42	-	9,976.82	14,420.24	14,420.24
<b>Total</b>	<b>835.74</b>	<b>7,023.22</b>	<b>1,250.00</b>	<b>226,844.30</b>	<b>235,953.26</b>	<b>236,028.68</b>

Notes:

- Includes ₹7,473.56 crores designated as hedged item in fair value hedge relationship. This includes a loss of ₹678.05 crores on account of fair value changes attributable to the hedged interest rate risk.
- Includes ₹9,183.30 crores (₹923.66 million) designated as hedging instrument in net investment hedge relationship.

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### Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Quoted prices in an active market (Level 1): This level of hierarchy includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e; as prices) or indirectly (i.e; derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main items in this category are investments in certain unquoted debentures and equity.

	(₹ in crores)			
	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
(a) Investments	4,734.17	-	1,131.50	5,865.67
(b) Derivative assets	-	3,843.50	-	3,843.50
(c) Finance receivables	-	-	17,023.84	17,023.84
<b>Total</b>	<b>4,734.17</b>	<b>3,843.50</b>	<b>18,155.34</b>	<b>26,733.01</b>
<b>Financial liabilities measured at fair value</b>				
(a) Derivative liabilities	-	9,766.33	-	9,766.33
(b) Financial Liabilities	-	-	2,500.00	2,500.00
<b>Total</b>	<b>-</b>	<b>9,766.33</b>	<b>2,500.00</b>	<b>12,266.33</b>

Costs of certain unquoted equity instruments have been considered as an appropriate estimate of fair value because these investments are subject to a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value in profit or loss.

Fair values of forward derivatives and commodity swap contracts are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. Option contracts are fair valued using standard options pricing methodology, based on prevailing market interest rates and volatility.

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## Reconciliation of financial assets measured at fair value using significant unobservable inputs (Level 3)

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	15,117.19	8,857.80
Originated / purchased during the period	7,046.40	10,188.79
Interest accrued on loans measured at FVOCI	(38.53)	39.88
Disposals during the period	(3,781.34)	(4,074.87)
Loan loss provision recognised/(reversed)	(151.86)	(138.39)
Fair value changes recognized through OCI	(83.27)	212.20
Fair value changes recognized through P&L	45.39	20.91
Foreign exchange translation difference	1.36	10.87
<b>Balance at the end</b>	<b>18,155.34</b>	<b>15,117.19</b>

(₹ in crores)

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
(a) Investments	6,555.53	-	1,026.90	7,582.43
(b) Derivative assets	-	3,936.08	-	3,936.08
(c) Finance receivables	-	-	14,090.29	14,090.29
<b>Total</b>	<b>6,555.53</b>	<b>3,936.08</b>	<b>15,117.19</b>	<b>25,608.80</b>
<b>Financial liabilities measured at fair value</b>				
(a) Derivative liabilities	-	7,858.96	-	7,858.96
(b) Financial Liabilities	-	-	1,250.00	1,250.00
<b>Total</b>	<b>-</b>	<b>7,858.96</b>	<b>1,250.00</b>	<b>9,108.96</b>

There have been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2023 and 2022.

The following table provides an analysis of fair value of financial instruments that are not measured at fair value on recurring basis, grouped into Level 1 to Level 3 categories:

(₹ in crores)

	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
<b>Financial assets not measured at fair value</b>				
(a) Investments	15,837.83	-	-	15,837.83
(b) Finance receivables	-	-	13,911.44	13,911.44
<b>Total</b>	<b>15,837.83</b>	<b>-</b>	<b>13,911.44</b>	<b>29,749.27</b>
<b>Financial liabilities not measured at fair value</b>				
(a) Long-term borrowings (including current maturities of long term borrowing)	47,140.22	61,858.36	-	108,998.58
(b) Short-term borrowings	-	14,066.84	-	14,066.84
<b>Total</b>	<b>62,978.05</b>	<b>75,925.20</b>	<b>13,911.44</b>	<b>152,814.69</b>

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(₹ in crores)

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial assets not measured at fair value</b>				
(a) Investments	17,447.71	-	-	17,447.71
(b) Finance receivables	-	-	19,405.20	19,405.20
<b>Total</b>	<b>17,447.71</b>	<b>-</b>	<b>19,405.20</b>	<b>36,852.91</b>
<b>Financial liabilities not measured at fair value</b>				
(a) Long-term borrowings (including current maturities of long term borrowing)	57,188.24	65,185.84	-	122,374.08
(b) Short-term borrowings	-	17,378.38	-	17,378.38
<b>Total</b>	<b>57,188.24</b>	<b>82,564.22</b>	<b>-</b>	<b>139,752.46</b>

Other short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

The fair value of finance receivables has been estimated by discounting expected cash flows using rates at which loans of similar credit quality and maturity would be made and internal assumptions such as expected credit losses and estimated collateral value for repossessed vehicles as at March 31, 2023 and 2022. Since significant unobservable inputs are applied in measuring the fair value, finance receivables are classified in Level 3.

The fair value of borrowings which have a quoted market price in an active market is based on its market price and for other borrowings the fair value is estimated by discounting expected future cash flows, using a discount rate equivalent to the risk-free rate of return, adjusted for the credit spread considered by the lenders for instruments of similar maturity and credit quality.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

## Offsetting

Certain financial assets and financial liabilities are subject to offsetting where there is currently a legally enforceable right to set off recognized amounts and the Company intends to either settle on a net basis, or to realise the asset and settle the liability, simultaneously.

Certain derivative financial assets and financial liabilities are subject to master netting arrangements, whereby in the case of insolvency, derivative financial assets and financial liabilities with the same countries will be settled on a net basis.



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The following table discloses the amounts that have been offset, in arriving at the balance sheet presentation and the amounts that are available for offset only under certain conditions as at March 31, 2023:

	Gross amount recognized	Gross amount recognised as set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to an enforceable master netting arrangement		Net amount after offsetting
				Financial instruments	Cash collateral (received/pledged)	
(₹ in crores)						
<b>Financial assets</b>						
(a) Derivative financial instruments	3,843.50	-	3,843.50	(2,055.57)	-	1,787.93
(b) Trade receivables	16,155.20	(417.23)	15,737.97	-	-	15,737.97
(c) Cash and cash equivalents	34,285.67	(2,398.72)	31,886.95	-	-	31,886.95
<b>Total</b>	<b>54,284.37</b>	<b>(2,815.95)</b>	<b>51,468.42</b>	<b>(2,055.57)</b>	<b>-</b>	<b>49,412.85</b>
<b>Financial liabilities</b>						
(a) Derivative financial instruments	9,766.33	-	9,766.33	(2,055.57)	-	7,710.76
(b) Trade payable	72,473.00	(417.23)	72,055.77	-	-	72,055.77
(c) Loans from banks/financial institutions (short-term & current maturities of long term debt)	39,363.38	(2,398.72)	36,964.66	-	-	36,964.66
<b>Total</b>	<b>121,602.71</b>	<b>(2,815.95)</b>	<b>118,786.76</b>	<b>(2,055.57)</b>	<b>-</b>	<b>116,731.19</b>

The following table discloses the amounts that have been offset in arriving at the balance sheet presentation and the amounts that are available for offset only under certain conditions as at March 31, 2022:

	Gross amount recognized	Gross amount recognised as set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to an enforceable master netting arrangement		Net amount after offsetting
				Financial instruments	Cash collateral (received/pledged)	
(₹ in crores)						
<b>Financial assets</b>						
(a) Derivative financial instruments	3,936.08	-	3,936.08	(2,816.89)	-	1,119.19
(b) Trade receivables	12,443.76	(1.64)	12,442.12	-	-	12,442.12
(c) Cash and cash equivalents	38,288.26	(1,570.89)	38,159.01	-	-	38,159.01
<b>Total</b>	<b>54,668.10</b>	<b>(1,572.53)</b>	<b>54,537.21</b>	<b>(2,816.89)</b>	<b>-</b>	<b>51,720.32</b>
<b>Financial liabilities</b>						
(a) Derivative financial instruments	7,858.96	-	7,858.96	(2,816.89)	-	5,042.07
(b) Trade payable	59,972.02	(1.64)	59,970.38	-	-	59,970.38
(c) Loans from banks/financial institutions (short-term & current maturities of long term debt)	43,488.76	(1,570.89)	41,917.87	-	-	41,917.87
<b>Total</b>	<b>111,319.74</b>	<b>(1,572.53)</b>	<b>109,747.21</b>	<b>(2,816.89)</b>	<b>-</b>	<b>106,930.32</b>

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### (b) Transfer of financial assets

The Company transfers finance receivables through securitisation transactions and direct assignments. In such transactions the Company surrenders control over the receivables, though it continues to act as an agent for the collection of receivables. Generally in such transactions, the Company also provides credit enhancements to the transferee.

Because of the existence of credit enhancements in such transactions, the Company continues to have the obligation to pay to the transferee, limited to the extent of credit enhancement provided, even if it does not collect the equivalent amounts from the original asset and hence continues to retain substantially all risks and rewards associated with the receivables, and as a result of which such transfer or assignment does not meet the derecognition criteria, resulting in the transfer not being recorded as sale. Consequently, the proceeds received from such transfers are recorded as collateralized debt obligations.

Further the Company transfers certain trade receivables under the debt factoring arrangements. These do not qualify for derecognition, due to existence of the recourse arrangement. Consequently the proceeds received from such transfers with a recourse arrangements are recorded as loans from banks / financial institutions and classified under short-term borrowings.

The carrying amount of trade receivables and finance receivables transferred along with the associated liabilities is as follows:

Nature of Asset	As at March 31, 2023		As at March 31, 2022	
	Carrying amount of asset transferred	Carrying amount of associated liabilities	Carrying amount of asset transferred	Carrying amount of associated liabilities
	(a) Trade receivables	-	-	31.80
(b) Finance receivables	106.91 <sup>1</sup>	74.87	1,246.48 <sup>1</sup>	1,181.72

Net of provision of ₹2.60 crores and ₹23.95 crores as at March 31, 2023 and 2022, respectively.

### (c) Cash flow hedges

As at March 31, 2023, the Company have a number of financial instruments designated in a hedging relationship. The Company and its subsidiaries use both foreign currency forward and option contracts, cross currency interest rate swaps and other currency options to hedge changes in future cash flows as a result of foreign currency and interest rate risk arising from forecasted sales and purchases and repayment of foreign currency bonds. The Company and its subsidiaries have also designated some of its U.S. dollar denominated bonds as hedging instruments in a cash flow hedging relationship to hedge the changes in future cash flows as a result of foreign currency risk arising from future anticipated sales.

The Company also have a number of foreign currency options and other currency options, which are entered into as an economic hedge of the financial risks of the Company. These contracts do not meet the hedge accounting criteria of Ind AS 109, hence the change in fair value of these derivatives are recognised in the statement of Profit and Loss.

Options are designated on spot discounted basis. The time value of options are identified as cost of hedge. Changes in the time value of options are recognised in Cost of Hedge reserve to the extent they relate to the hedged item. Changes in the spot intrinsic value of options is recognized in Hedge reserve. Changes in fair value arising from own and counterparty credit risk in options and forward exchange contracts are considered ineffective in the hedge relationship and thus the change in fair value of options & forward exchange contracts attributable to changes in credit spread are recognised in the consolidated statement of profit and loss. Cross currency basis spread was historically included in the hedging relationship. Any ineffectiveness arising out of cross currency basis spread is recognised in the statement of profit and loss as it arises. Cross currency basis spread arising from forward

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exchange contracts entered after 1st January 2018 is identified as cost of hedge and accordingly changes in fair value attributable to this is recognized in cost of hedge reserve to the extent they relate to the hedged item.

Changes in fair value of foreign currency derivative and bonds, to the extent determined to be an effective hedge, is recognized in other comprehensive income and the ineffective portion of the fair value change is recognized in consolidated statement of Profit and Loss. The fair value gain/losses recorded in Hedge reserve and Cost of Hedge reserve is recognised in the consolidated statement of profit and loss when the forecasted transactions affects profit or loss. The accumulated gain/losses in hedge reserve and cost of hedge reserve are expected to be recognized in consolidated statement of profit or loss during the years ending March 31, 2024 to 2026.

It is anticipated that the hedged sales will take place over the next one to five years, at which time the amount deferred in equity will be reclassified to revenue in the consolidated statement of profit or loss.

It is anticipated that the hedged purchases will take place over the next one to five years, at which time the amount deferred in equity will be included in the carrying amount of the raw materials. On sale of the finished product, the amount previously deferred in equity and subsequently recognised in inventory will be reclassified to raw materials, components, and consumables in the consolidated statement of profit or loss.

	(₹ in crores)	
	As at March 31, 2023	As at March 31, 2022
Fair value gain/(loss) on foreign currency derivative contracts entered for cash flow hedges of forecast sales recognised in hedging reserve	(7,899.50)	(7,877.83)
Fair value gain/(loss) on foreign currency derivative contracts entered for cash flow hedges of forecast inventory purchases recognized in hedging reserve	586.24	(369.06)
Fair value gain/(loss) on foreign currency bonds designated as cash flow hedges of forecast sales recognised in hedging reserve	-	-
Fair value gain/(loss) on derivatives entered for cash flow hedges of repayment of foreign currency denominated borrowings recognized in hedging reserve	50.96	(5.25)
Fair value gain/(loss) on interest rate swaps entered for cash flow hedges of payment of interest on borrowings benchmarked to LIBOR	-	-
<b>Fair value gain/(loss) recognized in other comprehensive income during the year</b>	<b>(7,262.30)</b>	<b>(8,252.14)</b>
Gain/(loss) reclassified from Hedging reserve and recognized in 'Revenue from operations' in the statement of profit and loss on occurrence of forecast sales	(5,848.38)	779.16
Gain/(loss) reclassified out of Hedging reserve and recorded in Inventory in the Balance sheet on occurrence of forecast purchases	(436.42)	-
Gain/(loss) reclassified from Hedging reserve and recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss for the case where on account of forecast transactions no longer expected to occur	(117.77)	105.10
Gain/(loss) reclassified from Hedging reserve and recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss on account of repayment of foreign currency denominated borrowings	-	(43.34)
Gain/(loss) reclassified from Cost of Hedge reserve and recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss on account of forecast transactions no longer expected to occur	2.56	(0.05)
<b>Gain/(loss) reclassified from equity other comprehensive income to the consolidated statement of profit or loss</b>	<b>(6,400.01)</b>	<b>840.87</b>
Gain/(loss) on foreign currency derivatives not hedge accounted, recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss	(231.39)	277.32
Fair value gain/(loss) recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss on account of ineffectiveness arising from foreign currency basis spread on forward contracts designated in cash flow hedge relationship	(3.06)	1.67
	<b>(234.45)</b>	<b>278.99</b>

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## (d) Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

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

## (i) Market risk

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

### (a) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit & loss, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity and consolidated statement of cash flows, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, GBP, Chinese renminbi, Japanese yen, Singapore dollar and Euro, against the respective functional currencies of Tata Motors Limited and its subsidiaries.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. Furthermore, any movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues and expenditure relating to its international operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 10% while keeping the other variables as constant.

The following analysis is based on the gross exposure as of the relevant balance sheet dates, which could affect the income statement. There is no exposure to the income statement on account of translation of financial statements of consolidated foreign entities. Furthermore, the exposure as indicated below is mitigated

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by natural hedges resulting from anticipated revenue and cost in foreign currency expected to arise in future as well as certain derivative contracts entered into by the Company.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives) contract as of March 31, 2023:

	(₹ in crores)						
	U.S. dollar	Euro	Chinese Renminbi	GBP	Canadian dollar	Others <sup>1</sup>	Total
(a) Financial assets	16,487.24	12,720.97	5,340.61	1,495.47	918.21	3,709.55	40,672.05
(b) Financial liabilities	47,380.35	48,524.65	11,982.85	4,835.99	353.01	3,471.40	116,548.25

<sup>1</sup> Others mainly include currencies such as the Russian rouble, Singapore dollars, Swiss franc, Australian dollars, South African rand, Thai baht, Japanese Yen and Korean won.

The table below outlines the effect change in foreign currencies exposure for the year ended March 31, 2023:

Change in assumption	Impact on Company's net income before tax for financial assets	Impact on Company's net income before tax for financial liabilities
Appreciation in foreign currencies by 10%	Increase by ₹4,067.21 crores	Decrease by ₹ (11,654.82) crores
Depreciation in foreign currencies by 10%	Decrease by ₹(4,067.21) crores	Increase by ₹ 11,654.82 crores

(Note: The impact is indicated on the income/loss before tax basis).

The following table set forth information relating to foreign currency exposure (other than risk arising from derivatives) as of March 31, 2022:

	(₹ in crores)						
	U.S. dollar	Euro	Chinese Renminbi	GBP	Canadian dollar	Others <sup>1</sup>	Total
(a) Financial assets	16,832.74	10,350.79	3,910.94	144.26	1,190.84	2,836.12	35,265.69
(b) Financial liabilities	45,254.19	42,191.43	11,445.91	519.81	271.42	2,453.65	102,136.41

<sup>1</sup> Others mainly include currencies such as the Russian rouble, Singapore dollars, Swiss franc, Australian dollars, South African rand, Thai baht, Japanese Yen and Korean won.

## (b) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Group

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term non-convertible bonds and short term loans.

In its financing business, the Company enters into transactions with customers which primarily result in receivables at fixed rates. In order to manage this risk, the Company has a policy to match funding in terms of maturities and interest rates and also for certain part of the portfolio, the Company does not match funding with maturities, in order to take advantage of market opportunities.

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The Company also enters into arrangements of securitization of receivables in order to reduce the impact of interest rate movements. Further, Company also enters into interest rate swap contracts with banks to manage its interest rate risk.

As at March 31, 2023 and 2022 financial liabilities of **₹48,076.94 crores** and ₹51,611.40 crores respectively, were subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase of profit before tax) of **₹480.77 crores** and ₹516.11 crores on income for the year ended March 31, 2023 and 2022, respectively.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

The Company uses cross currency interest rate swaps to hedge some of its exposure to interest rate arising from variable rate foreign currency denominated debt. The Company also uses cross currency interest rate swaps to convert some of its foreign currency denominated fixed rate debt to floating rate debt.

### (c) Equity Price risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities.

The fair value of some of the Company's investments in equity securities exposes the Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities.

The fair value of some of the Company's investment in quoted equity securities measured at FVOCI as of March 31, 2023 and 2022, was **₹643.31 crores** and ₹802.91 crores, respectively. A 10% change in prices of these securities held as of March 31, 2023 and 2022, would result in a pre-tax impact of **₹64.33 crores** and ₹80.29 crores on equity, respectively.

The fair value of some of the Company's investments in quoted equity securities measured at FVTPL as of March 31, 2022 and 2021, was ₹Nil and ₹Nil, respectively. A 10% change in prices of these securities measured at FVTPL held as of March 31, 2022 and 2021, would result in an impact of ₹ Nil and ₹Nil on profit before tax, respectively.

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## (ii) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of investments in debt instruments, trade receivables, finance receivables, loans and advances and derivative financial instruments. The Company strives to promptly identify and reduce concerns about collection due to a deterioration in the financial conditions and others of its main counterparties by regularly monitoring their situation based on their financial condition.

None of the financial instruments of the Company result in material concentrations of credit risks.

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹1,15,737.01 crores as at March 31, 2023 and ₹1,21,937.46 crores as at March 31, 2022, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, finance receivables, margin money and other financial assets excluding equity investments.

### Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at March 31, 2023 and March 31, 2022, that defaults in payment obligations will occur.

### Credit quality of financial assets and impairment loss

The ageing of trade receivables and finance receivables as of balance sheet date is given below. The age analysis have been considered from the due date.

Trade receivables	As at March 31, 2023							Total
	Not due	Up to 3 months	3 to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>								
(a) Considered good	14,173.24	437.71	298.94	223.27	73.19	69.07	459.75	15,735.17
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(c) Credit impaired	121.06	0.90	21.36	44.30	40.53	40.43	361.09	629.67
<b>Disputed</b>								
(a) Considered good	0.04	2.39	0.15	0.05	0.01	-	0.16	2.80
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(c) Credit impaired	0.01	-	-	-	0.58	0.19	190.80	191.58
<b>Total</b>	<b>14,294.35</b>	<b>441.00</b>	<b>320.45</b>	<b>267.62</b>	<b>114.31</b>	<b>109.69</b>	<b>1,011.80</b>	<b>16,559.22</b>
<b>Less: Allowance for credit impaired balances</b>								<b>(821.25)</b>
<b>Total</b>								<b>15,737.97</b>

(₹ in crores)

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(₹ in crores)								
Trade receivables	As at March 31, 2022							Total
	Not due	Up to 3 months	3 to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>								
(a) Considered good	10,244.05	1,289.45	190.53	34.00	150.74	102.26	394.32	12,405.35
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(c) Credit impaired	42.23	30.96	16.10	53.29	39.10	88.31	328.20	598.19
<b>Disputed</b>								
(a) Considered good	0.53	25.85	-	-	4.66	0.21	5.52	36.77
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(c) Credit impaired	8.72	3.78	0.09	0.20	2.10	5.85	232.64	253.38
<b>Total</b>	<b>10,295.53</b>	<b>1,350.04</b>	<b>206.72</b>	<b>87.49</b>	<b>196.60</b>	<b>196.63</b>	<b>960.68</b>	<b>13,293.69</b>
<b>Less: Allowance for credit impaired balances</b>								<b>(851.57)</b>
<b>Total</b>								<b>12,442.12</b>

Trade receivables consist of a large number of various types of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of these trade receivables and where appropriate, allowance for losses are provided.

1 Trade receivables overdue more than six months include ₹574.10 crores as at March 31, 2023 (₹514.48 crores as at March 31, 2022), outstanding from Government organizations in India, which are considered recoverable.

The Company makes allowances for losses on its portfolio of finance receivable on the basis of expected future collection from receivables. The future collection are estimated on the basis of past collection trend which are adjusted for changes in current circumstances as well as expected changes in collection future based on expectations future with respect to certain macro economic factor like GDP growth, fuel price and inflation.

(₹ in crores)						
Finance receivables <sup>2</sup>	As at March 31, 2023			As at March 31, 2022		
	Gross	Allowance	Net	Gross	Allowance	Net
Period (in months)						
(a) Not due <sup>3</sup>	30,240.84	(1,111.88)	29,128.96	33,118.67	(1,222.33)	31,896.34
(b) Overdue up to 3 months	491.02	(18.78)	472.24	546.30	(16.08)	530.22
(c) Overdue more than 3 months	2,004.29	(771.77)	1,232.52	1,373.66	(569.02)	804.64
<b>Total</b>	<b>32,736.15</b>	<b>(1,902.43)</b>	<b>30,833.72</b>	<b>35,038.63</b>	<b>(1,807.43)</b>	<b>33,231.20</b>

<sup>2</sup> Finance receivables originated in India.

<sup>3</sup> Allowance in the "Not due" category includes allowance against instalments pertaining to impaired finance receivables which have not yet fallen due.

### (iii) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulty to meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non-convertible



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debentures, fixed deposits from public, senior notes and other debt instruments. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks. The Company has also invested 15% of the amount of public deposits/non-convertible debentures (taken by the Company) falling due for repayment in the next 12 months in bank deposits, to meet the regulatory norms of liquidity.

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

The table below provides undiscounted contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2023:

(₹ in crores)						
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables and acceptances	79,251.76	79,251.76	-	-	-	79,251.76
(b) Borrowings and interest thereon	127,336.38	59,426.12	41,389.36	48,125.63	10,878.24	159,819.35
(c) Lease Liability	8,452.97	1,480.12	1,141.84	3,260.69	7,932.43	13,815.08
(d) Derivative liabilities	9,766.33	4,725.94	2,862.95	1,995.39	-	9,584.28
(e) Other financial liabilities	10,708.81	8,138.69	448.92	2,901.68	39.68	11,528.97
<b>Total</b>	<b>235,516.25</b>	<b>153,022.63</b>	<b>45,843.07</b>	<b>56,283.39</b>	<b>18,850.35</b>	<b>273,999.44</b>

Contractual maturities of borrowings includes cash flows relating to collateralized debt obligations. This represents the amount received against the transfer of finance receivables in securitization transactions and/or direct assignments, which do not qualify for derecognition. The liability of the Company in such cases is limited to the extent of credit enhancements provided. The contractual maturities of such collateralized debt obligations are as follows:

(₹ in crores)					
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Total contractual cash flows
Collateralized debt obligations	74.87	76.92	-	-	76.92

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2022:

(₹ in crores)						
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables and acceptances	69,750.33	69,750.33	-	-	-	69,750.33
(b) Borrowings and interest thereon	141,423.41	53,226.72	31,650.67	58,620.79	19,956.37	163,454.55
(c) Lease Liability	6,771.99	1,316.13	1,148.34	2,491.40	5,972.87	10,928.74
(d) Derivative liabilities	7,858.96	5,087.64	2,775.46	2,831.55	14.94	10,709.59
(e) Other financial liabilities	10,148.57	8,230.35	165.34	183.44	3,894.73	12,473.86
<b>Total</b>	<b>235,953.26</b>	<b>137,611.17</b>	<b>35,739.81</b>	<b>64,127.18</b>	<b>29,838.91</b>	<b>267,317.07</b>

The contractual maturities of such collateralized debt obligations are as follows:

(₹ in crores)					
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Total contractual cash flows
Collateralized debt obligations	1,182.54	911.75	328.58	16.06	1,256.39

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## (iv) Derivative financial instruments and risk management

The Company has entered into variety of foreign currency, interest rates and commodity forward contracts and options to manage its exposure to fluctuations in foreign exchange rates, interest rates and commodity price risk. The counterparty is generally a bank. These financial exposures are managed in accordance with the Company's risk management policies and procedures.

The Company also enters into interest rate swaps and cross currency interest rate swap agreements, mainly to manage exposure on its fixed rate or variable rate debt. The Company uses interest rate derivatives or currency swaps to hedge exposure to exchange rate fluctuations on principal and interest payments for borrowings denominated in foreign currencies.

Specific transactional risks include risks like liquidity and pricing risks, interest rate and exchange rate fluctuation risks, volatility risks, counterparty risks, settlement risks and gearing risks.

Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

The fair value of derivative financial instruments is as follows:

	As at March 31, 2023	As at March 31, 2022
(a) Foreign currency forward exchange contracts and options	(6,266.90)	(5,349.33)
(b) Commodity Derivatives	(491.62)	1,209.85
(c) Others including interest rate and currency swaps	835.69	216.60
<b>Total</b>	<b>(5,922.83)</b>	<b>(3,922.88)</b>

Following table provides sensitivity analysis in relation to derivative contracts:

	As at March 31, 2023	As at March 31, 2022
10% depreciation of foreign currency:		
Gain/(loss) in hedging reserve and cost of hedge reserve	13,639.41	9,550.61
Gain/(loss) in statement of Profit and loss	(4,042.29)	(3,352.99)
10% Appreciation of foreign currency:		
Gain/(loss) in hedging reserve and cost of hedge reserve	(13,360.69)	(11,136.42)
Gain/(loss) in statement of Profit and loss	5,702.96	4,857.49

## (v) Commodity Price Risk

The Group is exposed to commodity price risk arising from the purchase of certain raw materials such as aluminium, copper, platinum and palladium. This risk is mitigated through the use of derivative contracts and fixed-price contracts with suppliers. The derivative contracts are not hedge accounted under Ind AS 109 but are instead measured at fair value through profit or loss.

The gain/(loss) on commodity derivative contracts, recognized in the statement of Profit and Loss was ₹1,414.83 crores loss and ₹1,370.57 crores loss for the years ended March 31, 2023 and 2022, respectively.

In respect of the Company's commodity derivative contracts, a 10% depreciation/appreciation of all commodity prices underlying such contracts, would have resulted in an approximate gain/(loss) of ₹571.41 crores and ₹592.41 crores in the statement of profit and loss for the years ended March 31, 2023 and 2022, respectively.

Exposure to gain/loss on derivative instruments offset to some extent the exposure to foreign currency risk, interest rate risk as disclosed above.

(Note: The impact is indicated on the income/loss before consequential tax impact, if any basis).

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## 42. Disclosure on Financial instruments designated as hedging instrument in cashflow hedge

The details of cash flow hedges entered by the Company to hedge interest rate risk arising on floating rate borrowings and by one of the Company's subsidiaries to hedge the currency fluctuation of its functional currency (GBP) against foreign currencies to hedge future cash flows arising from revenue and cost of materials is as follows:

Outstanding contracts	Average strike rate as at March 31		Nominal amounts		Carrying value	
			₹ in crores		₹ in crores	
			as at March 31		as at March 31	
	2023	2022	2023	2022	2023	2022
<b>Foreign currency forwards</b>						
Cash flow hedges - USD						
Sell - USD/ Buy - GBP						
<1 year	0.753	0.760	28,067.89	28,651.39	(1,916.67)	47.03
Between 1-5 years	0.758	0.736	42,682.28	37,125.99	(2,390.79)	(769.64)
Buy - USD/ Sell - INR						
<1 year	-	0.000	-	-	-	-
Cash flow hedges - Chinese Yuan						
Sell - Chinese Yuan / Buy - GBP						
<1 year	0.114	0.109	27,179.92	28,023.68	(1,159.67)	(2,335.00)
Between 1-5 years	0.116	0.112	49,743.44	35,010.36	(1,876.36)	(1,248.76)
Cash flow hedges -Euro						
Buy - Euro / Sell - GBP						
<1 year	0.892	0.887	(20,163.28)	28,756.03	203.59	(1,105.89)
Between 1-5 years	0.913	0.886	(417.56)	12,464.61	4.88	(46.73)
Cash flow hedges - Other						
<1 year	-	-	7,421.90	9,399.29	(57.63)	(167.98)
Between 1-5 years	-	-	8,620.90	8,651.33	(16.87)	(277.69)
<b>Cash flow hedges of foreign exchange risk on recognised debt</b>						
<b>Cross currency interest rate swaps</b>						
Buy - USD / Sell - GBP						
Between 1-5 years	1.30	1.30	6,780.06	757.89	780.68	154.88
>5 years	-	0.759	-	3,774.33	-	9.13
Buy - Euro / Sell - GBP						
>5 years	0.891	0.891	4,529.44	4,430.46	(508.22)	(382.97)
Buy - USD / Sell - INR						
<1 year	73.810	71.158	110.72	1,067.15	13.40	66.38
Between 1-5 years	71.860	71.860	718.60	829.32	82.12	1.47
>5 years	83.520	83.520	4,417.31	4,073.65	318.84	432.50
<b>Total foreign currency derivative instruments</b>			<b>159,691.62</b>	<b>203,015.48</b>	<b>(6,522.70)</b>	<b>(5,623.26)</b>
<b>Debt instruments denominated in foreign currency</b>						
USD						
< 1 year			-	-	-	-
Between 1-5 years	0.629	0.000	10,845.50	-	(9,849.38)	-
<b>Total debt instruments denominated in foreign currency</b>			<b>10,845.50</b>	<b>-</b>	<b>(9,849.38)</b>	<b>-</b>

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## Cash flow hedges of interest rate risk arising on floating rate borrowings

	Average strike rate		Nominal amounts (USD in million)		Carrying value (₹ in crores)	
	as at March 31		as at March 31		as at March 31	
	2023	2022	2023	2022	2023	2022
Interest rate swaps linked to LIBOR >5 years	2.86%	2.86%	237.50	237.50	60.97	(20.31)
Total derivatives designated in hedge relationship					(6,461.73)	(5,643.57)
<b>Total debt instruments designated in hedge relationship</b>					<b>(9,849.38)</b>	<b>-</b>
<b>Non derivatives designated in hedge relationship</b>						
	Average strike rate		Nominal amounts (USD in million)		Carrying value (₹ in crores)	
	as at March 31		as at March 31		as at March 31	
	2023	2022	2023	2022	2023	2022
Net Investment Hedge - GBP	-	-	1,074.00	923.66	-	-

## 43. Segment reporting

The Company primarily operates in the automotive business. The automotive business includes all activities relating to development, design, manufacture, assembly and sale of vehicles including financing thereof, as well as sale of related parts, accessories and services. The Company provides financing for vehicles sold by dealers in India. The vehicle financing is intended to drive sale of vehicles by providing financing to the dealers' customers and as such is an integral part of automotive business. The operating results for Vehicle Financing has been adjusted only for finance cost for the borrowings sourced by this segment.

### Operating segments consist of :

- Automotive: The Automotive segment consists of four reportable sub-segments: Tata Commercial Vehicles, Tata Passenger Vehicles, Jaguar Land Rover and Vehicle Financing.
- Others: Others consist of IT services and Insurance Broking services.

Other operating segments do not meet the quantitative thresholds for disclosure and have been aggregated.

These segment information is provided to and reviewed by Chief Operating Decision Maker (CODM).

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(₹ in crores)

For the year ended/as at March 31, 2023												
Automotive and related activity												
	Tata and other brand vehicle <sup>1</sup>			Tata and other brand vehicle <sup>1</sup>			Tata and other brand vehicle <sup>1</sup>			Tata and other brand vehicle <sup>1</sup>		
	Commercial vehicle	Passenger vehicle	Unallocable	Total	Vehicle Financing	Jaaguar Land Rover	Intra-segment eliminations	Total	Others	Inter-segment eliminations	Total	
<b>Revenues:</b>												
External revenue	69,324.40	45,845.17	187.41	115,356.98	4,438.78	222,845.42	-	342,641.18	3,325.79	-	345,966.97	
Intra-segment/intra-segment revenue	1,491.45	2,022.66	172.80	3,686.91	156.46	14.31	(3,857.68)	-	1,482.83	(1,482.83)	-	
<b>Total revenues</b>	<b>70,815.85</b>	<b>47,867.83</b>	<b>360.21</b>	<b>119,043.89</b>	<b>4,595.24</b>	<b>222,859.73</b>	<b>(3,857.68)</b>	<b>342,641.18</b>	<b>4,808.62</b>	<b>(1,482.83)</b>	<b>345,966.97</b>	
Earnings before other income (excluding incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax :												
Finance costs pertaining to borrowings sourced by vehicle financing segment	3,693.28	542.17	(157.84)	4,077.61	1,499.44	3,481.69	(17.56)	9,041.18	826.24	15.13	9,882.55	
<b>Segment results</b>	<b>3,693.28</b>	<b>542.17</b>	<b>(157.84)</b>	<b>4,077.61</b>	<b>(1,385.09)</b>	<b>3,481.69</b>	<b>(17.56)</b>	<b>6,156.65</b>	<b>826.24</b>	<b>15.13</b>	<b>(2,884.53)</b>	
<b>Reconciliation to Profit/(loss) before tax:</b>												
Other income/(loss) (excluding incentives)											1,719.82	
Finance costs (excluding pertaining to borrowings sourced by vehicle financing segment)											(7,354.70)	
Foreign exchange											103.88	
Exceptional items	(278.28)	313.37	(0.09)	35.00	-	1,555.53	-	1,590.53	-	-	1,590.53	
<b>Profit/(loss) before tax</b>											<b>3,057.55</b>	
Depreciation and amortisation expense	1,616.70	2,583.93	138.80	4,339.43	57.46	20,443.60	-	24,840.49	97.27	(77.40)	24,860.36	
Capital expenditure	2,201.59	3,347.25	6.15	5,554.99	36.31	12,950.52	-	18,541.82	63.08	(62.27)	18,542.63	
Share of profit/(loss) of equity accounted investees (net)	-	-	185.13	185.13	-	144.34	-	329.47	6.91	-	336.38	
<b>Segment assets</b>	<b>30,250.90</b>	<b>19,591.89</b>	<b>1,469.01</b>	<b>51,311.80</b>	<b>35,650.96</b>	<b>181,214.15</b>	<b>(2,390.94)</b>	<b>285,785.97</b>	<b>4,051.44</b>	<b>(1,226.76)</b>	<b>288,610.65</b>	
Assets classified as held for sale	-	-	6.14	6.14	192.01	629.63	-	827.78	-	-	827.78	
Investment in equity accounted investees	-	-	716.01	716.01	-	3,349.41	-	4,065.42	610.24	-	4,675.66	
Reconciliation to total assets:												
Other Investments											21,703.50	
Current and non-current tax assets (net)											1,815.62	
Deferred tax assets (net)											5,184.67	
Other unallocated financial assets <sup>2</sup>											33,263.50	
<b>Total assets</b>	<b>22,543.11</b>	<b>12,618.89</b>	<b>1,252.27</b>	<b>36,414.27</b>	<b>1,241.37</b>	<b>106,380.14</b>	<b>(2,257.37)</b>	<b>141,778.41</b>	<b>2,252.12</b>	<b>(312.46)</b>	<b>143,718.07</b>	
<b>Segment liabilities</b>												
Reconciliation to total liabilities:												
Borrowings											125,660.47	
Current tax liabilities (net)											1,254.19	
Deferred tax liabilities (net)											1,406.95	
Other unallocated financial liabilities <sup>3</sup>											11,442.19	
<b>Total liabilities</b>											<b>283,481.87</b>	

1 Tata and other brand vehicles include Tata Daewoo and Fiat brand vehicles.

2 Includes interest-bearing deposits and accrued interest income.

3 Includes interest accrued and other interest bearing liabilities.

# Notes

forming part of Consolidated Financial Statements

(₹ in crores)

	For the year ended/as at March 31, 2022										
	Automotive and related activity										
	Commercial vehicle	Tata and other brand passenger vehicle	Unallocable	Total	Vehicle Financing	Jaagar Land Rover	Intra-segment eliminations	Total	Others	Inter-segment eliminations	Total
<b>Revenues:</b>											
External revenue	52,497.46	30,986.90	224.15	83,708.51	4,374.42	187,696.74	-	275,779.67	2,673.95	-	278,453.62
Inter-segment/intra-segment revenue	(210.16)	528.00	90.20	408.04	210.16	-	(618.20)	-	1,135.18	(1,135.18)	-
<b>Total revenues</b>	<b>52,287.30</b>	<b>31,514.90</b>	<b>314.35</b>	<b>84,116.55</b>	<b>4,584.58</b>	<b>187,696.74</b>	<b>(618.20)</b>	<b>275,779.67</b>	<b>3,809.13</b>	<b>(1,135.18)</b>	<b>278,453.62</b>
Earnings before other income (excluding Incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax:	210.21	(660.13)	(62.47)	(512.39)	2,465.74	(439.39)	(90.20)	1,423.76	624.73	53.75	2,102.24
Finance costs pertaining to borrowings sourced by vehicle financing segment	-	-	-	-	(2,718.93)	-	-	(2,718.93)	-	-	(2,718.93)
<b>Segment results</b>	<b>210.21</b>	<b>(660.13)</b>	<b>(62.47)</b>	<b>(512.39)</b>	<b>(253.19)</b>	<b>(439.39)</b>	<b>(90.20)</b>	<b>(1,295.17)</b>	<b>624.73</b>	<b>53.75</b>	<b>(616.69)</b>
Reconciliation to Profit/(loss) before tax:											
Other income/(loss) (excluding Incentives)											928.92
Finance costs (excluding pertaining to borrowings sourced by vehicle financing segment)											(6,607.38)
Foreign exchange											(78.68)
Exceptional items	(52.50)	(147.21)	(0.10)	(199.81)	-	(428.66)	-	(628.47)	(1.11)	-	(629.58)
<b>Profit/(loss) before tax</b>											<b>(7,003.41)</b>
Depreciation and amortisation expense	1,743.20	2,304.59	149.83	4,197.72	59.69	20,576.99	-	24,834.40	1.29	-	24,835.69
Capital expenditure	2,021.90	659.42	1.00	2,682.32	20.43	12,159.88	-	14,862.63	44.67	-	14,907.30
Share of profit/(loss) of equity accounted investees (net)	-	-	122.44	122.44	-	(205.57)	-	(83.13)	9.07	-	(74.06)
<b>Segment assets</b>	<b>30,407.96</b>	<b>15,843.63</b>	<b>82.17</b>	<b>47,073.76</b>	<b>38,544.67</b>	<b>172,267.94</b>	<b>-</b>	<b>257,886.37</b>	<b>3,465.00</b>	<b>(1,129.43)</b>	<b>260,221.94</b>
Assets classified as held for sale		33.45	34.63	68.08	449.90	5.87	-	523.85	-	-	523.85
Investment in equity accounted investees	-	-	554.25	554.25	-	3,192.99	-	3,747.24	602.15	-	4,349.39
<b>Reconciliation to total assets:</b>											
Other investments											25,030.14
Current and non-current tax assets (net)											1,456.63
Deferred tax assets (net)											3,870.85
Other unallocated financial assets <sup>2</sup>											35,167.13
<b>Total assets</b>											<b>330,619.93</b>
<b>Segment liabilities</b>	<b>21,230.50</b>	<b>10,932.34</b>	<b>209.55</b>	<b>32,372.39</b>	<b>966.20</b>	<b>94,698.42</b>	<b>(88.60)</b>	<b>127,948.41</b>	<b>2,020.15</b>	<b>(269.78)</b>	<b>129,698.78</b>
<b>Reconciliation to total liabilities:</b>											
Borrowings											139,677.04
Current tax liabilities (net)											1,253.85
Deferred tax liabilities (net)											1,558.44
Other unallocated financial liabilities <sup>3</sup>											9,599.52
<b>Total liabilities</b>											<b>281,787.63</b>

1 Tata and other brand vehicles include Tata Daewoo and Fiat brand vehicles.

2 Includes interest-bearing deposits and accrued interest income.

3 Includes interest accrued and other interest bearing liabilities.

# Notes

## forming part of Consolidated Financial Statements

### Entity-wide disclosures

Information concerning principal geographic areas is as follows:

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Net sales to external customers by geographic area by location of customers:</b>		
(a) India	114,090.84	80,795.00
(b) United States of America	54,766.05	45,513.35
(c) United Kingdom	33,141.13	33,228.52
(d) Rest of Europe	42,730.83	32,612.40
(e) China	47,368.38	42,758.89
(f) Rest of the World	53,869.74	43,545.45
<b>Total</b>	<b>345,966.97</b>	<b>278,453.62</b>

Non-current assets (Property, plant and equipment, Intangible assets, other non-current assets (non-financial) and Goodwill) by geographic area:

	As at March 31, 2023	As at March 31, 2022
(a) India	29,631.21	28,527.93
(b) United States of America	504.26	514.64
(c) United Kingdom	104,845.75	107,074.22
(d) Rest of Europe	7,942.78	9,526.30
(e) China	438.53	464.69
(f) Rest of the World	2,991.73	2,998.76
<b>Total</b>	<b>146,354.26</b>	<b>149,106.54</b>

Information about product revenues:

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Tata and Fiat vehicles		
- Commercial Vehicles	63,815.94	47,178.91
- Passenger Vehicles	38,893.17	28,323.90
- Electric Vehicles	6,952.00	2,663.00
- Corporate	187.41	224.15
(b) Tata Daewoo commercial vehicles	5,508.46	5,318.55
(c) Finance revenues	4,438.78	4,374.42
(d) Jaguar Land Rover vehicles	222,845.42	187,696.74
(e) Others	3,325.79	2,673.95
<b>Total</b>	<b>345,966.97</b>	<b>278,453.62</b>

# Notes

forming part of Consolidated Financial Statements

## 44. Related-party transactions

The Company's related parties principally includes Tata Sons Private Limited, subsidiaries and joint arrangements of Tata Sons Private Limited, the Company's associates and their subsidiaries, joint operations and joint ventures of the Company. The Company routinely enters into transactions with these related parties in the ordinary course of business. Transactions and balances of the company with its own subsidiaries and the transactions among subsidiaries are eliminated on consolidation.

All transactions with related parties are conducted under normal terms of business and all amounts outstanding are unsecured and will be settled in cash.

The following table summarizes related-party transactions and balances included in the consolidated financial statements for year ended/as at March 31, 2023:

(₹ in crores)

	Associates and its subsidiaries	Joint ventures	Joint operations	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	Total
<b>(A) Transactions</b>					
Purchase of products	7,353.69	572.37	10,836.51	1,831.78	20,594.35
Sale of products	325.68	2,447.62	3,027.87	1,486.42	7,287.59
Services received	22.08	2.44	0.62	2,466.36	2,491.50
Services rendered	25.72	1,060.74	6.44	240.44	1,333.34
Bills discounted	-	-	-	10,882.37	10,882.37
Purchase of property, plant and equipment	91.85	-	-	19.05	110.90
Interest income	-	-	-	0.65	0.65
Interest expense	4.23	-	25.05	63.04	92.32
Dividend income	-	-	236.34	14.81	251.15
Dividend expense	-	-	-	-	-
Finance taken (including loans and equity)	143.00	-	-	-	143.00
Finance taken, paid back (including loans and equity)	186.00	-	-	-	186.00
Repayment towards lease liability	-	-	31.08	-	31.08
<b>(B) Balances</b>					
Amount receivable in respect of Loans and interest thereon	-	9.30	-	4.90	14.20
Amounts payable in respect of loans and interest thereon	48.00	-	-	3.67	51.67
Amount payable in respect of Lease Liability	-	-	302.87	-	302.87
Trade and other receivables	32.85	336.98	99.85	309.40	779.08
Trade payables	229.57	4.55	753.56	471.98	1,459.66
Acceptances	-	-	-	1,156.14	1,156.14
Provision for amount receivables	-	9.30	-	-	9.30



# Notes

## forming part of Consolidated Financial Statements

The following table summarizes related-party transactions included in the consolidated financial statements for the year ended/as at March 31, 2022:

	(₹ in crores)				
	Associates and its subsidiaries	Joint ventures	Joint operations	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	Total
<b>(A) Transactions</b>					
Purchase of products	4,064.22	398.89	5,558.59	22.97	10,044.67
Sale of products	389.79	2,679.73	1,693.00	1,269.10	6,031.62
Services received	10.95	3.67	0.26	1,801.90	1,816.78
Services rendered	12.58	986.13	5.23	184.63	1,188.57
Bills discounted	-	-	-	7,901.42	7,901.42
Purchase of property, plant and equipment	34.86	-	-	9.79	44.65
Sale of business	-	-	-	234.09	234.09
Interest income	-	-	1.18	0.88	2.06
Interest expense	5.86	-	19.62	87.10	112.58
Dividend income	0.02	-	22.95	13.56	36.53
Finance given (including loans and equity)	-	-	-	-	-
Finance taken (including loans and equity)	148.00	-	-	-	148.00
Finance taken, paid back (including loans and equity)	152.00	-	-	1.27	153.27
Borrowing towards Lease Liability	-	-	54.27	-	54.27
Repayment towards lease liability	-	-	24.07	-	24.07
<b>(B) Balances</b>					
Amounts receivable in respect of loans and interest thereon	-	9.30	-	4.46	13.76
Amounts payable in respect of loans and interest thereon	91.00	-	-	2.88	93.88
Amount payable in respect of Lease Liability	-	-	296.05	-	296.05
Trade and other receivables	71.82	297.97	83.85	265.84	719.48
Trade payables	139.95	0.20	111.92	238.84	490.91
Acceptances	-	-	-	1,529.72	1,529.72
Provision for amount receivables	-	9.30	-	-	9.30

# Notes

## forming part of Consolidated Financial Statements

Details of significant transactions are given below:

(₹ in crores)			
Particulars	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
<b>(A) Transactions</b>			
<b>i) Purchase of products</b>			
Tata AutoComp Systems Limited	Associates	4,601.26	2,013.43
Fiat India Automobiles Private Limited	Joint Operations	8,308.48	3,739.30
Tata Cummins Private Limited	Joint Operations	2,528.03	1,843.36
<b>ii) Sale of products</b>			
Fiat India Automobiles Private Limited	Joint Operations	2,914.66	1,589.81
Chery Jaguar Land Rover Automotive Company Limited	Joint ventures	2,447.62	2,679.73
<b>iii) Services received</b>			
Tata Consultancy Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	1,912.37	1,605.89
<b>iv) Services rendered</b>			
Chery Jaguar Land Rover Automotive Company Limited	Joint ventures	1,060.74	973.60
<b>v) Bills discounted</b>			
Tata Capital Financial Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	10,882.37	7,901.42
<b>vi) Purchase of property, plant and equipment</b>			
Tata Consultancy Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	16.33	7.37
TACO Prestolite Electric Private Limited	Associates and its subsidiaries	19.83	-
TM Automotive Seating Systems Private Limited	Associates and its subsidiaries	43.59	20.31
<b>vii) Interest income</b>			
Tata Africa Holdings (SA) (Proprietary) Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	0.22	0.45
Tata Precision Industries (India) Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	0.42	0.42
<b>viii) Interest expense</b>			
Fiat India Automobiles Private Limited	Joint Operations	25.05	19.62
Tata Capital Financial Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	54.69	87.01
<b>ix) Dividend income</b>			
Tata Cummins Private Limited	Joint Operations	236.34	22.95
Tata Sons Private Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	12.38	12.38

# Notes

## forming part of Consolidated Financial Statements

(₹ in crores)			
Particulars	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
<b>x) Finance taken (including loans and equity)</b>			
Automobile Corporation of Goa Limited	Associates	73.00	8.00
Tata Hitachi Construction Machinery Company Private Limited	Associates	70.00	140.00
<b>xi) Finance taken, paid back (including loans and equity)</b>			
Automobile Corporation of Goa Limited	Associates	116.00	12.00
Tata Hitachi Construction Machinery Company Private Limited	Associates	70.00	140.00
<b>xii) Borrowing towards lease liability</b>			
Fiat India Automobiles Private Limited	Joint Operations	-	54.27
<b>xiii) Repayment towards lease liability</b>			
Fiat India Automobiles Private Limited	Joint Operations	31.08	24.07
<b>xiv) Sale of Business</b>			
Tata Advanced Systems Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	-	234.09

### Compensation of key management personnel:

	Year ended March 31, 2023	Year ended March 31, 2022
Short-term benefits	81.87	67.22
Post-employment benefits*	0.99	1.44
Share based payment	6.02	1.42

The compensation of erstwhile CEO and Managing Director is ₹16.97 crores for the year ended March 31, 2022. The compensation of Group CFO is ₹13.49 crores and ₹11.17 crores for the year ended March 31, 2023 and 2022, respectively. The compensation of Executive Director is ₹4.64 crores and ₹3.34 crores for the year ended March 31, 2023 and 2022, respectively. The compensation of CEO at Jaguar Land Rover is ₹58.67 crores and ₹37.18 crores for the year ended March 31, 2023 and 2022, respectively.

\* Excludes provision for encashable leave and gratuity for certain key management personnel as a separate actuarial valuation is not available.

# Notes

forming part of Consolidated Financial Statements

## 45. Transactions with struck off companies

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2023:

(₹ in crores)					
Name of struck off Company	Nature of transactions with struck off Company	Subsidiary Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Jessica Motors Pvt. Ltd.	Warranty/AMC claims	Tata Motors Ltd.	-	0.01	External customer
Anandji Haridas & Co Pvt Ltd	Warranty/AMC claims	Tata Motors Ltd.	-	(0.02)	External customer
Sai Prashad Auto Pvt Ltd	Warranty/AMC claims	Tata Motors Ltd.	-	(0.00)#	External customer
R K Reprocess Powder Coating OPC Pvt Ltd	Warranty/AMC claims	Tata Motors Ltd.	-	(0.00)#	External customer
Aargee Equipments Pvt Ltd	Material purchase	Tata Motors Ltd.	(0.34)	(0.00)#	External vendor
Chetan Motors (Ghatge Patil Transports Private Limited)	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.17	0.01	External vendor
Agarwal Motors Prop Concord Tie Up Pvt Ltd	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.02	0.03	External vendor
Shriram Autowheels Pvt Ltd	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	-	0.00#	External vendor
R R Automobiles	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.40	-	External vendor

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2022:

Name of struck off Company	Nature of transactions with struck off Company	Subsidiary Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Jessica Motors Pvt. Ltd.	Warranty/AMC claims	Tata Motors Limited	-	0.01	External customer
Axis Systems Private Limited	Material purchase	Tata Motors Limited	(0.69)	(0.03)	External vendor
Aargee Equipments Pvt Ltd	Material purchase	Tata Motors Limited	(0.34)	(0.00)#	External vendor
Akshay industries Private Limited	Services availed	Tata Motors Limited	(0.19)	(0.01)	External vendor
Anil Enterprises Private Limited	Material purchase	Tata Motors Limited	(0.01)	-	External vendor
Durga Automobiles Private Limited	Services availed	Tata Motors Limited	(0.09)	-	External vendor
Harsh Enterprises Private Limited	Material purchase	Tata Motors Limited	(0.00)#	-	External vendor
Interface Micro Systems Private Limited	Material purchase	Tata Motors Limited	(10.24)	(0.07)	External vendor
K K Enterprises Pvt Ltd	Material purchase	Tata Motors Limited	(0.01)	-	External vendor
Karnavati Motors Private Limited	Services availed	Tata Motors Limited	(0.02)	-	External vendor
Lala Enterprises Pvt Ltd	Services availed	Tata Motors Limited	(0.18)	(0.00)#	External vendor
Murarka Trading Company Pvt Ltd	Material purchase	Tata Motors Limited	(1.16)	(0.05)	External vendor
Madhavi Constructions Private Limited	Services availed	Tata Motors Limited	(1.24)	-	External vendor
Microtech Industries Limited	Material purchase	Tata Motors Limited	(0.05)	(0.00)#	External vendor
Prakash Industries Limited	Material purchase	Tata Motors Limited	(8.64)	(0.06)	External vendor

# Notes

## forming part of Consolidated Financial Statements

Name of struck off Company	Nature of transactions with struck off Company	Subsidiary Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Prakash Motors Private Limited	Services availed	Tata Motors Limited	(0.03)	-	External vendor
Pratap Motors Private Limited	Services availed	Tata Motors Limited	(0.08)	(0.00) <sup>#</sup>	External vendor
Rushi Motors Private Limited	Services availed	Tata Motors Limited	(5.09)	(0.06)	External vendor
Rudraksha Electricals Private Limited	Material purchase	Tata Motors Limited	(0.06)	-	External vendor
Sanch Marketing Private Limited	Material purchase	Tata Motors Limited	(0.01)	-	External vendor
Shiva Motors Pvt Ltd	Services availed	Tata Motors Limited	(0.20)	-	External vendor
Savitri Motors Private Limited	Services availed	Tata Motors Limited	(0.02)	(0.01)	External vendor
Suprabha Enterprises Private Limited	Material purchase	Tata Motors Limited	(0.52)	(0.03)	External vendor
Sarna Motors Private Limited	Services availed	Tata Motors Limited	(0.01)	-	External vendor
Shanti Motors Pvt Ltd	Services availed	Tata Motors Limited	(0.01)	-	External vendor
Shah Associates Private Limited	Material purchase	Tata Motors Limited	(0.17)	(0.01)	External vendor
Shreya Industries Private Limited	Material purchase	Tata Motors Limited	(0.16)	(0.06)	External vendor
Super Transports Private Limited	Services availed	Tata Motors Limited	(0.00) <sup>#</sup>	-	External vendor
Sandeep Automobiles Private Limited	Services availed	Tata Motors Limited	(0.07)	(0.00) <sup>#</sup>	External vendor
Tara Tools Private Limited	Material purchase	Tata Motors Limited	(0.25)	(0.12)	External vendor
Total Solutions Private Limited	Material purchase	Tata Motors Limited	(0.00) <sup>#</sup>	-	External vendor
Unique Marketing Private Limited	Material purchase	Tata Motors Limited	(0.00) <sup>#</sup>	-	External vendor
V Solutions Privatelimited	Services availed	Tata Motors Limited	(0.01)	-	External vendor
Yadav Motors Private Limited	Services availed	Tata Motors Limited	(0.04)	0.00 <sup>#</sup>	External vendor
Zenith Motors Private Limited	Services availed	Tata Motors Limited	(0.00) <sup>#</sup>	-	External vendor
Active Automobiles Private Limited	Services availed	Tata Motors Limited	-	(0.00) <sup>#</sup>	External vendor
Akhilshwar Packaging (India) Private Limited	Services availed	Tata Motors Limited	-	(0.05)	External vendor
Constant Security Services Private Ltd	Services availed	Tata Motors Limited	-	0.00 <sup>#</sup>	External vendor
Parikh Inn Private Limited	Services availed	Tata Motors Limited	-	0.00 <sup>#</sup>	External vendor
Friends Auto(India)Pvt Ltd	Material purchase	Tata Motors Limited	-	0.18	External vendor
Riddhi Motors Private Limited	Services availed	Tata Motors Limited	-	(0.00) <sup>#</sup>	External vendor
S I Enterprises Private Limited	Material purchase	Tata Motors Limited	-	0.15	External vendor
Shri Ganesh Industries India Private Ltd	Services availed	Tata Motors Limited	-	(0.00) <sup>#</sup>	External vendor
Vaishnavi Motors Private Limited	Services availed	Tata Motors Limited	-	0.00 <sup>#</sup>	External vendor
Axis Systems	Material Purchase	Tata Motors Passenger Vehicles Limited	0.41	-	External vendor
Aargee Equipments Private Ltd	Material Purchase	Tata Motors Passenger Vehicles Limited	0.15	-	External vendor
Akshay Industries	Services availed	Tata Motors Passenger Vehicles Limited	0.13	-	External vendor
Durga Automobiles	Services availed	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Karnavati Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.08	-	External vendor

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Name of struck off Company	Nature of transactions with struck off Company	Subsidiary Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Lala Enterprises	Services availed	Tata Motors Passenger Vehicles Limited	0.02	-	External vendor
Prakash Industries	Material Purchase	Tata Motors Passenger Vehicles Limited	0.78	-	External vendor
Pratap Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Rushi Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.19	-	External vendor
Shiva Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.03	-	External vendor
Sarna Motors *	Services availed	Tata Motors Passenger Vehicles Limited	0.00 <sup>#</sup>	-	External vendor
Shreya Industries	Material Purchase	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Sandeep Automobiles	Services availed	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Tara Tools	Material Purchase	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Tangent Technologies	Material Purchase	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Zenith Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Chetan Motors (Ghatge Patil Transports Private Limited)	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.01	0.01	External vendor
Agarwal Motors Prop Concord Tie Up Pvt Ltd	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.01	0.01	External vendor
Shriram Autowheels Pvt Ltd	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.00	0.00 <sup>#</sup>	External vendor

<sup>#</sup> less than ₹ 50,000 /-

# Notes

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## 46. Earnings per Share ("EPS")

### (A) Accounting Policy

Basic earnings per share has been computed by dividing profit for the year by the weighted average number of shares outstanding during the year. Partly paid-up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

### (B) EPS

		Year ended March 31, 2023	Year ended March 31, 2022	
(a)	Profit / (Loss) for the period	₹ crores	2,414.29	(11,441.47)
(b)	The weighted average number of Ordinary shares for Basic EPS	Nos.	3,321,146,115	3,320,402,491
(c)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	508,502,896
(d)	The nominal value per share (Ordinary and 'A' Ordinary)	₹	2.00	2.00
(e)	Share of profit / (loss) for Ordinary shares for Basic EPS	₹ crores	2,089.31	(9,921.97)
(f)	Share of profit / (loss) for 'A' Ordinary shares for Basic EPS*	₹ crores	324.98	(1,519.50)
(g)	Earnings Per Ordinary share (Basic)	₹	6.29	(29.88)
(h)	Earnings Per 'A' Ordinary share (Basic)	₹	6.39	(29.88)
(i)	Profit after tax for Diluted EPS	₹ crores	2,414	#
(j)	The weighted average number of Ordinary shares for Basic EPS	Nos.	3,321,146,115	#
(k)	Add: Adjustment for shares held in abeyance		492,559	
(l)	Add: Adjustment for Options relating to warrants and shares held in Nos. abeyance		1,282,388	#
(m)	The weighted average number of Ordinary shares for Diluted EPS	Nos.	3,322,921,062	#
(n)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	#
(o)	Add: Adjustment for 'A' Ordinary shares held in abeyance	Nos.	233,214	#
(p)	The weighted average number of 'A' Ordinary shares for Diluted EPS	Nos.	508,736,110	#
(q)	Share of profit for Ordinary shares for Diluted EPS	₹ crores	2,089.33	#
(r)	Share of profit for 'A' Ordinary shares for Diluted EPS*	₹ crores	324.96	#
(s)	Earnings Per Ordinary share (Diluted)	₹	6.29	(29.88)
(t)	Earnings Per 'A' Ordinary share (Diluted)	₹	6.39	(29.88)

\* 'A' Ordinary shareholders are entitled to receive dividend at 5 percentage points more than the aggregate rate of dividend determined by Tata Motors Limited on Ordinary shares for the financial year.

# Since there was a loss for the year ended March 31, 2022, potential equity shares are not considered as dilutive and hence Diluted EPS is same as Basic EPS.

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## 47. Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary / Associates / Joint Ventures

Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in 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 or loss	Amount (₹ in crores)	As % of consolidated OCI	Amount (₹ in crores)	As % of comprehensive income	Amount (₹ in crores)
<b>Parent</b>								
Tata Motors Ltd	46.78%	21,200.27	102.15%	2,747.62	13.01%	(249.12)	322.58%	2,498.50
<b>Subsidiaries</b>								
<b>Indian</b>								
TML Business Services Limited	0.40%	179.42	3.26%	87.63	0.01%	(0.27)	11.28%	87.36
Tata Motors Finance Limited	9.77%	4,430.12	-38.41%	(1,033.19)	1.66%	(31.82)	-137.50%	(1,065.01)
Tata Technologies Limited	2.25%	1,019.86	9.07%	244.03	0.51%	(9.81)	30.24%	234.22
Tata Motors Insurance Broking and Advisory Services Limited	0.09%	42.47	1.81%	48.71	0.02%	(0.32)	6.25%	48.39
TMF Holdings Limited	12.41%	5,625.47	-2.32%	(62.29)	0.00%	-	-8.04%	(62.29)
Tata Motors Finance Solutions Limited	5.40%	2,448.26	2.84%	76.35	-6.37%	121.96	25.60%	198.31
Tata Motors Body Solutions Limited (Formerly known as Tata Maropolo Motors Limited)	0.02%	9.28	-0.92%	(24.88)	0.03%	(0.64)	-3.29%	(25.52)
Jaguar Land Rover India Limited	1.55%	700.48	13.66%	367.35	0.00%	-	47.43%	367.35
Brabco Robotics and Automation Limited	-0.01%	(3.03)	0.03%	0.78	0.00%	-	0.10%	0.78
Jaguar Land Rover Technology and Business Services India Private Limited (Formerly known as JT Special Vehicles Pvt. Limited)	0.01%	4.21	0.12%	3.27	0.01%	(0.10)	0.41%	3.17
Tata Motors Passenger Vehicles Limited	15.73%	7,127.18	22.75%	612.05	0.63%	(11.98)	77.47%	600.07
TML CV Mobility Solutions Limited	0.10%	46.86	9.20%	247.43	0.00%	-	31.95%	247.43
Tata Passenger Electric Mobility Limited	11.74%	5,319.91	-9.43%	(253.55)	0.00%	0.03	-32.73%	(253.52)
TML Smart City Mobility Solutions Limited (Incorporated on May 25, 2022)	0.01%	3.41	-0.06%	(1.59)	0.00%	-	-0.21%	(1.59)
TML Smart City Mobility Solutions (U&K) Private Limited (Incorporated with effect from October 13, 2022)	0.00%	(0.26)	-0.01%	(0.36)	0.00%	-	-0.05%	(0.36)
Tata Technologies Limited Employees Stock Option Trust	0.00%	2.23	0.00%	0.07	0.00%	-	0.01%	0.07
<b>Foreign</b>								
Tata Daewoo Commercial Vehicle Company Limited	4.64%	2,102.56	4.79%	128.82	0.00%	-	16.63%	128.82
Tata Motors European Technical Centre PLC	0.94%	425.41	9.49%	255.31	0.00%	-	32.96%	255.31
Tata Motors (SA) (Proprietary) Limited	0.05%	21.43	0.01%	0.28	0.00%	-	0.04%	0.28
Tata Motors (Thailand) Limited	-1.52%	(688.40)	-0.86%	(23.07)	0.00%	-	-2.98%	(23.07)
TML Holdings Pte. Limited	23.93%	10,846.78	13.70%	368.40	-4.72%	90.39	59.23%	458.79
Tata Hispano Motors Carrocera S.A.	-1.95%	(883.09)	-0.36%	(9.79)	0.00%	-	-1.26%	(9.79)
Tata Hispano Motors Carroceries Maghreb SA	-0.13%	(59.15)	-0.23%	(6.08)	0.00%	-	-0.78%	(6.08)
Tilix S.r.l.	0.10%	46.53	0.07%	1.77	0.00%	-	0.23%	1.77
Tata Precision Industries Pte. Limited	0.05%	23.38	-0.02%	(0.51)	0.00%	-	-0.07%	(0.51)



# Notes

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Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in 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 or loss	Amount (₹ in crores)	As % of consolidated OCI	Amount (₹ in crores)	As % of comprehensive income	Amount (₹ in crores)
PT Tata Motors Indonesia	0.02%	7.49	-0.13%	(3.42)	0.00%	-	-0.44%	(3.42)
INCAT International Plc.	0.10%	47.03	0.00%	0.01	-0.01%	0.16	0.02%	0.17
Tata Technologies GmbH	0.05%	21.82	0.01%	0.32	-0.07%	1.29	0.21%	1.61
Tata Technologies de Mexico, S.A. de C.V.	0.01%	2.87	-0.02%	(0.50)	0.00%	-	-0.06%	(0.50)
Combric Limited	0.05%	23.06	0.00%	0.07	0.00%	-	0.01%	0.07
Tata Technologies SRL Romania	0.18%	79.65	0.41%	11.07	0.00%	-	1.43%	11.07
Tata Manufacturing Technologies (Shanghai) Limited	0.13%	57.40	0.79%	21.14	-0.03%	0.51	2.80%	21.65
Tata Technologies Europe Limited	2.82%	1,279.46	8.43%	226.79	-112%	21.54	32.06%	248.33
Tata Technologies Nordics AB	0.01%	2.86	-0.14%	(3.74)	0.00%	(0.06)	-0.49%	(3.80)
Tata Technologies Inc. (Formerly known as INCAT GmbH)	1.45%	658.92	2.41%	64.81	-2.51%	47.99	14.56%	112.80
Tata Technologies (Thailand) Limited	-0.02%	(7.31)	-0.17%	(4.66)	0.02%	(0.40)	-0.65%	(5.06)
Tata Technologies Pte Limited	2.08%	941.15	2.48%	66.68	-0.36%	6.86	9.49%	73.54
INCAT International Limited ESOP 2000	0.04%	19.92	-0.01%	(0.15)	-0.02%	0.44	0.04%	0.29
Jaguar Land Rover Automotive Plc	47.24%	21,410.79	-4.55%	(122.30)	0.00%	-	-15.79%	(122.30)
Jaguar Land Rover Limited	68.95%	31,247.14	-180.06%	(4,843.42)	0.00%	-	-625.33%	(4,843.42)
Jaguar Land Rover Holdings Limited	12.80%	55,203.22	52.64%	1,415.97	-10.97%	210.16	209.95%	1,626.13
JLR Nominee Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover (South Africa) Holdings Limited	3.89%	1,763.55	1.48%	39.73	0.00%	-	5.13%	39.73
Jaguar Cars Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Land Rover Exports Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
The Lancheater Motor Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
The Daimler Motor Company Limited	0.03%	15.25	0.00%	-	0.00%	-	0.00%	-
S.S. Cars Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Daimler Transport Vehicles Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover Pension Trustees Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Cars South Africa (Pty) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover Slovakia s.r.o	13.91%	6,303.00	4.95%	133.27	0.00%	-	17.21%	133.27
Jaguar Racing Limited	0.10%	45.49	0.24%	6.44	0.00%	-	0.83%	6.44
InMotion Ventures Limited	-0.42%	(189.63)	1.74%	46.67	0.00%	-	6.03%	46.67
In-Car Ventures Limited	-0.22%	(99.12)	-0.15%	(4.02)	0.00%	-	-0.52%	(4.02)
InMotion Ventures 2 Limited	-0.21%	(96.13)	-0.70%	(18.75)	0.00%	-	-2.42%	(18.75)
InMotion Ventures 3 Limited	-0.15%	(67.88)	-1.05%	(28.16)	0.00%	-	-3.64%	(28.16)
Jaguar Land Rover Ireland (Services) Limited	0.56%	252.59	0.00%	-	0.00%	-	0.00%	-
Limited Liability Company "Jaguar Land Rover" (Russia)	0.96%	435.42	-5.38%	(144.79)	0.00%	-	-18.69%	(144.79)
Jaguar Land Rover (China) Investment Co. Limited	39.04%	17,694.91	111.01%	2,985.90	0.00%	-	385.51%	2,985.90
Shanghai Jaguar Land Rover Automotive Services Company Limited	-0.02%	(7.20)	0.03%	0.92	0.00%	-	0.12%	0.92
Jaguar Land Rover Columbia S.A.S	0.07%	32.33	0.20%	5.46	0.00%	-	0.70%	5.46
Jaguar Land Rover Mexico S.A.P.I. de C.V.	0.09%	40.85	0.71%	19.17	0.00%	-	2.48%	19.17
Jaguar Land Rover Servicios Mexico S.A. de C.V.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover France, SAS	0.09%	40.49	1.34%	36.01	0.00%	-	4.65%	36.01
Jaguar Land Rover Portugal - Veículos e Peças, Lda	0.20%	90.01	0.41%	11.13	0.00%	-	1.44%	11.13

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Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in 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 or loss	Amount (₹ in crores)	As % of consolidated OCI	Amount (₹ in crores)	As % of comprehensive income	Amount (₹ in crores)
Jaguar Land Rover Espana SL	11.6%	526.31	0.99%	26.53	-0.09%	1.66	3.64%	28.19
Jaguar Land Rover Italia Spa	2.12%	960.79	4.79%	128.95	0.06%	(1.24)	16.49%	127.71
Land Rover Ireland Limited	0.01%	5.13	0.00%	-	0.23%	(4.50)	-0.58%	(4.50)
Jaguar Land Rover Korea Company Limited	0.30%	134.10	3.48%	93.74	0.00%	-	12.10%	93.74
Jaguar Land Rover Deutschland GmbH	1.20%	543.50	-5.25%	(41.34)	-2.08%	39.77	-13.11%	(101.57)
Jaguar Land Rover Austria GmbH	0.27%	122.59	0.52%	14.05	0.00%	-	1.81%	14.05
Jaguar Land Rover Australia Pty Limited	1.27%	576.10	2.10%	56.59	0.00%	-	7.31%	56.59
Jaguar Land Rover North America LLC	11.94%	5,410.29	27.10%	729.08	0.20%	(3.91)	93.63%	725.17
Jaguar Land Rover Japan Limited	0.76%	342.40	2.52%	67.72	0.00%	-	8.74%	67.72
Jaguar Land Rover Canada ULC	0.58%	262.75	1.66%	44.72	0.00%	-	5.77%	44.72
Jaguar e Land Rover Brasil Industria e Comercio de Veiculos LTDA	1.11%	502.10	4.61%	123.87	0.00%	-	15.99%	123.87
Jaguar Land Rover Belux NV	0.35%	159.74	1.11%	29.74	-0.09%	1.73	4.06%	31.47
Jaguar Land Rover Nederland BV	0.18%	83.02	0.66%	17.88	0.16%	(3.09)	1.91%	14.79
Jaguar Land Rover (South Africa) (pty) Limited	0.55%	249.91	3.56%	95.70	0.00%	-	12.36%	95.70
Jaguar Land Rover Singapore Pte. Ltd	0.10%	45.10	0.49%	13.30	0.00%	-	1.72%	13.30
Jaguar Land Rover Taiwan Company Limited	0.28%	127.98	3.99%	107.27	0.00%	-	13.85%	107.27
Jaguar Land Rover Classic Deutschland GmbH	0.00%	(1.61)	0.03%	0.91	0.00%	-	0.12%	0.91
Jaguar Land Rover Hungary KFT	14.00%	6,943.69	43.94%	1,181.87	0.00%	-	152.59%	1,181.87
Jaguar Land Rover Classic USA LLC	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Bowler Motors Limited	-0.07%	(32.75)	-0.57%	(15.24)	0.00%	-	-1.97%	(15.24)
Jaguar Land Rover Ventures Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover (Ningbo) Trading Co. Limited	33.93%	15,375.97	388.55%	10,451.59	0.00%	-	1349.39%	10,451.59
Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited	0.08%	35.57	0.29%	7.72	0.00%	-	1.00%	7.72
PT Tata Motors Distribusi Indonesia	0.01%	6.71	-0.11%	(2.93)	0.00%	-	-0.38%	(2.93)
<b>Minority interests in all subsidiaries</b>								
<b>Indian</b>								
Tata Marcopolo Motors Ltd	0.00%	-	0.37%	9.95	-0.13%	2.56	1.61%	12.51
Tata Technologies Ltd	-1.24%	(562.89)	-5.41%	(145.46)	-1.02%	19.48	-16.27%	(125.98)
Tata Motor Finance Limited (Preference Share)	-1.01%	(460.00)	-5.24%	(140.88)	0.00%	-	-18.19%	(140.88)
Tata Motors Financial Solutions Ltd (Preference Share)	-2.97%	(1,348.00)	0.00%	-	0.00%	-	0.00%	-
Tata Passenger Electric Mobility Ltd. (CCPS A1)	-10.91%	(4,943.47)	0.00%	-	0.00%	-	0.00%	-
<b>Foreign</b>								
Tata Motors (SA) (Proprietary) Ltd	-0.02%	(8.59)	0.00%	(0.13)	0.06%	(1.14)	-0.16%	(1.27)
Tata Precision Industries Pte Ltd	-0.01%	(5.07)	0.01%	0.30	-0.03%	0.50	0.10%	0.80
Tata Motors (Thailand) Limited	0.11%	50.27	0.02%	0.65	0.06%	(1.07)	-0.05%	(0.42)
Trillix	0.00%	-	-	-	-	-	-	-

# Notes

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Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in 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 or loss	Amount (₹ in crores)	As % of consolidated OCI	Amount (₹ in crores)	As % of comprehensive income	Amount (₹ in crores)
<b>Joint operations</b>								
<b>Indian</b>								
Fiat India Automobiles Private Limited	6.42%	2,910.15	14.11%	379.63	-0.03%	0.65	49.10%	380.28
Tata Cummins Private Limited	1.62%	736.36	8.55%	230.03	0.06%	(1.24)	29.54%	228.79
<b>Adjustments arising out of consolidation</b>	-415.17%	(188,160.28)	-550.38%	(14,804.60)	113.22%	(2,168.59)	-2191.39%	(16,973.20)
<b>Sub - total (a)</b>		<b>37,228.86</b>		<b>2,253.40</b>		<b>(1,921.62)</b>		<b>331.79</b>
<b>Joint ventures (as per proportionate consolidation / investment as per the equity method)</b>								
<b>Indian</b>								
Tata HAL Technologies Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Foreign</b>								
Chery Jaguar Land Rover Automotive Company Limited	14.90%	6,753.76	8.07%	217.08	0.00%	-	28.03%	217.08
<b>Sub - total (b)</b>		<b>6,753.76</b>		<b>217.08</b>		<b>-</b>		<b>217.08</b>
<b>Associates (investment as per the equity method)</b>								
<b>Indian</b>								
Tata AutoComp Systems Limited	1.17%	531.59	6.99%	187.99	-0.35%	6.63	25.13%	194.62
Automobile Corporation of Goa Limited	0.33%	151.31	0.51%	13.81	0.08%	(1.54)	1.58%	12.27
Tata Hitachi Construction Machinery Company Private Limited	1.35%	610.24	0.73%	19.63	-0.06%	1.20	2.69%	20.83
Loginomic Tech Solutions Private Limited ("TruckEasy")	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Tata Precision Industries (India) Limited	0.00%	0.00	-0.03%	(0.94)	0.00%	-	-0.12%	(0.94)
<b>Foreign</b>								
Nitra Company Limited	0.07%	33.10	-0.04%	(1.10)	0.00%	-	-0.14%	(1.10)
Synaptiv Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover Switzerland AG	0.02%	10.16	0.00%	-	0.00%	-	0.00%	-
Cloud Car Inc	0.00%	-	0.00%	-	0.00%	-	0.00%	-
DriveClubService Pte. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Cars Finance Limited	0.01%	2.75	0.00%	-	0.00%	-	0.00%	-
Inchcape JLR Europe Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sentec Corporation Limited* (acquired on June 17, 2022)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Sub - total (c)</b>		<b>1,339.17</b>		<b>219.39</b>		<b>6.29</b>		<b>225.67</b>
<b>Total (b + c)</b>	<b>17.86%</b>	<b>8,092.93</b>	<b>16.23%</b>	<b>456.47</b>	<b>-0.33%</b>	<b>6.29</b>	<b>57.16%</b>	<b>442.75</b>
<b>Total (a + b + c)</b>	<b>100.00%</b>	<b>45,321.79</b>	<b>100.00%</b>	<b>2,689.87</b>	<b>100.00%</b>	<b>(1,915.33)</b>	<b>100.00%</b>	<b>774.54</b>

# Notes

forming part of Consolidated Financial Statements

## 48. Other statutory information :

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (d) The Company, its associate companies, joint venture companies and joint operations have not advanced or loaned or invested funds to any person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company, (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (e) The Company, its associate companies, joint venture companies and joint operations have not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (g) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- (h) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- (i) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

## 49 Other Notes

- (a) During the year ended March 31, 2023, Jaguar Land Rover has recognised a pension past service credit of **₹1,495.07 crores (₹155 million)** due to change in inflation index from RPI to CPI.
- (b) During the year ended March 31, 2022, Jaguar Land Rover has created a provision of ₹428.66 crores (₹43 million) in relation to customer liabilities arising from sanctions imposed against Russia by many countries, preventing the shipment of vehicles and certain parts to the market.
- (c) In April 2021, the Company has completed the sale of certain assets related to defence business to Tata Advanced Systems Limited (TASL) for sale consideration of ₹234.09 crores against the Net Assets of ₹231.57 crores resulting in a gain of ₹2.52 crores recorded as an exceptional item in the Consolidated Statement of Profit and Loss for the year ended March 31, 2023.

In terms of our report attached

**For B S R & Co. LLP**

Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**SHIRAZ VASTANI**

Partner  
Membership No. 103334  
UDIN: 23103334BGYMRQ5348  
Place: Mumbai  
Date: May 12, 2023

For and on behalf of the Board

**N CHANDRASEKARAN** [DIN: 00121863]

Chairman

**GIRISH WAGH** [DIN: 03119361]

Executive Director

**P B BALAJI**

Group Chief Financial Officer

**MALOY KUMAR GUPTA** [ACS: 24123]

Company Secretary

Place: Mumbai  
Date: May 12, 2023

## Summarised Statement of Assets and Liabilities (CONSOLIDATED)

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
<b>WHAT THE COMPANY OWNED</b>		
(1) Property, plant and equipment and Other intangible assets	137,712.62	141,613.35
(2) Right of use assets	7,801.04	6,686.02
(3) Goodwill	840.60	807.17
(4) Non-current Investments	7,540.85	6,670.31
(5) Non-current Finance receivables	7,416.41	11,135.85
(6) Deferred tax assets (net)	5,184.67	3,870.85
(7) Non-current tax assets (net)	1,556.36	1,196.79
(8) Other non-current assets	16,500.36	11,662.05
(9) Current assets	151,528.47	146,977.54
<b>TOTAL ASSETS</b>	<b>336,081.38</b>	<b>330,619.93</b>
<b>WHAT THE COMPANY OWED</b>		
(1) Net worth		
Equity share capital	766.02	765.88
Other equity	44,555.77	43,795.36
(2) Non-controlling interests	7,277.72	4,271.06
(3) Non-current borrowings	88,695.81	97,759.17
(4) Non-current provisions	13,196.53	12,955.89
(5) Deferred tax liabilities (net)	1,406.95	1,558.44
(6) Other non-current liabilities	25,155.25	18,831.32
(7) Current liabilities	155,027.33	150,682.81
<b>TOTAL LIABILITIES</b>	<b>336,081.38</b>	<b>330,619.93</b>

## Summarised Statement of Profit and Loss (CONSOLIDATED)

	Year ended March 31, 2023	Year ended March 31 2022
(₹ in crores)		
<b>1 INCOME</b>		
Revenue	342,874.59	275,235.23
Other Operating Revenues	3,092.38	3,218.39
Total revenue from operations	<b>345,966.97</b>	<b>278,453.62</b>
Other income	4,633.18	3,053.63
<b>Total</b>	<b>350,600.15</b>	<b>281,507.25</b>
<b>2 EXPENDITURE</b>		
Cost of materials consumed	208,944.31	160,920.56
Purchase of products for sale	22,306.95	18,374.77
Changes in inventories of finished goods, work-in-progress and products for sale	(4,781.62)	1,590.49
Employee benefits expense	33,654.70	30,808.52
Finance costs	10,225.48	9,311.86
Compulsorily convertible preference share measured at Fair Value	13.75	14.45
Foreign exchange (gain)/loss (net)	(103.88)	78.68
Depreciation and amortisation expense	24,860.36	24,835.69
Product development/Engineering expenses	10,661.96	9,209.50
Other expenses	61,785.96	47,133.85
Amount transferred to capital and other accounts	(18,434.84)	(14,397.29)
<b>Total Expenses</b>	<b>349,133.13</b>	<b>287,881.08</b>
<b>Profit/(loss) before exceptional items and tax</b>	<b>1,467.02</b>	<b>(6,373.83)</b>
<b>Total exceptional item</b>	<b>(1,590.53)</b>	<b>629.58</b>
<b>3 PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>3,057.55</b>	<b>(7,003.41)</b>
4 Tax expense/(credit) (net)	704.06	4,231.29
<b>5 PROFIT/(LOSS) AFTER TAX FROM CONTINUING OPERATIONS (3-4)</b>	<b>2,353.49</b>	<b>(11,234.70)</b>
6 Share of profit of joint ventures and associates (net)	336.38	(74.06)
<b>7 PROFIT/(LOSS) FOR THE YEAR</b>	<b>2,689.87</b>	<b>(11,308.76)</b>
<b>8 TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)</b>	<b>(1,915.33)</b>	<b>(455.19)</b>
<b>9 TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>	<b>774.54</b>	<b>(11,763.95)</b>

# FINANCIAL STATISTICS - CONSOLIDATED

Year	CAPITAL ACCOUNTS (₹ in lakhs)					REVENUE ACCOUNTS (₹ in lakhs)								RATIOS				Net Worth Per Share* (₹)
	Capital	Reserves and Surplus	Borrowings	Gross Block	Accumulated Depreciation	Net Block	Turnover	Depreciation	Profit/ (Loss) Before Taxes	Taxes	Profit/ (Loss) After Taxes	Dividend including tax	PAT to Sales	Earnings Per Share (Basic)* (₹)		Dividend Per Share*# (₹)		
														Ordinary Share	'A' Ordinary Share	Ordinary Share	'A' Ordinary Share	
2001-02	31,982	183,617	282,031	634,984	252,475	382,509	932,220	39,222	(18,015)	(6,740)	(10,719)	45	(11)%	(3,95)	-	-	-	66 @
2002-03	31,983	190,018	178,965	648,959	284,038	364,921	1,144,801	40,190	54,350	22,640	29,712	14,497	2.6%	9.29	-	4.00	-	66
2003-04	35,683	329,884	169,842	728,468	323,749	404,719	1,634,104	42,556	144,487	53,077	91,529	32,099	5.6%	27.88	-	8.00	-	104 @
2004-05	36,179	403,537	271,420	834,162	375,933	458,229	2,284,217	53,101	184,809	49,062	138,534	52,346	6.1%	38.50	-	12.50	-	121 @
2005-06	38,287	574,860	337,914	1,027,949	484,356	543,593	2,750,725	62,331	234,898	64,000	172,809	58,439	6.3%	45.86	-	13.00	-	160 @
2006-07	38,541	733,626	730,190	1,294,083	542,665	751,418	3,707,579	68,809	308,800	88,321	216,999	68,822	5.9%	56.43	-	15.00	-	200 @
2007-08	38,554	831,198	1,158,487	1,892,393	606,049	1,286,344	4,060,827	78,207	308,629	85,154	216,770	67,674	5.3%	56.24	-	15.00	-	225 @
2008-09	51,405	542,659	3,497,385	6,900,238	3,326,905	3,573,333	7,489,227	250,677	(212,925)	33,575	(250,525)	36,458	(3.3)%	(56.88)	(56.88)	6.00	6.50	114 ++
2009-10	57,060	763,588	3,519,236	7,291,985	3,441,352	3,850,633	9,736,054	388,713	352,264	100,575	257,106	100,185	2.6%	48.64	49.14	15.00	15.50	144 ^
2010-11	63,771	1,853,376	3,281,055	8,291,975	3,969,870	4,322,105	12,684,370	465,551	1,043,717	121,638	927,362	148,130	7.3%	155.25	155.75	20.00	20.50	302 **
2011-12	63,475	3,206,375	4,714,896	10,572,497	4,951,247	5,621,250	17,133,935	562,538	1,353,387	(4,004)	1,351,650	148,862	7.9%	42.58**	42.68**	4.00**	4.10**	103 **
2012-13	63,807	3,699,923	5,371,571	12,158,556	5,172,265	6,986,291	19,451,406	760,128	1,364,733	377,666	989,261	75,614	5.1%	31.02	31.12	2.00	2.10	118 **
2013-14	64,378	6,660,345	6,064,228	16,619,078	6,881,538	9,737,540	23,745,502	1,107,816	1,886,897	476,479	1,399,102	76,577	5.9%	43.51	43.61	2.00	2.10	209 **
2014-15	64,378	5,561,814	7,361,039	18,684,665	7,442,406	11,242,259	26,760,664	1,338,863	2,170,256	764,291	1,398,629	(3,319)	5.2%	43.44	43.54	0.00	0.00	175 **
2015-16	67,918	8,010,349	7,046,849	21,639,756	8,754,689	12,885,067	28,107,844	1,701,418	1,398,087	287,260	1,102,375	11,052	3.9%	32.61	32.71	0.20	0.30	238 **
2016-17	67,922	5,738,267	7,860,398	19,653,773	6,756,813	12,896,960	27,524,666	1,790,499	931,479	325,123	745,436	-	2.7%	21.94	22.04	-	-	171 ***
2017-18	67,922	9,474,869	8,895,047	25,312,610	9,179,519	16,133,091	29,629,823	2,155,359	1,115,503	434,193	898,891	-	3.0%	26.46	26.56	-	-	281
2018-19	67,922	5,950,034	10,617,534	26,365,294	12,128,250	14,237,044	30,490,371	2,359,063	(3,137,115)	(243,745)	(2,882,623)	-	(9.5)%	(84.89)	(84.89)	-	-	177
2019-20	71,954	6,235,899	11,881,052	30,752,494	14,557,257	16,195,237	26,404,112	2,142,543	(1,057,998)	254,186	(1,207,085)	-	(4.6)%	(34.88)	(34.88)	-	-	182
2020-21	76,581	5,448,091	13,590,451	33,385,256	17,498,474	15,886,782	25,243,794	2,354,671	(1,047,428)	254,186	(1,345,139)	-	(5.3)%	(36.99)	(36.99)	-	-	152
2021-22	76,588	4,379,536	13,967,704	33,353,994	18,524,057	14,829,937	28,150,725	2,483,569	(700,341)	423,129	(1,144,147)	-	(4.1)%	(29.88)	(29.88)	-	-	116
2022-23	76,602	4,455,577	12,566,047	34,457,526	19,906,160	14,551,366	35,060,015	2,486,036	305,755	70,406	241,429	-	0.7%	6.29	6.39	-	-	118

Notes:

@ On increased capital base due to conversion of Bonds / Convertible Debentures / Warrants / FCCN into shares.

\* Equivalent to a face value of Rs.2/- per share.

# Includes Interim Dividend where applicable.

! Includes a special dividend of Rs. 2.50 per share for the Diamond Jubilee Year.

++ On increased capital base due to Rights issue and conversion of FCCN into shares.

^ On increased capital base due to GDS issue and conversion of FCCN into shares.

\*\* On increased capital base due to QIP issue and conversion of FCCN into shares.

\*\*\* Consequent to sub-division of shares, figures for previous years are not comparable

\*\*\*\* The figures of FY 2016-17 is as per Ind AS

## Summarised statement of Assets and Liabilities (STANDALONE)

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
<b>WHAT THE COMPANY OWNED</b>		
(1) Property, plant and equipment, Right of use assets and Other intangible assets	15,627.27	15,543.00
(2) Non-current Investments	29,181.62	29,256.39
(3) Non-current tax assets (net)	868.22	777.68
(4) Deferred tax assets (net)	1,477.26	-
(5) Other non-current assets	3,116.45	2,703.19
(6) Current assets	11,499.95	15,619.61
<b>TOTAL ASSETS</b>	<b>61,770.77</b>	<b>63,899.87</b>
<b>WHAT THE COMPANY OWED</b>		
(1) Net worth		
Equity share capital	766.02	765.88
Other equity	21,703.83	19,178.27
(2) Non-current borrowings	10,445.70	14,102.74
(3) Non-current lease liabilities	305.26	237.84
(4) Non-current provisions	1,588.75	1,474.11
(5) Deferred tax liabilities (net)	51.16	173.72
(6) Other non-current liabilities	1,106.52	974.50
(7) Current liabilities	25,803.53	26,992.81
<b>TOTAL LIABILITIES</b>	<b>61,770.77</b>	<b>63,899.87</b>



## Summarised Statement of Profit and Loss (Standalone)

	(₹ in crores)	
	Year ended March 31, 2023	Year ended March 31 2022
<b>1 INCOME</b>		
Revenue from operations	65,757.33	47,263.68
Other income	820.94	659.91
<b>Total</b>	<b>66,578.27</b>	<b>47,923.59</b>
<b>2 EXPENDITURE</b>		
Cost of materials consumed	42,226.81	31,693.11
Purchase of products for sale	6,561.32	5,030.00
Changes in inventories of finished goods, work-in-progress and products for sale	484.69	(403.87)
Employee benefits expense	4,021.63	3,601.51
Finance costs	2,047.51	2,121.73
Foreign exchange loss (net)	279.76	136.81
Depreciation and amortisation expense	1,766.86	1,760.57
Product development/Engineering expenses	899.06	593.90
Other expenses	7,819.74	6,018.71
Amount transferred to capital and other accounts	(1,066.73)	(905.42)
Total Expenses	65,040.65	49,647.05
<b>Profit before exceptional items and tax</b>	<b>1,537.62</b>	<b>(1,723.46)</b>
<b>Total Exceptional items</b>	<b>282.82</b>	<b>(83.41)</b>
<b>3 PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>1,254.80</b>	<b>(1,640.05)</b>
<b>4 Tax expense/(credit) (net)</b>	<b>(1,473.33)</b>	<b>99.18</b>
<b>5 PROFIT/(LOSS) AFTER TAX FROM CONTINUING OPERATIONS (3-4)</b>	<b>2,728.13</b>	<b>(1,739.23)</b>
<b>6 PROFIT/(LOSS) BEFORE TAX FOR THE YEAR FROM DISCONTINUED OPERATIONS</b>	<b>-</b>	<b>392.51</b>
<b>7 Tax expense/(credit) (net)</b>	<b>-</b>	<b>44.14</b>
<b>8 PROFIT/(LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS (6-7)</b>	<b>-</b>	<b>348.37</b>
<b>9 PROFIT/(LOSS) FOR THE YEAR (5+8)</b>	<b>2,728.13</b>	<b>(1,390.86)</b>
<b>10 TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)</b>	<b>(250.35)</b>	<b>282.35</b>
<b>11 TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>	<b>2,477.78</b>	<b>(1,108.51)</b>

# Financial Statistics - STANDALONE

Year	CAPITAL ACCOUNTS (₹ in lakhs)							REVENUE ACCOUNTS (₹ in lakhs)					RATIOS					
	Capital	Reserves and Surplus	Borrowings	Gross Block	Depreciation	Net Block	Turnover	Depreciation	Profit/(Loss) Before Taxes	Taxes	Profit/(Loss) After Taxes	Dividend including tax	PAT to Sales	Earnings Per Share (Basic)* (₹)		Dividend Per Share*# (₹)		Net Worth Per Share* (₹)
														Ordinary Share	'A' Ordinary Share	Ordinary Share	'A' Ordinary Share	
1945-46	100	1	-	31	2	29	12	2	1	-	1	-	8.3%	0.07	-	-	-	10
1949-50	200	11	94	233	44	189	167	15	11	5	6	-	-	3.6%	0.03	-	-	10
1953-54	500	27	412	731	270	461	321	97	3	-	3	-	-	0.9%	0.11	-	-	11
1954-55	627	27	481	792	303	489	445	35	-	-	-	-	-	0.0%	-	-	-	11
1955-56	658	120	812	1010	407	603	1198	105	125	32	93	59	7.8%	1.32	-	0.60	-	12
1956-57	700	149	1382	1352	474	878	2145	70	116	27	89	44	4.1%	1.64	-	0.80	-	13
1957-58	700	117	1551	1675	668	1007	2694	129	99	6	93	52	3.5%	1.72	-	0.90	-	12
1958-59	1000	206	1245	2050	780	1270	2645	113	155	13	142	56	5.4%	1.68	-	0.90	-	12
1959-60	1000	282	1014	2201	940	1261	2825	161	222	93	129	108	4.6%	1.50	-	1.25	-	13
1960-61	1000	367	1263	2593	1118	1475	3735	180	313	122	191	126	5.1%	2.26	-	1.45	-	14
1961-62	1000	432	1471	2954	1336	1618	4164	220	378	188	190	124	4.6%	2.28	-	1.45	-	15
1962-63	1000	450	1758	3281	1550	1731	4364	223	327	185	142	124	3.3%	1.68	-	1.45	-	15
1963-64	1198	630	2470	3920	1802	2118	5151	260	404	200	204	144	4.0%	1.97	-	1.45	-	16
1964-65	1297	787	3275	4789	2144	2645	6613	345	479	208	271	157	4.1%	2.39	-	1.45	-	17
1965-66	1640	995	3541	5432	2540	2892	7938	398	477	189	288	191	3.6%	2.20	-	1.45	-	18
1966-67	1845	1027	4299	6841	3039	3802	9065	505	620	192	428	235	4.7%	2.80	-	1.45+	-	17
1967-68	1845	1121	5350	7697	3608	4089	9499	572	395	66	329	235	3.5%	2.10	-	1.45	-	18
1968-69	1845	1295	5856	8584	4236	4348	10590	630	582	173	409	235	3.9%	2.66	-	1.45	-	19
1969-70	1845	1333	6543	9242	4886	4356	9325	662	274	-	274	221	2.8%	1.72	-	1.35	-	19
1970-71	1845	1516	6048	10060	5620	4440	13624	749	673	270	403	251	3.0%	2.49	-	1.45	-	20
1971-72	1949	2020	6019	10931	6487	4444	15849	758	885	379	506	273	3.2%	3.04	-	1.50	-	23
1972-73	1949	2194	5324	12227	7491	4736	15653	820	832	360	472	266	3.0%	2.87	-	1.50	-	24
1973-74	1949	2394	6434	13497	8471	5026	16290	902	1007	450	557	180	3.4%	3.43	-	0.93	-	26
1974-75	1949	2827	9196	15838	9593	6245	22510	1134	677	136	541	266	2.4%	3.32	-	1.50	-	28
1975-76	2013	3691	9399	18642	10625	8017	27003	1054	855	91	764	276	2.8%	4.60	-	1.50	-	33
1976-77	2328	3833	11816	20709	11685	9024	28250	1145	1056	-	1056	323	3.7%	5.38	-	1.50+	-	30
1977-78	2118	4721	11986	22430	12723	9707	28105	1101	1044	-	1044	313	3.7%	5.37	-	1.50	-	35
1978-79	3151	5106	11033	24900	13895	11005	37486	1200	1514	-	1514	467	4.0%	5.36	-	1.60+	-	27
1979-80	3151	6263	17739	28405	15099	13306	44827	1300	1762	-	1762	605	3.9%	5.96	-	2.00	-	31
1980-81	3151	8095	15773	33055	16496	16559	60965	1616	2437	-	2437	605	4.0%	8.27	-	2.00	-	38
1981-82	4320	10275	25476	38819	18244	20575	79244	1993	4188	-	4188	839	5.3%	10.18	-	2.00+	-	35 @
1982-83	4226	12458	23361	43191	20219	22972	86522	2187	3481	460	3021	827	3.5%	7.34	-	2.00	-	40
1983-84	5421	14103	25473	46838	23078	23760	85624	2923	2163	235	1928	923	2.3%	3.61	-	2.00	-	37 @
1984-85	5442	15188	30226	52819	26826	25993	93353	3895	2703	390	2313	1241	2.5%	4.32	-	2.30	-	39
1985-86	5452	16551	44651	61943	29300	32913	102597	3399	1832	215	1617	1243	1.6%	3.00	-	2.30	-	41
1986-87	5452	15886	53476	68352	30914	37438	119689	2157	293	-	293	552	0.2%	0.51	-	1.30	-	40
1987-88	6431	17491	44406	75712	34620	41092	140255	3822	3205	510	2695	1356	1.9%	4.25	-	2.30	-	38 @
1988-89	10501	30740	32396	83455	38460	44995	167642	4315	8513	1510	7003	2444	4.2%	6.74	-	2.50	-	40 @
1989-90	10444	37870	48883	91488	43070	48418	196910	4891	14829	4575	10254	3126	5.2%	9.87	-	3.00	-	47
1990-91	10387	47921	48323	100894	48219	52675	259599	5426	23455	9250	14205	4154	5.5%	13.69	-	4.00	-	56
1991-92	11765	61863	105168	123100	54609	68491	317965	6475	20884	7800	13084	4389	4.1%	12.45	-	4.00	-	67 @
1992-93	12510	64207	144145	153612	61710	91902	309156	7456	3030	26	3004	3642	1.0%	2.47	-	4.00	-	63
1993-94	12867	70745	141320	177824	70285	107539	374786	9410	10195	20	10175	5020	2.7%	7.91	-	4.00	-	65
1994-95	13694	128338	115569	217084	81595	135489	568316	11967	45141	13246	31895	8068	5.6%	23.29	-	6.00	-	107
1995-96	24182	217400	128097	294239	96980	197259	790967	16444	76072	23707	53002	14300	6.7%	21.92	-	6.00	-	100
1996-97	25588	339169	253717	385116	117009	268107	1012843	20924	100046	23810	76236	22067	7.5%	30.40	-	8.00	-	143
1997-98	25588	349930	330874	487073	141899	345174	736279	25924	32880	3414	29466	15484	4.0%	11.51	-	5.00	-	147
1998-99	25590	350505	344523	569865	165334	404531	659395	28132	10716	9746	8520	15%	3.80	-	3.50	-	147	
1999-00	25590	349822	300426	518233	182818	398415	896114	34261	7520	400	7120	7803	0.8%	2.78	-	2.50	-	147
2000-01	25590	299788	299888	591427	209067	382360	816422	34737	(50034)	-	(50034)	-	-	(18.45)	-	-	-	127
2001-02	31982	214524	230772	591006	243172	347834	819086	35468	(10921)	(5548)	(5373)	-	-	(1.98)	-	-	-	77 @
2002-03	31983	227733	145831	608114	271307	336807	1085874	36213	51037	21026	30011	14430	2.8%	9.38	-	4.00	-	81
2003-04	35683	323677	125977	627149	302369	324780	1555242	38260	129234	48200	81034	31825	5.2%	24.68	-	8.00	-	102 @
2004-05	36179	374960	249542	715079	345428	369651	2064866	45016	165190	41495	123695	51715	6.0%	34.38	-	12.50	-	114 @
2005-06	38287	515420	293684	892274	440151	452123	2429052	52094	205338	52450	152888	56778	6.3%	40.57	-	13.00	-	145 @
2006-07	38541	648434	400914	1128912	489454	639458	3206467	58629	257318	65972	191346	67639	6.0%	49.76	-	15.00	-	178 @
2007-08	38554	745396	628052	1595799	544352	1045227	3357711	65231	257647	54755	202892	65968	6.0%	52.64	-	15.00	-	203 @
2008-09	51405	1171610	1316556	2085206	625990	1459216	2949418	87454	101376	1250	100126	34570	3.4%	22.70	23.20	6.50	238 ++	
2009-10	57060	1439487	1659454	2364896	721292	1643604	4021755	103387	282954	58946	224008	99194	5.6%	42.37	42.87	15.00	15.50	262 *
2010-11	63771	1937559	1591543	2568235	846625	1721610	5160692	136077	219652	38470	18182	146703	3.5%	30.28	30.78	20.00	20.50	315 **
2011-12	63475	1899126	1688057	2902206	996587	1905619	5979502	160674	134103	9880	124223	146372	2.1%	390**	4.00**	4.00**	4.10**	62
2011-13	63807	1849677	1679895	3181998	1161144	2020854	5140793	181674	17493	(12688)	30181	72423	0.6%	0.93	1.03	2.00	2.10	60
2013-14	64378	1853287	1505280	3514652	1355088	2159564	4159103	207030	(102580)	(136032)	33452	74196	0.8%	1.03	1.13	2.00	2.10	60
2014-15	64378	1421881	213441	3785500	1603098	2182402	4141264	260322	(397472)	76423	(473895)	-	-1.4%	(14.72)	(14.72)	-	-	46
2015-16	67918	2168890	1588725	4077235	1852749	2224486	4877959	245375	15039	(8384)	23423	7300	0.5%	0.68	0.78	0.20	0.30	61
2016-17	67922	2012993	1957398	4591464	1853922	2737542	5007925	296399	(242077)	5922	(247999)	-	-5.0%	(7.30)	(7.30)	-	-	61 ***
2017-18	67922	1949176	1846384	4826322	2156196	2670126	6118229	310189	(94692)	8793	(103485)	-	-1.7%	(3.05)	(3.05)	-	-	59
2018-19	67922	2148330	1863963	5158440	2311007	2847433	7175742	309864	239893	37833	202060	-	2.8%	5.94	6.04	-	-	65
2019-20	71954	1766811	2544477	5614576	2654207	296												

## STATEMENT PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARY COMPANIES

### Part - A

(₹ in crores)

Sr. No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/(Loss) Before Tax	Tax Expense/(Credit)	Profit/(Loss) after tax	Profit/(Loss) for the period/year*	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding
1	TML Business Services Limited	India	INR	1.00	53.60	126.36	268.56	88.60	188.82	44.20	(43.43)	87.63	87.63	-	-	100.00
2	Tata Motors Finance Limited	India	INR	1.00	2,327.65	2,102.45	30,341.93	25,911.83	3,556.08	(1,038.74)	5.55	(1,033.19)	(1,033.19)	-	1,375.81	100.00
3	Tata Technologies Ltd (subsidiary w.e.f September 10, 1997)	India	INR	1.00	81.13	938.76	2,598.03	1,578.14	2,112.28	332.15	88.12	244.03	244.03	-	29.78	76.69
4	Tata Motors Insurance Broking & Advisory Services Ltd	India	INR	1.00	5.00	37.47	136.35	93.88	393.47	65.24	16.53	48.71	48.71	-	25.24	100.00
5	TMF Holdings Ltd (Name changed from Tata Motors Finance Limited w.e.f. June 30, 2017) (subsidiary w.e.f. June 1, 2006)	India	INR	1.00	3,541.59	2,083.87	9,407.77	3,782.31	139.87	(62.28)	-	(62.28)	(62.28)	-	96.05	100.00
6	Tata Motors Financial Solutions Ltd (subsidiary w.e.f. January 19, 2015)	India	INR	1.00	2,160.50	287.76	11,789.19	9,340.9289	1,342.66	102.17	25.82	76.35	76.35	-	876.11	100.00
7	Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited) (subsidiary w.e.f. September 20, 2006)	India	INR	1.00	218.39	(209.11)	474.97	465.69	781.53	(24.56)	0.32	(24.88)	(24.88)	-	-	100.00
8	Jaguar Land Rover India Limited (subsidiary w.e.f. October 25, 2012)	India	INR	1.00	280.25	420.23	1,357.84	657.36	2,194.68	371.16	3.80	367.35	367.35	-	-	100.00
9	Brabco Robotics and Automation Limited	India	INR	1.00	9.90	(12.94)	2.06	5.10	0.89	0.78	-	0.78	0.78	-	-	100.00
10	Jaguar Land Rover Technology and Business Services India Private Limited (Formerly known as JT Special Vehicles Pvt. Limited) (Ceased to be a JV and became a Wholly-owned Subsidiary)	India	INR	1.00	5.00	(0.79)	94.44	90.23	31.66	3.84	0.57	3.27	3.27	-	-	100.00
11	Tata Motors Passenger Vehicles Limited (Name changed from TML Business Analytics Services Limited with effect from September 17, 2021)	India	INR	1.00	9,417.15	(2,289.97)	17,516.17	10,388.99	48,867.06	616.07	4.02	612.05	612.05	-	-	100.00
12	TML CV Mobility Solutions Limited (Incorporated on June 7, 2021)	India	INR	1.00	45.00	1.86	221.21	174.35	176.96	2.47	-	2.47	2.47	-	-	100.00
13	Tata Passenger Electric Mobility Ltd. (Incorporated on December 21, 2021)	India	INR	1.00	700.00	4,619.91	8,253.22	2,933.31	41.98	(200.53)	53.02	(253.55)	(253.55)	-	375.23	100.00
14	TML Smart City Mobility Solutions Limited (Incorporated on May 25, 2022)	India	INR	1.00	5.00	(1.59)	78.61	75.20	-	(1.59)	-	(1.59)	(1.59)	-	-	100.00
15	TML Smart City Mobility Solutions (J&K) Private Limited (Incorporated with effect from October 13, 2022)	India	INR	1.00	0.10	(0.36)	0.09	0.35	-	(0.36)	-	(0.36)	(0.36)	-	-	100.00
16	Tata Daewoo Commercial Vehicle Co. Ltd (subsidiary w.e.f. March 30, 2004)	South Korea	KRW	0.06	95.16	2,007.40	4,043.48	1,940.92	5,918.08	174.97	42.80	132.17	132.17	-	-	100.00
17	Tata Motors European Technical Centre PLC (Changed from a direct subsidiary of TML to a WOS of TPEML w.e.f. March 31, 2022)	UK	GBP	101.64	643.41	(220.57)	485.86	63.02	300.87	23.38	7.12	16.26	16.26	-	-	100.00
18	Tata Motors (SA) (Proprietary) Ltd (subsidiary w.e.f. December 5, 2007)	South Africa	ZAR	4.62	9.16	12.27	71.08	49.65	130.33	0.42	0.15	0.27	0.27	-	-	60.00
19	Tata Motors (Thailand) Limited (subsidiary w.e.f. February 28, 2008)	Thailand	THB	2.41	1,297.68	(1,986.08)	59.14	747.54	9.74	(24.39)	-	(24.39)	(24.39)	-	-	97.21
20	TML Holdings Pte Ltd. Singapore (subsidiary w.e.f. February 4, 2008)	Singapore	GBP	101.64	16,543.16	(5,696.38)	22,837.12	11,990.34	-	381.71	(4.93)	386.64	386.64	-	-	100.00
21	Tata Hispano Motors Carrocera S.A (subsidiary w.e.f. October 16, 2009)	Spain	EUR	89.47	49.55	(932.64)	17.71	900.80	0.00	(10.46)	-	(10.46)	(10.46)	-	-	100.00
22	Tata Hispano Motors Carroceries Maghreb (subsidiary w.e.f. June 23, 2014)	Morocco	MAD	8.02	170.12	(222.92)	50.64	103.44	-	(6.34)	-	(6.35)	(6.35)	-	-	100.00
23	Trilix S.r.l (Changed from a direct subsidiary of TML to a WOS of TPEML w.e.f. March 31, 2022)	Italy	EUR	89.47	14.15	32.38	93.06	46.53	102.08	2.64	0.87	1.77	1.77	-	-	100.00
24	Tata Precision Industries Pte Ltd (subsidiary w.e.f. February 15, 2011)	Singapore	SGD	61.81	129.92	(106.54)	23.42	0.04	-	(0.54)	-	(0.54)	(0.54)	-	-	78.39
25	PT Tata Motors Indonesia (subsidiary w.e.f. December 29, 2011)	Indonesia	IDR	0.01	401.19	(82.21)	319.31	0.33	0.29	(0.41)	-	(0.41)	(0.41)	-	-	100.00

(₹ in crores)

Sr.No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/(Loss) Before Tax	Tax Expense/(Credit)	Profit/(Loss) after tax	Profit/(Loss) for the period/year*	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding
26	INCAT International Plc. (subsidiary w.e.f October 3, 2005)	UK	GBP	101.64	2.47	45.43	47.90	-	-	0.01	-	0.01	0.01	-	-	76.69
27	Tata Technologies Inc. (Including Midwest Managed Services Inc. which got merged into Tata Technologies Inc. w.e.f. Feb 28, 2018) (subsidiary w.e.f October 3, 2005)	USA	USD	82.18	983.76	(324.84)	864.18	205.26	988.83	84.87	19.32	65.55	65.55	-	-	76.74
28	Tata Technologies de Mexico S.A. de C.V. (subsidiary w.e.f October 3, 2005)	Mexico	MXN	4.55	0.80	2.07	4.71	1.83	-	(0.03)	-	(0.03)	(0.03)	-	-	76.74
29	Cambic Limited, Bahamas (subsidiary w.e.f May 1, 2013)	Bahamas	USD	82.18	22.19	0.87	23.06	-	-	0.07	-	0.07	0.07	-	-	76.74
30	Tata Technologies SRL, Romania (erstwhile Cambic Consulting SRL was renamed w.e.f February 4, 2015) (subsidiary w.e.f May 1, 2013)	Romania	RON	18.04	5.55	72.53	86.66	8.58	89.24	11.50	1.57	9.93	9.93	-	-	76.74
31	Tata Manufacturing Technologies Consulting (Shanghai) Limited (subsidiary w.e.f March 10, 2014)	China	CNY	11.96	3.68	54.23	101.61	43.70	190.45	18.88	0.87	18.01	18.01	-	-	76.69
32	Tata Technologies Europe Limited (subsidiary w.e.f October 3, 2005)	UK	GBP	101.64	0.11	1,287.43	1,895.76	608.21	1,663.20	290.59	53.35	237.24	237.24	-	-	76.69
33	Tata Technologies Nordics AB (Name changed from Escendo Engineering AB with effect from November 2, 2020)	Sweden	SEK	7.93	0.17	1.60	57.09	55.32	98.10	(4.80)	(0.98)	(3.82)	(3.82)	-	-	76.69
34	Tata Technologies GmbH (INCAT GmbH was under liquidation with effect from January 25, 2017 but has been revived and renamed w.e.f. March 30, 2022)	Germany	EURO	89.47	1.47	20.35	27.40	5.58	6.35	0.47	0.13	0.34	0.34	-	-	76.69
35	Tata Technologies (Thailand) Limited (subsidiary w.e.f October 10, 2005)	Thailand	BAHT	2.41	8.51	(15.83)	10.70	18.03	5.34	(4.96)	-	(4.96)	(4.96)	-	-	76.69
36	TATA Technologies Pte Ltd. (subsidiary w.e.f December 7, 2005)	Singapore	USD	82.18	443.79	565.07	1,170.18	161.33	466.40	82.05	13.68	68.37	68.37	-	-	76.69
37	Jaguar Land Rover Automotive plc (subsidiary w.e.f June 2, 2008)	UK	GBP	101.64	15,253.25	6,157.54	78,839.29	57,428.50	-	(128.36)	(0.00)	(128.36)	(128.36)	-	-	100.00
38	Jaguar Land Rover Limited (previously Jaguar Cars Limited) (subsidiary w.e.f June 2, 2008)	UK	GBP	101.64	36,191.06	(4,943.92)	2,08,576.54	1,77,329.40	2,08,695.12	(4,893.84)	189.44	(5,083.28)	(5,083.28)	-	-	100.00
39	Jaguar Land Rover Holdings Limited (formally known as Land Rover) (subsidiary w.e.f June 2, 2008)	UK	GBP	101.64	50.82	55,152.40	55,298.64	95.42	-	1,607.92	121.82	1,486.10	1,486.10	220.57	-	100.00
40	JLR Nominee Company Limited (Formally known as Jaguar Land Rover Exports Limited, formerly Jaguar Cars Exports Limited) (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
41	Jaguar Land Rover (South Africa) Holdings Limited (subsidiary w.e.f February 2, 2009)	UK	ZAR	4.62	0.00	1,763.55	1,825.79	62.24	-	53.30	14.50	38.80	38.80	-	-	100.00
42	Jaguar Cars Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
43	Land Rover Exports Limited (Business transferred to Jaguar Land Rover Exports Ltd) (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
44	The Lanchester Motor Company Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
45	The Daimler Motor Company Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	15.25	-	15.25	-	-	-	-	-	-	-	-	100.00
46	S S Cars Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
47	Daimler Transport Vehicles Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
48	Jaguar Land Rover Pension Trustees Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00

(₹ in crores)

Sr.No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/(Loss) Before Tax	Tax Expense/(Credit)	Profit/(Loss) after tax	Profit/(Loss) for the period/year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding
49	Jaguar Cars (South Africa) (Pty) Ltd (subsidiary w.e.f June 2, 2008) (dormant)	South Africa	ZAR	4.62	-	-	-	-	-	-	-	-	-	-	-	100.00
50	Jaguar Land Rover Slovakia s.r.o. (JLRHL 0.01% and JLR.L 99.99%)	Slovakia	EUR	89.47	5,592.17	710.83	8,690.83	2,387.83	3,168.30	142.48	(0.00)	142.48	142.48	-	-	100.00
51	Jaguar Racing Limited (Incorporated w.e.f. February 2, 2016) (subsidiary w.e.f February 2, 2016)	UK	GBP	101.64	0.00	45.49	134.21	88.71	-	6.75	-	6.75	6.75	-	-	100.00
52	InMotion Ventures Limited (Incorporated w.e.f. March 18, 2016) (subsidiary w.e.f March 18, 2016)	UK	GBP	101.64	0.00	(189.63)	450.53	640.16	-	48.98	-	48.98	48.98	-	-	100.00
53	In-Car Ventures Limited ((Formerly Lenny Insurance Limited name change on February 2, 2021) (100% Shareholding transferred from InMotion Ventures Limited to JLRHL on February 18, 2021)	UK	GBP	101.64	-	(99.12)	-	99.12	112	(4.22)	-	(4.22)	(4.22)	-	-	100.00
54	InMotion Ventures 2 Limited	UK	GBP	101.64	-	(96.13)	81.68	177.81	44.11	(19.68)	-	(19.68)	(19.68)	-	-	100.00
55	InMotion Ventures 3 Limited	UK	GBP	101.64	-	(67.88)	890.97	958.85	150.52	(29.55)	-	(29.55)	(29.55)	-	-	100.00
56	Jaguar Land Rover Ireland (Services) Limited	Ireland	GBP	101.64	0.00	252.59	288.53	35.94	392.81	85.99	8.45	77.54	77.54	-	-	100.00
57	Limited Liability Company Jaguar Land Rover (Russia) (Incorporated on 25-5-2008) (subsidiary w.e.f May 15, 2009)	Russia	RUB	1.06	5.13	430.29	746.18	310.76	274.61	(74.94)	49.19	(24.13)	(24.13)	-	-	100.00
58	Jaguar Land Rover (China) Investment Co Ltd (previously Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd ) (subsidiary w.e.f June 2, 2008)	China	CNY	11.96	80.15	17,614.75	23,968.23	6,273.32	32,067.56	4,008.51	962.90	3,045.61	3,045.61	-	-	100.00
59	Shanghai Jaguar Land Rover Automotive Service Co. Ltd (subsidiary w.e.f March 10, 2014)	China	CNY	11.96	19.14	(26.34)	13.44	20.64	13.77	0.99	0.05	0.94	0.94	-	-	100.00
60	Jaguar Land Rover Colombia SAS (subsidiary w.e.f August 22, 2016)	Columbia	COP	0.02	39.78	(7.45)	32.39	0.06	-	5.46	-	5.46	5.46	-	-	100.00
61	Jaguar Land Rover Mexico S.A.P.I de C.V	Mexico	MXN	4.55	17.52	23.34	579.32	538.47	984.91	25.37	4.05	21.31	21.31	-	-	100.00
62	Jaguar Land Rover Services Mexico S.A.C.V	Mexico	MXN	4.55	-	-	-	-	-	-	-	-	-	-	-	100.00
63	Jaguar Land Rover France SAS (subsidiary w.e.f February 1, 2009)	France	EUR	89.47	39.06	1.44	1,832.36	1,791.87	6,849.88	54.72	16.22	38.49	38.49	-	-	100.00
64	Jaguar Land Rover Portugal-Veiculos e Pecas, Lda (subsidiary w.e.f June 2, 2008)	Portugal	EUR	89.47	11.90	78.11	433.63	343.62	850.34	17.15	5.25	11.90	11.90	-	-	100.00
65	Jaguar Land Rover Espana SL (merged company following the absorption of Jaguar Hispania, S.L.U by Land Rover Espana, S.L.U) (formerly known as Land Rover Espana SL) (subsidiary w.e.f June 2, 2008)	Spain	EUR	89.47	372.58	153.72	1,314.17	787.86	2,829.51	37.48	9.12	28.36	28.36	1.77	-	100.00
66	Jaguar Land Rover Italia SpA (subsidiary w.e.f June 2, 2008)	Italy	EUR	89.47	369.22	591.57	3,842.24	2,881.45	8,624.25	169.10	31.24	137.86	137.86	(1.32)	-	100.00
67	Land Rover Ireland Limited - (no longer a trading NSC) (subsidiary w.e.f June 2, 2008)	Ireland	EUR	89.47	0.00	5.13	20.14	15.01	-	-	-	-	-	(4.81)	-	100.00
68	Jaguar Land Rover Korea Co. Ltd.(subsidiary w.e.f June 2, 2008)	South Korea	KRW	0.06	0.32	133.78	2,024.56	1,890.47	4,344.16	133.82	37.64	96.18	96.18	-	-	100.00
69	Jaguar Land Rover Deutschland GmbH (subsidiary w.e.f June 2, 2008)	Germany	EUR	89.47	119.17	424.32	3,853.49	3,309.99	9,993.19	(92.50)	58.61	(151.11)	(151.11)	42.52	-	100.00
70	Jaguar Land Rover Austria GmbH (subsidiary w.e.f June 2, 2008)	Austria	EUR	89.47	1.30	121.29	645.98	523.39	1,857.03	23.54	8.52	15.02	15.02	-	-	100.00
71	Jaguar Land Rover Australia Pty Limited (subsidiary w.e.f June 2, 2008)	Australia	AUD	55.03	3.85	572.25	2,954.58	2,378.48	3,397.18	74.92	18.31	56.61	56.61	-	-	100.00
72	Jaguar Land Rover North America, LLC. (subsidiary w.e.f June 2, 2008)	USA	USD	82.18	328.73	5,081.56	14,835.93	9,425.64	54,531.92	1,003.12	257.89	745.23	745.23	(4.00)	-	100.00
73	Jaguar Land Rover Japan Limited (subsidiary w.e.f October 1, 2008)	Japan	JPY	0.62	29.67	312.73	1,780.31	1,437.91	3,327.70	68.81	(1.62)	70.43	70.43	-	-	100.00
74	Jaguar Land Rover Canada, ULC (subsidiary w.e.f June 2, 2008)	Canada	CAD	60.67	-	262.75	1,646.21	1,383.46	4,999.59	71.73	27.07	44.66	44.66	-	-	100.00

(₹ in crores)

Sr.No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/(Loss) Before Tax	Tax Expense/(Credit)	Profit/(Loss) after tax	Profit/(Loss) for the period/year*	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding	
75	Jaguar e Land Rover Brasil Indústria e Comércio de Veículos LTDA (subsidiary w.e.f June 2, 2008)	Brazil	BRL	16.25	1,001.82	(499.72)	2,150.00	1,647.91	3,053.58	13315	4.02	129.12	129.12	-	-	100.00	
76	Jaguar Land Rover Belux N.V. (subsidiary w.e.f June 2, 2008)	Belgium	EUR	89.47	1118	148.56	1,482.26	1,322.52	4,116.75	43.82	12.02	31.80	31.80	1.85	-	100.00	
77	Jaguar Land Rover Nederland BV (subsidiary w.e.f June 2, 2008)	Netherlands	EUR	89.47	0.41	82.62	824.91	741.88	2,112.65	25.58	6.46	19.11	19.11	(3.30)	-	100.00	
78	Jaguar Land Rover (South Africa) (Pty) Limited (subsidiary w.e.f June 2, 2008)	South Africa	ZAR	4.62	0.00	249.91	1,290.03	1,040.12	2,151.39	131.22	37.76	93.46	93.46	-	-	100.00	
79	Jaguar Land Rover Singapore Pte. Ltd (Incorporated w.e.f November 25, 2015) (subsidiary w.e.f November 25, 2015)	Singapore	SGD	61.81	4.64	40.47	146.63	101.53	242.54	17.82	3.78	14.03	14.03	-	-	100.00	
80	Jaguar Land Rover Taiwan Company Pte. Ltd	Taiwan	TWD	2.69	10.36	117.63	1,017.23	889.25	2,397.00	133.94	26.67	107.27	107.27	-	-	100.00	
81	Jaguar Land Rover Classic Deutschland GmbH (Incorporated w.e.f. August 10, 2018)	Germany	GBP	101.64	25.41	(27.02)	15.04	16.65	38.70	0.96	-	0.96	0.96	-	-	100.00	
82	Jaguar Land Rover Hungary KFT	Budapest	HUF	0.24	0.07	14.91	92.47	77.49	191.91	7.67	4.75	2.93	2.93	-	-	100.00	
83	Jaguar Land Rover Classic USA LLC (Incorporated w.e.f June 1, 2018) (dormant)	USA	USD	82.18	-	-	-	-	-	-	-	-	-	-	-	100.00	
84	Bowler Motors Limited (Name changed from Jaguar Land Rover Auto Ventures Limited on 28 January 2020)	UK	GBP	101.64	30.49	(63.24)	64.93	97.68	4.41	(15.99)	-	(15.99)	(15.99)	-	-	100.00	
85	Jaguar Land Rover Ventures Limited	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00	
86	Jaguar Land Rover (Ningbo) Trading Co. Ltd.	China	CNY	11.96	1.20	1,808.24	3,112.24	1,302.81	13,672.91	1,681.80	390.95	1,290.85	1,290.85	-	-	100.00	
87	Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd. (subsidiary w.e.f April 9, 2010)	South Korea	KRW	0.06	6.31	29.26	71.95	36.38	317.36	10.74	2.82	7.92	7.92	-	-	100.00	
88	PT Tata Motors Distribusi Indonesia (subsidiary w.e.f February 11, 2013)	Indonesia	IDR	0.01	318.20	(311.49)	119.24	112.52	102.37	(2.41)	0.52	(2.93)	(2.93)	-	-	100.00	
1	Details of Direct Subsidiaries, on consolidated basis including their respective subsidiaries included above																
2	Tata Technologies Limited (subsidiary w.e.f September 10, 1997)				8113	2,908.32	5,201.49	2,212.04	4,501.92	796.15	172.12	624.03	624.03	-	29.78	76.69	
3	Tata Motors Finance Holding Ltd (subsidiary w.e.f June 1, 2006)				1,741.59	(241.37)	43,082.09	41,581.87	5,057.28	(992.71)	20.26	(1,012.97)	(1,012.97)	-	2,040.45	100.00	
	TML Holdings Pte. Limited (subsidiary w.e.f. February 4, 2008)	Singapore**			-	-	-	-	-	-	-	-	-	-	-	100.00	
1	**TML Holding Pte Ltd, Singapore holds fully Jaguar Rover Automotive Plc, Tata Daewoo Commercial Vehicle Co Ltd and PT Tata Motors Indonesia, the consolidated accounts of which are given below:																
2	Jaguar Land Rover Automotive Plc Consolidated (subsidiary w.e.f June 2, 2008)				11,195.17	31,888.73	2,241,782.29	1,810,943.39	2,229,915.87	997.79	(1,594.40)	(596.61)	(596.61)	-	52,617.61	100.00	
3	Tata Daewoo Commercial Vehicle Co. Ltd (subsidiary w.e.f March 30, 2004)				95.16	2,102.56	4,044.57	1,942.01	5,916.49	177.79	45.62	132.17	132.17	-	-	100.00	
	PT Tata Motors Indonesia (subsidiary w.e.f December 29, 2011)				425.48	(414.64)	117.23	106.39	108.62	(1.31)	0.05	(1.36)	(1.36)	-	-	100.00	

\* Profit for the year is after share of minority interest and share of profit/(loss) in respect of investment in associate companies.

## STATEMENT PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

## Part - B

Sr. No	Name of Associates/Joint Ventures	Shares of Associate/Joint Ventures held by the company on the year end					Profit/(Loss) for the year			
		Latest audited Balance Sheet Date	No.	Amount of Investment in Associates/ Joint Venture (₹ in crore)	Extent of Holding %	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in crore)	Considered in Consolidation (₹ in crore)	Not Considered in Consolidation (₹ in crore)	Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
<b>Joint Operations</b>										
1	Fiat India Automobiles Private Limited	March 31,2023	12,22,57,983	1,567.04	50.00%	2,910.15	379.63	-	Note (a)	-
2	Tata Cummins Private Ltd	March 31,2023	9,00,00,000	90.00	50.00%	736.36	230.03	-	Note (a)	-
<b>Joint ventures</b>										
1	Chery Jaguar Land Rover Automotive Co Ltd	December 31,2022	-	2,145.04	50.00%	3,250.39	(184.54)	-	Note (a)	-
2	Tata HAL Technologies Limited	N/A	50,70,000	-	37.21%	-	-	-	There is no significant influence.	Provision for impairment was considered in full in FY 16-17
3	Loginomic Tech Solutions Private Limited ("TruckEasy")	March 31,2023	6,65,000	-	26.00%	-	-	-	Note (b)	-
<b>Associates</b>										
1	Tata AutoComp Systems Limited	March 31,2023	5,23,33,170	77.47	26.00%	531.59	187.99	-	Note (b)	-
2	Automobile Corporation of Goa Limited	March 31,2023	29,82,214	108.22	49.77%	151.31	13.81	-	Note (b)	-
3	Tata Hitachi Construction Machinery Company Private Limited	March 31,2021	4,54,28,572	238.50	39.99%	610.24	19.63	-	Note (b)	-
4	Tata Precision Industries (India) Limited	March 31,2021	2,00,000	-	39.19%	0.01	(0.94)	-	Note (b)	-
5	Nita Company Limited	March 31,2023	16,000	1.27	40.00%	33.10	(1.10)	-	Note (b)	-
6	Synaptiv Limited	n/a	1,56,00,000	1.59	37.50%	-	-	-	Note (b)	-
7	Cloud Car Inc	n/a	13,32,55,012	-	26.30%	-	-	-	Note (b)	-
8	DriveClubService Pte. Ltd.	n/a	251	2.03	25.07%	-	-	-	Note (b)	-
9	Jaguar Land Rover Switzerland AG (Jaguar Land Rover Limited increased its shareholding from 10% to 30% w.e.f. November 25, 2020)	n/a	300	10.13	30.00%	10.16	-	-	Note (b)	-
10	Jaguar Cars Finance Limited	September 30, 2021	49,900	3.64	49.90%	2.75	-	-	Note (b)	-
11	Inchcape JLR Europe Limited (incorporated 31 August 2020) (JLR shareholding 30% effective 30 April 2021)	n/a	-	-	30.00%	-	-	-	Note (b)	-
12	Sertec Corporation Limited (acquired on June 17, 2022)	n/a	-	-	40.00%	-	-	-	Note (b)	-

Unaudited financials considered for Consolidation

Note : (a) - There is a significant influence by virtue of joint control

(b) - There is a significant influence due to percentage (%) of share capital

# Notice

## (PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

Dear Member,

NOTICE is hereby given that the Seventy Eighth Annual General Meeting of Tata Motors Limited will be held on Tuesday, August 8, 2023 at 3:00 p.m. (IST) through video conferencing / other audio visual means to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the Report of the Auditors thereon.
3. To declare dividend on Ordinary Shares and 'A' Ordinary Shares of the Company for the financial year ended March 31, 2023.
4. To appoint a Director in place of Mr N Chandrasekaran (DIN: 00121863), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

5. **Appointment of Mrs. Usha Sangwan (DIN:02609263) as a Director and as an Independent Director**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT Mrs. Usha Sangwan (DIN: 02609263), who was appointed as an Additional Director of the Company with effective from May 15, 2023 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee and who holds office up to the date of this Annual General Meeting of the Company under Section 161(l) of the Companies Act, 2013 ('the Act') (including any statutory

modification(s) or re-enactment(s) thereof for the time being in force) and Article 132 of the Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(l) of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17, Regulation 25 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Mrs. Usha Sangwan, who had submitted a declaration that she met the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(l)(b) of the SEBI Listing Regulations and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years, i.e., from May 15, 2023 to May 14, 2028 (both days inclusive), be and is hereby approved."

6. **Remuneration to Non-Executive Directors (including Independent Directors)**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT in partial modification to the Resolution at Item no. 5, passed by the Members at the 74th Annual General Meeting held on July 30, 2019 as well as in partial modification to the Resolution at Item no 10, passed by the Members at the 76th Annual General Meeting held on July 30, 2021 and pursuant to the provisions of Section 149, 197 and 198 of the Companies Act 2013 ("the Act") read with Schedule V to the Act, as modified vide Circular dated March 18, 2021 by the Ministry of Corporate Affairs, Government of India and Regulation 17(6) of the



SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and based on the recommendation of the Nomination & Remuneration Committee ("NRC"), consent of the Company be and is hereby accorded for payment of remuneration to the Non-Executive Directors including Independent Directors of the Company (i.e., Directors other than the Managing Director and/or Whole Time Directors), in case of no / inadequate profits in any financial year calculated under Section 198 of the Act, provided that the aggregate of such remuneration (as mentioned in the Explanatory Statement to this Notice) shall not exceed 1% of the net profit for each of the financial years 2022-23, 2023-24 and 2024-25 calculated in terms of the audited financial statements of the Company prepared in accordance with the applicable Indian Accounting Standards ("Ind AS"), for each of the above said three financial years, duly audited by the Statutory Auditors of the Company and approved by the Board of Directors and that the said remuneration be paid and distributed amongst the Non-Executive Directors including Independent Directors in such manner as the Board of Directors of the Company may determine from time to time."

#### 7. Appointment of Branch Auditors

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Board of Directors be and is hereby authorised to appoint Branch Auditor(s) of any Branch Office of the Company, whether existing or which may be opened/acquired hereafter, outside India, any firm(s) and/or person(s) qualified to act as Branch Auditors in consultation with the Company's Auditors, any persons, qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration."

#### 8. Ratification of Cost Auditor's Remuneration

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of

the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹6,00,000/- (Rupees Six lakhs Only) plus applicable taxes, travel and out-of-pocket expenses incurred in connection with the audit, as approved by the Board of Directors, payable to M/s Mani & Co., Cost Accountants (Firm Registration No. 000004) who are appointed as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024."

#### 9. Material Related Party Transaction(s) between the Company and Tata Technologies Limited, its subsidiary

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s) as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Tata Technologies Limited ('TTL'), a subsidiary of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and TTL, for an aggregate value not exceeding ₹2,000 crore, (with funding transactions not exceeding ₹ 1,200

**NOTICE**

crore at any point of time and operational transactions not exceeding ₹800 crore), during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is / are carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

**10. Material Related Party Transaction(s) of the Company and/or TMF Holdings Limited, a wholly owned subsidiary of the Company with Tata Cummins Private Limited, a Joint Operations Company**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/ or permission(s), as may be required and based on

the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company, TMF Holdings Limited ('TMFHL') a wholly owned subsidiary of the Company and Tata Cummins Private Limited ('TCPL'), a Joint Operations of the Company and accordingly a 'Related Party', on such terms and conditions as may be mutually agreed between the Company and/or TMFHL and TCPL, for an aggregate value not exceeding ₹7,300 crore (with funding transactions not exceeding ₹50 crore at any point of time and operational transactions not exceeding ₹7,250 crore) and funding transactions not exceeding ₹1,100 crore outstanding at any point in time, respectively during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

**11. Material Related Party Transaction(s) of the Company and its identified subsidiaries with Tata Capital Financial Services Limited, a subsidiary of Tata Sons Private Limited, the Promoter of the Company**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company and/or Tata Motors Passenger Vehicles Limited ('TMPVL') and/or Tata Passenger Electric Mobility Limited ('TPEML') with Tata Capital Financial Services Limited ('TCFSL'), a subsidiary of Tata Sons Private Limited, the Promoter of the Company and accordingly a 'Related Party', on such terms and conditions as may be mutually agreed between the Company and/or TMPVL and/or TPEML and TCFSL, for an aggregate value not exceeding ₹6,200 crore, ₹3,400 crore and ₹1,000 crore, respectively during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions,

methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

**12. Material Related Party Transaction(s) of the Company and its identified subsidiaries with Fiat India Automobiles Private Limited, a Joint Operations Company.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company and/or its identified subsidiaries, viz., Tata Motors Passenger Vehicles Limited ('TMPVL') and/or Tata Passenger Electric Mobility Limited ('TPEML') with Fiat India Automobiles Private Limited (FIAPL) a Joint

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Operation Company on such terms and conditions as may be mutually agreed between FIAPL and the above-mentioned companies for an aggregate value not exceeding ₹2,500 crore (with funding transactions not exceeding ₹100 crore at any point of time and operational transactions not exceeding ₹2,400 crore), ₹30,500 and ₹6,055 crore, respectively during the financial year 2023-24 as well as the material transactions for sale of vehicle parts and components between the Company and FIAPL amounting to ₹1,547 crore during the financial year 2022-23 provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

**13. Material Related Party Transaction(s) of Tata Motors Passenger Vehicles Limited, a wholly owned subsidiary of the Company with certain identified Related Parties of the Company**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the

Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between Tata Motors Passenger Vehicles Limited ('TMPVL'), a wholly owned subsidiary of the Company with certain identified Related Parties of the Company viz., TACO Prestolite Electric Private Limited ('TACO') and Tata AutoComp Systems Limited ('TASL') on such terms and conditions as may be mutually agreed between TMPVL and the aforementioned Related Parties for an aggregate value not exceeding ₹1,460 crore and ₹4,775 crore, respectively during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) are carried out at an arm's length pricing basis and in the ordinary course of business."

**14. Material Related Party Transaction(s) of Jaguar Land Rover Group of Companies, subsidiaries of the Company with Chery Jaguar Land Rover Automotive Company Limited, a joint Venture of JLR Group**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded

to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between two 'Related Parties' of the Company, i.e. of the Jaguar Land Rover Group of Companies ('JLR Group'), being subsidiaries of the Company with Chery Jaguar Land Rover Automotive Company Limited (CJLR), on such terms and conditions as may be mutually agreed between the JLR Group and CJLR a joint venture of the JLR Group, for an aggregate value not exceeding ₹8,800 crore, during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

**15. Material Related Party Transaction(s) of the Company and/or its identified subsidiaries including Jaguar Land Rover Group of Companies, with Tata Consultancy Services Limited and its subsidiaries.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers

conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company and/or its identified subsidiaries, viz., Tata Motors Passenger Vehicles Limited, Tata Passenger Electric Mobility Limited, Tata Technologies Limited and and Jaguar Land Rover Limited and/or their subsidiaries with Tata Consultancy Services Limited and its subsidiaries, on such terms and conditions as may be mutually agreed between these Related Parties, for an aggregate value of not exceeding ₹5,000 crore, during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are being carried out at an arm's length pricing basis and in the ordinary course of business."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

**16. Material Related Party Transaction(s) of the Company with Tata Steel Limited (TSL), identified subsidiaries/ affiliates of TSL and Poshs Metals Industries Private Limited (a third party) through dealers of TSL.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

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"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company with Tata Steel Limited ('TSL'), an Associate of Tata Sons Private Limited, the Promoter and accordingly a 'Related Party' of the Company, Tata Steel Downstreams Products Limited, a subsidiary of TSL and/or Poshs Metals Industries Private Limited (a third party) through dealers of TSL, on such terms and conditions as may be mutually agreed between the Company and TSL, for an aggregate value of not exceeding ₹4,240 crore during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers

herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

**17. Material Related Party Transaction(s) between Tata Cummins Private Limited, a Joint Operations Company with its Related Parties.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between two 'Related Parties' of the Company, i.e., between Tata Cummins Private Limited ('TCPL'), a joint operations of the Company and its Related Parties, such terms and conditions as may be mutually agreed

between TCPL and its Related Parties, for an aggregate value not exceeding ₹4,100 crore during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

By Order of the Board of Directors

**Maloy Kumar Gupta**  
Company Secretary  
ACS No: 24123

Mumbai,  
May 12, 2023

**Registered Office:**

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

Tel: +91 22 6665 8282

Email: [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com);

Website: [www.tatamotors.com](http://www.tatamotors.com)

CIN: L28920MH1945PLC004520

**NOTES:**

1. Pursuant to General Circulars No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021, No. 2/2022 dated May 5, 2022 and No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars'), the Company is convening the 78th Annual General Meeting ('AGM') through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In compliance with the provisions of the Companies Act, 2013 ('Act'), the Listing Regulations and MCA Circulars, the **78th AGM of the Company is being held through VC/OAVM on Tuesday, August 08, 2023 at 3:00 p.m. IST.** The deemed venue for the AGM will be the Registered Office of the Company i.e. Bombay House, 24 Homi Mody Street, Mumbai 400 001.
2. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
3. As per the provisions of clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the matters of Special Business as appearing at Item Nos. 5 to 17 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
4. The Explanatory Statement pursuant to Section 102 of the Act in respect of the business under Item Nos. 5 to 17 set out above and the relevant details of the Directors seeking appointment/ re-appointment at this AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto. Requisite declarations have been received from the Directors seeking appointment/re-appointment.
5. Institutional Members/Corporate Members (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of their respective Board or governing body Resolution, Authorization, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail to [tml.scrutinizer@gmail.com](mailto:tml.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional Members can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority letter", etc. displayed under 'e-Voting' tab in their Login.
6. Only registered Members (including the holders of 'A' Ordinary Shares) of the Company may attend and vote at the AGM through VC/OAVM facility. Since the

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American Depositary Receipts ('ADR') programme was terminated and delisted effective January 23, 2023, there would be no voting by ADR holders.

7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoter/ Promoter Group, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. In line with the General Circulars No. 20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021 and Circular No. 10/2022 dated December 28, 2022 issued by the MCA and the SEBI Circulars, Notice of the AGM along with the Integrated Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories/Registrar & Transfer Agent ('RTA'), unless any Member has requested for a physical copy of the same. The Notice of AGM and Annual Report 2022-23 are available on the Company's website at [www.tatamotors.com](http://www.tatamotors.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
11. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be made available for inspection. During the 78th AGM, Members may access the scanned copy

of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com).

12. The Company has fixed Saturday, July 29, 2023 as the "Record Date" for determining entitlement of Members to final dividend for the financial year ended March 31, 2023, if approved at the AGM.
13. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, July 29, 2023, to Tuesday, August 8, 2023 (both days inclusive) for the purpose of this AGM.

The dividend of ₹2 per Ordinary share of ₹2 each (100%) and ₹2.10 per 'A' Ordinary share of ₹2 each (105%), if declared at the AGM, will be paid subject to deduction of tax at source ('TDS') on or after Friday, August 14, 2023 as under:

- a) To all the Beneficial Owners as at the end of the day on Saturday, July 29, 2023, as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
- b) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition requests lodged with the Company as at the end of the day on Saturday, July 29, 2023.

For the members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to them.

According to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. April 1, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, and Category as per the



IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents by Friday, July 21, 2023 (upto 7:00 pm) to enable the Company to determine the appropriate TDS/withholding tax rate applicable, verify the documents and provide exemption. For the detailed process, please visit the website of the Company at <https://www.tatamotors.com/investors/annual-reports/> and also refer to the email sent to members in this regard.

14. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from our website at <https://www.tatamotors.com/investors/investor-contacts/> and website of the Registrar and Transfer Agent ('RTA') at <https://www.tcplindia.co.in/kyc-download.html>. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held by them in physical form, quoting their folio number.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates alongwith the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
17. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:
  - a) Change in their residential status on return to India for permanent settlement.

- b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

18. **Updation of mandate for receiving dividend directly in bank account through Electronic Mode or any other means in a timely manner:** Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nomination, power of attorney, bank details, bank account number, MICR code, IFSC, etc.:

Shares held in physical form: Members holding shares in physical form are requested to send the following details/ documents to the Company's Registrars and Transfer Agent (RTA) viz. TSR Consultants Private Limited (TCPL) (formerly Mumbai -400 083, latest by Friday, July 21, 2023:

- a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at <https://www.tatamotors.com/investors/investor-contacts/> and on the website of the RTA at <https://tcplindia.co.in/home-KYC.html>.
- b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly.
- c) Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.
- d) Self-attested copy of the PAN Card of all the holders; and
- e) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company

Further, Members are requested to refer to process detailed on <https://tcplindia.co.in/home-KYC.html> and proceed accordingly. Shares held in electronic form: Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, Members

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holding shares in electronic form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs by Friday, July 21, 2023.

19. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website and on the website of the Company's RTA's at <https://www.tcplindia.co.in/>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

20. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI (LODR) and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA, for assistance in this regard.

21. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**

22. **Norms for furnishing of PAN, KYC, Bank details and Nomination:**

Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD-1/P/ CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/ MIRSD RTAMB/ P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c

details and Specimen signature for their corresponding folio numbers of holders of physical securities. **The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.**

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website <https://www.tatamotors.com/investors/investor-contacts/>. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has despatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

23. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to

the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

24. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.
25. The Company has made special arrangement with the RTA and NSDL for registration of email addresses in terms of the MCA Circulars for Members who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically.
26. Eligible Members whose email addresses are not registered with the Company/ DPs are required to provide the same to RTA on or before 5:00 p.m. IST on Friday, July 21, 2023 pursuant to which, any Member may receive on the email address provided by the Member the Notice of this AGM along with the Annual Report 2022-23 and the procedure for remote e-voting along with the login ID and password for remote e-voting.

**(i) Process for registration of email addresses with RTA is as under:**

- a) Visit the link [https://tcpl.linkintime.co.in/EmailReg/email\\_register.html](https://tcpl.linkintime.co.in/EmailReg/email_register.html)
- b) Select the name of the Company from dropdown.
- c) Enter details in respective fields such as DP ID and Client ID (if you hold the shares in demat form) / Folio no. and Certificate no. (if shares are held in physical form), Name of the Shareholder, PAN details, mobile number and e-mail ID.
- d) System will send OTP on mobile number and e-mail ID.
- e) Enter OTP received on mobile number and e-mail ID and submit.

After successful submission of the e-mail address, NSDL will email a copy of the the Notice of this AGM along with the Annual Report 2022-23 as also the remote e-Voting user ID and password on the e-mail address registered by the Member.

In case of any queries, Members may write to [csg-unit@tcpclindia.co.in](mailto:csg-unit@tcpclindia.co.in) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

- (ii) **Registration of email address permanently with RTA/DP:** Members are requested to register the email address with their concerned DPs, in respect of shares held in demat mode and with RTA, in respect of shares held in physical mode, by writing to them at [csg-unit@tcpclindia.co.in](mailto:csg-unit@tcpclindia.co.in).
- (iii) Alternatively, those Members who have not registered their email addresses are required to send an email request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) along with the following documents for procuring user id and password for e-voting for the resolutions set out in this Notice:

- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.
- In case shares are held in demat mode, please provide DPID-Client ID (8 digit DPID + 8 digit Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.

27. Those Members who have already registered their email IDs are requested to keep the same validated with their DP/RTA to enable serving of notices/ documents/Annual Reports and other communications electronically to their email ID in future.

**28. VOTING BY MEMBERS:**

- A. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations (as amended), MCA Circulars and the SEBI Circulars, the Company is providing its Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by NSDL) either by (i) remote e-voting prior to the AGM (as explained at 'para F' herein below) or (ii) remote e-voting

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during the AGM (as explained at 'para G' below). Instructions for Members for attending the AGM through VC/OAVM are explained at 'para H' below.

- B. The voting rights of the Ordinary Shareholders shall be in the same proportion to the paid-up ordinary share capital and in case of voting rights on the 'A' Ordinary Shares, the holder shall be entitled to one vote for every ten 'A' Ordinary Shares held.
- C. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Tuesday, August 1, 2023 ('cut-off date') shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting prior to the AGM or remote e- voting during the AGM.
- D. Members of the Company holding shares either in physical form or electronic form, as on the cut-off date of Tuesday, August 1, 2023, may cast their vote by remote e-Voting. The remote e-Voting period commences on Friday, August 4, 2023 at 9:00 a.m. (IST) and ends on Monday, August 7, 2023 at 5:00 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, August 1, 2023.
- E. The Members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. The Members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-voting prior to the Meeting shall be able to exercise their right to cast their vote by

remote e-voting during the Meeting. The Members who have cast their vote by remote e-voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.

- F. The Board of Directors has appointed Mr P N Parikh (Membership No. FCS 327) and failing him; Ms Jigyasa Ved (Membership No. FCS 6488) and failing her; Mr Mitesh Dhhabliwala (Membership No. FCS 8331) of M/s Parikh & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process, in a fair and transparent manner.
- G **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

- A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

**NSDL Mobile App is available on**



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Type of Members	Login Method
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders/Members holding securities in Demat mode in case of any technical issues related to Log-in through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example, for Members holding Ordinary Shares, if folio number is 001*** and EVEN is I24106 then user ID is I24106001***. For Members holding 'A' Ordinary Shares, if folio number is 001*** and EVEN is I24107 then user ID is I24107001***.

5. Password details for Members other than Individual Members are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Members whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat

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account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "**EVEN**" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "**EVEN**" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "**VC/OAVM**" link placed under "**Join Meeting**".
  - (a) EVEN for Ordinary Shares is 124106
  - (b) EVEN for 'A' Ordinary Shares is 124107
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "**Submit**" and also "**Confirm**" when prompted.
5. Upon confirmation, the message "**Vote cast successfully**" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for Members**

1. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre- Senior Manager- NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **Process for those Members whose email ids are not registered with the depositories for procuring user ID and password and registration of email IDs for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self



attested scanned copy of Aadhar Card) to [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com). If you are an Individual Members holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access**

**to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
  3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  5. Members who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com). The same will be replied by the company suitably.
28. Any person holding shares in physical form and non-individual Members, who acquire shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Tuesday, August 1, 2023. may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company/RTA.

However, if the person is already registered with NSDL for remote e-Voting, then the existing user ID and password of the said person can be used for casting vote. If the person forgot his/her password, the same can be reset by using 'Forgot user Details/Password' or 'Physical user Reset Password' option available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or by calling on 022 4886 7000 and 022 2499 7000. In case of Individual Members holding securities in Demat mode who acquire shares of the Company and becomes a Member of the Company after sending the Notice and holding shares as of the cut-

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off date i.e. Tuesday, August 1, 2023, may follow steps mentioned in the notes to Notice under 'Access to NSDL e-Voting system'.

### 29. DECLARATION OF RESULTS ON THE RESOLUTIONS:

→ The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within 2 working days from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the Resolution(s), invalid votes, if any, and whether the Resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.

- The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.tatamotors.com](http://www.tatamotors.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Ltd., where the securities of the Company are listed.
- Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. August 8, 2023.

By Order of the Board of Directors

**Maloy Kumar Gupta**  
Company Secretary  
ACS No: 24123

Mumbai,

May 12, 2023

**Registered Office:**

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

Tel: +91 22 6665 8282

Email: [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com);

Website: [www.tatamotors.com](http://www.tatamotors.com)

CIN: L28920MH1945PLC004520

## EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the special business mentioned at Item Nos. 5 to 17 of the accompanying Notice dated May 12, 2023.

### Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company had appointed Mrs. Usha Sangwan (DIN: 02609263) as an Additional Director of the Company as well as an Independent Director, not liable to retire by rotation, for a term of five years i.e. from May 15, 2023 upto May 14, 2028 (both days inclusive), subject to approval of the Members.

Pursuant to the provisions of Section 161(l) of the Companies Act, 2013 ('the Act') and Article 132 of the Articles of Association of the Company, Mrs. Sangwan shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(l) of the Act, received in writing a notice from a Member, proposing her candidature for the office of Director. The profile and specific areas of expertise of Mrs. Sangwan are provided as Annexure to this Notice.

Mrs. Sangwan has given her declaration to the Board, *inter alia*, confirming that (i) she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(l)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as a Director.

In the opinion of the Board, Mrs. Sangwan is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and she is independent of the management.

Given her experience, the Board considers it desirable and in the interest of the Company to have Mrs. Sangwan on the Board of the Company and accordingly the Board recommends the appointment of Mrs. Sangwan as an Independent Director as set out at Item No. 5 of this Notice for approval by the Members.

Electronic copy of the terms and condition of appointment of the Independent Directors is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents.

Except for Mrs. Sangwan and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

### Item No.6

At the 74th Annual General Meeting ("AGM") held on July 30, 2019, the Members of the Company had approved under the provisions of Section 197 of the Act and applicable provisions thereunder, payment of commission on net profit to the Non-Executive Directors ("NEDs") including Independent Directors ("IDs") of the Company, the aggregate of which shall not exceed 1% of the net profit of the Company for FY 2018-19 onwards and such net profit referred under Section 197 of the Act shall be computed in accordance with the provisions of Section 198 of the Act and Rules framed thereunder.

Subsequently, at the 76th AGM of the Company held on July 30, 2021, the Members, in partial modification to the Resolution passed at the 74th AGM as aforesaid, had approved payment of remuneration to the NEDs/IDs of the Company, in case of no / inadequate profit as calculated under Section 198 of the Act for the three financial years, i.e., 2020-21; 2021-22 and 2022-23 in accordance with the limits prescribed under Schedule V to the Act.

In terms of Section 198 read with Schedule V to the Act, in the event of no/ inadequate profit in any financial year, the Company would be entitled to pay remuneration to its NEDs / IDs up to the specified limit prescribed under Schedule V to the Act based on the 'Effective Capital' as defined under the Act.

In view of no/inadequate profit of the Company for FY 2022-23 calculated under Section 198 of the Act, the entitlement of remuneration/ commission payable to the NEDs / IDs for FY 2022-23 would vary based on the 'Effective Capital' corresponding to their respective date of appointment / re-appointment on the Board of Directors of the Company.

In terms of the provisions of Section 197(3) of the Act read with Section II of part II of Schedule V to the Act, in case of no / inadequate profit calculated under Section 198 of the Act in any financial year, the Company may pay remuneration to its NEDs / IDs, in excess of the prescribed limits in accordance with the provisions of Schedule V to the Act, provided that the Resolution passed by the Members is a Special Resolution.

It is proposed to pay a remuneration aggregating to ₹5.50 crore to the NEDs / IDs of the Company for the financial year 2022-23, which is 0.20% of the profit after tax

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for that year. It is also proposed that incremental increase in such remuneration payable to NEDs / IDs, in the event of no / inadequacy of profit for the FY 2023-24 and FY 2024-25 calculated under Section 198 of the Act, shall not exceed 10% of the remuneration paid to them for the immediately preceding financial year.

The Company has recorded an improved performance over the past few quarters and the outlook remains positive. The NEDs / IDs of the Company have immensely contributed in achieving improved performance of the Company over the last few years. The collective wisdom of these Directors alongwith their unstinted support, guidance and advice helped the Company record its improved performance quarter-on-quarter during the FY 2022-23 both on standalone as well as consolidated basis. The Board considers it inappropriate to make discriminatory payment amongst the NEDs / IDs based on the 'Effective Capital' corresponding to their date of appointment/re-appointment.

### Statement Containing Additional Information as Required Under Schedule V to the Act

#### I. General Information:

##### 1. Nature of Industry:

The Company is mainly engaged in the business of manufacture, assembly and sale of automobile

products consisting of all types of commercial and passenger vehicles, including spare parts.

##### 2. Date or expected date of commencement of commercial production:

The Company was incorporated on September 1, 1945 and on receipt of Commencement of Business Certificate on November 20, 1945, the Company had since commenced its business.

##### 3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

##### 4. Financial Performance based on given indicators:

Please refer to Page No. 142 of the Annual Report.

##### 5. Foreign Investment or collaborations, if any:

The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company. Foreign investors, mainly comprising FII and ADR holders, are investors in the Company on account of past issuances of securities and secondary market purchases.

#### II Information About the Appointees:

	(₹ in lakh)						
Name of Director	Mr Om Prakash Bhatt	Ms Vedika Bhandarkar	Ms Hanne Sorensen	Mr Kosaraju Veerayya Chowdary	Mr Mitsuhiro Yamashita	Mr Al-Noor Ramji	Total
Background details, Job profile & suitability, Recognition & Awards	The details in respect of each of these Directors can be found on the website of the Company at <a href="https://www.tatamotors.com/about-us/leadership/">https://www.tatamotors.com/about-us/leadership/</a> . Please also refer to the Report on Corporate Governance which forms part of this Annual Report						
Date of Appointment / Re-appointment	May 9, 2022*	June 26, 2019	January 3, 2023*	October 27, 2020	July 4, 2022*	May 1, 2022	
Effective Capital as per Schedule V to the Act	(2,027.93)	15,765.09	(2,027.93)	12,288.75	(2,027.93)	(2,027.93)	
Maximum permissible remuneration for FY22-23 as per Schedule V to the Act	12	179	12	144	12	11	370
Past Remuneration (excluding sitting fees):							
• Remuneration paid for FY21-22	50	50	45	45	45	NA	235
• Remuneration paid for FY 20-21	45	45	40	20	20	NA	170
• Remuneration paid for FY19-20	Nil	Nil	Nil	NA	NA	NA	Nil
Remuneration proposed for FY22-23	100	100	100	75	75	100	550

Name of Director	Mr Om Prakash Bhatt	Ms Vedika Bhandarkar	Ms Hanne Sorensen	Mr Kosaraju Veerayya Chowdary	Mr Mitsuhiro Yamashita	Mr Al-Noor Ramji	Total
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration has been considered by the NRC as well as the Board of Directors of the Company, to be lines with the remuneration being drawn by similar positions in the automotive industry.						
Pecuniary relationship directly or indirectly with the Company or with the Managerial Personnel, if any	The NEDs/IDs do not have any pecuniary relationship with the Company, except to the extent of sitting fees, commission/ remuneration as applicable and reimbursement of out of pocket expenses received by them for attending company meetings						

\* Indicates the date of re-appointment approved by the Members at the 77<sup>th</sup> AGM, held on July 4, 2022

**Note:**

- The maximum permissible remuneration based on effective capital has been calculated as of the last date of the financial year preceding the financial year in which the appointment / re-appointment of the Director was made, in terms of Schedule V to the Act (i.e., ₹12 lakh plus 0.01% of the effective capital in excess of ₹250 crore.
- Mr Om Prakash Bhatt and Ms Hanne Sorensen were appointed as Independent Directors of the Company for the 1st term of 5 years w.e.f. May 9, 2017 and January 3, 2018, respectively. They were re-appointed for the 2nd term at the 77<sup>th</sup> AGM.
- Mr Mitsuhiro Yamashita retired by rotation and being eligible was re-appointed at the 77<sup>th</sup> AGM.
- Mr N Chandrasekaran, Chairman & Non-Executive Director and Mr Thierry Bollere, Non-Executive Director (part of the year), have abstained from receiving commission / remuneration from the Company as per internal policy.

### III. Other information:

#### 1) Reasons of loss or inadequate profits:

The Company has made a book profit for the financial year 2022-23. The Company, in terms of the approval of the Hon'ble National Company Law Tribunal, Mumbai Bench, has, *inter alia*, subsidiarised its passenger vehicle business with effect from January 1, 2022 and adjusted accumulated losses amounting to ₹11,173.59 crore against the share premium account. However, the provision of Section 198 (4)(l) of the Act stipulates that, the excess of expenditure over income, which had arisen in computing the net profit in accordance with this Section in any year, in so far as such excess has not been deducted in any subsequent year preceding the year in respect of which the net profit have to be ascertained, shall be deducted in making the computation under Section 198 of the Act.

In view of the above, the Company despite making profit from business operations in the financial year 2022-23 as well as effecting the adjustment of accumulated losses (in the financial year 2021-22), would be constrained to make payment of remuneration to its NEDs / IDs based on the

calculation of "Effective Capital" as per Schedule V to the Act.

#### 2) Steps taken for improvement

The automobile sector is showing promising growth supported by a steady recovery in the economy, rising industrial activity and reopening of market which helped regenerate demand. Under the guidance of the Board, the Company is strengthening its portfolio with introduction of new passenger and cargo mobility solutions, including showcasing a range of future ready, safer, smarter and greener mobility solutions, optimized production, accelerated sales, focus on digitalization and driving sustainability. The Company has recorded an improved performance during the past few quarters and the outlook remains positive.

#### 3) Expected increase in productivity and profits in measurable terms

The Company's sales grew in FY 2022-23. The Company recorded its third successive year of industry beating growth to register its highest ever-annual domestic sales and achieving a robust 39.3% revenue from operations growth over FY 2021-22.

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The Company expects to continue on its growth trajectory and sustain its leadership position by accelerating both EV adoption and the development of its enabling ecosystem.

The above resolution would be valid for a period of 3 years, i.e., for FY 2022-23, 2023-24 and 2024-25. The proposed remuneration shall be in addition to fees payable to the NED/IDs for attending meetings of the Board / Committees and reimbursement of expenses for participation in the Board and other meetings. The aforesaid remuneration shall be in accordance with the Remuneration Policy of the Company, which is available on the website of the Company at <https://investors.tatamotors.com/pdf/directors-appointment-remuneration.pdf>.

It is clarified that in case of adequate profit in any financial year, the Company shall pay commission to its NEDs / IDs upto an amount not exceeding 1% of the net profit for that financial year computed in accordance with the provisions of Section 198 of the Act, as approved by the Members at the 74<sup>th</sup> AGM.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor.

None of the Directors, Key Managerial Personnel, or their respective relatives, is concerned or interested in the Resolution mentioned at Item No. 6 of the Notice, except the Non-Executive Directors and Independent Directors, to the extent of the remuneration that may be received by them in their individual capacity.

**Item No. 7**

In line with its global aspirations, the Company has undertaken / would undertake projects/establishments in and outside India for setting up manufacturing facilities, showrooms, service centers and offices as branch offices of the Company. Whilst generally and to the extent possible, the Company would appoint its auditors for the said branch offices, in some cases/jurisdictions it may not be possible/practical to appoint them and the Company would be required to appoint an accountant or any other person duly qualified to act as an auditor of the accounts of the said branch offices in accordance with the laws of that country. To enable the Directors to appoint Branch Auditors for the purpose of auditing the accounts of the Company's Branch Offices outside India (whether now existing or as may be established), necessary authorisation of the Members is

being obtained in accordance with the provisions of Section 143 of the Act, in terms of the Resolution at Item No. 7 of the accompanying Notice.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the accompanying Notice for approval by the Members. None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

**Item No. 8**

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have audit of its cost records for specified products conducted by a Cost Accountant. Based on the recommendation of the Audit Committee, the Board had, at its meeting held on May 12, 2023, approved the re- appointment of M/s Mani & Co. (Firm Registration No. 000004) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company, pertaining to the relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014, for FY 2023-24 at a remuneration of ₹6,00,000/- (Rupees Six Lakh Only) plus applicable taxes, out-of- pocket and other expenses.

It may be noted that the records of the activities under Cost Audit is no longer prescribed for 'Motor Vehicles but applicable to certain parts and accessories thereof. However, based on the recommendation of the Audit Committee, the Board has also approved the appointment of M/s Mani & Co. for submission of reports to the Company on cost records pertaining to these activities for a remuneration of ₹16,00,000/- (Rupees Sixteen Lakh Only) plus applicable taxes, out-of-pocket and other expenses for FY 2023-24.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, ratification for the remuneration payable to the Cost Auditors to audit the cost records of the Company for the said financial year by way of an Ordinary Resolution is being sought from the Members as set out at Item No. 8 of the Notice.

M/s Mani & Co. have furnished a certificate dated April 30, 2023 regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

## Item Nos. 9 to 17

Regulation 23 of the SEBI Listing Regulations, *inter alia*, states that all Material Related Party Transactions ('RPTs') shall require prior approval of the Members by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Further, Regulation 2(1)(zb) of the SEBI Listing Regulations has provided the definition of related party and Regulation 2(1)(zc) of the SEBI Listing Regulations has enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged or not.

In view of the above, Resolution Nos. 9 to 17 are placed for approval by the Members of the Company. As mentioned in the Board's Report, the list of the subsidiaries, associate and joint arrangements is available on the web site on the Company.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs, subject to approval by the Members at the ensuing Annual general Meeting. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

## Item No.9

Details of the proposed RPTs between the Company and Tata Technologies Limited ('TTL') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between Tata Motors Limited ('the Company') and TTL
1.	Summary of information provided by the Management	to the Audit Committee for approval of the proposed RPTs
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	<p>TTL is a subsidiary of the Company. The Company is a Promoter of TTL.</p> <p>TTL's range of services includes IT Consultancy, SAP implementation and maintenance, providing networking solutions, CAD/CAM engineering &amp; design consultancy. TTL is headquartered in Pune, India. TTL has five offices located at Mumbai, Lucknow, Jamshedpur, Bangalore and one branch office located in Japan that enables it to provide high quality, cost-effective services to clients.</p> <p>TTL is a Related Party of the Company, as on the date of this Notice.</p>
b.	Type, material terms, monetary value and particulars of the proposed RPTs	<p>The Company and TTL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹2,000 crore (with funding transactions not exceeding ₹1,200 crore outstanding at any point of time and operational transactions not exceeding ₹800 crore):</p> <ul style="list-style-type: none"> <li>• Purchase of goods</li> <li>• Availing/ rendering of engineering and non-engineering services</li> <li>• Investments made</li> <li>• Inter-corporate deposits taken / given</li> <li>• High-Bond license pass out costs</li> </ul>

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Sr. No.	Description	Details of proposed RPTs between Tata Motors Limited ('the Company') and TTL
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	0.58%
2.	Justification for the proposed RPTs	<p>TTL provides product engineering services which caters to the global manufacturing industry; enabling ambitious manufacturing companies (including the Company) to design and build better products. Engineering and Design services provide outsourced engineering services for TTL manufacturing customers globally to help them conceive, design, develop and realize better products and Digital Enterprise Solutions help manufacturing customers identify and deploy emerging technologies, tools and solutions to manufacture, service and realize better products.</p> <p>The Company has existing equity investment in TTL. In addition to this, TTL may also place ICDs with the Company to earn interest income on surplus funds and support working capital requirements of the Company.</p> <p>The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity. This in turn will contribute towards Tata Motors Group synergy and sustainability.</p>
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
a.	Details of the source of funds in connection with the proposed transaction	Own share capital / Internal accruals and liquidity of the Company and TTL.
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:	Not applicable
	<ul style="list-style-type: none"> <li>- Nature of indebtedness</li> <li>- Cost of funds and</li> <li>- Tenure</li> </ul>	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<p>Inter-corporate deposits taken aggregating to, not exceeding, ₹ 1,200 crore outstanding at any point of time.</p> <ul style="list-style-type: none"> <li>• Lock in Period of 2 days and thereafter on 'demand to pay basis'</li> <li>• Tenure: upto 12 months.</li> <li>• Interest rate: 6% - 8.75%; linked to the Company's short-term borrowing rate</li> <li>• Repayment Schedule: Not Applicable</li> <li>• The above inter-corporate deposits are under unsecured category.</li> </ul>
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	To meet working capital requirements of the Company
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	<p>The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.</p>



Sr. No.	Description	Details of proposed RPTs between Tata Motors Limited ('the Company') and TTL
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mrs. Usha Sangwan, Independent Director - Designate of the Company is also an Independent Director on the Board of TTL. Mr P B Balaji, Group Chief Financial Officer and a KMP of the Company is a Non-Executive Non-Independent Director on the Board of TTL. Their interest or concern or that of their relatives is limited only to the extent of their holding directorship / KMP position in the Company and TTL.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 9 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 9 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 9 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

## Item No.10

Details of the proposed RPTs the Company and TMF Holdings Limited ('TMFHL') a wholly owned subsidiary with Tata Cummins Private Limited (TCPL), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs of TCPL with the Company and its subsidiary	
		TML	TMFHL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs		
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	<p>TCPL is a 50:50 joint venture between the Company and Cummins Inc, USA.</p> <p>TCPL is engaged in the manufacture and sale of engine and its components, including trading of bought out finished components and after-market services. TCPL manufactures high performance, reliable and durable mid-range (B&amp;L) engines in the range of 75 to 400 HP.</p>	<p>TMFHL is a wholly owned subsidiary of the Company. TMFHL is registered as a Non-Banking Financial (Non Deposit Accepting or Holding) Company with the Reserve Bank of India (RBI) with effect from August 9, 2006. Pursuant to application requesting for conversion of the Group to a Core Investment Company, submitted to RBI on June 23, 2017, RBI issued a fresh Certificate of Registration of NBFC Non Deposit taking Systemically Important Core Investment Company (CIC) dated October 12, 2017 to TMFHL. TMFHL is a subsidiary of the Company with effect from June 17, 2017, the name of the Company has changed to TMF Holdings Limited from Tata Motors Finance Limited. TMFHL is primarily a holding company, holding investments in its subsidiaries and other Group companies</p> <p>TMFHL and TCPL are Related Parties of the Company, as on the date of this Notice. TCPL is a 50:50 joint operation between the Company and Cummins Inc, USA.</p>

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Sr. No.	Description	Details of proposed RPTs of TCPL with the Company and its subsidiary	
		TML	TMFHL
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company and TCPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹7,300 crore (with funding transactions not exceeding ₹50 crore outstanding at any point of time and operational transactions not exceeding ₹7,250 crore): <ul style="list-style-type: none"> <li>Purchase of goods / services (including material procurement).</li> <li>Inter-corporate deposits given</li> </ul>	Loan given / to be given by TMFHL (Financing of invoices raised on the Company) to TCPL aggregating to ₹1,100 crore outstanding at any point of time during FY 2023-24.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	2.11%	0.32%
2	Justification for the proposed RPTs	One of the important objectives of the Joint Venture is to meet the business requirements of both JV partners and achieve overall efficiencies with respect to manufacture of engines. In light of above and various commercial factors, aforementioned transactions are undertaken, that will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.	The company is engaged in the manufacture and sale of engine and its components, including trading of bought out finished components. The Company purchases automotive engines manufactured by TCPL for which it needs to make payment to TCPL within a credit period of 89 days. TMFHL proposed to provide a short-term invoice financing facility (IFF) to TCPL wherein TMFHL will make a payment to TCPL against its invoices on behalf of the Company. Such a payment will be made to TCPL by TMFHL on invoice date. The Company will make payment to TMFHL as per credit terms.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary		
a.	Details of the source of funds in connection with the proposed transaction	Own share capital / Internal accruals and liquidity of the Company	Borrowed funds
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: <ul style="list-style-type: none"> <li>Nature of indebtedness</li> <li>Cost of funds and</li> <li>Tenure</li> </ul>	Not Applicable	NCD / CPs 7.89% Upto 4 years

Sr. No.	Description	Details of proposed RPTs of TCPL with the Company and its subsidiary	
		TML	TMFHL
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<p>Inter-corporate deposits given aggregating to, not exceeding ₹ 50 crore. Lock in Period of 2 days and thereafter on 'demand to pay basis'.</p> <ul style="list-style-type: none"> <li>Tenure: upto 12 months.</li> <li>Interest rate: 6% - 8.75%; linked to the Company's short-term borrowing rate.</li> <li>Repayment Schedule: Not Applicable.</li> </ul> <p>The above inter-corporate deposits are under unsecured category.</p>	<ul style="list-style-type: none"> <li>Key terms / covenants: Recourse on TCPL for financing of invoices raised on the Company</li> <li>Tenure of investment : Upto 3 months</li> <li>Interest rate: Up to 6%</li> </ul> <p>The funding is of unsecured nature</p>
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	To meet the working capital requirements of TCPL	
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.	
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr Girish Wagh, Executive Director and KMP of the Company is also a Director on the Board of TCPL. His interest or concern or that of his relatives, is limited only to the extent of his holding directorship / KMP position in the Company and TCPL.	Ms Vedika Bhandarkar an Independent Director of the Company is also an Independent Director on the Board of TMFHL. Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is also a Director on the Board of TMFHL. Their interest or concern or that of their relatives, is limited only to the extent of their holding directorship / KMP position in the Company and TMFHL.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.	

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 10 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 10 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 10 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

## NOTICE

### Item No.11

Details of the proposed RPTs of the Company ('TML') and its identified wholly owned subsidiaries, viz., Tata Motors Passenger Vehicles Limited ('TMPVL') and Tata Passenger Electric Mobility Limited ('TPEML') and Tata Capital Financial Services Limited ('TCFSL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs of TCFSL with the Company and its subsidiaries with TCFSL		
		TML	TMPVL	TPEML
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs			
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	<p>TCFSL is an indirect subsidiary of Tata Sons Private Limited (TSPL). TSPL is the Promoter of TML and TML is the Holding Company of TMPVL.</p> <p>TCFSL is registered with the Reserve Bank of India as a Systemically Important Non Deposit Accepting Non-Banking Financial Company (NBFC) and offers fund and fee-based financial services to its customers, under the Tata Capital brand. TCFSL is a trusted and customer-centric, one-stop financial services provider, TCFSL caters to the diverse needs of retail, corporate and institutional customers, across various areas of business namely the Commercial Finance, Infrastructure Finance, Wealth Management, Consumer Loans and distribution and marketing of Tata Cards. TCFSL has over 100 branches spanning all critical markets in India.</p> <p>TCFSL is a Related Party of the Company, as on the date of this Notice.</p>	<p>TMPVL is a wholly owned subsidiary of the Company and undertakes passenger vehicles business as a separate entity w.e.f. January 1, 2022</p> <p>TCFSL and TMPVL are a Related Parties of the Company, as on the date of this Notice.</p>	<p>TPEML is a wholly-owned subsidiary of the Company and undertakes its passenger electric mobility business.</p> <p>TCFSL and TPEML are Related Parties of the Company, as on the date of this Notice.</p>
b.	Type, material terms, monetary value and particulars of the proposed RPTs	<p>The Company and TCFSL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹6,200 crore outstanding at any point of time:</p> <ul style="list-style-type: none"> <li>• Purchase of goods / services</li> <li>• Leasing Transactions including residual value risks borne by the Company</li> <li>• Assignment of Receivables (Factoring) Transaction and Interest thereon</li> <li>• Processing fees for Assignment of Receivables (Factoring)</li> <li>• BMS Facility and Interest thereon</li> </ul>	<p>TMPVL and TCFSL have entered into / propose to enter into the following RPTs pertaining during FY 2023-24, for an aggregate value not exceeding ₹3,400 crore outstanding at any point of time:</p> <ul style="list-style-type: none"> <li>• Purchase of goods / services</li> <li>• Leasing Transactions including residual value risks borne by the Company</li> <li>• Assignment of Receivables (Factoring) Transaction and Interest thereon</li> <li>• Processing fees for Assignment of Receivables (Factoring)</li> <li>• BMS Facility and Interest thereon</li> </ul>	<p>TPEML and TCFSL have entered into / propose to enter into the following RPTs pertaining during FY 2023-24, for an aggregate value not exceeding ₹1,000 crore outstanding at any point of time:</p> <ul style="list-style-type: none"> <li>• Purchase of goods / services</li> <li>• Leasing Transactions including residual value risks borne by the Company</li> <li>• Assignment of Receivables (Factoring) Transaction and Interest thereon</li> <li>• Processing fees for Assignment of Receivables (Factoring)</li> <li>• BMS Facility and Interest thereon</li> </ul>
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.79%	0.98%	0.29%

Sr. No.	Description	Details of proposed RPTs of TCFSL with the Company and its subsidiaries with TCFSL		
		TML	TMPVL	TPEML
2.	Justification for the proposed RPTs	TCFSL brings comprehensive and innovative, solution-oriented asset financing solutions like channel financing, Invoice discounting and leasing. TCFSL's Channel Financing program ensures timely availability of finance for channel partners with extended and convenient re-payment terms, thereby freeing up cash flow for business growth while strengthening the Company's, TPEM's and TMPVL's distribution network.		
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	Not applicable		
a.	Details of the source of funds in connection with the proposed transaction	Not applicable		
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: <ul style="list-style-type: none"> <li>- Nature of indebtedness</li> <li>- Cost of funds and</li> <li>- Tenure</li> </ul>	Not applicable		
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not applicable		
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not applicable		
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note II given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.		
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	None of the Directors or KMPs of the Company are Directors or KMPs of TCFSL.	<p>Mrs Usha Sangwan Independent Director - Designate of the Company is also an Independent Director on the Board of TMPVL.</p> <p>Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is a Non-Executive Director on the Board of TMPVL.</p> <p>None of the Directors or KMPs of the Company are Directors or KMPs of TCFSL.</p>	<p>Ms. Vedika Bhandarkar Independent Director of the Company is also an Independent Director on the Board of TPEML.</p> <p>Mrs. Usha Sangwan Independent Director - Designate of the Company is also an Independent Director on the Board of TPEML.</p> <p>Their interest or concern or that of their respective relatives, is limited only to the extent of their holding directorship / KMP position in TPEML and TCFSL.</p>
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.		

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. II of the Notice.

## NOTICE

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 11 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 11 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

### Item No.12

Details of the proposed RPTs of Tata Motors Limited ('TML') and its two identified subsidiaries with Fiat India Automobiles Private Limited ('FIAPL') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMDI/ CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr No.	Description	Details of proposed RPTs of FIAPL with the Company and its subsidiaries		
		TML	TMPVL	TPEML
1.	Summary of information provided by the Management to the Audit Committee for RPTs entered into / proposed to be entered into.			
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	FIAPL is a joint operations company, established between FCA Italy S.p.A ("FIAT Group") and the Company for the purpose of manufacturing motor vehicles, parts, and components thereof, in India. The JV plant operates under the name FIAPL, as an independent entity and produces both, the JEEP and the Tata brand of cars for the FCA India Automobiles Pvt. Ltd. ('FCAIPL') and the Company, respectively.	FIAPL is Related Party of the Company, as on the date of this Notice.	TMPVL is a wholly owned subsidiary of the Company and undertakes its passenger vehicles business as a separate entity w.e.f. January 1, 2022  TPEML and FIAPL are Related Parties of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the RPTs.	TML and FIAPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹2,500 crore (with funding transactions not exceeding ₹100 crore outstanding at any point of time and operational transactions not exceeding ₹2,400 crore): <ul style="list-style-type: none"> <li>• Purchase / Sale of vehicle parts / components / services, etc.</li> <li>• Interest received and paid on outstanding balances.</li> <li>• Inter-corporate deposits given</li> </ul>	TMPVL and FIAPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹30,500 crore: <ul style="list-style-type: none"> <li>• Purchase / Sale of vehicles / parts / components / services, etc.; and</li> <li>• Interest received and paid on outstanding balances.</li> </ul>	TPEML and FIAPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹6,055 crore: <ul style="list-style-type: none"> <li>• Purchase / Sale of vehicles/ parts / components / services, etc.; and</li> <li>• Interest received and paid on outstanding balances.</li> </ul>
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	0.46%	8.82%	1.75%

Sr No.	Description	Details of proposed RPTs of FIAPL with the Company and its subsidiaries		
		TML	TMPVL	TPEML
2.	Justification for the proposed RPT	<p>The Company's Pune plant assembles powertrains required for manufacture of passenger vehicles at FIAPL's Ranjangaon plant for which it purchases certain engines, transaxles, catalytic converters and other parts from TMPVL.</p> <p>TML assembles engines, transaxles and fitment of other peripheral parts to build the powertrain which is sold to FIAPL.</p> <p>FIAPL uses the powertrain to manufacture vehicles which is eventually sold to TMPVL.</p>	<p>TMPVL sells castings and aggregates of engines, metal bodies, etc to the Company. The Company then assembles engines, transaxles and fitment of other peripheral parts to build the powertrain which is sold to FIAPL. FIAPL uses the powertrain to manufacture vehicles which is eventually sold to TMPVL.</p> <p>TMPVL also purchases vehicle spare parts and components from FIAPL.</p> <p>FIAPL has undertaken to reserve certain production capacity of its Ranjangaon Manufacturing Facility for manufacturing and supplying of motor vehicles and related spare parts.</p>	<p>TML has a contract manufacturing arrangement (CMA) with FIAPL for manufacture of engines and vehicles. The manufacturing capacity available will be shared between TML and FCA based on volume commitment given by each party. Going forward, the Company's capacity entitlement for manufacturing Tata vehicles shall be apportioned between TMPVL and TPEML on mutually agreed basis.</p> <p>The existing principles of cost allocation, take or pay arrangement and true up mechanism (including for expenses and mechanism for adjustments) as defined in CMA will apply between TMPVL and TPEML on mutually agreed basis. Considering there would be flexibility to use each other's capacities even as the year progresses, this would bring in better operational efficiency for TPEML as well as TMPVL.</p> <p>The aforementioned transactions would not only help both the Companies to manage its business operations smoothly but would also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity. This in turn will contribute towards Tata Motors' group synergy.</p>
3.	Details of Transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Own share capital / Internal accruals and liquidity of the Company.		
a.	Details of the source of funds in connection with the proposed transaction.	Own share capital / Internal accruals and liquidity of the Company.	Not Applicable	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.		Not applicable	

**NOTICE**

Sr No.	Description	Details of proposed RPTs of FIAPL with the Company and its subsidiaries		
		TML	TMPVL	TPEML
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	<p>Inter-corporate deposits given/ to be given aggregating to, not exceeding ₹100 crore outstanding at any point of time.</p> <ul style="list-style-type: none"> <li>Lock in Period of 2 days and thereafter on 'demand to pay basis'.</li> <li>Tenure: upto 12 months.</li> <li>Interest rate: 6% - 8.75%; linked to the Company's short-term borrowing rate.</li> <li>Repayment Schedule: Not Applicable.</li> <li>The above inter-corporate deposits are under unsecured category.</li> </ul>	Not Applicable	Not Applicable
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	To meet working capital requirements of FIAPL	Not Applicable	Not Applicable
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note II given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.		
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	None of the Directors or KMPs of the Company are Directors or KMPs of FIAPL.	<p>Mrs Usha Sangwan Independent Director - Designate of the Company is also an Independent Director on the Board of TMPVL.</p> <p>Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is a Non-Executive Director on the Board of TMPVL.</p> <p>Mr. Shailesh Chandra, Managing Director is a Non-Executive Director on the Board of FIAPL</p> <p>None of the Directors or KMPs of the Company are Directors or KMPs of FIAPL.</p>	<p>Ms. Vedika Bhandarkar Independent Director of the Company is also an Independent Director on the Board of TPEML.</p> <p>Mrs. Usha Sangwan Independent Director - Designate of the Company is also an Independent Director on the Board of TPEML.</p> <p>Mr. Shailesh Chandra, Managing Director as well as Mr Aasif Malbari, Chief Financial Officer and KMP of TPEML are Non-Executive Directors on the Board of FIAPL.</p> <p>Their interest or concern or that of their respective relatives, is limited only to the extent of their holding directorship / KMP position in TPEML and FIAPL.</p>



Sr No.	Description	Details of proposed RPTs of FIAPL with the Company and its subsidiaries		
		TML	TMPVL	TPEML
6.	Any other information that may be relevant	At the AGM held on July 04, 2022, the Company had obtained approval of the Members for RPTs of ₹40,500 crore with regard to its arrangements with FIAPL involving Purchase / Sale of vehicles/ parts / components / services, etc., for the financial year 2022-23. The subsidiaries of the Company viz., TMPVL and TPEML had RPTs amounting to ₹20,899 crore as against approved limit of ₹40,500 crore. The Company seeks approval of the Members for its transaction relating to sale of vehicle parts and components to FIAPL amounting to ₹1,547 crore during the financial year 2022-23 which would be within the aforesaid approval of ₹40,500 crore. The name of TML (the Company) was not specifically included in the Resolution for FY 2022-23. Fresh approval for FY 2023-24 for ₹ 2,500 crore is being sought at this AGM.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 12 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 12 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 12 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

### Item No.13

Details of the proposed RPTs of Tata Motors Passenger Vehicles Limited ('TMPVL'), a subsidiary, with certain identified Related Parties of the Company viz. TACO Tata Prestolite Electric Private Limited ('TACO') and Tata AutoComp Systems Limited ('TASL') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMDI/ CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr No.	Description	Details of proposed RPTs of TMPVL with	
		TACO	TASL
1.	Summary of information provided by the Management to the Audit Committee for RPTs entered into / proposed to be entered into.		
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	<p>TMPVL is a wholly owned subsidiary of the Company and undertakes passenger vehicles business as a separate entity w.e.f. January 1, 2022</p> <p>TACO is a JV of TASL, which is a subsidiary of Tata Sons Private Limited, the Promoter of the Company and Beijing-based Prestolite Electric to enter the Electric Vehicle (EV) components market and to develop powertrain solutions for the Indian EV market. TASL is also an Associate of the Company.</p> <p>TACO is a JV between TASL TMPVL and TACO are Related Parties of the Company, as on date of this Notice.</p>	<p>TASL is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. Furthermore, TASL is also an Associate of the Company. TASL is engaged in the business of manufacturing automotive components, including automotive interior as well as exterior plastics, and provides products and services in the automotive industry to Indian as well as global customers.</p> <p>TMPVL and TASL are Related Parties of the Company, as on date of this Notice.</p>

## NOTICE

Sr No.	Description	Details of proposed RPTs of TMPVL with	
		TACO	TASL
b.	Type, material terms, monetary value and particulars of the RPTs.	TMPVL and TACO have entered into / propose to enter into RPTs pertaining to purchase / sale of goods / services (mainly purchase of various powertrain products like motors, controllers as well as drivetrain etc. by TMPVL from TACO which are used in vehicles manufactured by TMPVL) during FY 2023-24, for an aggregate value not exceeding ₹1,460 crore.	TMPVL and TASL have entered into / propose to enter into RPTs pertaining to purchase/sale of goods / services (mainly purchase of batteries, auto components in nature of interior plastic bodies, accessories, supplies, dyes etc. by TMPVL from TASL which are used in vehicles manufactured by TMPVL) during FY 2023-24 for an aggregate value not exceeding ₹4,775 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	0.42%	1.38%
2.	Justification for the proposed RPT	This is a strategic alliance setup by TMPVL for sourcing part and components for its EV vehicles basis detailed negotiations resulting in overall Tata Motors Group synergy and sustainability in the long run.	This is a strategic alliance setup by TMPVL for sourcing parts and components from TASL by floating quotations amongst various vendors, adopting target based costing and detailed negotiations resulting in overall Tata Motors Group synergy and sustainability in the long run.
3.	Details of Transaction relating to subsidiary	any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its	
a.	Details of the source of funds in connection with the proposed transaction.	Not Applicable	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.		
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.		
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT		
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.	
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	Mrs. Usha Sangwan an Independent Director - Designated of the Company is also an Independent Director on the Board of Directors TMPVL. Mr. P B Balaji, Group Chief Financial Officer and KMP of the Company is also a Director on the Board of Directors TMPVL. None of the Directors or KMPs of the Company are Directors or KMPs of TCFSL or TASL or TCFSL	
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.	

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 13 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 13 of the Notice convening the AGM for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 13 of the Notice, whether the entity is a Related Party to the particular transaction or not.

## Item No.14

Details of the proposed RPTs of Jaguar Land Rover Group of Companies ('JLR Group') with Chery Jaguar Land Rover Automotive Company Limited ('CJLR'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr No.	Description	Details of proposed RPTs between JLR Group and CJLR
1.	Summary of information provided by the Management to the Audit Committee for RPTs entered into / proposed to be entered into.	
a.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	<p>Jaguar Land Rover Automotive plc ('JLRA') is a step down wholly owned subsidiary of the Company. JLRA is into the design, development, manufacture and marketing of high-performance luxury saloons, specialist sports cars, four-wheel drive off-road vehicles and related components.</p> <p>Jaguar Land Rover Limited (JLR UK) and Jaguar Land Rover (China) Investment Co. (JLR China) Limited are step down subsidiaries of JLRA.</p> <p>JLR UK is into manufacturing of luxury cars and JLR China operates as an automobile wholesaler in China.</p> <p>JLR UK and JLR China jointly with Chery Automobile Co. Ltd. are shareholders of the Joint venture entity CJLR, which is into the business of manufacturing and assembly of vehicles.</p> <p>For the list of entities falling under the JLR Group, refer to <a href="https://www.tatamotors.com/investors/">https://www.tatamotors.com/investors/</a></p> <p>JLR Group and CJLR are Related Parties of the Company, as on the date of this Notice.</p>
b.	Type, material terms, monetary value and particulars of the proposed RPTs	<p>JLR Group and CJLR have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹8,800 crore:</p> <ul style="list-style-type: none"> <li>• Sale of Goods</li> <li>• Rendering of services</li> </ul>
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	0.64%
2.	Justification for the proposed RPTs	As a part of the Tata Motors Group Strategy, the group companies of the Company enter into transactions with Group entities amongst themselves which not only help smoothen business operations of the companies, inter-se, but also ensures consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business enhancement.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
a.	Details of the source of funds in connection with the proposed transaction	Not Applicable

**NOTICE**

Sr No.	Description	Details of proposed RPTs between JLR Group and CJLR
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:  - Nature of indebtedness  - Cost of funds and  - Tenure	Not Applicable
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report, if applicable, would be obtained and relied upon.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr N Chandrasekaran, Chairman and Non-Executive Director of the Company is also the Chairman of the Board of Directors of JLRA.  Mr Al-Noor Ramji, Independent Director of the Company is also a Director on the Board of Directors of JLRA.  Ms Hanne Sorensen, Independent Director of the Company is also a Director on the Board of Directors of JLRA and JLR Holding Limited.  Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is also a Director on the Board of Directors of JLRA.  None of the Directors or KMPs of the Company is Director/KMP of CJLR.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 14 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 14 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 14 of the Notice, whether the entity is a Related Party to the particular transaction or not.

## Item No.15

Details of the proposed RPTs of Tata Motors Limited and/or its subsidiaries and Jaguar Land Rover Limited and/or their subsidiaries ('collectively TML Group') with Tata Consultancy Services Limited & its subsidiaries ('TCS Group') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between TML Group and TCS Group
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Tata Consultancy Services Limited ('TCS') is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. TCS being a globally recognised provider of IT services participates in the digitization initiatives of entities within Tata group and partners in respective entities' growth and transformation journeys.  TCS Group is Related Party of the Company as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	TML Group and TCS Group have entered into / propose to enter into RPTs pertaining to the availing/rendering of services during FY 2022-23, for an aggregate value not exceeding ₹5,000 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.45%
2.	Justification for the proposed RPTs	As a part of the Tata Motors Group Strategy, the group companies of the Company enter into transactions with Tata Group entities amongst themselves which not only help smoothen business operations of the companies, inter-se, but also ensures consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business enhancement.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
a.	Details of the source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: <ul style="list-style-type: none"> <li>- Nature of indebtedness</li> <li>- Cost of funds and</li> <li>- Tenure</li> </ul>	Not Applicable
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report, if applicable, would be obtained and relied upon.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr N Chandrasekaran is the Chairman and Non-Executive Director of the Company as well as of TCS.  Mr Om Prakash Bhatt and Ms Hanne Sorensen, Independent Directors on the Board of the Company, are also Independent Directors on the Board of TCS.  Ms Hanne Sorensen, Independent Director is also on the Board JLRA and JLR Holdings Limited
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

## NOTICE

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 15 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 15 of the Notice convening the AGM for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 15 of the Notice, whether the entity is a Related Party to the particular transaction or not.

### Item No. 16

Details of the proposed RPTs between the Company with Tata Steel Limited (TSL), identified subsidiaries / affiliates of TSL and Poshs Metals Industries Private Limited (a third party) through dealers of TSL, including the information required to be disclosed as part of the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between the Company and TSL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	<p>Tata Steel Limited is a listed associate company of Tata Sons Private Limited (Promoter of the Company, as well as forms part of the Promoter Group) and consequently, a related party of Company.</p> <p>Tata Steel Downstreams Products Limited is a subsidiary of TSL.</p> <p>Poshs Metals Industries Private Limited along with dealers of TSL are third parties.</p> <p>The Company procures steel from dealers of TSL which in turn procures the steel from Tata Steel Downstreams Products Limited, a subsidiary of TSL at a price negotiated between the Company and TSL.</p> <p>Since materials are supplied by TSL and/or its subsidiaries directly and through its dealers to the Company at a price negotiated with TSL, these transactions are construed as RPTs for the purpose and effect to benefit the Company, as per the SEBI (LODR) Regulations.</p>
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company has undertaken/proposed to undertake RPTs with TSL its subsidiaries and third party dealers. The RPTs involve purchase & sale of goods / raw materials and availment of services during FY 2023-24 for an aggregate value not exceeding ₹4,240 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.23%
2.	Justification for the proposed RPTs	<p>One of the important objectives of the Company is to meet the business requirements and quality of the product which the company manufactures. TSL is a leading manufacturer of steel in India and meets the quality standard requirement of the Company's manufacturing units.</p> <p>In light of above and other commercial factors, aforementioned transactions are undertaken, which will help both the companies to smoothen business operations and also ensure a consistent flow of desired quality and quantity of materials for uninterrupted operations and increase in productivity.</p>
3.	Details of proposed RPTs relating to any loans, subsidiary	inter-corporate deposits, advances or investments made or given by the Company or its subsidiary
a.	Details of the source of funds in connection with the proposed transaction	Not Applicable

Sr. No.	Description	Details of proposed RPTs between the Company and TSL
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:  - Nature of indebtedness  - Cost of funds and  - Tenure	Not Applicable
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report, if applicable, would be obtained and relied upon.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr N Chandrasekaran, Chairman and Non-Executive Director of the Company is also the Chairman and Non-Executive Director of TSL.  Mr O P Bhatt, Independent Director of the Company is also an Independent Director of TSL
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 16 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.16 of the Notice convening the AGM for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 16 of the Notice, whether the entity is a Related Party to the particular transaction or not.

## NOTICE

### Item No.17

Details of the proposed RPTs between Tata Cummins Private Limited ('TCPL') and its Related Parties, including the information required to be disclosed as part of the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between TCPL and its Related Parties
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	<p>TCPL is a 50:50 joint venture between Tata Motors Limited and Cummins Inc, USA. TCPL is engaged in the manufacture and sale of engine and its components, including trading of bought out finished components and after-market services. TCPL manufactures high performance, reliable and durable mid-range (B&amp;L) engines in the range of 75 to 400 HP. Cummins Inc. ('CI') is a global power leader that designs, manufactures, distributes and services diesel, natural gas, electric and hybrid powertrains and powertrain-related components including filtration, after treatment, turbochargers, fuel systems, controls systems, air handling systems, automated transmissions, electric power generation systems, batteries, electrified power systems, hydrogen production and fuel cell products. The Company sells its products to original equipment manufacturers (OEMs), distributors, dealers and other customers worldwide. They serve their customers through a service network of approximately 500 wholly-owned, joint venture and independent distributor locations and more than 10,000 Cummins certified dealer locations in approximately 190 countries and territories.</p> <p>TCPL is a Related Party of the Company, as on the date of this Notice.</p>
b.	Type, material terms, monetary value and particulars of the proposed RPTs	TCPL has undertaken/proposed to undertake RPTs with its Related Parties. The RPTs during FY 2023-24 involve, sale & purchase of goods, dividend, royalty (not exceeding ₹ 126 crore), services received & rendered, warranty, purchase & sale of fixed assets, for an aggregate value not exceeding ₹4,100 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.19%
2.	Justification for the proposed RPTs	<p>One of the important objectives of the Joint Venture is to meet the business requirements of both JV partners and achieve overall efficiencies with respect to manufacture of engines.</p> <p>In light of above and various other commercial factors, aforementioned transactions are undertaken / proposed to be undertaken to help both the companies to smoothen business operations and ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and increase in productivity.</p>
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
a.	Details of the source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:	Not Applicable
	- Nature of indebtedness	
	- Cost of funds and	
	- Tenure	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable



Sr. No.	Description	Details of proposed RPTs between TCPL and its Related Parties
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report, if applicable, would be obtained and relied upon.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr Girish Wagh, Executive Director and KMP of the Company is also a Director on the Board of TCPL.  None of the other Directors or KMPs of the Company is Director/KMP of Cummins Inc and its related parties.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 17 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.17 of the Notice convening the AGM for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 17 of the Notice, whether the entity is a Related Party to the particular transaction or not.

By Order of the Board of Directors

**Maloy Kumar Gupta**  
Company Secretary  
ACS No: 24123

Mumbai,  
May 12, 2023

**Registered Office:**

Bombay House, 24, Homi Mody Street, Mumbai 400 001  
Tel: +91 22 6665 8282  
Email: [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com);  
Website: [www.tatamotors.com](http://www.tatamotors.com)  
CIN: L28920MH1945PLC004520

**NOTICE**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING**

**[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings]**

<b>Name of Director</b> Director Identification Number (DIN)	<b>Mr N Chandrasekaran</b> 00121863	<b>Mrs Usha Sangwan</b> 02609263
Designation / Category of Director	Chairman Non-Executive (Non-Independent) Director	Non-Executive Independent Director
Age	59 years	64 years
Date of first Appointment	January 17, 2017	May 15, 2023
Qualifications	Bachelor's degree in Applied Science and Master's degree in Computer Applications from Regional Engineering College, Trichy, Tamil Nadu, India	Post Graduate in Economics, Post Graduate Diploma holder in Human Resource Management and a Licentiate from Insurance Institute of India.
Expertise in specific functional areas	<p>Mr N Chandrasekaran is the Chairman of Tata Sons, the holding company and promoter of all Tata Group companies.</p> <p>Mr Chandrasekaran joined the Board of Tata Sons in October 2016 and was appointed Chairman in January 2017. He also chairs the Boards of several group operating companies, including Tata Steel, Tata Power, Air India, Tata Chemicals, Tata Consumer Products, Indian Hotel Company and Tata Consultancy Services (TCS) – of which he was the Chief Executive Officer from 2009-17.</p> <p>His appointment as Chairman of Tata Sons, followed a 30-year business career at TCS, which he joined from university. Mr Chandrasekaran rose through the ranks at TCS to become the CEO and Managing Director of the leading global IT solution and consulting firm. Under his leadership, TCS generated total revenues of US \$16.5 billion in 2015-16 and consolidated its position as the largest private sector employer in India and the country's most valuable company.</p> <p>Since he has taken over as Chairman, Mr Chandrasekaran has been driving transformation of the group towards digital, sustainability and supply chain resilience. The group has forayed into new businesses including electronics manufacturing, consumer internet platform and mobile technology for 5G in India. The Tata group has expanded its aviation presence with the acquisition of Air India and is building a large global airline. The group's turnover stood at over US\$125 billion with a market cap of US\$311 billion as on 31st March, 2022.</p>	<p>Mrs. Usha Sangwan was the first ever woman Managing Director of LIC of India, largest life insurer in the world in terms of number of customers. Mrs. Sangwan is post graduate in Economics, PG Diploma holder in Human Resource Management and Licentiate from Insurance Institute of India. Mrs. Sangwan had joined LIC of India in 1981 as a Direct Recruit Officer and handled various important positions during her 37 years of stint in LIC, finally reaching the top position of Managing Director (2013-2018).</p> <p>She was also a Board member of various national and international companies. Prominent among them being Axis Bank, Bombay Stock Exchange, LIC Housing finance, LIC Cards, Grasim Industries, Ambuja Cements, Ultratech Cement, GIC-RE, Voltas, LIC International Bahrain, Singapore, Nepal and Sri Lanka.</p> <p>Presently she is independent director on the Board of Torrent Power, Trident Ltd, SBI Life, Axis Pension Fund Management Ltd., Tata Passenger Electric Mobility Ltd., Tata Motors Passenger Vehicles Ltd. and Tata Technologies Ltd. She is also a member of Financial Services and Institutions Bureau of Government of India constituted for selection of Chairmen and MDs of Public Sector Financial Institutions.</p> <p>She has been featured in Forbes magazine amongst top 50 business women of Asia. She has also been awarded Most powerful business woman Award by Business Today and Business World for three years consecutively. She was featured in Femina and on the cover page of Bureaucracy. She was honoured by 92.7 Big FM, Colour TV, Dun &amp; Bradstreet and Loksatta among others. She has won many more accolades and awards.</p>

**Name of Director****Mr N Chandrasekaran**

In addition to his professional career at Tata, Mr Chandrasekaran is on the International Advisory Council of Singapore's Economic Development Board. He is the Chairman of Indian Institute of Management, Lucknow as well as the President of the Court at Indian Institute of Science, Bengaluru. He is the member of the Mitsubishi's International Advisory Committee and the Co-Chair of the India US CEO Forum. He is also on the Board of Governors of New York Academy of Sciences and has been elected as an international member of the United States National Academy of Engineering (NAE).

Mr. Chandrasekaran was conferred with the Padma Bhushan, one of the highest civilian awards in India, in the field of trade and industry in 2022. He has also been conferred the President Eisenhower Global Award for Leadership by the Business Council for International Understanding (BCIU). Mr Chandrasekaran has been awarded several honorary doctorates by leading Universities in India and internationally, including an honorary Doctor of Letters from Macquarie University, Australia; Doctor Honoris Causa by Nyenrode University, The Netherlands; honorary Doctor of Science by the Aligarh Muslim University, and Doctor of Letters from the Regional Engineering College, Trichy, Tamil Nadu, where he completed a Masters Degree in Computer Applications, before joining TCS in 1987.

Directorships held in other companies including equity listed companies and excluding foreign companies

- Tata Sons Private limited
- Tata Consultancy Services Limited
- Tata Steel Limited
- The Indian Hotels Company Limited
- The Tata Power Company Limited
- Tata Chemicals Limited
- TCS Foundation
- Air India Limited
- Tata Digital Private Limited
- Tata Consumer Products Limited

**Mrs Usha Sangwan**

She is a member of BCCI Diversity & Inclusion Committee and a chartered member of E-qualify (ex Association of International Wealth Managers of India). She was also a jury member to select Women Transforming India by Niti Ayog. Jury member to select top 100 Women in Finance by AIWMI and Jury to select best CFOs 2021 in various categories by Business World.

- Torrent Power Limited
- SBI Life Insurance Company Limited
- Trident Limited
- Axis Pension Fund Management Limited
- Tata Technologies Limited
- Tata Motors Passenger Vehicles Limited
- Tata Passenger Electric Mobility Limited

**NOTICE**

Name of Director	Mr N Chandrasekaran	Mrs Usha Sangwan
Memberships / Chairmanships of committees of other companies (excluding foreign companies)	<p><b>Tata Sons Private Limited</b></p> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee (Member)</li> <li>CSR &amp; ESG Committee (Chairman)</li> <li>Risk Management Committee (Chairman)</li> </ul> <p><b>Tata Consultancy Services Limited</b></p> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee (Member)</li> <li>Corporate Social Responsibility Committee (Chairman)</li> <li>Executive Committee (Chairman)</li> </ul> <p><b>Tata Steel Limited</b></p> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee (Member)</li> <li>Executive Committee (Chairman)</li> </ul> <p><b>The Indian Hotels Company Limited</b></p> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee (Member)</li> </ul> <p><b>The Tata Power Company Limited</b></p> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee (Member)</li> <li>Executive Committee (Chairman)</li> </ul> <p><b>Air India Limited</b></p> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee (Member)</li> <li>Corporate Social Responsibility &amp; Sustainable Development Committee (Chairman)</li> </ul> <p><b>Tata Consumer Products Limited</b></p> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee (Member)</li> </ul>	<p><b>Torrent Power Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee (Member)</li> <li>Risk Management Committee (Member)</li> </ul> <p><b>SBI Life Insurance Company Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee (Member)</li> <li>Risk Management Committee (Member)</li> </ul> <p><b>Tata Technologies Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee (Chairperson)</li> <li>Nomination and Remuneration Committee (Member)</li> </ul> <p><b>Trident Limited</b></p> <ul style="list-style-type: none"> <li>Risk Management Committee (Chairperson)</li> </ul> <p><b>Tata Motors Passenger Vehicles Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee (Chairperson)</li> <li>Corporate Social Responsibility Committee (Chairperson)</li> </ul> <p><b>Tata Passenger Electric Mobility Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee (Chairperson)</li> <li>Corporate Social Responsibility Committee (Chairperson)</li> <li>Nomination and Remuneration Committee (Member)</li> </ul>
No. of Shares held in the Company	2,00,000 Ordinary Shares	NIL
Name of listed entities from which the person has resigned in the past three years	NIL	NIL
Relationship with other Directors, Managers, and other Key Managerial Personnel of the Company	NIL	NIL
Terms and Conditions of appointment / reappointment	Re-appointment as a Non-Executive, Non-Independent Director	Appointment as a Director and Independent Director with effect from May 15, 2023
Details of Remuneration sought to be paid	He shall be paid a fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board and other meetings	She shall be paid a fee for attending meetings of the Board or Committees thereof, commission and reimbursement of expenses for participating in the Board and other meetings

For other details such as the number of meetings of the Board attended during FY 2022-23, remuneration last drawn in FY 2022-23 by Mr. N. Chandrasekaran and Mrs. Usha Sangwan, please refer to the corporate governance report which is a part of this Integrated Annual Report.