Ref. No.: TTL/COSEC/SE/2024-25/22

May 25, 2024

**BSE Limited,**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001, India.
**Scrip Code: 544028**

**National Stock Exchange of India Limited**
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051, India.
**Trading symbol: TATATECH**

Dear Sir / Madam,

**Subject: Annual General Meeting Notice and Annual Report FY 2023-24**

The 30th Annual General Meeting ("AGM") of the Company will be held on Friday, June 21, 2024 at 2.30 p.m. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report containing the Notice of AGM for the financial year 2023-24 which is being sent only through electronic mode to the Members, who have registered their e-mail addresses with the Company/ Depositories.

This will also be posted on the company's website www.tatatechnologies.com.

This is for your information and records.

For **Tata Technologies Limited**

VIKRANT CHANDRASHEKHAR GANDHE
Digitally signed by VIKRANT CHANDRASHEKHAR GANDHE
Date: 2024.05.25 07:14:54 +05'30'

**Vikrant Gandhe**
**Company Secretary and Compliance Officer**

Encl: as above

TATA TECHNOLOGIES

TATA

# Engineering a better world

30th Annual Report 2023-24

## Contents



Scan this QR code to read the report on your hand-held device.

The cover image with a road through lush green fields visually depicts how Tata Technologies is engineering a better and sustainable tomorrow for all its stakeholders through the electrification of automotive and aerospace segments, engineering connected and autonomous vehicles, and light-weighting industrial heavy machinery, among other initiatives. Further, the road is running across the cover in a 21-degree slant, which is in line with Tata Technologies' progress lines, denoting our commitment to engineering a better world.

# Engineering a better world for everyone

Our vision of Engineering a better world embodies our commitment to delivering better value and experiences for our customers, people, community, and investors. We're redefining what the world understands by engineering, engineering that is more human, focuses on outcomes, delivers great experiences, and strives to create a better world for everyone. We're applying our manufacturing domain expertise, cutting-edge technology, and boundless creativity to overcome the challenges our customers face today and proactively anticipate the needs of tomorrow.

As a strategic engineering partner, Tata Technologies empowers manufacturing companies to create safer, cleaner, and more efficient products, advancing our vision for a better world. We play a pivotal role in multiple industries, electrifying the automotive sector with cutting-edge vehicles, leading digital transformations in aerospace, and driving efficiencies in heavy industry with Industry 4.0 solutions.

Our comprehensive offerings span outsourced engineering, digital transformation, and educational services, focusing on sectors like electric vehicles (EV) and software-defined vehicles (SDV). These efforts not only transform original equipment manufacturer (OEM) portfolios but also minimize environmental impacts, supporting a sustainable future.

We invest deeply in human potential, developing skills, and advancing careers through initiatives like i GET IT and transforming training institutes into Centers of Excellence (CoEs). This prepares a skilled workforce ready to tackle tomorrow's challenges and positions us as leaders in fostering the next generation of engineering talent.

Our commitment extends to sustainable practices, such as reducing energy consumption and recycling water, to minimize our environmental footprint. These actions reflect our dedication to exceed the environmental expectations of today's market.

Through these efforts, Tata Technologies is redefining engineering globally, enhancing customer experiences, and driving sector-wide innovation, particularly in automotive technologies. We are not just responding to the world's challenges—we are anticipating and solving them with engineering solutions that make a real difference.

COMPANY OVERVIEW

# Architects of a better tomorrow

At Tata Technologies, we are dedicated to shaping a future where innovation drives a better world. Our advanced solutions encompass next-generation electric vehicles, eco-friendly aircraft, cutting-edge green infrastructure, and sustainable agricultural methods. These initiatives reflect our commitment to improving life today and for future generations.

As a global organization, we unite diverse professionals with varied skills to solve complex engineering challenges. While we do that, we inspire a new generation of engineers to embrace the convergence of digital technology and traditional engineering, creating superior products that help customers succeed in the marketplace.

Join us as we redefine engineering to shape a better tomorrow for everyone.

## Who we are

Listed in BSE (544028), and NSE (TATATECH), Tata Technologies is a global product engineering and digital services company focused on fulfilling its mission of helping the world drive, fly, build, and farm by enabling its customers to realize better products and deliver better experiences. Tata Technologies is the strategic engineering partner businesses turn to when they aspire to be better. We bring together the best of modern engineering and digital transformation. Businesses rely on our people, solutions and services to help them conceptualize, develop and realize better products that are safer and cleaner and improve the quality of life for all the stakeholders, helping it achieve its vision of engineering a better world.

## We make products better across the value chain

At Tata Technologies, we focus on catalyzing advancements throughout the product value chain, ensuring comprehensive enhancements. Our offerings include outsourced product engineering, digital transformation, upskilling, and value-added reselling of essential software products. These services are designed to optimize and actualize superior products, aligning with our vision of engineering a better world.

## OUR VISION

To engineer
a better world

## OUR MISSION

Help the world to drive, fly, build, and farm by enabling our customers to realize better products

## OUR CORE VALUES

We live by three core values that guide everything we do. That's how we do better.

A global
mindset

One team
with customers

A can-do
attitude

## OUR BRAND

Tata Technologies personifies a HUMAN brand philosophy, focusing on meaningful impact through humanizing interactions with all stakeholders including customers, employees, investors, and communities. This approach involves understanding challenges, achieving impactful outcomes, and nurturing lasting relationships. It has helped us win esteemed recognition in the form of the Best B2B Brand - Gold Award 2024 by The Economic Times Brand Equity and Best B2B Campaign by The Economic Times EDGE.

### Key Highlights of our brand philosophy:

- **Humanizing Engineering:** We celebrate engineering with optimism, bringing it to life with humanity and context. Our efforts are directed towards engineering a sustainable world
- **Leadership with Confidence:** We lead in social media engagement among peers, ranking #1 on Instagram and X as of March 2024
- **Outcome-Focused:** Prioritizing impact over process, we aim for tangible benefits in the world. This approach is reflected in all our actions, achievements, and collaborations we forge

## GOVERNANCE – BOARD OF DIRECTORS

Our leadership is comprised of a seasoned board of directors with diverse expertise spanning the automotive, electronics, legal, IT services, consumer goods, and insurance sectors. This rich pool of experience empowers us to swiftly capitalize on market opportunities, adapt to evolving business landscapes, and deliver pioneering solutions that enhance our strategic, marketing, and operational frameworks.

**PB Balaji**
Non-Executive Director

**Nagaraj Ijari**
Independent,
Non-Executive Director

**Usha Sangwan**
Independent,
Non-Executive Director

**Aarthi Sivanandh**
Independent,
Non-Executive Director

**Warren Harris**
CEO & Managing Director

**Ajoyendra Mukherjee**
Chairman,
Independent Director

**Shailesh Chandra**
Non-Executive Director

## GOVERNANCE – EXECUTIVE LEADERSHIP TEAM

**Warren Harris**
CEO & Managing Director

**Sukanya Sadasivan**
Chief Operating Officer

**Pawan Bhageria**
President – Global HR, Admin and Education

**Savitha Balachandran**
Chief Financial Officer

**Nachiket Paranjpe**
President – Automotive Sales

**Aloke Palsikar**
EVP and Head – Aerospace and Industrial Heavy Machinery Sales

**Prahalada Rao**
President and Client Partner – Tata Motors

**Sriram Lakshminarayanan**
President and Chief Technical Officer

**Santosh Singh**
EVP and Global Head – Marketing and Business Excellence

**Anjali Balagopal**
General Counsel

**Shailesh Saraph**
EVP and Global Head – ER&D Delivery

**Geena Binoy**
EVP and Global Head – DES Delivery

**Kamal Shah**
Chief Digital Information Officer





# Highlights FY 2023-24

**₹5,117 Cr.**
Revenue from operations

**15.9%**
Y-o-Y Growth in revenue over FY 2022-23

**₹941 Cr.**
Operating EBITDA

**18.4%**
Operating EBITDA margin

**₹679 Cr.**
PAT

**13.3%**
PAT margin

**12,500+**
No. of employees

**83 days**
Sales outstanding

### CHAIRMAN'S MESSAGE

# Envisioning a better world

## Dear Shareholders,

I trust and hope you and your families are doing well. I am delighted to share my thoughts on your company's performance in FY 2023-24, a remarkable year in the history of Tata Technologies.

On November 30, 2023, Tata Technologies debuted on the public markets, becoming the first Tata Group company to do so in 19 years. Your company's IPO was a tremendous success, listing at ₹ 1,200 against an issue price of ₹ 500, reflecting a 140% premium. The overwhelming response to the IPO, with over 73.4 lakh applications, set a record for the highest number of retail applications for an Indian IPO. This success is a testament to your trust and confidence in our vision and value proposition.

Your company's financial performance in the last few years has been robust. For FY 2023-24, total operating revenue increased 15.9% year-on-year, reaching ₹ 5,117.20 crore. Revenue from the services segment was ₹ 3,982.61 crore, up 12.8% year-on-year. Total Operating EBITDA increased 14.7% year-on-year to ₹ 941.28 crore. In the last 3 years, our revenue from operations has grown at a 29% compound annual growth rate, with operating EBITDA growing at 35% CAGR. Profit Before Tax (PBT) was up 17.1% YoY to ₹ 932.05 crore. These results reflect our strong operational efficiency and our commitment to creating value for our shareholders.

The global manufacturing industry is undergoing an unprecedented transformation, driven by multiple megatrends around Artificial Intelligence, sustainability and supply chain resilience. These are reshaping business priorities across multiple industry verticals including Automotive, Aerospace, and Industrial Heavy Machinery. As companies focus on launching new products faster and delivering great customer experience, your company is at the forefront of this transformative change, actively working with customers to integrate systems engineering to optimize product development time and cost and develop software-defined electric vehicles that deliver great experience. We have strengthened our software-defined vehicles (SDV) ecosystem significantly over the last 12 months by partnering with leading technology players like NXP, Arm, Intel, and Amazon AWS to profile software-defined vehicle platform solutions for high-performance computing, next-generation digital cockpit solutions, and cybersecurity. Generative AI is likely to impact the manufacturing industry significantly going forward. We are making good progress in deploying Gen AI solutions for our customers in engineering, manufacturing, and various aspects of the customer experience value chain. Despite Gen AI's adoption in manufacturing still being relatively nascent, we are currently implementing solutions that deliver tangible value to our customers.

Given the significant impact that Gen AI will have on the manufacturing sector, we are making material investments in training and capability building. In Q4 alone, we trained almost 1,000 engineers and we have curated specialized learning paths and training programs that will ensure that more than 10,000 of our engineers are trained in basic Gen AI skills with a further 2,000 engineers receiving intermediate-to-advanced Gen AI training over the next 12 months.

Your company celebrated significant milestones with key customers such as BMW, Agratas, Tata Motors, and JLR in FY 2023-24. BMW's decision to select Tata Technologies as a JV partner followed an exhaustive 12-month evaluation of candidate Indian engineering services firms, many of which had incumbent relationships with BMW. The fact that BMW selected Tata Technologies is a testament to the breadth and depth of our capabilities and the trust that underpins the Tata Technologies brand. Through the collaboration with Agratas, Tata Technologies will expand its upstream capabilities, strengthening its end-to-end Electric Vehicle design and development capabilities. This will enable Agratas to accelerate product development, including the design and integration of battery cells into modules and packs for global customers in the mobility and energy sectors. At Tata Motors, we recently completed the rollout of a smart manufacturing solution for the new Sanand plant where we were responsible for architecting and deploying a solution that fully integrates ERP, PLM, MES, and IoT systems that have enabled Tata Motors to increase its annual production capacity by 300,000 units. At JLR, we cemented our position at the heart of their digital transformation program by accelerating the deployment of S4 Hana for a targeted number of their production facilities. Customers value the depth and breadth of knowledge and experience our integrated global teams bring to their entire enterprise—across engineering & design, smart manufacturing, and digital engineering, as is evident from the customer feedback NPS scores, which is amongst the top 10 percentile among technology services players. With our core values of a can-do attitude, a global mindset, and a one team with customers approach, we anticipate and invest ahead of customer needs, ensuring they can continue to achieve success in their businesses.

Your company's workforce, now over 12,500 professionals strong, remains our greatest asset. Through learning initiatives and our Diversity, Equity, and Inclusion (DEI) programs under Rainbow, we ensure our people have the skills and opportunities to excel. Your company's inclusive culture fosters innovation and collaboration, driving our mission forward.

Your company's commitment to community service is steadfast. Through CSR initiatives such as Ready Engineer, the EVE program, and STEM initiatives, we have positively impacted over 36,000 lives. We are dedicated to providing education and upskilling opportunities, helping our communities to live better lives.

As I look ahead, I am more optimistic than ever about the enormous opportunity ahead of us. The global manufacturing industry will continue to be transformed by the move towards software-defined and Gen AI-enabled products and your company is the best-positioned service provider to partner with many of these companies as they leverage technology to secure their future success.

I extend my deepest gratitude to all our shareholders, whose trust and support have been instrumental in our achievements. We remain committed to leading our industry in software-defined services and developing more sustainable automotive solutions, creating innovative solutions for our customers and society. Together, we are building a sustainable future for the automotive industry and beyond, true to our vision of engineering a better world.

Thank you.

Sincerely,

**Ajoyendra Mukherjee**

We are focused on strengthening our capability in software-defined everything (SDx), embedded software, artificial intelligence, analytics and smart manufacturing

Let's foster innovation through operational excellence



## CEO & MD'S REFLECTION

# We believe in better

### Dear Shareholders,

In fiscal year 2024, we made significant progress in our journey to become a more innovative and focused company, built around the transformational change being undertaken by the global manufacturing sector. We executed against a proven strategy, refined our portfolio, expanded our ecosystem of partners, delivered strategic value to our customers and maintained a relentless focus on our vision of engineering a better world.

One of the most notable highlights was the successful Initial Public Offering (IPO), the first from the Tata Group in over 20 years. It received 73.4 lakh retail applications, the highest ever for an Indian IPO. Its shares debuted at a 140% premium over the issue price, embodying our core value of a can-do attitude.

Our performance in FY 2023-24 has been inspiring. Key highlights include:

- A revenue increase of 15.9% year-on-year to ₹ 5,117.20 crore
- Services segment revenue of ₹ 3,982.61 crore, up 12.8% YoY
- An operating profit of ₹ 941.28 crore, up 14.7% year-on-year
- A profit before tax (PBT) increase of 17.1% year-on-year to ₹ 932.05 crore
- Net income at ₹ 679.37 crore; Net margin at 13.3%
- The customer pyramid has continued to improve, with 2 customers added in the $10-50 million category, 2 in the $5-10 million category, and 3 in the $1-5 million category
- Closure of 12 large deals, including one exceeding $50 million and five in the $15 to $25 million range
- Positive customer feedback NPS scores, which are amongst the 10 percentile among technology services players
- For the sixth consecutive year, Zinnov positioned your company as the number one automotive engineering service provider in India. In the new EV rankings, your company was positioned amongst the top two globally

Today's world economies face a growing array of challenges that present both opportunities and threats to the world's prosperity. These difficulties stem from a range of technological, social, political, demographic, and environmental factors. While some issues are unique to a specific region or country, as the interconnectedness among economies continues to increase, the well-being of one economy has increasingly important implications for others.

In manufacturing, post-pandemic supply chain shocks have led to economic slowdowns and high inflation, particularly in developed markets. In the automotive sector, whilst EV sales have surged, some vehicle OEMs are signaling that future growth may taper. Europe's EV demand, driven by subsidies, is expected to slow as Germany and the UK scale back incentives. The U.S. market remains Tesla-centric, while China continues to lead in sales growth. In developed countries, high EV prices make ICE vehicles more appealing to average consumers, limiting adoption. Despite these challenges, we remain convinced that the EV market continues to represent a sustained opportunity for future growth with vehicle OEMs continuing to invest in the transition to zero tailpipe emissions.

What is true of automotive is also true of aerospace. The global aviation industry has committed to achieving net zero flying by 2050. Achieving decarbonization will require fleet renewal, disruptive propulsion technologies, leveraging digital to drive operational efficiencies, and the use of sustainable aviation fuel (SAF). This will require leading aerospace companies to increase their investments in engineering and R&D and reimagine their approach, their business models, and their approach to innovation. To meet this growing demand, aerospace companies will be increasingly looking to companies like Tata Technologies for support.

Global ER&D spending reached $1,811 billion in 2022 and is projected to grow at a 16% CAGR through 2026. This growth will be driven by innovation, digital engineering, and investments in software-defined devices, AI, and advanced manufacturing.

To prepare for the anticipated growth, we continue to strengthen the leadership team of your company. In FY 2023-24, we appointed a new COO, Ms. S. Sukanya. Sukanya joins Tata Technologies after spending more than three decades in various senior leadership positions at Tata Consultancy Services (TCS). Her extensive experience in managing large, complex relationships with clients across the globe will significantly enhance our ability to navigate evolving business landscapes as we scale up our relationships with top automotive, aerospace, and industrial heavy machinery customers.

Moreover, your company is building a network of partnerships and alliances to further extend our industry-leading value proposition. Over the last 12 months, we have strengthened our software-defined everything (SDx) ecosystem by partnering with leading technology players like NXP, Arm, Intel, and Amazon AWS to profile software-defined platform solutions for high-performance computing, next-generation digital cockpit solutions, and cybersecurity.

Our customer base continues to strengthen, with new additions reflecting our growing market influence. Our talent acquisition practices earned us the Gold award at the 2023 Brandon Hall Group HCM Excellence Awards. Additionally, we were honored with the Best B2B Brand ET Shark Awards and recognized as the fastest-growing engineering service provider brand on social media by Economic Times Brand Equity. Our Electric Vehicle Simulation Model (EVSiM) was lauded as a market-first innovation by NASSCOM, and we received the NASSCOM Digital Skills Award 2023. These accolades affirm our leadership in innovation and excellence.

Key engagements include a strategic JV with BMW for developing automotive software, the implementation of iERP at Jaguar Land Rover (JLR), and the deployment of a smart manufacturing solution at Tata Motors' Sanand plant in record time. Our collaboration with Agratas and the development of SDV, smart manufacturing, and digital thread solutions for global OEMs reinforce our industry-leading position in innovation and excellence. Additionally, we secured a $30 million deal with the government of Telangana to modernize 65 state-owned Industrial Training Institutes (ITIs), offering long-term and short-term courses that cater to Industry 4.0 demands, training over 109,000 students annually.

Your company's teams were recognized for their exceptional contributions to developing innovative solutions for our customers, winning six awards at Tata Motors InnoVista and two at Jaguar Land Rover InnoVista for innovative solutions in Gen AI, alternative fuels, and sustainability. Your company engaged with engineering students to create innovative solutions and expanded our network of young innovators. In FY 2023-24, we invited 3rd and 4th year engineering students across India to propose projects in areas like electric vehicles, autonomous vehicles, cybersecurity, and Generative AI. The top three teams received ₹ 4.5 Lakh each, and all top 10 finalists were offered career opportunities at Tata Technologies.

Your company continues to invest in its people, focusing on upskilling in new competencies essential for delivering innovative solutions to meet customer expectations. Through TechVarsity, Tata Technologies' Technical University is responsible for technical competency development for various levels of employees across the organization. Your company has trained more than 7,000 employees on next-gen skills, including SDx, embedded software, AI, analytics, and smart manufacturing. Your company is focused on creating a diverse and inclusive work culture and has undertaken several initiatives in FY 2023-24. We rolled out the Reignite program aimed at empowering women engineers on a career break to restart their careers. Currently, the first batch of Reigniters is undergoing technical training and professional skills development. Through your company's SHEnnovator and LeaderBridge programs, we are enhancing gender diversity and empowering women leaders.

Your company continues to focus on engineering a better world for our key communities. Under the Empowerment Via Education (EVE) program, in association with the Lila Poonawalla Foundation, your company provided scholarships to 77 new women students, bringing the total number to 292. The Ready Engineer program continued to positively impact the underserved, and in FY 2023-24, your company imparted industrial training on EV, Industry 4.0, and topics around professional development to 7,866 engineering students.

In closing, I extend my deepest gratitude to all our shareholders, whose trust and support have been instrumental in our achievements. As we look to the future, we remain steadfast in our commitment to Engineering a Better World. Our focus on sustainable engineering solutions, digital transformation, and human potential drives our efforts. Key initiatives include advancements in software-defined everything and the integration of Generative AI, which are set to revolutionize manufacturing, enhance customer experiences, and solidify our leadership in industry innovations.

Thank you for your continued trust and support. Together, we will engineer a future that is safer, greener, and more prosperous for all.

Thank you.

Sincerely,

**Warren Kevin Harris**



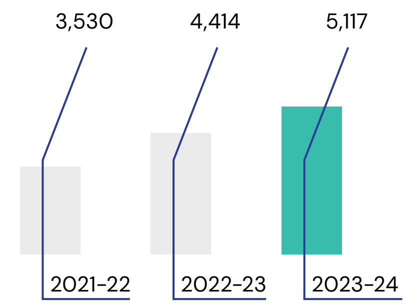




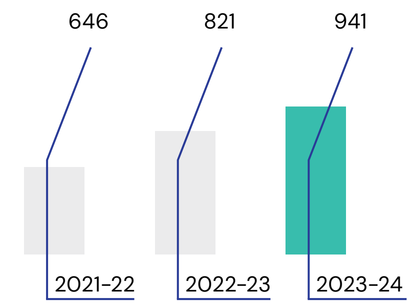
PERFORMANCE HIGHLIGHTS

# Engineering success

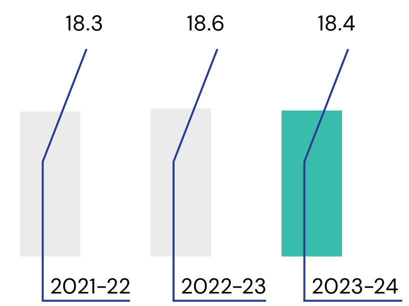
### Revenue from operations (₹ crore)



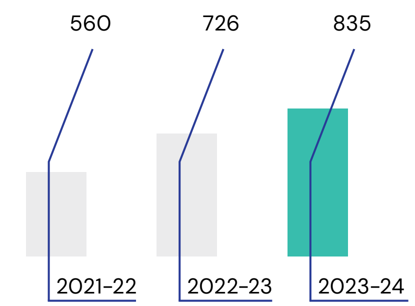

### Operating EBITDA (₹ crore)



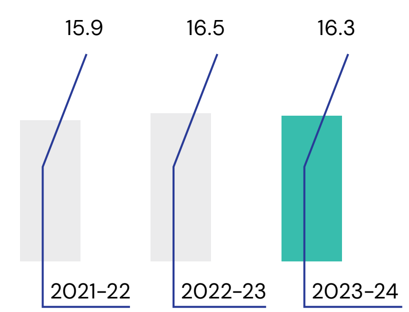

### Operating EBITDA margin (%)



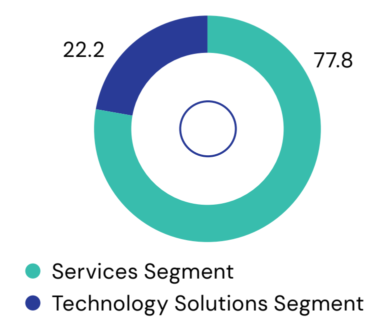

### EBIT (₹ crore)



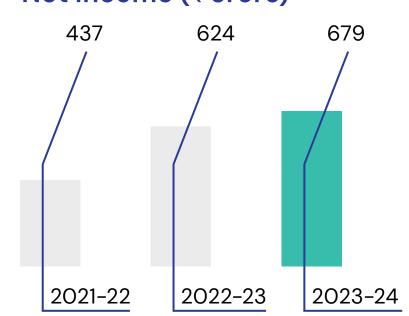

### EBIT margin (%)



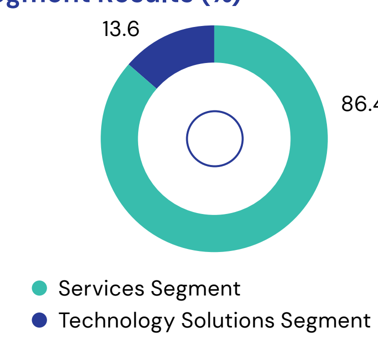

### Revenue from operations (%)




### Net income (₹ crore)




### Segment Results (%)



IPO HIGHLIGHTS

# Delivering better returns for shareholders

Marking a significant milestone in Tata Technologies' journey, celebrated with a ceremonial gong at the Bombay Stock Exchange, the IPO was an embodiment of the company's vision to compete globally in engineering services.

- Tata Technologies' initial public offering (IPO) was the first for the Tata Group in almost 20 years
- The IPO received the highest number of retail applications ever for an Indian IPO, totaling 73.4 lakh
- Shares debuted at a 140% premium over the issue price, opening at ₹ 1,200 compared to the issue price of ₹ 500, making it the best listing for IPOs valued at ₹ 1,000 crore and above
- According to some estimates, the IPO was one of the fastest to be fully subscribed, achieving this milestone within 40 minutes of opening

> "The IPO was a dream come true. We have been working on this project for several years and there were several moments where we found ourselves close to the finish line only to realize that the target had changed. Several employees at Tata Technologies are also shareholders and working since inception, and that moment we got listed truly fulfilled the dream that many of us saw together.
>
> – Warren Harris
> CEO & Managing Director

OUR JOURNEY

# How we've delivered better through the years

## 1994-95

- Founded as a business unit of Tata Motors in 1989

## 1997-99

- Mr. Ratan Tata launched Tata Technologies in India on February 6, 1997
- Won Tata Motors Ltd. E&D & IT outsourcing engagement with 760 FTEs

## 2003-04

- Recognized as the Best E&D company in the world with PCMM and CMMI Level 5 assessments

## 2005-06

- Acquired 100% of INCAT International Plc, UK
- Opened a new global offshore delivery centre in Thailand

## 2012-13

- Launched eMO at the 2012 NAIAS—the first full vehicle program by an Indian engineering services firm
- Acquired Cambric Corp
- Ranked in the Fortune India 500 for the first time

## 2014-15

- Launched AXIA-VAVE Center of Excellence
- Expanded global footprint with a presence in China

## 2017

- Acquired Escenda Engineering AB in Sweden 700-seater capacity state-of-the-art EIDC
- Strategic partnership agreement with Zodiac Seats (UK); opened an Offshore Dedicated Engineering Center (ODEC) in Pune

## 2020

- Tata Technologies positioned as an industry leader in Zinnov Zones ER&D 2019

## 2021

- Tata Technologies positioned as an industry leader in Zinnov Zones ER&D 2021
- Frost & Sullivan Company of the Year Award 2020

## 2022

- Tata Technologies identified as an industry leader in Zinnov Zones ER&D 2022
- Won GOLD at the ET Brand Equity Digiplus awards
- Won ET Most Promising Tech Marketers 2022

## 2023

- Successful public market listing with a premium of 140%
- For the sixth consecutive year, we were recognized as a Global Leader in ER&D and positioned 1st among all India-based Global ER&D Electrification & Automotive specialists
- Won Gold for best B2B Brand at ET Shark BrandEquity
- Honored with the Best Brand Campaign award at the Economic Times ET Edge as the Most Promising Tech Marketers 2023

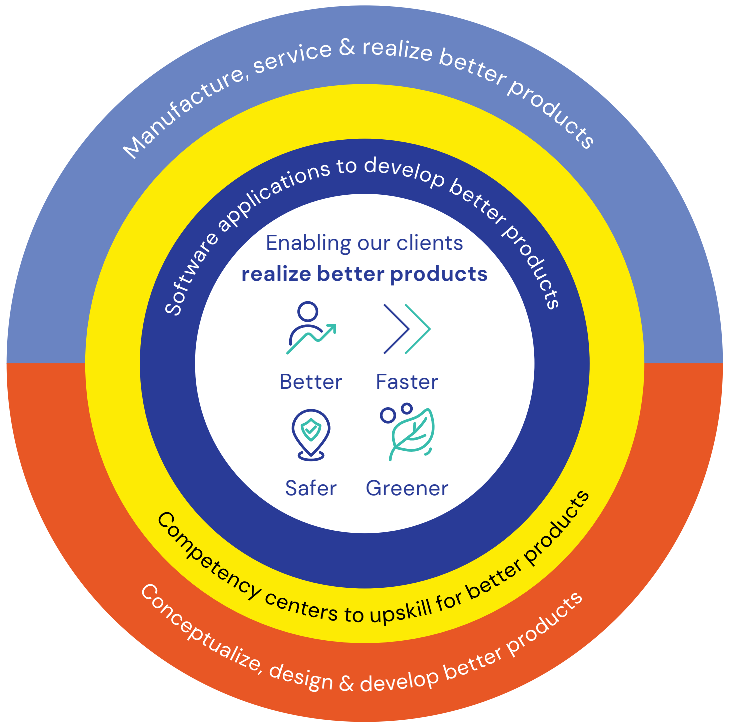
## 2024

- JV with BMW Group for automotive software, SDV & business IT solutions

## PRODUCT PORTFOLIO

# A full spectrum coverage of our value proposition

Tata Technologies is a strategic engineering partner businesses turn to when they aspire to be better. Businesses rely on our people, our services, and technology solutions to help them conceptualize, develop, and realize better products and experiences.




### Engineering, research & development services

We provide engineering solutions to help our customers conceptualize, design, and develop better products for a sustainable future.

### Education services

We engage in academia and industry collaboration to help the engineers of the future gain new skills. That boosts their employability and delivers better outcomes for businesses, customers and the industry.

### Digital enterprise solution services

We help our customers solve industry problems with our next-generation digital solutions. By employing the latest technologies, we implement best-fit solutions that deliver better.

### Software products

We help our customers transform their products through our service offerings. We help them identify and deploy product development software offered by our partners to manufacture, service, and realize better products.





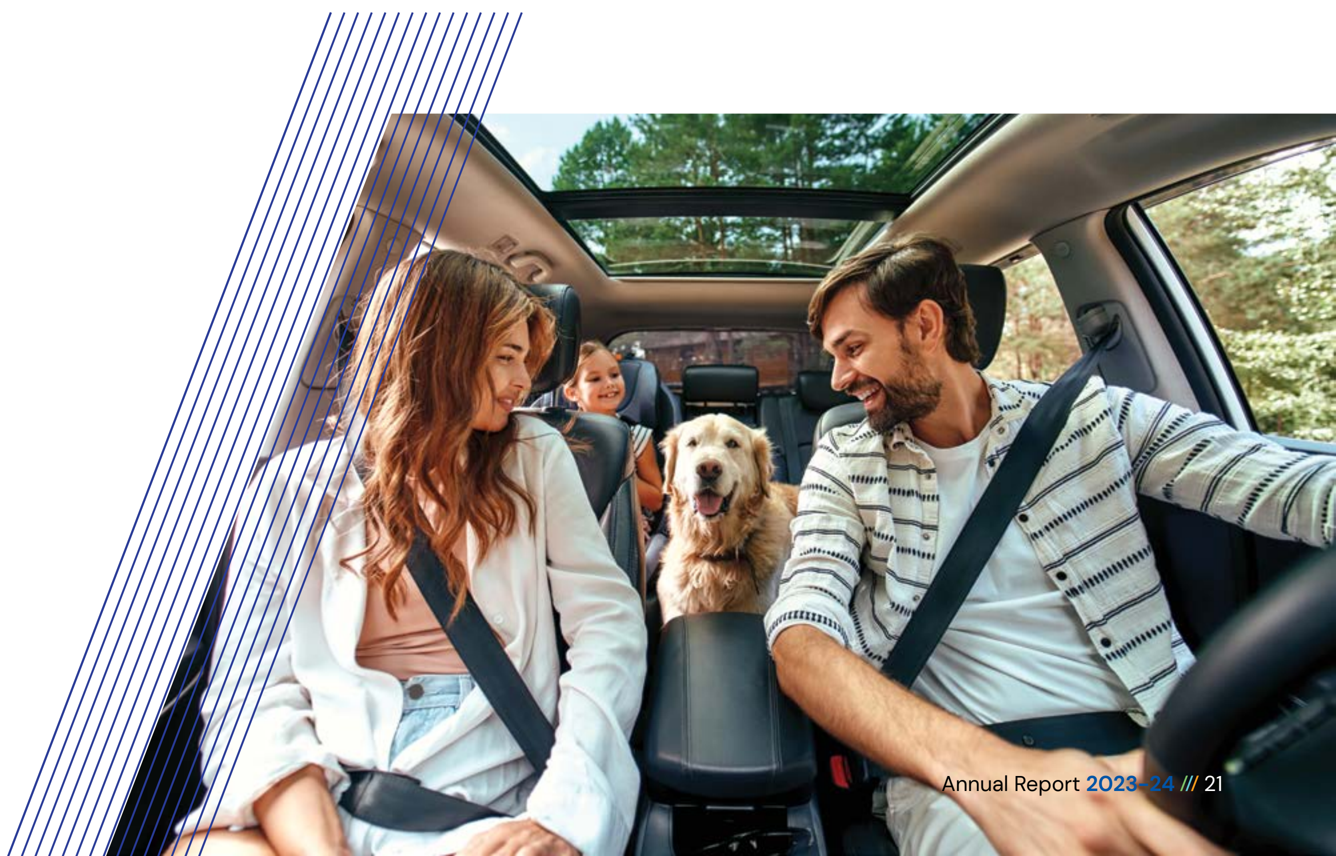
### Delivering better products and experiences

As a global leader in product engineering and digital transformation, your company is equipped to assist manufacturing firms in adapting and flourishing in this new normal. Your company has strategically invested in these value propositions in response to emerging megatrends such as the adoption of electric vehicles and equipment, embedded systems, sustainable engineering solutions, and digital transformation leveraging artificial intelligence and generative AI.

Your company's primary business line includes providing outsourced engineering services and digital transformation services to global manufacturing clients, helping them conceive, design, develop, and deliver better products, including software-defined vehicles (SDV).

Complementing its service offerings, your company's Products and Education businesses (collectively known as Technology Solutions) resell third-party software applications, primarily product lifecycle management (PLM) software and solutions, and provide value-added services such as consulting, implementation, systems integration, and support.

Your company's education business offers phygital education solutions addressing industry challenges associated with the availability of skilled manpower, including upskilling and reskilling in relation to the latest engineering and manufacturing technologies, to the public sector, private institutions, and enterprises through curriculum development and competency center offerings via its proprietary i GET IT platform.



# Our product engineering capabilities

Global Technological Transformation: The world is experiencing rapid, technology-driven transformations across all industries. Companies worldwide are adapting through continuous innovation, aligning with evolving customer preferences, and setting new benchmarks for excellence.

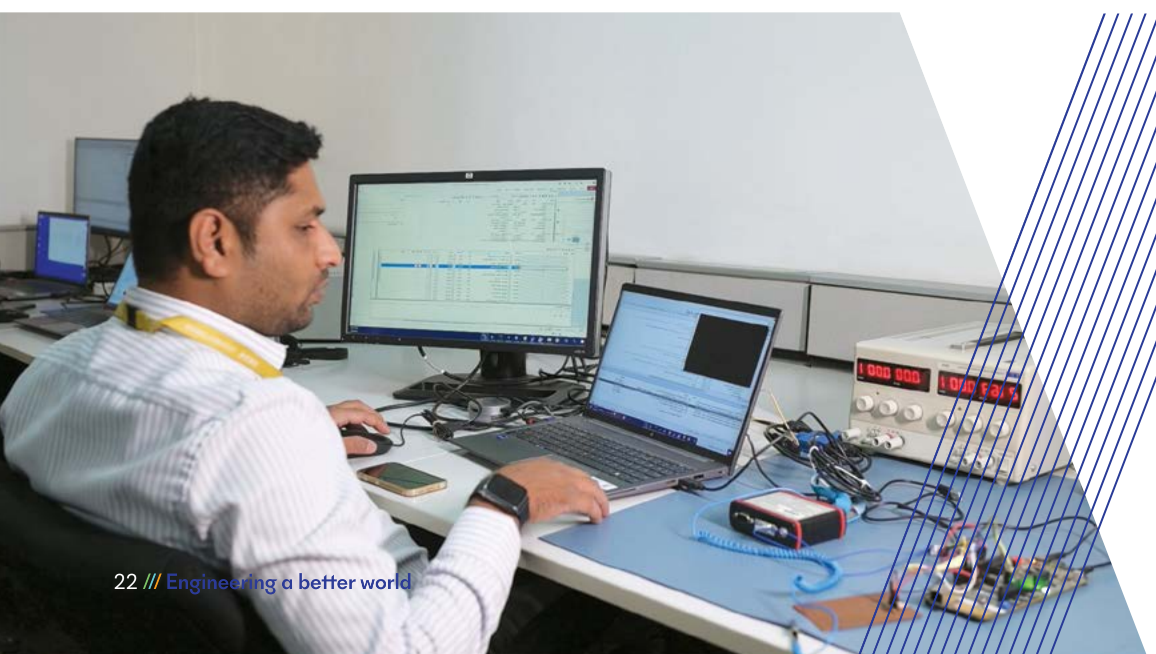
Innovation at Tata Technologies: At Tata Technologies, innovation is central to our mission to engineer a better world. Our cutting-edge capabilities and strategic investments keep us at the forefront of market developments, delivering superior products and experiences across varied sectors. Our focus on Engineering Research & Development (ER&D) has established us as leaders in automotive solutions, supporting everything from traditional OEMs to new energy vehicle initiatives.

Comprehensive ER&D Services: Our ER&D services encompass the full spectrum of automotive engineering, from concept and design to full vehicle development for internal combustion, hybrid, battery electric vehicles (BEV), and software-defined vehicles (SDV). Our approach integrates digital technologies to enhance product conception, development, manufacturing, and servicing.

Partnerships and Innovation: Our longstanding partnership with JLR since 2010 highlights our commitment to skill enhancement and continuous improvement, leading to innovations like full vehicle designs and lightweight structures developed with Tata Motors Ltd (TML) and JLR.

Engineering Better EV Solutions: As the demand for electric vehicles (EV) grows, we offer comprehensive solutions for EV development, manufacturing, and after-sales services, ensuring that OEMs can deliver competitive EV efficiently. Our product engineering suite supports rapid development cycles and includes outsourced EV development, product benchmarking, and our modular electric vehicle platform (eVMP).

Cross-Industry Synergy: Our robust automotive services portfolio extends to cross-selling opportunities in the Industrial Heavy Machinery (IHM) and aerospace sectors, demonstrating the versatility of our ER&D capabilities. These synergistic services drive our company's growth and enhance outcomes for our clients, reinforcing our commitment to engineering a better world.







# Our digital enterprise solutions

Digital Transformation & Industry 4.0: Tata Technologies boasts three decades of experience in product engineering, from conceptualization through after-sales support. Our digital solutions reduce cycle time for New Product Introduction (NPI) and Total Cost of Ownership (TCO). Smart Manufacturing capabilities enhance production, supply chain management, and operations. Real-time visibility from shopfloor to top floor reduces inventory costs and improves profitability. Our Power of 8 solutions, combined with cloud, data analytics, and automation, significantly enhance customer experience.

Key Digital Technologies: Our expertise includes implementing and integrating digital technologies like product lifecycle management (PLM), manufacturing execution systems (MES), and enterprise resource planning (ERP). Our solutions in model-based system engineering (MBSE), digital thread, and digital twin are essential for global product development, manufacturing, and aftermarket servicing. These tools enhance data visibility, traceability, and stakeholder collaboration, improving decision-making and operational flexibility.

Tata Technologies' Role: We accelerate clients' digital transformation, guiding them toward product innovation and Industry 4.0 goals with agility and excellence. Our consulting experience and Digital Enterprise Solutions (DES) showcase our digital engineering leadership. We offer comprehensive services for automotive, aerospace, and industrial heavy machinery verticals, supporting OEMs and Tier 1 suppliers throughout the digital product lifecycle. These solutions boost operational efficiencies and customer engagement, enhancing every step of the product journey.

Investments in Proprietary Accelerators and Labs: Our investments in solutions & accelerators like KBE tools, the MBSE framework, and digital thread connectors drive product innovation. Meanwhile, the SIRI framework and accelerators such as FactoryMagix (MES), AMP. IOT, and Visimatic enhance smart manufacturing capabilities. Additionally, CxSuite and Power of 8 solutions significantly improve customer experience.

Scaling New Efficiencies: We have enhanced our DES capabilities focusing on new-age technologies like AI, Generative AI, and sustainability solutions. We have deployed AI and Gen AI solutions in product engineering and manufacturing, improving time-to-market for NPI and quality. Our investments in an AI framework accelerate the deployment of AI/ML solutions with high quality.

Strategic Partnerships: Our long-standing collaborations with industry giants like Siemens Industry Software, Dassault Systems, PTC, and Autodesk provide insights into future technology trends and amplify our service capabilities. These partnerships reduce costs and strengthen our market position.

AUTOMOTIVE

# Engineering the future of mobility

With the automotive industry rapidly evolving, the necessity to adapt, innovate, and forge a connected, autonomous, shared, and electric future has intensified. Global automotive leaders are escalating their R&D investments in ACES technologies and transitioning to alternative propulsion systems, especially for electric vehicles.

Our deep expertise in both physical and digital product engineering allows us to deliver comprehensive, end-to-end automotive solutions—our largest industry vertical. This expertise enables manufacturers to quickly launch competitive products, optimize operations, and enhance customer experiences.

## Our offerings for the full vehicle and customer journey

Our deep manufacturing domain knowledge and understanding of the physical and digital layers of product engineering enable us to deliver end-to-end solutions that help manufacturers launch competitive products, optimize operations, and improve customer journeys. Our automotive offerings cover the entire product value chain across automotive engineering, manufacturing, and customer experience areas. This includes Market definition, conceptualization, outsourced turnkey electric vehicle engineering solutions, product benchmarking, rightweighting, simulation and validation, embedded systems, AUTOSAR, hardware-in-the-loop validation, connected and software-defined vehicle solutions as well as after-sales service.

## Engineering innovation for better vehicles

At Tata Technologies, our end-to-end product development and engineering expertise are especially effective in crafting lightweight structures for electric vehicles (EV) and next-generation connected vehicles. Our focus not only aligns with but also propels the industry's shift towards greener and safer automotive products. We proudly collaborate with seven of the top 10 and twelve of the top 20 automotive ER&D spenders globally, including OEMs and Tier 1 suppliers, plus five of the top 10 new energy ER&D spenders.

## Partnering OEMs in creating better

In the complex automotive landscape, OEMs seek expert support to navigate the transition to advanced vehicles. We offer a comprehensive suits of solutions addressing all engineering needs across the value chain. Our services range from new product development and value engineering to detailed engineering and design, including benchmarking, concept styling, vehicle architecture, and manufacturing process planning.

As a part of our Smart Manufacturing capabilities, we integrate lean and digital manufacturing techniques to enhance the digital thread throughout the manufacturing value chain. Our bespoke offerings include pre-studies for concept vehicles, value engineering, electric powertrain solutions, infotainment solutions, and embedded software development.

Our capabilities extend to digital sales and marketing. We support our clients with data management systems and service management solutions, including enhanced sales and after-sales services through omnichannel client interactions and complete product life cycle management.

**Engineering**
- Turnkey full vehicle development solutions
- Embedded solutions
- Product benchmarking solutions
- Connected cars
- HIL testing & validation solutions
- Software-defined vehicles

**Manufacturing**
- Process engineering
- Process simulation/digital
- Process validation
- Tooling & automation
- Robotics simulation
- Ergonomics simulation
- Plant simulation
- Factory design & validation

**After sales**
- e-commerce
- CRM
- Sales
- Dealer mgmt.
- Workshop mgmt.
- Vehicle tracking
- Data analytics

AUTOMOTIVE

# Engineering tomorrow's growth

The automotive industry is rapidly evolving towards sustainability, adopting innovative, circular design practices to reduce its carbon footprint. electric vehicles (EV), with zero emissions and reduced energy consumption, are central to this shift, symbolizing a commitment to advanced, cleaner mobility.

At Tata Technologies, our Turnkey Research Engineering & Development (TREaD) program supports this dynamic need comprehensively, from concept to vehicle launch. TREaD ensures we stay at the forefront of sustainable vehicle technology, reinforcing our leadership in engineering a better, greener world. This approach not only meets current industry needs but also anticipates future demands for sustainable mobility solutions.

## TREaDing the path of better innovation

Our TREaD expertise is focused on driving more sustainable innovation to create better, cleaner, and greener vehicles. The TREaD framework integrates market analysis, vehicle concept design, detailed engineering, validation, and more. We ensure these engineering processes are supported by thorough research and analysis conducted at our advanced HIL lab in the UK and AXIA Lab in India. This approach ensures that OEMs not only compete effectively but also establish new benchmarks in innovation and sustainability.

## Designing a better tomorrow

Tata Technologies' Turnkey Research Engineering & Development (TREaD) program leverages extensive automotive design experience from initial refinement, and digital analysis to final validation. Enhanced by our strong manufacturing capabilities, TREaD offers comprehensive, reliable solutions. Our proactive New Product Introduction (NPI) process ensures each vehicle meets the highest quality and performance standards, distinguishing us as leaders in turnkey solutions.

## Facilitating OEMs' digital transformation

Our expertise across manufacturing processes is driven by systematic pre-study, planning, tracking, and implementation. Leveraging advanced solutions, including IoT and Industry 4.0, we excel in tool design, simulations, part manufacturing, and assembly. Our processes ensure high-quality production, building reliable supplier and distributor networks. Additionally, we offer support in supplier management, packaging, homologation, and certification, contributing to efficient and effective operations.

SUCCESS STORY

# Engineering an electric and connected future

Our advancements in turnkey vehicle development were recently demonstrated through a project with a leading Southeast Asian manufacturer, where we efficiently delivered a market-ready electric vehicle (EV) solution in record time. This initiative included comprehensive vehicle development and integration of advanced technologies such as Software Over the Air (SOTA) and Firmware Over the Air (FOTA).

Key aspects of our EV development included using our Electric Vehicle Modular Platform (eVMP) to streamline new EV development and enhance systems integration for another EV model. Our efforts encompassed the full development cycle, from vehicle architecture to launch, incorporating smart features and our proprietary safety and connectivity platform, TRACE.

## Impact:

- Reduced the vehicle development lifecycle to 22 months from concept to production
- Enhanced vehicle functionality with over 80 smart features and FOTA updates for 31 ECU, reducing installation times by 30-40%





SUCCESS STORY

# Ushering in a sustainable future

Global automotive players are adopting electric vehicles (EV) as a key driver for a more sustainable world. Our turnkey research engineering & development (TREaD) program and eVMP platform are helping automotive clients worldwide develop new EV platforms faster. Additionally, our novel processes enable the replacement of internal combustion engine (ICE) platforms with high-performance electric powertrains. A major project for an Indian automotive player involved a complete redesign and integration of essential EV components including batteries, motors, charging systems, and sophisticated electronics into existing vehicle frameworks.

Our engineering team successfully converted ICE vehicles to electric, achieving rigorous Global New Car Assessment Program (GNCAP) standards, demonstrating our expertise in EV innovation, and confirming our industry leadership. The conversion used a novel, standardized ICE-to-EV method that efficiently integrated electrical subsystems, considering changes in weight distribution and packaging. This project utilized the PMXU approach—incorporating carryover, modified, transfer, and unique components—streamlined by our New Product Introduction (NPI) process with rigorous checkpoints, gateway audits, and digital validation to detect errors and reduce costs.

## Impact:

- Reduced the EV launch timeline from 28 months to 18 months
- Cut product development costs by 30%
- Earned a 4-star safety rating, meeting GNCAP standards fully

SOFTWARE-DEFINED VEHICLES

# Realizing a software-defined future

Software-defined vehicles (SDV) are redefining the automotive industry with their software-centric capabilities, offering enhanced customer experiences and supporting the development of futuristic models. Tata Technologies leads the SDV revolution by merging advanced technologies with comprehensive vehicle systems, transforming the automotive landscape.

## Making SDV a reality

Our initiatives focus on boosting customer experiences and tapping into new revenue opportunities in a market shifting towards interconnected, intelligent vehicles. The rising consumer demand for vehicle connectivity drives the need for robust, scalable software platforms that facilitate rapid updates and seamless integration of diverse components.

## Powered by a better approach

Leveraging extensive vehicle domain knowledge, Tata Technologies ensures impeccable execution of embedded systems and software in Electronic Control Units (ECU), delivering advanced solutions in collaboration with industry leaders. We employ next-gen technologies like Intel Raptor Lake Architecture and Qualcomm Snapdragon Ride 3.0, enhancing our digital cockpit and ADAS capabilities.

## Driving excellence in automotive SW development & electronics

We are involved in developing production software and electronics for key electric vehicle components such as traction inverters, on-board chargers and battery management systems. Leveraging extensive vehicle domain knowledge, Tata Technologies ensures impeccable execution of embedded systems and software in electronic control units (ECU), delivering advanced solutions in collaboration with industry leaders; Intel, ARM and Qualcomm.


## Embedded software

Delivering complex embedded system development requires deep expertise across automotive domains

intel. arm AUTOSAR

## Middleware and Cloud

Delivering cloud-based integration, OTA, API integrations, API management, B2B integration and the integration of data sources

Canonical Ubuntu SOAFEE

## Digital manufacturing/ thread

Delivering digital solutions across the manufacturing value chain to engineer better products & realize better value at the marketplace integration of data sources

ptc LOGILITY SAP SIEMENS

## Full Vehicle engineering

From full vehicle programs to tooling and everything in between, we have engineered experiences for our customers


## Customer experience

Delivering omni-channel experience for elevated customer experience throughout the SDV lifecycle

FANTASY

## Battery integration solution

Cutting-edge Battery design and integration solutions, enhancing vehicle performance and sustainability for a cleaner, more efficient future in transportation

AGRATAS

(In picture) We strengthened our SDV positioning at major embedded industry events ELIV 2023, Germany, and CES 2024, US

SUCCESS STORY

# Leaping into a better world

In the rapidly evolving automotive industry, Tata Technologies has played a crucial role in transitioning towards software-oriented and connected sustainable vehicles. We successfully assisted an Italy-based manufacturer in developing an in-house electric powertrain and inverter platform, underscoring our commitment to sustainable automotive solutions and advancing the shift toward electric vehicles.

Our approach utilized agile methodologies to enhance the manufacturer's development capabilities and reduce reliance on external suppliers. We developed a versatile platform suitable for various vehicle models, progressing from the Microcontroller Abstraction Layer (MCAL) to the Runtime Environment (RTE) and application integration. Moreover, we established a Bangalore-based Center of Excellence focused on AUTOSAR-compliant Basic Software (BSW), which managed the setup of essential components like the Bootloader and cybersecurity features, adhering to Functional Safety (FuSa) standards. This center also featured a robust build environment supported by GIT for version control and advanced test automation frameworks.

## Impact:

- Significantly shortened development timelines, enhancing the speed to market for new electric vehicle components
- Establishment of Center of Excellence for AUTOSAR compliant software development
- Our quality assurance processes aligned closely with OEM standards, ensuring consistently high-quality outcomes across all platform variants

SUCCESS STORY

# Engineering a more secure world

As the automotive industry accelerates towards connected and modern vehicles with embedded software and complex electrical systems, the demand for advanced security measures is increasingly critical. We responded promptly to a renowned British luxury automotive manufacturer's urgent need for enhanced cybersecurity for its electronic control units (ECU), leveraging our expertise in software-defined vehicles (SDV) and electric vehicles (EV).

The manufacturer faced significant cyber threats due to outdated Electrical/Electronic (E/E) architectures lacking initial cybersecurity features. Our solution involved a comprehensive cybersecurity strategy using the ISO/SAE 21434 risk-based framework, enhancing lifecycle risk management across ECU, establishing robust supplier risk management systems, and implementing continuous monitoring to adapt to evolving threats.

## Impact:

- Swiftly secured R155-type approval in less than three months, enabling the EU market launch of legacy vehicles
- Achieved sales of 1,400 vehicles, preserving the manufacturer's market presence
- Exceeded global security standards, reinforcing the manufacturer's industry leadership
- Significantly enhanced the manufacturer's cybersecurity posture, aligning with global regulatory standards

DIGITAL TRANSFORMATION

# Engineering a connected enterprise landscape

Digitalization is the driving force for a better world, serving as the driving force behind a smarter, more connected manufacturing future globally. It represents the pinnacle of modern innovation, setting a universal goal for industries and businesses aiming to enhance the customer engagement experience.

At Tata Technologies, we've positioned Digital X.0 as a cornerstone of our commitment to engineering a better world. It is the key propellant in our endeavor to deliver smart, intelligent, and connected solutions across the entire manufacturing value chain.

## Harnessing the power of Digital X.0

In the rapidly evolving industrial landscape, Digital X.0 revolutionizes every phase of the product lifecycle—from ideation to after-sales—through digital innovation. This enables quicker, cost-effective market launches with superior customer experiences. Particularly in automotive, Digital X.0 enhances digital maturity, supporting complex transformations and boosting efficiencies and quality from conceptualization to production and support.

## Getting businesses digital ready to boost agility

Leveraging our deep understanding of dynamic customer needs and our expertise in impactful solutions, we've implemented a robust digital strategy. This strategy integrates cutting-edge technology to enhance agility across the entire manufacturing value chain, aiming to reduce costs, shorten cycle times, increase productivity, and significantly enhance customer experiences.


## Ensuring anytime, anywhere customer engagement

In the evolving business ecosystem, as OEMs shift towards Phygital (physical plus digital) touchpoints, Tata Technologies facilitates comprehensive digitalization across the customer lifecycle. From awareness and consideration to purchase, after-sales, and retention, our solutions ensure seamless customer engagement anytime, anywhere, emphasizing agility.

Our suite of smart manufacturing solutions, supported by advanced digital tools and frameworks such as the MBSE Framework, TRACE proprietary connected platform, Power of 8, Knowledge-Driven Interactive Machine Learning Framework, Integration Factory, and FactoryMagix, accelerate the digital transformation journeys of OEMs. Virtual simulation solutions further enhance the product development journey by saving costs and boosting productivity.

SUCCESS STORY

# Transitioning towards smart manufacturing

In our journey through the transformative landscape of Digital X.O, we are dedicated to pioneering innovations that extend beyond traditional industry boundaries. Our focus is on enhancing sectors with advanced digital solutions, as demonstrated by our project implementing a digital manufacturing thread for a significant Indian automotive manufacturer. This initiative was pivotal in aiding the client's transition to a digitally advanced operational environment.

We developed a comprehensive smart manufacturing solution that included an integrated IT/OT layer for manufacturing execution, a paperless quality system, handheld in-plant logistics, and digital factory monitoring, all seamlessly interfacing with ERP and PLM systems. Our team successfully operationalized a newly acquired automotive plant in 9 months, setting up flexible manufacturing capabilities for both ICE and EV and introducing a sophisticated digital quality management system. We also implemented a real-time factory monitoring system to facilitate efficient troubleshooting.

## Impact:

- Utilized AI/ML technologies to drive innovative enhancements in quality and productivity
- Accelerated project completion to 9 months, achieving production readiness three months ahead of schedule
- Boosted the plant's annual production capacity to approximately 300,000 units





SUCCESS STORY

# Powering up the digital tomorrow

In the rapidly evolving digital landscape of the manufacturing industry, aligning with technological advancements requires exceptional expertise. Tata Technologies demonstrated its prowess through a partnership with a leading Tier-1 automotive supplier, revolutionizing its product lifecycle management (PLM) by transitioning to a cloud-based system. This shift was critical in adapting to the post-pandemic need for remote collaboration and operational flexibility.

Our comprehensive PLM services ranged from initial implementation to strategic data system migration, ensuring high operational and security standards. With tailored training and ongoing support, we enhanced the client's capability for effective system use. Our efforts included integrating product data for better global collaboration, establishing strategic partnerships in Italy, Germany, the US, and Japan for continuous value delivery, and providing extensive maintenance and support, reinforcing our position as a trusted technology partner.

## Impact:

- Positioned the client at the forefront of digital transformation in the automotive sector
- Centralized PLM system improved data accessibility and collaboration, supporting over 3,000 users
- Significantly enhanced the client's operational efficiency and agility globally

ARTIFICIAL INTELLIGENCE AND GENERATIVE AI

# Engineering intelligent products for the future

In today's fiercely competitive environment, transforming into the smart enterprises of tomorrow presents a significant challenge. Globally, companies are meeting this challenge by embracing the latest technological advancements, including Artificial Intelligence (AI) and Generative AI (GenAI). At Tata Technologies, we harness AI and GenAI to drive the digital transformation of enterprises, leading to smarter, more efficient operations. Our initiatives, spanning the entire product development lifecycle, ensure that innovation is more than just a buzzword - it's a tangible outcome evident in every aspect of our work.

## Leveraging AI and GenAI to create better enterprises

Integrating AI in product engineering has boosted our efficiency and innovation. For example, our Machine Learning models predict vehicle Noise, Vibration, and Harshness (NVH), reducing design iterations and improving driving comfort. Our AI strategies have cut design-to-production lead times by 40%, enhanced welding predictions, and automated processes, yielding significant time and cost savings.

## Revolutionizing manufacturing operations

Our AI-driven solutions have dramatically reduced production downtimes by over 80%, signaling a shift to more reliable manufacturing ecosystems. With AI-enhanced predictive maintenance, quality inspections, and inventory management, we've achieved unprecedented production quality and precision. Implementing AI in warranty processing has improved claim processing time and accuracy by 30%.

## Elevating customer experience

At Tata Technologies, AI is central to our strategy, enhancing customer experiences significantly. By using machine learning for fuel efficiency analysis and identifying upselling opportunities, we've boosted fleet management and sales strategies, resulting in an 11% increase in direct sales. Our customer retention models and GenAI-powered virtual assistants have revolutionized service operations, notably increasing the return of churned customers.

## Accelerating the AI journey with proprietary solutions

**Tata Technologies offers proprietary AI tools to enhance business operations:**

- Discoveria: Leverages Large Language Models for applications that meet complex business needs
- Visimatic: Provides industry-specific machine learning solutions to maximize data value
- Optick: Delivers high-efficiency document digitization with AI-based OCR

Our Interactive Machine Learning Framework standardizes the deployment of over 40 ML applications across functions such as testing, quality, sales, and predictive maintenance. This framework supports our Industry 4.0 initiatives, connecting shop floors with real-time data and advanced analytics.

SUCCESS STORY

# Driving into a more efficient world

Our AI/ML-driven solutions have significantly enhanced operational efficiencies for global clients, particularly for a major automotive OEM in India. We utilized AI/ML to address downtime challenges in the paint shop, which were notably affecting production due to frequent equipment failures. These failures would halt the painting process for 7-8 hours for repairs, particularly with paint shop blowers.

We implemented a solution that leverages advanced AI and ML technologies to improve predictive maintenance and operational efficiency. This involved collecting operational data, analyzing over 4,000 fault parts master entries, and optimizing the serviceable parts inventory to expedite repair times. Furthermore, we developed AI/ML models for real-time monitoring, predictive analytics, and optimized maintenance schedules to prevent shutdowns and reduce resource wastage.

## Impact:

- Achieved an 18% decrease in power usage, enhancing energy efficiency
- Reduced fuel consumption by 10% and chemical usage by 8% through optimized operational parameters
- Enhanced the quality of paint jobs via consistent equipment operation
- Lowered operational costs and promoted sustainable manufacturing practices





SUCCESS STORY

# Enabling generative design for a smarter future

In recent years, AI/GenAI and ML technologies have become pivotal in addressing operational challenges across the process value chain. Tata Technologies has notably applied these technologies to assist a leading Indian automotive OEM in analyzing complex, unstructured warranty data to identify failure modes effectively.

Our solution leveraged GenAI to revolutionize warranty assessments, automating data analysis to rapidly provide insights into vehicle performance and quality. By using advanced Large Language Models (LLMs), Natural Language Processing (NLP), and ML techniques, we transformed labor-intensive manual processes into an efficient, automated system. This approach not only improved quality and customer satisfaction but also standardized the process for consistent accuracy and scalability.

## Impact:

- Achieved a 70% reduction in warranty analysis time, saving approximately $70,000 by reducing manual labor and errors
- Enabled proactive quality management that enhanced product design and vehicle quality
- Streamlined operations to improve reliability and reputation, significantly boosting customer satisfaction

INDUSTRIAL HEAVY MACHINERY (IHM)

# Engineering futuristic solutions

The global Industrial Heavy Machinery (IHM) market is undergoing a transformative shift, placing it at the forefront of future-driven changes. Amid rapid infrastructure development, manufacturers face challenges from emerging technologies, rising production costs, and evolving regulations. Trends like electrification, connected equipment, and carbon reduction will shape the industry, necessitating innovative solutions tailored to these evolving needs.

Tata Technologies is ideally positioned to deliver comprehensive solutions across engineering, manufacturing, and customer experience. We excel in creating ecosystems that enable customers to effectively address new challenges and develop superior products.

## Engineering breakthroughs

Our comprehensive suite of services includes accelerators for turnkey equipment development, product benchmarking, right-weighting, design and styling, embedded software development and validation, electrification, and connected & autonomous equipment. We focus on three key domains: connectivity, autonomy, and smart factory, incorporating advanced technologies like the Internet of Things (IoT) and AI. This approach enables our clients to achieve faster, better, and more cost-effective product development, and engineering sustained success.

## Innovating a better future

Tata Technologies provides comprehensive engineering services across heavy industries like earth-moving, construction, mining, agriculture, and forestry. Our team boasts expertise in mechanical engineering, product design, electronics, embedded design, control systems, powertrain, and hydraulics.

We offer services ranging from concept to detailed design, including electrical and hydraulic development. Our capabilities extend to engine installation, machine localization, automation, electrification, powertrain development, emission compliance, and the development of systems and structures.

## Seizing tomorrow's opportunities

Innovation in the Industrial Heavy Machinery (IHM) sector, although typically lagging behind the automotive industry, is poised for transformation driven by trends such as electrification, connected equipment, and carbon footprint reduction. OEMs are focused on developing new revenue streams, accelerating market entry, reducing costs, and scaling production to expedite product development processes. Our value proposition includes a portfolio of technology-driven solutions that enhance the speed, quality, and cost-effectiveness of client products, positioning us for significant growth in the IHM sector.

Our offerings for OEMs span core manufacturing, engineering, and digital enterprise services, complemented by our expertise in full product development. This integrated approach covers the entire manufacturing value chain, enabling robust support from concept through market launch, ensuring seamless execution for our clients.

### Engineering

- Turnkey full vehicle development solutions
- Embedded solutions
- Connected vehicle
- HIL testing & validation solutions
- Product benchmarking solutions

### Manufacturing

- Process engineering
- Process simulation/digital process validation
- Tooling & automation
- Robotics simulation
- Ergonomics simulation
- Plant simulation
- Factory design & validation

### After sales

- Sustenance engineering
- Digital customer experience solutions
- Fleet solutions
- Data analytics & predictive maintenance
- Telematic solutions

SUCCESS STORY

# Crafting digital transformation solutions

The digital transformation revolution transcends industries, including the Industrial Heavy Machinery (IHM) segment. Manufacturing companies worldwide are adapting to this rapid digitalization to deliver superior outcomes and products. Tata Technologies played a key role by leading the SAP S/4 HANA implementation for a top Japanese multinational in electronics and electrical equipment manufacturing in India, marking a significant step in the company's digital journey.

This project transitioned the client from legacy SAP ECC to the more advanced S/4 HANA cloud services, aiming to modernize business units and streamline operations. Our cross-functional teams optimized business processes implemented digital accelerators, and ensured seamless integration across various business segments, including Factory Automation, Air Conditioning Systems, and Semiconductors & Devices.

## Impact:

- Enhanced operational efficiency by 15%, setting new industry standards for efficiency and technological integration
- Completed the project 25% ahead of schedule, demonstrating exceptional project management and execution
- Equipped the client with a unified data platform, significantly improving decision-making capabilities and operational agility

SUCCESS STORY

# Innovating futuristic mobility solutions

Tata Technologies responded to the demand for innovation in the Industrial Heavy Machinery (IHM) business by designing a groundbreaking zero-turning radius utility vehicle for an American manufacturer. This vehicle significantly enhances field mobility in sectors like agriculture, forestry, and construction, excelling in manoeuvrability to easily navigate tight spaces and obstacles, and integrates advanced styling, engineering, and manufacturing.

The vehicle features a compact, robust design with intuitive controls and adaptable functionalities to meet varied operational needs. Our development process included designing a compact frame for enhanced portability, conducting terrain safety studies, and implementing a semi-automatic attachment coupling system to boost productivity. Additional advanced features include a novel engine mounting system for the 35 HP engine, optimized space utilization, quick-connect systems, improved hydraulics, ergonomic enhancements, and simplified controls for efficient operation.

## Impact:

- Achieved a near-zero turning radius, significantly boosting operational efficiency
- Increased the client's market share by up to 10% following the new product's introduction
- Established new standards for versatility and reliability in the equipment manufacturing industry, reshaping market expectations

AEROSPACE

# Engineering a 360° sky view

As the aerospace sector evolves, our expertise addresses market shifts and rising air travel demand. Post-COVID-19, increased demand for zero-carbon solutions pressures OEMs to accelerate precision product delivery. With global competition and a growing aircraft backlog, our role is pivotal in facilitating aerospace recovery. We provide comprehensive solutions, from structure design to leveraging digital technologies for asset management and digital MRO.

At Tata Technologies, we assist global aerospace companies in designing, engineering, and validating aircraft with advanced tools and technologies. Our services enhance capacity utilization, product quality, and safety while optimizing costs. Our global engagement model delivers optimized engineering solutions, supporting all stages of product development from concept to aftermarket services.

## Helping aerospace companies become better

Tata Technologies enhances the aerospace industry with engineering services that optimize design, development, and maintenance. We aid global companies in improving capacity utilization, product quality, costs, safety, and security using advanced technologies. Our expertise spans critical aircraft components like fuselage, wings, and engine parts, ensuring superior outcomes. Additionally, we enhance enterprise efficiency through product lifecycle management (PLM), smart manufacturing, robotic simulation, and enterprise resource planning (ERP) services, leveraging our automotive knowledge for aerospace MRO expansions.

## Partnering better take-offs

As a trusted partner to tier 1 suppliers and OEMs, Tata Technologies has been recognized as an Engineering, Manufacturing Engineering, and Client Services Strategic Supplier (EMES3) by Airbus, among others. Our global engineering engagement model delivers fast and optimized solutions for engineering analysis and modeling, continuous engineering support, core product design and development, manufacturing engineering, and embedded systems. Our services also extend to aftermarket support, providing us with the competitive edge necessary to capitalize on the significant opportunities catalyzed by the aerospace industry's resurgence in the recent past. Notably, the increased focus on narrow-body aircraft, the growing trend towards passenger-to-freighter conversions, and the adoption of digital technologies across applications present attractive prospects for our continued growth and expansion in this sector.

### Engineering

- Airframe design
- Cabin interiors
- Passenger-to-freighter
- Avionics
- MBSE
- Simulation
- Light weighting

### Manufacturing

- Process design
- Process simulation
- Jigs, tools and fixtures
- Productivity improvement
- First article inspection

### After sales

- MRO engineering services
- Engineering concessions, repair solutions for landing gears & structures
- Obsolescence management
- Technical publications
- Aircraft asset life tracing

SUCCESS STORY

# Engineering value for those who fly high

Bright opportunities on the aerospace industry horizon have inspired Tata Technologies to expand its business through innovative offerings, designed to deliver higher value to customers and foster industry growth. Our design-to-value framework for a prominent aerospace OEM aimed to integrate Recurring Cost (RC) targets into the design process without compromising on quality, performance, weight, or market timeliness.

We implemented a Design to Cost (D2C) methodology, thoroughly analyzing business stakeholders' requirements and enabling designers to make informed decisions using historical data and innovative problem-solving techniques. The project involved a Proof of Concept (PoC) with limited system access, feasibility studies in our in-house lab, and integration into a larger Design to Value initiative that included process detailing and data modeling.

## Impact:

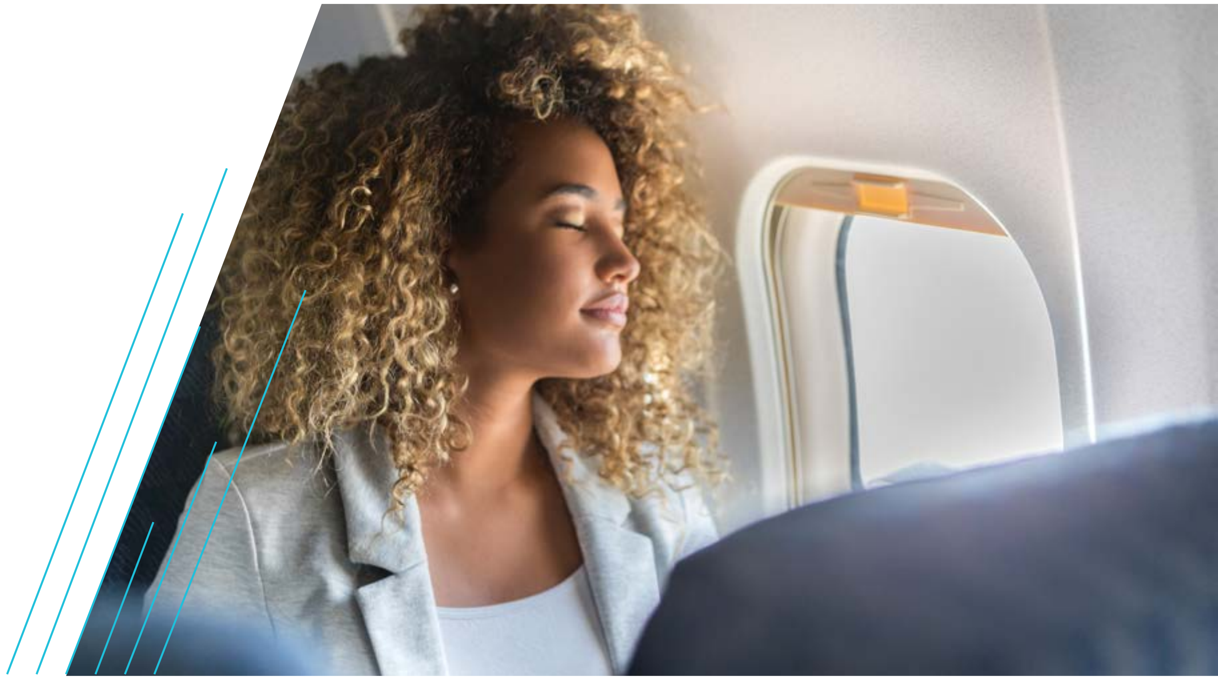
- Anticipated a 20-25% improvement in business efficiency and cost reduction, backed by an ROI framework for defining business cases
- Produced over 10 wall-sized posters detailing As-Is processes, To-Be procedures, and data model solutions, improving system comprehension and enhancing stakeholder collaboration

SUCCESS STORY

# Taking off toward a better world

Maximizing external opportunities and internal potential demands balance as precise as an airplane's navigation. A leading global aerospace OEM partnered with Tata Technologies to revolutionize the electrical systems of their single-aisle aircraft. Through innovative design, meticulous checks, and pioneering automation, this collaboration integrated new designs that complied with specific methods, optimizing costs and lead times.

Our team optimized electrical system installations, focusing on compliance and cost reduction. We improved wire harness design accuracy and streamlined installation dossiers for enhanced efficiency. The process involved thorough checks on wire harness designs to meet customer guidelines, engaging stakeholders for technical specifications validation, creating tailored tools and processes, and employing Agile methodologies for effective management. Additionally, we conducted detailed design quality assessments and business acceptance testing.



## Impact:

- Enhanced profitability and quality through Design for Manufacturing strategies
- Improved On-Time Delivery (OTD) and First-Time Right (FTR) metrics
- Achieved significant time savings and reduction in manual efforts through digitization, streamlining design and production processes
- Elevated levels of customer satisfaction due to streamlined operations and enhanced product offerings

EDUCATION

# Upskilling the next-gen talent

The manufacturing industry is in need of skilled talent. We engage in academia & industry collaboration to help budding engineers gain new skills. That boosts their employability and delivers better outcomes for businesses, customers and the industry.

## Competency Centers of Excellence

Our Upskilling Competency Centers of Excellence provide hands-on experiential learning to young engineers on the latest skills and technologies they need to work with advanced technology solutions for Industry 4.0 – and to engineer a better future for them.

## iGET IT online training platform

Our online training platform, i GET IT, provides self-paced training courses for engineers, specializing in engineering applications and skills. There are custom offerings for manufacturers wanting to upskill their employees and engineers who can directly upskill.

### Engineering the future of talent development

The rapid evolution of technology is transforming the global manufacturing landscape, necessitating advanced engineering skills. At Tata Technologies, our deep manufacturing expertise combined with robust digital capabilities uniquely positions us to meet the growing demand for engineering upskilling. Our commitment to developing future talent is integral to our mission of engineering a better world, ensuring that tomorrow's innovators are well-prepared to address global challenges.

### Empowering the next generation

Our Education business leverages i GET IT platform, acquired in 2005, to elevate global manufacturing workforce capabilities. This platform has not only attracted high-profile clients but has also fostered academic partnerships to develop curricula and innovation labs. These initiatives prepare students with the skills required for the evolving demands of the industry. We collaborate with state governments and private institutions to enhance technical training, ensuring our educational outreach is both broad and impactful.

### Training centers and digital platforms

Our competency centers and i GET IT e-learning platform are critical in helping clients upskill and reskill their workforce to meet the demands of the digital era. These centers provide comprehensive training in Industry 4.0 and EV technologies, among others, preparing professionals to excel in their fields. This year, we expanded our offerings to include joint certification programs in automotive education, further enriching our educational content to address the pressing upskilling needs.

### Phygital educational solutions

Recognizing the diverse learning needs across India, we have adopted a phygital approach, combining physical and digital education methods. This strategy not only caters to remote learners but also aligns with our goal to enhance ITI capabilities nationwide. Our efforts include significant collaborations with state governments to transform ITIs into Centers of Excellence, part of our broader commitment to nation-building through education.

### Strategic partnerships and national impact

Our proactive engagements have resulted in memoranda of agreement with several state governments, aimed at transforming ITIs into hubs of excellence and innovation. To date, we have upgraded numerous ITIs and are in the process of enhancing hundreds more, cementing our leadership in this vital sector. These partnerships are poised to significantly improve youth employability and foster entrepreneurship, contributing to India's growth trajectory.

SUCCESS STORY

# Empowering the future workforce

As digital technologies rapidly transform the manufacturing industry, a new era, known as Work 4.0, is emerging alongside Industry 4.0. This evolution has spurred the development of Education 4.0, which focuses on equipping students with industry-relevant skills and competencies. Tata Technologies is at the forefront of this educational revolution. We have notably upgraded over 280 government ITIs, designating five as CoEs, and established a Center for Invention, Innovation, Incubation, and Training (CIIIT). As part of the initiative, we've collaborated with the Government of Tamil Nadu to transform state Industrial Training Institutes (ITIs) into cutting-edge Technology Centers. This initiative is designed to empower the next generation of workers with the tools and knowledge necessary to thrive in a digitally advanced manufacturing landscape.

## Impact:

- 71 ITIs have been modernized as per Industry 4.0 standards before the 2024-25 academic session
- We are in the process of enhancing another 417 ITIs over the next two years across various states
- 7,038 ITI students were enrolled in 6 different trades and 5,655 students were pursuing various short-term courses
- We've been improving the employability of the youth and facilitating their placements
- 142 Subject Matter Experts (SMEs) are placed for technical assistance

PARTNERSHIPS

# Engineering collaborations

We've entered into a prolific joint venture with BMW Group, and it aims to establish a software and IT development hub in India, focusing on innovations in automated driving, infotainment, and digital services. At the same time, our collaboration with Agratas is set to boost their battery solution capabilities for the mobility and energy sectors. Here are a few other major technical alliances that we've forged.

- **Strategic software reselling and innovation training:**
  We collaborate with top-tier product software providers, engaging in value-added reselling of software across the product lifecycle. This includes advanced software products designed to enable digital engineering initiatives and optimize digital manufacturing processes.

- **Advancing Industry 4.0 through strategic partnerships:**
  Our proactive engagements have established significant agreements with state governments, transforming ITIs into Centers of Excellence (CoEs) as part of our broader initiative to improve youth employability and foster entrepreneurship. Notable achievements include upgrading 150 government ITIs, with a focus on expanding these efforts to more states.

- **Leading with AUTOSAR and SDV initiatives:**
  As a premium partner in AUTOSAR since August 2023, Tata Technologies is at the forefront of developing new standards for automotive software architecture. This partnership underscores our commitment to advancing automotive standardization globally.

- **Collaborative projects and industry alliances:**
  Our Memorandum of Understanding with TiHAN-IIT Hyderabad focuses on developing software-defined vehicles (SDV) and Advanced Driver Assistance Systems (ADAS), aiming to optimize product development timelines and foster a technologically advanced automotive industry. We also maintain strong technology partnerships with industry giants like NXP, Arm, Intel, and Amazon AWS to drive SDV solutions, highlighted by our presentations at major international expos like ELIV and CES.

- **Comprehensive third-party software collaborations:**
  Through various partnerships with software vendors, we offer robust reselling opportunities, supplementing our expertise with cloud solutions, Application Lifecycle Management (ALM), and integration services. These collaborations enhance our ability to provide full-scale solutions, from system integration to post-sale support, across industries.

- **Future vision:**
  As we continue to forge new partnerships, our goal remains to create a more empowering environment for collective growth, sharing knowledge and technical expertise to build a better world.

OUR PEOPLE

# Engineering better careers

People are the lifeblood that drives an organization's growth and success. Passionate and empowered employees steer the realization of a company's goals and actions. Ensuring their welfare and well-being is an overarching need for any organization seeking to succeed today to create a better tomorrow.

## Commitment to people:

People are the lifeblood that drives an organization's growth and success. Passionate and empowered employees steer the realization of a company's goals and actions. Ensuring their welfare and well-being is an overarching need for any organization seeking to succeed today to create a better tomorrow.

## Health and safety focus:

We prioritize the safety and well-being of our team, integrating strong measures to create a secure workplace. Our Occupational Health and Safety Policy, aligned with ISO 45001:2018 standards, supports our commitment through strict compliance with all health, safety, and environmental regulations. Our Global OHS Steering Committee ensures continuous improvement and adherence to safety protocols.

## RoundGlass living:

Launched our holistic well-being program RoundGlass Living, designed to help the organization promote mental and physical well-being among its employees & their loved ones through research-backed solutions, such as meditation, yoga, healthy eating, recipes, and so on.

## Talent development:

Engineering a better world for our people, we upskill them with relevant tools and provide them with an environment where they can learn and grow, in harmony with our core values

- LeaderBridge: A flagship leadership development initiative to enhance the leadership capabilities of current leaders and cultivate future leaders in the organization
- FutureFit: A skills management initiative to prepare a future-ready workforce
- Leadership Excellence Acceleration Program (LEAP): In partnership with LinkedIn Learning, LEAP aims to develop managerial skills through tailored learning paths
- TechVarsity: It's Tata Technologies' Technical University, responsible for technical competency development for various levels of employees across the organization and has conducted several initiatives:
  - Training programs, such as EDGE for Graduate Engineer Trainees, VELOCITY & Pathway for interns, NEXUS university partnership, ELEVATE for proactive skills building, PERMEATE for cross-functional training, yearly catalogue training, PIVOT leadership technical learning series, and NOTCH-UP for learning new-generation tools & innovations like Gen AI, SDV, and cybersecurity, open-house workshops and enterprise skilling for customers
  - Collaborative learning in association with our in-house platform iGET IT for digital learning initiatives, Learning Management Systems by NASSCOM and other organizations, and partners such as Microsoft Learn and LinkedIn Learning
  - Accreditations from renowned partner agencies
  - Increased the average learning hours per employee from 26.3 in FY 2022-23 to 48.7 in FY 2023-24
  - Delivered over 550 modules for technical skills to more than 7,000 employees in FY 2023-24
  - Introduced three new leadership development programs for mid-level and senior management

## Other key learning interventions:

- Offered extensive upskilling programs, including cloud skilling, cybersecurity, analytics training, embedded systems and AUTOSAR training, and CAD/CAE coaching
- Trained 54% total headcount on 250 Technical modules
- More than 300 internal SMEs have curated and delivered 400+ technical courses, and a network with 30+ learning partners has contributed towards skill building at Tata Technologies during the last 3 years

## Empowering growth:

Our career progression framework is structured to provide our employees with diverse growth opportunities, helping them develop skills across technical and managerial streams. This comprehensive support system ensures that Tata Technologies remains a leader in nurturing top-tier talent and fostering innovation in the tech and engineering sectors.


## Embracing diversity and inclusion at Tata Technologies:

At Tata Technologies, diversity and inclusion are central to our operations. With a global workforce of over 12,000 professionals across 27 countries, we embrace various nationalities and ethnic backgrounds to bring to life innovative solutions and superior products.

**Our Rainbow program:** Focusing on onboarding, training, coaching, and mentoring high-potential women to create a barrier-free workplace

**SHEnnovator Program:** Enhance gender diversity to dismantle workplace biases and offer frameworks for supporting women

**LeaderBridge WINGS Program:** Empowering women leaders through targeted developmental interventions

**Accessibility & empowerment:** Ensuring accessibility for persons with disabilities and promoting gender equality, providing all employees equal chances for career advancement

**Reignite women empowerment campaign:** Reignite addresses career continuity for women engineers returning from career breaks. This initiative offers a robust support system, including specialized training and mentorship, to reintegrate returning professionals confidently with relevant skills. To date, Reignite has attracted over 200 applications, with ongoing screening processes to select candidates

INNOVATION

# Engineering an innovation culture

At Tata Technologies, we believe that the journey towards a better future is driven by groundbreaking solutions that transform how organizations operate, delivering superior products and experiences to their customers. This belief is deeply embedded in our organizational fabric, manifesting as a culture of innovation that underpins our efforts to engineer a better world. Through these initiatives, we not only foster a culture of continuous innovation but also ensure that our workforce is equipped to meet the challenges of today and tomorrow, driving forward our mission to engineer a better world.

### Innovation e-learning module:

Tata Technologies' proprietary Innovation e-learning module trains delivery employees in design thinking and QUICK innovation methodology, achieving an 88% completion rate across the organization

### In-person and online workshops:

Over 3,000 employees have been trained in innovation methodologies through ELEVATE sessions, with 97% reporting new skills and tool acquisition.

### Honoring our innovators at Tata Technologies InnoVista 8th edition

Tata Technologies conducted the 8th edition of its internal Tata Technologies InnoVista, wherein we recognized the top 14 project teams as winners from 338 innovative project entries. These teams demonstrated a Can-do attitude to develop innovative solutions for our customers ranging from innovative full vehicle development, smart manufacturing solutions, software-defined vehicles, digital solutions to enhance the customer experience and NPI solutions for our customers.






- 2,696 Budding engineers from 229 colleges participated
- 814 Unique projects submitted by participants
- 34% Participation from women

### INNOVENT hackathon:

Engaging engineering students to create innovative solutions for the manufacturing sector, significantly expanding our network of young innovators. During FY 2022-23, we invited 3rd and 4th year engineering students across India to participate in this competition by proposing innovative projects that address real-world problems in diverse areas, including electric vehicles, autonomous vehicles, cybersecurity, and generative AI. Our SMEs (Subject Matter Experts) facilitated over 590 hours of mentoring through workshops and training sessions for the project teams to help them scale up their ideas. The top three winning teams received cash prizes of ₹ 4.5 lakh each and all the top 10 finalists were offered career opportunities at Tata Technologies.

### Recognition for innovation:

Tata Technologies was recognized among the Top 10 companies with high performers in i-Factor during the year. We received the 'role model partner' recognition for innovating solutions that address challenges hosted on the Tata InnoVerse platform around design for manufacturability and the automation of complex dynamic systems.

### Strategic participation in Tata Group's InnoVista:

Tata Technologies was recognized with 2 award wins at the prestigious Tata Group-level Tata InnoVista forum for our solutions around Firmware Over-The-Air (FOTA), AI-ML based retail prognosis & marketing activity recommender.

### Co-innovating with our customers:

Our customers recognized our teams for their exceptional contributions to co-developing innovative solutions. We achieved record-breaking performance at Tata Motors InnoVista and JLR InnoVista, securing six and two awards, respectively. These accolades were awarded for our innovative solutions in the fields of Gen AI, alternative fuels, and sustainable solutions.


COMMUNITY

# Empowering our key communities

At Tata Technologies, CSR transcends traditional goals; it's a core principle influencing every action and decision. Committed to engineering better communities, we engage in sustainable development, education, skill-building, community engagement, healthcare, and social innovation. We aim to enhance community resilience and empower individuals to seize future opportunities.

## Our comprehensive approach:

Our focus extends beyond delivering superior products and solutions; we strive to create a better world. Through a dedicated CSR committee, we ensure strategic oversight, managing our CSR policies, initiatives, and budgets. This committee also devises annual action plans and provides recommendations to expand our CSR impact.

## Empowering communities:

We believe in nurturing communities to build brighter futures. Our educational and upskilling programs are designed to improve the quality of life and expand our outreach, impacting a broader audience positively.

## Key CSR Initiatives:

### Ready Engineer 2.0

This program boosts the employability of graduate engineers by enhancing their skills and industry knowledge in partnership with industrial associations and incubation partners. It offers 6,000 engineers in India the chance to improve their technical and entrepreneurial capabilities. Notably recognized for its effectiveness, Ready Engineer 2.0 received an honorable mention from the Ministry of Corporate Affairs in 2019.

- Training ecosystem for students and professors in automotive design and manufacturing
- Opportunities for interaction with industry experts through Tech Talks and webinars
- Access to live projects, seed funding, incubation support, and a focus on fostering entrepreneurship
- Implementation as an elective subject in leading universities and colleges
- Special courses for ITI students, including contemporary skills and a special focus on Electric Vehicles with TATA Strive

### Empowerment Via Education (EVE)

Our women engineer scholarship program, EVE, supports academically talented girls from low-income families. We provide more than just scholarships; we offer ongoing guidance and opportunities to ensure these young women can thrive in their engineering careers. The program includes:

- Enrollment in post-diploma engineering courses
- Access to comprehensive technical and non-technical training programs

### STEM Education and Enhancement

In partnership with IISER Pune, our STEM initiative aims to foster a tinkering mindset among educators and students. This project includes:

- Development programs to enhance STEM tinkering skills
- Workshops for teachers on STEM tinkering techniques
- Capacity building for tinkering lab teachers and the establishment of low-cost tinkering labs in schools

### iRise

Inspiring India in Research Innovation and STEM Education (iRise), a collaboration with the Department of Science & Technology (DST), IISER Pune, the British Council, and the Royal Society of Chemistry, focuses on:

- Stimulating innovation among young students
- Training educators to foster a passion for science in India's next generation
- Strengthening industry-academia collaborations to support science professionals

**₹5,74,96,285**
CSR spend

**38,000**
CSR beneficiaries

**292**
Girls from low-income families supported/ being supported to become engineers

**29,842**
Teachers trained and students benefited

**7,866**
Total ready engineers

**164**
Recorded placements

**68**
Industry certified professors

**169**
Innovative projects supported

ENVIRONMENT

# Engineering a sustainable future

### Commitment to Sustainability:

People are the lifeblood that drives an organization's growth and success. Passionate and empowered employees steer the realization of a company's goals and actions. Ensuring their welfare and well-being is an overarching need for any organization's seeking to succeed today to create a better tomorrow.

### Sustainable Practices Across Sectors:

- **Automotive:** Leveraging our deep domain expertise, we engineer sustainable solutions that span the entire product lifecycle, shaping the future of automotive technology with environmentally conscious designs
- **Aerospace:** We develop high-precision aerospace products that minimize carbon emissions, supporting leading companies in their quest for greener skies
- **Industrial Heavy Machinery (IHM):** Our strategies and solutions enhance sustainability across operating models and processes, advancing the production of greener industrial machinery

### Innovative Sustainability Initiatives:

- Vehicle Lightweighting: We design lightweight structures for next-generation connected vehicles, combining efficiency with sustainability
- Sustainable Facilities Management: Utilizing advanced technologies, we optimize facility management processes to reduce environmental impact
- Sustainable Product Design: Our digital thread approach focuses on creating greener products, ensuring precision and minimal waste
- Tree Planting Initiatives: Tree and sapling plantation drives have been carried out both in the campus and communities. 140 trees were planted resulting in $CO_2$ sequestration of 2,800 kgs and 125 saplings were planted in a TTL supported CSR school near campus to teach the children on the importance of the preservation of environment.

### Engineering a Net Zero Journey:

Reducing our carbon footprint is paramount as we guide both our operations and our clients toward sustainable futures. Our initiatives are designed to deliver systems and products that not only meet but advance global sustainability goals.

# Awards & Accolades


For the sixth consecutive year, we were recognized as a Global Leader in ER&D and positioned 1st among all India-based Global ER&D Electrification & Automotive specialists


Gold award at the 2023 Brandon Hall Group HCM Excellence Awards for our Talent Acquisition practices


Best B2B Brand – Gold award at the Economic Times ET BrandEquity ET Shark Awards


Winner in the encourage employees to work from office, and Runner-up in the Innovation Technologies category at the Pune Chapter of the 8th edition of the Workplace Excellence Awards FY 2022-23 hosted by iNFHRA


Best use of Data Analytics in Supply Chain Optimization (IT Services) at Quantic's – Data Analytics & AI Show 2024


Electric Vehicle Simulation Model (EVSiM) has been recognized for being a market-first innovation in the Ideation to Engineering category by Nasscom


Partner of the Year 2022 in the Enterprise Solution Business category by PTC


Best Brand Campaign award at the Economic Times ET Edge – Most Promising Tech Marketers Forum 2023


Won the Nasscom Digital Skills Award 2023

# Corporate Information

### Board of Directors
Ajoyendra Mukherjee – Chairman
Usha Sangwan
Nagaraj Ijari
Aarthi Sivanandh
Pathamadai Balachandran Balaji
Shailesh Chandra
Warren Kevin Harris – CEO & Managing Director

### Chief Financial Officer
Savitha Balachandran

### Company Secretary
Vikrant Gandhe

### Registered Office
Plot No. 25, Rajiv Gandhi Infotech Park,
Hinjawadi, Pune - 411057, India

### Corporate Identification Number
L72200PN1994PLC013313

### Investor Relations Email ID
investor@tatatechnologies.com

### Statutory Auditors
B S R & Co. LLP, Chartered Accountants
(Firm Registration No. 101248W/ W-100022)
8th Floor, Business Plaza, Westin Hotel Campus,
36/3-B Koregaon Park Annex, Mundhwa Road,
Ghorpadi, Pune - 411001, India

### Committee Composition

#### Audit Committee
Usha Sangwan – Chairperson
Nagaraj Ijari
Aarthi Sivanandh
Pathamadai Balachandran Balaji
(up to December 29, 2023)

#### Nomination and Remuneration Committee
Nagaraj Ijari – Chairman
Ajoyendra Mukherjee
Usha Sangwan

#### Corporate Social Responsibility Committee
Aarthi Sivanandh – Chairperson
Pathamadai Balachandran Balaji
Warren Harris

#### Stakeholders Relationship Committee
Ajoyendra Mukherjee – Chairman
Aarthi Sivanandh
Warren Harris

#### Risk Management Committee
Nagaraj Ijari – Chairman
Shailesh Chandra
Warren Harris

#### Registrar and Transfer Agents
Link Intime India Private Limited,
C-101, Embassy 247, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083
Tel: +91 8108118484
Email: csg-unit@linkintime.co.in
Website: https://linkintime.co.in/







# Notice

Notice is hereby given that the Thirtieth Annual General Meeting ("AGM") of the Members of Tata Technologies Limited will be held on **Friday, June 21, 2024, at 02:30 pm (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the year ended March 31, 2024, together with Report of the Board of Directors and Auditors thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2024, together with Report of the Auditors thereon.

3. To declare a Final Dividend (including a Special Dividend) on Equity Shares for the financial year ended March 31, 2024.

4. To appoint a Director in place of Mr. Shailesh Chandra (DIN: 07593905), who retires by rotation and, being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

5. **To re-appoint Mr. Ajoyendra Mukherjee (DIN: 00350269) as a Non-Executive Independent Director:**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special resolution**:

   **RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ('Act'), if any, read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors), Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), as amended from time to time, and the Articles of Association of the Company, as well as based on the recommendation of the Nomination and Remuneration Committee, Mr. Ajoyendra Mukherjee (DIN: **00350269**), who was appointed as an Independent Director of the Company at the 27th Annual General Meeting of the Company for a period of three years, i.e., from March 29, 2021 to March 28, 2024, and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI LODR and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for the second consecutive term of five years, i.e., from March 29, 2024 to March 28, 2029 (both days inclusive).

   **RESOLVED FURTHER THAT**, to give effect to the above resolutions, the Board of Directors, Mr. Warren Harris, Chief Executive Officer & Managing Director, Ms. Savitha Balachandran, Chief Financial Officer, Mr. Vikrant Gandhe, Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise and to finalise and execute all documents and writings as may be necessary.

6. **To re-appoint Mr. Warren Kevin Harris (DIN: 02098548) as Chief Executive Officer and Managing director:**

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 ("the Act"), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modifications or re-enactment thereof, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") on recommendation of Nomination and Remuneration Committee ("NRC") and Board of Directors of the Company ("BOD") and subject to the approval of the Central Government and on such conditions and modifications as may be prescribed or imposed, if any, whilst granting such approval, the Company does hereby accord its approval for the re-appointment and terms of remuneration of Mr. Warren Kevin Harris (DIN: 02098548) as the Chief Executive Officer and Managing Director of the Company for a period of three years and six months with effect from September 9, 2024 (the date of re-appointment) till March 8, 2028, upon the following terms and conditions, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors and Mr. Warren Kevin Harris.

i. **Tenure of Re-appointment:** The re-appointment is for a period of three years and six months with effect from September 9, 2024 till March 8, 2028.

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

iii. **Remuneration:**

a) **Basic salary:**

Current Basic Salary of $ 649,200 per annum; up to a maximum of $ 1,100,000 per annum. The annual increments which will be effective July 1 each year, subject to maximum of 12% increase in any given year, will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee ("NRC") and will be performance-based and consider Company's performance as well, within the said maximum amount.

b) **Benefits, perquisites, and Allowances:**

Details of Benefits, Perquisites and Allowances are as follows:

i. Dental, Vision and Medical Insurance as per the Company policies.

ii. Car allowance as per the Company policy with a maximum capping of $ 9,000 per annum.

iii. All out-of-pocket expenses (including travel and hotel expenses) incurred in the performance of his duties will be refunded as per Company policies.

iv. Hotel / Service apartment accommodation and one chauffer driven car during stay in India for official purposes and all expenses (including air travel) in connection with Company's official business will be borne by the Company.

v. 20 days of leave with full pay (inclusive of sick days, personal days and vacation days) during each calendar year of employment

vi. Retiral benefits and leave encashment benefits as per the Rules of the Company and applicable laws.

c) **Incentive Remuneration in the form of Performance Pay:**

Current Performance Pay of $ 432,800 per annum; up to a maximum of $ 1,100,000 per annum. This performance pay would be payable, as per the existing policy, based on his performance as evaluated by the Board or the NRC and approved by the Board. The maximum level of payout during any year as approved by the Board or the NRC would not exceed 150% of the annual target incentive. The incentive payment as linked to Company's performance would be accessed based on indicative KPI factors as below and approved by Board and the NRC for each year:

1. Company performance against Revenue and Profit targets or any other quantitative targets set by the Board or the NRC

2. Company performance against client retention and new client acquisition

3. Market benchmark of industry performance

4. Industry benchmark on CEO and MD remuneration

d) The company may pay the above remuneration either in his base location or through one or multiple of its subsidiaries, as may be needed, and approved as a structure by the NRC.

iv. Employees Stock Option Plan ('ESOP') or Performance Stock Options ('PS') and such other Long Term Incentive Plan ('LTIP') as per rules and as per approved plan of the Company.

v. **Insurance:** The Company shall keep and maintain the following insurance policies as per Company's rules and policy, which are currently as follows:

a. Directors' and Officers' Liability Insurance Policy; and

b. Life and Accidental Death & Disability Insurance Policy.

vi. **Foreign Exchange Conversion and Taxes:**

The India remuneration, as may be determined, would be paid in rupee equivalent, according to the prevalent $/INR rate at the time of each payment and would be subject to deduction of all applicable taxes at source. All applicable taxes would be payable by and to the account of Mr. Warren Kevin Harris.

vii. **Other terms of re-appointment:**

a) The terms and conditions of the said re-appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Chief Executive Officer and Managing Director, subject to such approvals as may be required

b) The Chief Executive Officer and Managing Director shall not become interested or otherwise concerned, directly or through his spouse and / or children, in any selling agency of the Company

c) The Agreement may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any Incentive remuneration, including Stock Options, Performance Stocks (paid at the discretion of the Board) in lieu thereof

d) The employment of the Chief Executive Officer and Managing Director may be terminated by the Company without notice or payment in lieu of notice:

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

ii. in the event of any serious repeated or continuing breach or non-observance by the Chief Executive Officer and Managing Director of any of the stipulations contained in the Agreement

e) **Upon the termination by whatever means of the Chief Executive Officer and Managing Director's employment:**

i. the Chief Executive Officer and Managing Director shall immediately cease to hold offices held by him in any holding company, subsidiaries or associated companies without claim for compensation for loss of office by virtue of the provisions of the Act and unless the Board of Directors of the Company decide otherwise, shall resign as trustee of any trusts connected with the Company.

ii. the Chief Executive Officer and Managing Director shall not without the consent of the Company, at any time thereafter represent himself as connected with the Company or any of the subsidiaries or associated companies.

f) All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Chief Executive Officer and Managing Director, unless specifically provided otherwise.

g) The terms and conditions of re-appointment of the Chief Executive Officer and Managing Director also include clauses pertaining to adherence with the Tata Code of Conduct and maintenance of confidentiality.

If and when the Agreement expires or is terminated for any reason whatsoever, the Chief Executive Officer and Managing Director will cease to be the Chief Executive Officer and Managing Director, and also cease to be a Director. If at any time, the Chief Executive Officer and Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Chief Executive Officer and Managing Director, and the Agreement shall forthwith terminate. However, the Board may at its discretion decide that Chief Executive Officer and Managing Director shall continue as Director of the Company.

viii. **Minimum remuneration in case of inadequacy of profits:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Chief Executive Officer and Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to the Chief Executive Officer and Managing Director, remuneration by way of fixed salary, benefits, perquisites and allowances, performance bonus (not exceeding 100% of fixed pay) and Long Term incentive plan and retirement benefits, as specified above.

7. **Material Related Party Transaction(s) between the Company and Tata Motors Limited**

To consider, and if thought fit, to pass, with or without modifications, 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 LODR"), as amended from time to time, Section 2(76), 177, 179, 188 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 on one hand and Tata Motors Limited, a 'Related Party' of the Company on the other hand, on such terms and conditions as may be mutually agreed between the Company and Tata Motors Limited, for an aggregate value not exceeding ₹ 2,140.50 crore, (inclusive of funding transactions (ICDs) not exceeding ₹ 1,200 crore at any point of time and operational transactions not exceeding ₹ 940.50 crore), during the financial year 2024-25, 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.

8. **Material Related Party Transaction(s) between the Company and Tata Motors Passenger Vehicles Limited**

To consider, and if thought fit, to pass, with or without modifications, 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 Replace this with ("SEBI LODR"), as amended from time to time, Section 2(76), 177, 179, 188 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 on one hand and Tata Motors Passenger Vehicles Limited, a 'Related Party' of the Company on the other hand, on such terms and conditions as may be mutually agreed between the Company and Tata Motors Passenger Vehicles Limited, for an aggregate value not exceeding ₹ 535 crore, during the financial year 2024-25, 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.

9. **Material Related Party Transaction(s) between Tata Technologies Europe Limited (TTEL) and Jaguar Land Rover Limited**

To consider, and if thought fit, to pass, with or without modifications, 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 LODR"), as amended from time to time, Section 2(76), 177, 179, 188 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 Tata Technologies Europe Limited (TTEL), a wholly owned subsidiary of the Company on one hand and Jaguar Land Rover Limited, a 'Related Party' of the Company, on the other hand, on such terms and conditions as may be mutually agreed between TTEL and Jaguar Land Rover Limited, for an aggregate value not exceeding ₹ 1,345.50 crore, during the financial year 2024-25, 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.

## NOTES:

In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its General Circular No. 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")" read with Circular 20/2020 dated May 5, 2020, No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2020, Circular No. 10/2021 dated June 23, 2021, Circular No. 20/2021 dated December 8, 2021 and Circular No. 2/2022 dated May 5, 2022, and Circular No. 10/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), allowed the companies to conduct their Annual General Meetings to be held on or before September 30, 2024 through VC / OAVM, without the physical presence of the Members at a common venue by following the guidelines specified in the said MCA Circulars. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC / OAVM on June 21, 2024, at 02:30 pm (IST). The deemed venue for the 30th AGM will be the Registered Office of the Company.

1. 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 / OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA 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.

2. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 30th AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC / OAVM are requested to send a certified copy of the Board Resolution to the Scrutinizer at jbbhave@gmail.com or Company Secretary by e-mail at investor@tatatechnologies.com.

3. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

4. As per the provisions of Clause 3.A.II of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 5, 6, 7, 8 and 9 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.

5. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 5, 6, 7, 8 and 9 of the Notice is annexed hereto. The relevant details, pursuant to Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this AGM are also annexed. Requisite declarations have been received from Director/s for seeking re-appointment.

6. The Members can join the AGM in the VC / OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

7. In line with the MCA Circulars, the Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose Email IDs are registered with the Company / Depositories.

8. Members who need assistance in connection with using the technology before or during the AGM, may reach out to the Company officials at +91 20 6652 9090.

9. 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 / Claimants 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 application to the IEPF Authority, in web-Form No. IEPF-5 available on www.iepf.gov.in.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, Email IDs, telephone / mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their Depository Participant (DP) in case the shares are held in electronic form and to the Registrar and Transfer Agent (RTA) at csg-unit@linkintime.co.in in case the shares are held in physical form, quoting their folio number.

11. As per the provisions of Section 72 of the Act, 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 cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA at csg-unit@linkintime.co.in in case the shares are held in physical form, quoting their folio number.

12. The format of the Register of Members prescribed by the MCA under the Act requires the Company / RTA to record additional details of Members, including their PAN details, Email IDs, bank details for payment of dividend etc. Members holding shares in physical form are requested to submit the filled in form to the Company at investor@tatatechnologies.com or to the RTA in physical mode or in electronic mode at csg-unit@linkintime.co.in, as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.

13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

14. During the 30th AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act by writing to the Company on investor@tatatechnologies.com.

15. Members who wish to inspect the relevant documents referred to in the Notice can send an email to investor@tatatechnologies.com up to the conclusion of this Meeting.

16. The Register of Members and Share Transfer Books of the Company will be closed from Friday June 14, 2024, to Friday, June 21, 2024 (both days inclusive) and the Company has fixed Thursday, June 13, 2024 as the "Record Date" for the purpose of determining the entitlement of Members to receive final and special dividend for the financial year ended March 31, 2024.

17. Dividends are declared based on profits (including retained earnings) available for the distribution. On May 3, 2024, the Board of Directors have proposed a final dividend of ₹ 8.40 per share and special dividend of ₹ 1.65 per share in respect of the year ended March 31, 2024. The total proposed dividend amounts to ₹ 10.05 per share, subject to approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 407.70 Crore.

18. As per Indian Income Tax Act, 1961 dividend paid and distributed by a Company is taxable in the hands of shareholders. Therefore, the Company is required to deduct taxes at source (TDS) at the rates applicable on the amount distributed to the shareholders at prescribed rates. For information on prescribed rates, shareholders are requested to refer to the Finance Act, 2020 and subsequent amendments thereof. The shareholders are requested to update their PAN details, tax residential status with Registrar and Transfer Agents (RTA) (in case of shares held in physical mode) and depository participants (in case shares held in demat mode). However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 2024-25 does not exceed ₹ 5,000/-. The withholding tax rate (TDS rate) would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company.

    Further, as per the Finance Act 2021, Section 206AB has been inserted w.e.f. 1st July, 2021 wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a 'Specified Person' defined under the provisions of the aforesaid section.

    A resident individual shareholder with PAN who is not liable to pay income tax can submit a yearly declaration in Form 15G/15H. To avail the benefit of non-deduction of tax, members may send duly signed forms to Company's RTA at https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html or send an email to csgexemptforms2425@linkintime.co.in by Tuesday, 18 June 2024 (upto 6.00 p.m. IST). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

    Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by updating details at https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html alternatively send an email to csgexemptforms2425@linkintime.co.in. The said declarations need to be submitted by Tuesday, 18 June 2024 (up to 6.00 p.m. IST).

    The Company is not obligated to apply the beneficial Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and review to the satisfaction of the Company.

    Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder.

19. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email ID mentioning their Name, DP ID and Client ID / Folio number, PAN, Mobile Number at investor@tatatechnologies.com from Wednesday, June 12, 2024 (9:00 a.m. IST) to Friday June 14, 2024 (5:00 p.m. IST). Only those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

20. 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 DP and holdings should be verified from time to time.

21. To support the 'Green Initiative', Members who have not yet registered their Email ID are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company / RTA in case the shares are held by them in physical form. Process for registering Email ID to receive the Notice of AGM and Annual Report electronically:

    **Registration of email id permanently with company/ DP:** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with RTA, in respect of physical holding, by writing to them at csg-unit@linkintime.co.in. Further, those Members who have already registered their Email IDs are requested to keep their Email IDs validated / updated with their DPs / RTA to enable servicing of notices / documents / Annual Reports and other communications electronically to their Email IDs in future.

22. 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 website of the Company's RTA, Link Intime at https://linkintime.co.in/. It may be noted that any service request can be processed only after the folio is KYC Compliant.

23. Voting through electronic means:

    1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

    2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

    3. 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 for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

    4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

    5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

    6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://www.tatatechnologies.com/in/investor-relations/. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

    7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, June 18, 2024 at 9:00 am and ends on Thursday, June 20, 2024 at 05:00 pm. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. June 13, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being June 13, 2024.

### 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 shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders 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 shareholders holding securities in demat mode is given below:**

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' 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 "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL 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 & voting during the meeting.<br>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br>3. 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. 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 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.<br>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.<br>NSDL Mobile App is available on<br>App Store Google Play |
| Individual Shareholders holding securities in demat mode with CDSL | 1. 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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.<br>2. 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 & 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.<br>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.<br>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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. |
| Individual Shareholders (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 holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

B) **Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders 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 if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user 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 shareholders 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.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on 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.com mentioning your demat 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 which is 128575.

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 shareholders**

1. Institutional shareholders (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 jbbhave@gmail.com or Company Secretary by e-mail at investor@tatatechnologies.com. with a copy marked to evoting@nsdl.com. Institutional shareholders (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 to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Amit Vishal, Senior Manager, NSDL at amitv@nsdl.com / 022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.com / 022-24994545 or Mr. Sagar Gudhate, Senior Manager, NSDL at sagarg@nsdl.com / 022-24994553 or at evoting@nsdl.com

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail 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 investor@tatatechnologies.com (Company email id).

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 investor@tatatechnologies.com. If you are an Individual shareholders 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 shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com 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 shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders 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/ shareholders, 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. Shareholders 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 investor@tatatechnologies.com. The same will be replied by the company suitably.

6. Registration of Speaker related point needs to be added by company.

**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 link" placed under "Join meeting" menu against company name. You are requested to click on VC / OAVM link placed under Join General 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.

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5. Shareholders 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 investor@tatatechnologies.com. The same will be replied by the Company suitably.

**General Guidelines:**

1. The remote e-voting period commences on Tuesday, June 18, 2024 at 9:00 am and ends on Thursday, June 20, 2024 at 05:00 pm. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date i.e., June 13, 2024 may cast their vote electronically.

   The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder will not be allowed to change it subsequently or cast the vote again.

2. The members, who have cast their vote by remote e-voting, may also attend the meeting through VC but shall not be entitled to cast their vote again.

3. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on.

4. Mr. Jayavant Bhave, Practicing Company Secretary (FCS No. 4266; COP No. 3068) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

5. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three (3) days from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, forthwith to the Chairman or a person authorized by him in writing who shall countersign the same.

6. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tatatechnologies.com immediately after the results are declared by the Chairman.

7. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the AGM.

By order of the Board of directors

Vikrant Gandhe
Company Secretary
Membership No. FCS 4757

Date: May 3, 2024
Place: Mumbai, Maharashtra

**Registered Office:**
Tata Technologies Limited
Plot No 25, Rajiv Gandhi Infotech Park,
Hinjawadi, Pune – 411057

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), sets out all material facts relating to the Special Business mentioned in the accompanying Notice and should be taken as forming a part of the Notice.

**Item 5 – Re-appointment of Mr. Ajoyendra Mukherjee (DIN: 00350269) as a Non-Executive Independent Director:**

Based on recommendation of the NRC, the Board re-appointed Mr. Ajoyendra Mukherjee as an Independent Director, not liable to retire by rotation, for the second consecutive term of five years, i.e., from March 29, 2024 to March 28, 2029 (both days inclusive), subject to approval of the Members.

Mr. Mukherjee has given his declaration to the Board, inter alia, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR, (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. He has also given his consent to act as a Director. In the opinion of the Board, Mr. Mukherjee is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI LODR for re-appointment as an Independent Director and he is independent of the management. The profile and specific areas of expertise of Mr. Mukherjee is provided as Annexure to this Notice. Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Mukherjee on the Board of the Company and accordingly the Board recommends his re-appointment as an Independent Director as proposed.

Except for Mr. Mukherjee and/or his 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 6 – Re-appointment of Mr. Warren Kevin Harris (DIN: 02098548) as Chief Executive Officer and Managing director:**

Details of terms and conditions of his reappointment along with the statement containing additional information as required under Schedule V of the Act:

Mr. Warren Kevin Harris, 61, is the Chief Executive Officer and Managing Director of our Company. He has been associated with our Company since October 1, 2005. Mr. Harris was initially appointed as the Chief Executive Officer and Managing Director of our Company for a period of five years with effect from September 9, 2014, pursuant to resolutions passed by our Board and Shareholders on September 8, 2014 and December 6, 2014, respectively, and employment agreement dated December 8, 2014 entered into between our Company and him. Subsequently, he was re-appointed as the Chief Executive Officer and Managing Director of our Company for a period of five years with effect from September 9, 2019, pursuant to resolutions passed by our Board and Shareholders on May 7, 2019 and July 19, 2019, respectively, and employment agreement dated July 19, 2019 entered into between our Company and him.

Mr. Harris holds a bachelor's degree in engineering (technology) from the University of Wales Institute of Science and Technology, the University of Wales. He holds a doctorate in philosophy (honoris causa) from Amity University, Uttar Pradesh. He has completed the advanced management programme from Harvard Business School. He is a chartered mechanical engineer registered with and a member of the Institution of Mechanical Engineers. He was also awarded with the Malcolm Baldridge National Quality Award for outstanding services to the nation as a member of the Board of Overseers of the Malcolm Baldrige National Quality Award for the period from 2013-2016.

He is currently a director of certain of our Subsidiaries, namely, Cambric Limited, Bahamas, INCAT International Plc., Tata Manufacturing Technologies (Shanghai) Co., Limited, Tata Technologies Europe Limited, Tata Technologies, Inc., Tata Technologies Nordics AB (previously known as Escenda Engineering AB), Tata Technologies Pte Ltd. and Tata Technologies S.R.L.

Under his leadership, Tata Technologies has experienced significant growth, with the brand reaching new heights of prominence. The Company has strategically diversified its revenue streams, capitalizing on emerging areas such as embedded, digital, software-defined vehicles (SDV), and Gen AI, positioning itself for sustained success in the years ahead. Notably, he played a pivotal role in the strategic acquisition of Tata Technologies Nordics AB in Sweden, expanding the Company's global footprint and capabilities.

Additionally, his visionary leadership enabled the historic public listing of the Company in November 2023, marking a milestone in its corporate journey. More recently, he spearheaded the successful execution of the Company's Joint Venture Agreement with BMW, focused on delivering cutting-edge automotive software solutions, including SDV technologies for premium vehicles, as well as pioneering digital transformation solutions for business IT for BMW. His strategic acumen and client relations continue to drive the Company's success and solidify its position as a leader in the industry.

As on the date of this notice, Mr. Harris holds 40,00,000 equity shares of the Company through Zedra Corporate Services (Guernsey) Limited. In FY2022, Mr. Harris was granted 63,060 Class A Performance Stock Options and 151,340 Class B Employee Stock Options. In FY2024, he was granted 12,770 Class A Performance Stock Options. The vesting of these will be as per the criteria mentioned in the Tata Technologies Limited Share based Long Term Incentive Scheme 2022 ("TTL SLTI Scheme 2022").

In light of his qualifications, experience, achievements, and contribution to the growth of the Company:

1. The Nomination and Remuneration Committee had, in its meeting held on May 3, 2024, recommended to the Board, re-appointment of Mr. Warren Kevin Harris, as Chief Executive Officer and Managing Director of the Company for a term of three years and six months with effect from September 9, 2024 (the date of re-appointment) till March 8, 2028

2. Subsequently, the Board of Directors of the Company in its meeting held on May 3, 2024, had approved the re-appointment subject to approval of Shareholders of the Company and the Central Government

3. Mr. Harris has been with the Tata Technologies organization since 2005 and is currently serving as Managing Director and Chief Executive Officer of the Company. His roles have evolved from engineer to a number of technical management positions worldwide.

4. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors, in their meeting held on May 03, 2024, approved basic pay of up to a maximum of $1,100,000 per annum and an incentive remuneration in the form of performance pay up to a maximum of $ 1,100,000 per annum.

5. Although the salary proposed to be paid to Mr. Harris is in line with Schedule V and other applicable provisions of the Companies Act 2013, since Mr. Harris is a non-resident, the Company is required to file an application with the Central Government for approval of his re-appointment.

6. In compliance with the provisions of Sections 197, 203 and other applicable provisions of the Act, terms of the remuneration specified in the resolution are now being placed before the Members for their approval.

7. The above may be treated as an abstract of the draft Agreement between the Company and Mr. Harris (DIN 02098548) pursuant to Section 190 of the Act

8. The draft Agreement between the Company and Mr. Harris (DIN 02098548) is available for electronic inspection without any fee by the members of the Company from the date of circulation of this Notice up to the date of AGM i.e., Friday, June 21, 2024. Members seeking to inspect such documents may send an email to investor@tatatechnologies.com

   None of the Directors of the Company or Key Managerial Personnel or their relatives, except Mr. Warren Kevin Harris (DIN: 02098548) are in any way concerned or interested, financially or otherwise, in this resolution.

The Directors recommend the resolution in the accompanying Notice for approval of the Members of the Company

**Item No. 7, 8 and 9**

Regulation 23 of the SEBI LODR, 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 LODR has provided the definition of related party and Regulation 2(1)(zc) of the SEBI LODR 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. 7, 8 and 9 are placed for approval of the Members of 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 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 7:**

Details of the proposed RPTs between the Company and Tata Motors Limited ('TML') 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 the Company and Tata Motors Limited |
|---|---|---|
| 1 (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 Motors Limited is the Holding Company as well as the Company's Promoter. |
| 1 (b) | Type, material terms, monetary value and particulars of the proposed RPTs | The Company and TML have entered into / propose to enter into the following RPTs during FY 2024-25, for an aggregate value not exceeding ₹ 2,140.50 crore (inclusive of funding transactions (ICDs) not exceeding ₹ 1,200 crore outstanding at any point of time and operational transactions not exceeding ₹ 940.50 crore):<br>(a) Sale of goods<br>(b) Rendering of engineering and non-engineering services<br>(c) Inter-corporate deposits taken / given<br>(d) Purchase of services |
| 1 (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 | Funding transactions (ICDs) 23.45% and operational transactions 18.37% |
| 2 | Justification for the proposed RPTs | TML designs, manufactures and sells a wide range of automotive vehicles. TML also manufactures engines for industrial and marine applications. Service offerings provided by TTL includes providing outsourced engineering and designing services and digital transformation services to TML to help them conceive, design, develop and realize better products and Digital Enterprise Solutions help TML to identify and deploy emerging technologies, tools and solutions to manufacture, service and realize better products.<br>TTL may also place ICDs with TML to earn interest income on surplus funds and support working capital requirements of TML.<br>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. |
| 3 (a) | Details of the source of funds in connection with the proposed transaction | Internal accruals and liquidity of the Company and TML. |
| 3 (b) | Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:<br>Nature of indebtedness<br>Cost of funds and Tenure | Not applicable |
| 3 (c) | Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security | Inter-corporate deposits given aggregating to, not exceeding, ₹ 1,200 crore outstanding at any point of time.<br>• Lock in Period of 2 days and thereafter on 'demand to pay basis'<br>• Tenure: upto 12 months<br>• Interest rate: Interest rate is linked to market conditions<br>• Repayment Schedule: Not applicable<br>• The above inter-corporate deposits are under unsecured category |
| 3 (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 |
| 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, on annual basis. A copy of the report is available for inspection at the Registered Office of the Company.<br>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 services and/or materials. 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, Independent Director of the Company is also an Independent Director on the Board of TML as well as Tata Motors Passenger Vehicles Limited and Tata Passenger Electric Mobility Limited, wholly owned subsidiaries of TML. Mr. P B Balaji, Non-Executive Non-Independent Director of the Company is Group Chief Financial Officer and a Key Managerial Personnel (KMP) of TML. In addition, Mr. Shailesh Chandra, Non-Executive Non-Independent Director of the Company is also a KMP of Tata Motors Passenger Vehicles Limited and Tata Passenger Electric Mobility Limited, wholly owned subsidiaries of TML. Mr. Nagaraj Ijari, Independent Director of the Company is also an Independent Director on the Board of TML Business Services Limited, a wholly owned subsidiary of TML. 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 TML or its subsidiaries |
| 6 | Any other information that may be relevant | All relevant information is 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. 7 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 7 of the Notice, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI LODR, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 7 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

**Item 8:**

Details of the proposed RPTs between the Company and Tata Motors Passenger Vehicles Limited ('TMPVL') 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 the Company and Tata Motors Passenger Vehicles Limited |
|---|---|---|
| 1 (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 Motors Passenger Vehicles Limited ("TMPVL") is a Related Party of the Company. |
| 1 (b) | Type, material terms, monetary value and particulars of the proposed RPTs | The Company and TMPVL have entered into / propose to enter into the following RPTs during FY 2024-25, for an aggregate value not exceeding ₹ 535 crore<br>(a) Sale of goods<br>(b) Rendering of engineering and non-engineering services |

| Sr. No. | Description | Details of proposed RPTs between the Company and Tata Motors Passenger Vehicles Limited |
|---|---|---|
| 1 (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. | 10.45% |
| 2 | Justification for the proposed RPTs | TMPVL designs, manufactures and sells a wide range of automotive vehicles. Service offerings provided by TTL includes providing outsourced engineering and designing services and digital transformation services to TMPVL to help them conceive, design, develop and realize better products and Digital Enterprise Solutions help TMPVL to identify and deploy emerging technologies, tools and solutions to manufacture, service and realize better products.<br>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. |
| 3 (a) | Details of the source of funds in connection with the proposed transaction | Not Applicable |
| 3 (b) | Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:<br>Nature of indebtedness<br>Cost of funds and Tenure | Not applicable |
| 3 (c) | Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security | Not applicable |
| 3 (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, on annual basis. A copy of the report is available for inspection at the Registered Office of the Company.<br>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 services and/or materials. 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, Independent Director of the Company is also an Independent Director on the Board of Tata Motors Passenger Vehicles Limited, Tata Passenger Electric Mobility Limited and Tata Motors Limited. Mr. P B Balaji, Non-Executive Non-Independent Director of the Company is also Non-Executive Director on the Board of Tata Motors Passenger Vehicles Limited. In addition, Mr. Shailesh Chandra, Non-Executive Non-Independent Director of the Company is Managing Director of Tata Motors Passenger Vehicles Limited. Mr. Nagaraj Ijari, Independent Director of the Company is also an Independent Director on the Board of TML Business Services Limited, a wholly owned subsidiary of Tata Motors Limited. Their interest or concern or that of their relatives is limited only to the extent of their holding directorship in the Company and TMPVL or its subsidiaries |
| 6 | Any other information that may be relevant | All relevant information is 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. 8 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 8 of the Notice, for approval by the Members.





The Members may note that in terms of the provisions of the SEBI LODR, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 8 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

**Item No. 9:**

Details of the proposed RPTs between Tata Technologies Europe Limited (TTEL), a Wholly Owned Subsidiary of the Company and Jaguar Land Rover Limited ('JLR') 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 Technologies Europe Limited and Jaguar Land Rover Limited |
|---|---|---|
| 1 (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 Technologies Europe Limited ("TTEL") is a Wholly Owned Subsidiary of the Company and Jaguar Land Rover Limited ("JLR") is a Related Party of the Company. |
| 1 (b) | Type, material terms, monetary value and particulars of the proposed RPTs | TTEL and JLR have entered into / propose to enter into the following RPTs during FY 2024-25, for an aggregate value not exceeding ₹ 1,345.50 crore:<br>• Rendering of engineering and non-engineering services |
| 1 (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 | 26.29% |
| 2 | Justification for the proposed RPTs | JLR designs, develops, manufactures and markets high-performance luxury automotive vehicles, specialist sports cars and four wheel-drive off-road vehicles. Service offerings provided by TTEL include providing outsourced engineering and designing services and digital transformation services to JLR to help them conceive, design, develop and realize better products and Digital Enterprise Solutions help JLR to identify and deploy emerging technologies, tools and solutions to manufacture, service and realize better products.<br>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. |
| 3 (a) | Details of the source of funds in connection with the proposed transaction | Not applicable |
| 3 (b) | Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:<br>Nature of indebtedness<br>Cost of funds and Tenure | Not applicable |
| 3 (c) | Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security | Not applicable |
| 3 (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. TTEL has carried out 'Transfer Pricing' study covering the transactions with JLR, which substantiates the Arm's Length Principle. A copy of the report is available for inspection at the Registered Office of the Company.<br>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 services and/or materials. In the case of reimbursements / recoveries, same would be basis actual cost incurred. |

| Sr. No. | Description | Details of proposed RPTs between Tata Technologies Europe Limited and Jaguar Land Rover Limited |
|---|---|---|
| 5 | Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship | Mr. P B Balaji, Non-Executive Non-Independent Director of the Company is also a Non-Executive Non-Independent Director of JLR.<br>Mr. Nagaraj Ijari, Independent Director of the Company is a Director on the Board of TTEL and Mr. Warren Kevin Harris, CEO and MD of the Company is a Director on the Board of TTEL. |
| 6 | Any other information that may be relevant | All relevant information is 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, for approval of the Members.

The Members may note that in terms of the provisions of the SEBI LODR, 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.

By order of the Board of directors

Vikrant Gandhe
Company Secretary
Membership No. FCS 4757

Date: May 3, 2024
Place: Mumbai, Maharashtra

**Registered Office:**
Tata Technologies Limited
Plot No 25, Rajiv Gandhi Infotech Park,
Hinjawadi, Pune – 411057

## Item no.: 4, 5, and 6: DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING

| Name | Mr. Shailesh Chandra (DIN: 07593905) | Mr. Ajoyendra Mukherjee (DIN: 00350269) | Mr. Warren Kevin Harris (DIN: 02098548) |
|---|---|---|---|
| **Date of Birth** | April 13, 1973 | April 1, 1959 | March 16, 1963 |
| **Date of appointment** | March 1, 2023 | March 29, 2021 | September 9, 2014 |
| **Qualifications** | Bachelor's degree in Technology in Mechanical Engineering from Banaras Hindu University and executive master's degree in business administration from S.P. Jain Institute of Management and Research | B.E. (Honours) in Electrical & Electronics Engineering from BITS Pilani | Bachelor's degree in Engineering (Technology) from the Institute of Science and Technology, the University of Wales and has completed advanced management program from Harvard Business School. |
| **Expertise in specific functional areas** | Strategy and Business transformation | Engineering and Technology | Engineering and Technology |
| **Directorships held in other Companies (excluding foreign and Section 8 Companies)** | 1. Tata Motors Passenger Vehicles Limited w.e.f. May 1, 2021<br>2. Tata Passenger Electric Mobility Limited w.e.f. December 21, 2021<br>3. Fiat India Automobiles Private Limited w.e.f. September 18, 2020 | 1. West Bengal Electronics Industry Development Corporation Limited w.e.f. March 4, 2005<br>2. Amalgamated Plantations Private Limited w.e.f. January 22, 2021<br>3. Tata Electronics Private Limited w.e.f. December 3, 2020 | Not applicable |
| **Memberships/ Chairmanships of committees of other public companies** | Tata Passenger Electric Mobility Limited:<br>• Member of Corporate Social Responsibility Committee,<br>• Chairman of Executive Committee<br>• Member of Corporate Social Responsibility Committee of Tata Motors Passenger Vehicles Limited | Member of following Committee of West Bengal Electronics Industry Development Corporation Limited:<br>• Audit Committee | Not applicable |
| **Number of shares held in the Company** | NIL | NIL | 40,00,000* |
| **Number of Meetings of the Board of Directors attended during FY 2023-24** | 9 (out of 13) | 13 (out of 13) | 13 (out of 13) |
| **Relationship with other Directors, Manager or Key Managerial Personnel, if any** | None | None | None |

** The shares are held through Zedra Corporate Services (Guernsey) Limited*

# Board's Report

TO THE MEMBERS OF TATA TECHNOLOGIES LIMITED

The Board of Directors present the Annual Report of Tata Technologies Limited (the Company) - first, post IPO - along with the audited financial statements for the financial year ended March 31, 2024. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

## 1. FINANCIAL RESULTS

The summary of the financial results of the Company for the year ended March 31, 2024, are as follows:

(₹ crore)

| | Standalone | | Consolidated | |
|---|---|---|---|---|
| **Particulars** | **2023-24** | **2022-23** | **2023-24** | **2022-23** |
| Revenue from Operations | 2,732.09 | 2,112.28 | 5,117.20 | 4,414.18 |
| Other Income | 405.00 | 38.23 | 115.55 | 87.74 |
| **Total Income** | 3,137.09 | 2,150.51 | 5,232.75 | 4,501.92 |
| Operating Expenditure | 2,239.85 | 1,745.53 | 4,175.92 | 3,593.24 |
| **Profit before Depreciation, Interest and Taxes** | 897.24 | 404.98 | 1,056.83 | 908.68 |
| Finance cost | 11.63 | 11.66 | 18.91 | 17.98 |
| Depreciation | 66.18 | 61.17 | 105.87 | 94.55 |
| **Profit before tax (PBT)** | 819.43 | 332.15 | 932.05 | 796.15 |
| Tax expense | 132.04 | 88.12 | 252.68 | 172.12 |
| **Profit after Tax (PAT)** | 687.39 | 244.03 | 679.37 | 624.03 |

## 2. OPERATING RESULTS & BUSINESS PERFORMANCE

On a Consolidated basis, the Group recorded an increase in revenue from operations by 15.9%. The revenue from operations increased to ₹ 5,117.20 crore during the financial year 2023-24 compared to ₹ 4,414.18 crore during the previous year. The revenue from the sale of services increased by 12.8% to ₹ 3,986.64 crore in the financial year 2023-24 compared to ₹ 3,535.22 crore in the financial year 2022-23. Technology solutions' revenue increased by 28.4% to ₹ 1,126.57 crore during the financial year 2023-24 compared to ₹ 877.37 crore during the previous financial year.

On a standalone basis, the Operating revenue of the Company increased by 29.3% during the financial year 2023-24 over the previous financial year. This primarily includes 23.4% rise in the sale of services to ₹ 1,918.31 crore, while the sale of technology solutions increased by 45.4% to ₹ 809.79 crore.

During the year under review, the Company received a dividend amounting to ₹ 362.36 crore from its subsidiary.

On a Consolidated basis, the Group earned a profit before tax (PBT) of ₹ 932.05 crore during the financial year 2023-24 compared to ₹ 796.15 crore in the previous financial year, registering an increase of 17.1% over the previous financial year. The profit after tax (PAT) increased by 8.9% to ₹ 679.37 crore in the financial year 2023-24 compared to ₹ 624.03 crore in the previous financial year.

On a standalone basis, the PBT increased by 146.7% to ₹ 819.43 crore in the financial year 2023-24 compared to ₹ 332.15 crore in the previous financial year. The PAT increased to ₹ 687.39 crore in the financial year 2023-24 compared to ₹ 244.03 crore during the previous financial year.

The Members are advised to refer to the separate section on Management Discussion and Analysis, which is a part of this report, for a detailed understanding of the operating results and business performance.

## 3. DIVIDEND

### Dividend Distribution Policy

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), the Board of Directors of the Company had formulated a Dividend Distribution Policy ('the Policy'). The Policy is available on the Company's website: https://www.tatatechnologies.com/in/corporate-governance/

During the year, the Board of Directors recommended a final dividend of ₹ 8.40 and a special dividend of ₹ 1.65 per share. The total proposed dividend for the year ended March 31, 2024, amounted to ₹ 10.05 per share.

The said dividend, if approved by the Members at the ensuing Annual General Meeting ('the AGM") will be paid to those Members whose name appears on the register of Members (including Beneficial Owners) of the Company as at the end of June 14, 2024. The said dividend, if approved by the Members, would involve a cash outflow of ₹ 407.70 Crore, resulting in a payout of 59.31% of the standalone net profit of the Company for FY 2023-24.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020, and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

## 4. BOOK CLOSURE AND RECORD DATE

The Register of Members and Share Transfer Books of the Company will be closed from Friday, June 14, 2024, to Friday, June 21, 2024 (both days inclusive) and the Company has fixed Thursday, June 13, 2024 as the "Record Date" for the purpose of determining the entitlement of Members to receive final and special dividend for the financial year ended March 31, 2024.

## 5. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amounts to the General reserve. For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2024, please refer to the 'Statement of Changes in Equity' included in the standalone and consolidated financial statements of this Annual report.

## 6. HUMAN RESOURCE DEVELOPMENT

Building on the advancements in human resource development in the previous financial year, the Company significantly enhanced its efforts towards learning, growth, performance management, and engagement in FY 2023-24. To promote upskilling and cross-skilling across the organization, a focused plan was meticulously implemented. This plan incorporated various training modalities, including classroom, virtual, instructor-led, and e-learning options.

With a strong focus on cultivating a learning culture, we mandated learning as a performance assessment goal. This, along with all the initiatives, resulted in a substantial increase in average learning hours to 48.7 hours, significantly exceeding the 26.3 hours recorded in FY 2022-23.

Our in-house technical learning platform, TTL TechVarsity, launched in 2021, has been instrumental in technical competency development. During FY 2023-24, TechVarsity delivered over 550 technical modules, reaching over 7,000 unique employees. Key learning initiatives included competency-based upskilling/cross-skilling, account-specific trainings, an internship program, a GET training program, programs for skills development and returning women employees, open-house workshops, accreditations, and leadership technical training. TechVarsity also collaborated with Team iGET-iT, our Learning Management Service Offering, to expand into providing enterprise skilling opportunities for customers. We continue to leverage our internal LMS iGET-iT and NASSCOM Future Skills Prime for digital learning initiatives.

To bolster next-gen competencies crucial to our growth, we launched learning initiatives on GEN AI, SDV, and Cybersecurity. Additionally, competency gaps identified in performance assessments were addressed with structured behavioral training programs. Focused development programs were organized to meet specific team and business needs, covering negotiation skills, foreign language proficiency, and innovation. Approximately 660 talent managers successfully completed a virtual team management certification course. To cultivate a strong leadership pipeline, we launched three new leadership development programs tailored for mid-level and senior management. Notably, 30 women leaders were part of a six-month intensive leadership enhancement initiative. We also assessed the potential of 60 top mid-level leaders through a dedicated program and engaged 99 participants from sales, practice, and delivery teams in a sales transformation initiative involving 116 hours over six months.

Employee well-being remains a priority, with our team members having access to confidential consultations with a certified psychologist. In FY 2023-24, over 100 employees utilized these services. During the year, the Company launched the Global Wellness Program through a Digital Platform providing solutions that empower people to pursue happier, healthier lives. The delivery of wellness program is enabled through "Web" and "App" based platforms for "Anytime and Anywhere access." These programs provide employees with the flexibility to choose a program which designs a daily routine to achieve desired health goals.

Throughout the year, the Company's Diversity, Equity, and Inclusion (DEI) Program has strived to create greater awareness through several interventions. Women Returnee Program, Leadership development journey specifically curated for women, and various Communication forums have been established as strong foundations that have contributed towards the same. The objective is to ensure that every employee of the Company can identify, align, and participate in creating an inclusive workplace. The Company recognizes that DEI success can only come from the collective efforts of all employees. Gender Diversity has been the key focus area during FY 2023-24. Towards this, several programs based on four pillars of the DEI Program viz. Communication, Growth, Hiring, and Enabling were rolled out. The DEI program pillars have helped us distribute our efforts across various fronts in a structured manner. Over and above this, the Education via Empowerment (EVE) program has been a significant DEI component of the Company's Corporate Social Responsibility (CSR) efforts for the past 10 years. This program focuses on enabling women from financially disadvantaged backgrounds to pursue Science, Technology, Engineering, and Mathematics (STEM) courses, thereby enhancing their employability prospects.

DEI is about enabling an inclusive mindset and hence success in cultural transformation relies on active participation from individuals, teams, and leaders. Employee Volunteer groups have been an integral part of our efforts that made this possible by socializing the concept and helping the organization gain critical insights into areas where efforts were required. diversity hiring champions have been the key enablers towards improving women onboarding rate. Their active involvement has ensured significant improvement in women onboarding rate in our Engineering team compared to the previous fiscal year resulting in overall diversity headcount growth. The marketing and talent acquisition teams worked together along with diversity hiring champions and introduced exclusive lateral women engineer hiring drives and focused campus hiring for women engineers.

The STEM event, featuring Tata Technologies' active participation in external women-focused STEM events, such as the one held in Birmingham, UK, significantly advances the company's mission of enhancing diversity and inclusivity in its workforce. These events serve as vital platforms for promoting education and careers in STEM fields, particularly among women, who are often underrepresented in such areas. By participating, Tata Technologies demonstrates its commitment to supporting and empowering women in STEM careers, fostering a more inclusive workplace culture, and breaking down barriers in male-dominated industries. Moreover, these events provide opportunities for the Company to identify skilled and semi-skilled women engineers from unconventional talent pools, contributing to the enrichment of the workforce with diverse perspectives and experiences. Overall, the STEM event and the Company's participation in women-focused STEM events serve as catalysts for accelerating the onboarding of talented female professionals, driving innovation, and fostering growth within the organization. The Women Returnee Program was one such endeavour wherein women engineers on a career break were invited, offering them a launch pad to restart their professional journeys, creating a mutually beneficial model for upskilling of the individual and talent need fulfillment of the organization. Nearly 35 participants are going through a 2-month intense upskilling program through TechVarsity which will be followed by a 4-week internship. Upon completion, the Company will consider offering employment opportunities to those participants who demonstrate exceptional performance, based on their suitability and the possibility of such opportunities.

Communication forums such as Fireside Chats and DEI Dialogues have created mutual support communities for women, with leaders mentoring and guiding them by sharing their professional journeys. Break-The Bias Workshops with Team Managers were conducted with the goal of involving them in creating an inclusive workplace. In the UK, collaboration with local DEI Champions and Subject Matter experts from customer organizations expanded awareness about LGBTQ+ talent inclusion challenges. Learning interventions for managing multicultural teams, intercultural sensitivity, and a suite of e-learning modules on Diversity and Inclusion for managers globally through the People Management Skill program on External Learning Platform have been rolled out. The organization is committed to providing learning and growth opportunities to aspiring women. Towards this, a six-month-long Leadership Development program was organized for emerging women leaders. They were further supported by a structured mentoring program wherein TTL Leadership is actively engaging with participants. With a belief that an inclusive workplace can be built with supporting and nurturing policies and infrastructure, the Company has focused on enhancing infrastructure and policies for diverse talent by building nursing /restrooms facilities, washrooms for the disabled, ramps, accessible reserved parking for differently abled, etc. A support framework for women during the maternity phase has also been recently launched in India. Women attrition has seen a significant decline in the past 12 months. The feedback collated from employees by our AI-based chatbot positions DEI as one of the top three engagement drivers. DEI engagement score is better than the industry median score (considering similar-sized companies) as per the Survey Partner. Looking ahead, we plan to focus on various aspects of diversity and inclusion, introducing a geography-specific Diversity calendar. Collaboration with North America Region and Europe Region teams on hiring initiatives, continued Women Returnee Program batches, along with further improvements in policies and infrastructure, will be our key strategic priorities for the next year.

The Company recognizes the importance of Recognition in all shapes and forms for Talent Engagement and undertook measures towards the same during the year. In addition to over 460 Long Service Awards and about 400+ Quarterly Awards, SHEnnovator Awards, the Digital recognition portal saw ~4,000 appreciations in one year by managers, peers, cross-functional team members to celebrate value-based behavior of individuals.

The Company strives to strengthen communications across employee groups and leaders through various platforms and introduced a new internal digital communication platform giving easier access to teams working in different locations. Since its launch, the active users of the platform have consistently stood above 80%.

## 7. BUSINESS EXCELLENCE AND QUALITY INITIATIVES

To achieve excellence in the management of its operations and the execution of important strategic initiatives, your Company has embraced the Tata Business Excellence Model (TBEM) as an organizational improvement method. TBEM focuses on essential facets of the business, such as Leadership, Strategy, Customer, People, and Processes, and their results, to enhance overall business performance. In the TBEM external assessment of 2022, your Company scored 587, up from 553 in 2020, out of a total of 1,000 points. The TBEM assessment delves deeply into each area to highlight major strengths and opportunities for improvement. According to the TBEM Score of 587, "there are no major gaps in the deployment of the overall requirements of the TBEM criteria." Based on TBEM criteria, your Company has been categorized as an "Emerging Industry Leader" for surpassing the 550-score threshold. Following the assessment, the team has implemented improvement actions, including initiatives such as a role-based KPI dashboard, Project Rainbow to enhance DEI, scaling key and focus accounts by improving customer mining efforts, targeting top R&D spenders as part of our hunting efforts, developing end-to-end capabilities on software-defined vehicles (SDV), embedded electrification, digital solutions, and establishing partnerships with Intel for SDV and cloud service providers, among others. Additionally, initiatives to enhance employee engagement, such as developing new age niche skills competency, defining career pathways, and strengthening the performance appraisal system have been undertaken. Your Company is preparing to participate in the TBEM assessment in 2024 and is also participating in the DE (Data Excellence) assessment and Cyber Security Assessment to identify opportunities for improvement and strengthen its approach and deployment of data excellence and cyber security.

Your Company has established an enterprise-level Quality Management System (QMS) and Information Security Management System (ISMS) based on widely accepted standards. The QMS procedures and associated IT tools have been continuously improved with feedback from internal and external quality audits, customer feedback through Net Promoter Score (NPS), project-level customer satisfaction, and input from project teams. Your Company has initiated repolling of detractors' post-deployment of its actions midway before the commencement of the new cycle. Project managers, vertical heads, and line of business heads can view project statuses in real-time given the Company's online project tracking system. Implementation of the Project Health Quality Index (PHQI) is a step towards continuous improvement of processes. Your Company is enhancing the project coverage in PHQI for all strategically and financially important projects.

Your Company has adopted the following globally recognized standards and is continuously working to enhance coverage for these certifications to boost customer confidence:

- Quality Management Systems: ISO 9001:2015 certification for its facilities in Hinjewadi, Pimpri, JKII, SEZ Blueridge, Thane, Jamshedpur, Bengaluru, Romania, and Sweden locations.
- Aerospace Quality Management System: AS9100D:2015 for its facilities in Hinjewadi and SEZ Blueridge locations of Pune, Bengaluru - 315 Salarpuria, Toulouse & Hamburg.
- Information Security Management System: ISO 27001:2013 for its facilities in JKII, Hinjewadi, SEZ Blueridge - Locations of Pune and Detroit (USA), UK EIDC, Bengaluru – 315 Salarpuria.
- Occupational Health & Safety Management System: ISO 45001:2018 for its Facilities Hinjewadi Corporate & SEZ 4- Phase 3, EMS ISO 14001 Bengaluru - 315 Salarpuria.

## 8. CHANGES IN SHARE CAPITAL

During the financial year 2023-24, the Company successfully launched an Initial Public Offer (IPO) by way of an Offer for Sale (OFS) of 6,08,50,278 equity shares of face value of ₹ 2 each for cash, at a price of ₹ 500 per equity share (including a premium of ₹ 498 per equity share) aggregating to ₹ 3,042.51 crore. Since there was no primary issuance of shares, there was no change in share capital.

The IPO comprised of an offer for sale of (a) 4,62,75,000 equity shares aggregating to ₹ 2,313.75 crore by Tata Motors Limited, (b) 97,16,853 equity shares aggregating to ₹ 485.84 crore by Alpha TC Holdings Pte. Ltd., and (c) 48,58,425 equity shares aggregating to ₹ 242.92 crore by Tata Capital Growth Fund I.

The equity shares were allotted to eligible applicants on November 29, 2023, and the listing and trading of the Company's shares commenced on November 30, 2023, on BSE Limited and National Stock Exchange of India Limited.

## 9. CREDIT RATING

The Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations. The Company has received CARE AA+/stable and CARE A1+ ratings for its long-term and short-term banking facilities.

## 10. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION

There have been no material changes affecting the financial position of the Company, after the close of FY 2023-24 till the date of this Report.

## 11. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries for FY 2023-24 have been prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and as stipulated under Regulation 33 of SEBI LODR as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statements together with the Independent Auditor's Report thereon form part of this Annual Report.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statement of the subsidiary companies is attached to the Financial Statement in Form AOC-1.

Further, pursuant to the provisions of Section 136 of the Act, the Company will make available the said financial statement of the subsidiary companies upon a request by any Member of the Company or its subsidiary companies. These financial statements of the Company and the subsidiary companies will also be kept open for inspection by any member. The members can send an e-mail to investor@tatatechnologies.com upto the date of the AGM and the same would also be available on the Company's website: https://www.tatatechnologies.com/in/investor-relations/

## 12. SUBSIDIARY COMPANIES AND JOINT VENTURE

The Company has eleven (11) subsidiaries.

To simplify its operations and structure, your Company has undertaken a corporate restructuring program aimed at reducing the number of subsidiaries, exiting sub-optimal operations, and de-layering of subsidiaries. As a part of this process, Tata Technologies de Mexico, S.A. de C.V., a step subsidiary of the Company passed a resolution for its voluntary liquidation in March 2020. The liquidation process is ongoing.

There has been no material change in the nature of the business of the subsidiaries.

On April 2, 2024, the Company signed a Joint Venture Agreement with BMW Holding B.V., Netherlands. The joint venture will aid BMW Group in engineering premium products, delivering improved digital experiences for its customers and propelling its digital transformation journey. The focus will be on delivering automotive software, including software-defined vehicle (SDV) solutions for its premium vehicles and digital transformation solutions for business IT.

The policy for determining material subsidiaries of the Company is available on the Company's website: https: //www.tatatechnologies.com/in/corporate-governance/

## 13. RISK MANAGEMENT

In an increasingly complex and interconnected world, enterprises face a myriad of risks that can impact their operations, reputation, and financial performance. FY 2023-24 witnessed a return of normalcy globally post-COVID-19 pandemic; however, it also brought geo-political issues in Europe and the Middle East, rebalancing of supply chains, and a closely monitored economic recovery in global markets. The world saw emerging mega trends in technologies like AI which rapidly transformed our industry segment.

Tata Technologies recognizes the need for a robust Enterprise Risk Management (ERM) framework to proactively identify, assess, and mitigate these risks while leveraging opportunities for growth and innovation. By embedding risk management into our business conversations and decision processes, we strive to enhance resilience, seize opportunities, and sustain long-term value creation for the Company and clients.

The Company has built a robust ERM framework guided by best practices in the industry and risk management principles of ISO 3100: 2018 and ERM COSO 2017 Framework.

This framework is built on the following pillars:

1. **Risk Identification:** Closely working with clients, consulting reports, government bodies and industry associations, our leadership closely monitors emerging situations associated with the Company's performance.
2. **Risk Prioritization:** On a regular basis, executive management reviews identified risks to assess its impact on business and the possibility of its occurrence to drive organization attention and get it on the priority agenda at all levels. This includes building a risk culture to identify the organization's appetite, resource planning and competence to manage the risk and associated opportunities.
3. **Risk Mitigation:** Tata Technologies employs a range of strategies to mitigate identified risks:
    - **Risk Avoidance:** Where feasible, avoiding activities or decisions with unacceptable levels of risk.
    - **Risk Reduction:** Implementing controls and measures to reduce the likelihood or impact of identified risks.
    - **Risk Transfer:** Transferring risk through insurance or contractual agreements where appropriate.
    - **Risk Acceptance:** Accepting certain risks when the potential benefits outweigh the potential costs.

4. **Integration of mitigation actions:** To avoid the recurrence of the risks and build resilience of the enterprise, policies and operating processes including people training are reviewed and updated on regular basis as part of mitigation action learnings.

5. **Governance:** Continuous monitoring and reporting are essential to ensure the effectiveness of our risk management efforts. Key aspects include:

   - Key Risk Indicators (KRIs): Tracking leading indicators to identify emerging risks and trends.
   - Regular Reviews: Periodic reviews of risk profiles, mitigation strategies, and the overall effectiveness of the ERM framework.
   - Stakeholder Communication: Transparent communication with stakeholders, including the Board, management, employees, and external parties, regarding risk exposure and mitigation efforts.

   As part of the listing process and in line with the SEBI LODR requirements, the Company has constituted the Risk Management Committee and its oversight is part of the governance of ERM.

## 14. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, alongside the work conducted by the internal, statutory and secretarial auditors, as well as external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the management and relevant board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities

iv. they have prepared the annual accounts on a going concern basis

v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

## 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In terms of Section 149 of the Act, Mr. Ajoyendra Mukherjee, Ms. Usha Sangwan, Mr. Nagaraj Ijari, and Ms. Aarthi Sivanandh are the independent directors of the Company as on the date of this report. All the independent directors of the Company have provided requisite declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act along with Rules framed thereunder.

In the opinion of the Board of Directors, the independent directors have relevant proficiency, expertise, and experience.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, and reimbursement of expenses incurred by them to attend the meetings of the Company.

Mr. Ajoyendra Mukherjee (DIN: 00350269) was appointed as Non-Executive, Independent Director of the Company in the Annual General Meeting held on June 24, 2021 for a term of three years. His term expired on March 28, 2024. On the recommendation of the Nomination and Remuneration Committee, the Board re-appointed Mr. Mukherjee for a period of five years effective from March 29, 2024 to March 28, 2029, subject to the approval of the members at the ensuing Annual General Meeting. A resolution seeking shareholders' approval for his re-appointment forms a part of the Notice.

Mr. Shailesh Chandra (DIN: 07593905), Non-Executive, Non-Independent Director of the Company, retires by rotation and being eligible, has offered himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms a part of the Notice.

Mr. Warren Kevin Harris (DIN: 02098548) was re-appointed as the Chief Executive Officer and Managing Director of the Company with effect from September 9, 2019. His term expires on September 8, 2024. On the recommendation of the Nomination and Remuneration Committee, the Board has recommended his re-appointment for a tenure of three years and six months commencing from September 9, 2024 to March 8, 2028. A resolution seeking shareholders' approval for his re-appointment forms a part of the Notice.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2024, are:

Mr. Warren Kevin Harris, Chief Executive Officer and Managing Director, Ms. Savitha Balachandran, Chief Financial Officer and Mr. Vikrant Gandhe, Company Secretary and Compliance Officer.

## 16. BOARD MEETINGS

Thirteen meetings of the Board were held during the year under review. The time gap between two meetings was less than 120 days.

## 17. BOARD EVALUATION

The Company has adopted the Tata Group Governance Guidelines that provide detailed process for the evaluation of board performance. The Board of Directors has accordingly conducted an annual assessment of its own performance, board committees, and individual directors pursuant to Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and SEBI LODR.

The board has sought inputs from all the directors based on the criteria such as board composition and structure, effectiveness of board processes, information and functioning, etc. Since FY 2021-22, the Company has adopted an automated tool to make the evaluation process objective, which provides for a simple and secure system accessible only to the members of the Board / committees along with a comparative multi-year view of the board evaluation feedback.

The performance of the committees was evaluated by the board after seeking inputs from the committee members based on the criteria such as the composition of committees, effectiveness of committee meetings, etc.

In separate meetings of independent directors held on January 8, 2024, and March 13, 2024, the performance of Non-Independent directors, the Chairman, and the Board as a whole was evaluated. The Chairman of Nomination and Remuneration Committee (NRC) had one-on-one meetings with the Executive and Non-Executive, Non-Independent Directors. These meetings were intended to obtain directors' inputs on the effectiveness of the Board/ Committee processes. The Board and the NRC reviewed the performance of individual directors based on the criteria such as contribution by the individual director to the board and committee meetings such as preparedness on the issues to be discussed, meaningful participation in terms of constructive contribution and inputs in meetings, etc.

## 18. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and key managerial personnel remuneration and other matters provided in Section 178(3) of the Act is available on the Company's website at https://www.tatatechnologies.com/in/corporate-governance/.

## 19. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations, and such internal financial controls with reference to the financial statements are adequate.

## 20. AUDIT COMMITTEE

The Audit Committee comprises three Non-Executive, Independent directors, all of whom are financially literate. The Committee is comprised of Ms. Usha Sangwan as the Chairperson, Ms. Aarthi Sivanandh and Mr. Nagaraj Ijari. Mr. Pathamadai Balachandran Balaji stepped down as the member of the Committee w.e.f. December 29, 2023.

The Committee has adopted a charter for its functioning and met 10 times during the year under review. All of its recommendations were accepted by the Board.

## 21. STATUTORY AUDITORS

M/s. BSR & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W/ W-100022) were re-appointed as the statutory auditors of the Company to hold office from the conclusion of the 28th AGM held on July 1, 2022, until the conclusion of the Company's 33rd AGM.

The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments. The report of the statutory auditors forming part of the Annual Report does not contain any qualification, reservation, or adverse remark.

## 22. SECRETARIAL AUDIT

Section 204 of the Companies Act, 2013 inter-alia requires prescribed classes of companies to annex with its Board Report, a secretarial audit report provided by the Company Secretary in Practice, in the prescribed format. As the Company falls under the prescribed class, the Board of Directors had appointed M/s. J. B. Bhave & Co., Practicing Company Secretaries, as the secretarial auditors of the Company for FY 2023-24 and their report is annexed to this report as Annexure II. There are no qualifications, reservations/observations in the said Report.

## 23. INTERNAL AUDITORS

The Tata Technologies Limited (TTL) Internal Audit (IA) framework is adopted to meet objective of internal governance standards and comply with requirements of Companies Act and SEBI LODR.

The Audit Committee has appointed M/s. Genpact Enterprise Risk Consulting LLP as the internal auditors for the period from FY 2021-22 to FY 2024-25. The Company's Internal Audit team works with the Internal Auditors to combine insights gleaned from internal team's experience with third-party objectivity and perspective on best practices.

The Internal Auditors and the IA team makes quarterly presentations to the Audit Committee.

## 24. COMPLIANCE AUDITORS

To strengthen its compliance process, the Company has implemented a system-based compliance tool known as "iComply" across its global operations. M/s. Genpact Enterprise Risk Consulting LLP, as the compliance auditor also undertakes a compliance review for the Company in addition to its mandate as internal auditors.

## 25. COST RECORDS

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the business activities of the Company.

## 26. LOANS AND INVESTMENTS

The particulars of loans, guarantees, and investments have been disclosed in the financial statements.

## 27. PUBLIC DEPOSITS

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from the public was outstanding as on the date of the balance sheet.

## 28. RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the FY 2023-24 with related parties were on an arm's length basis and in the ordinary course of business and approved by the Audit Committee and omnibus approval was obtained where applicable. None of the transactions with related parties falls under the scope of Section 188(1) of the Act. As the Company does not have any RPTs to report pursuant to Sections 134(3)(h) and 188 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2, the same is not provided.

As per the SEBI LODR, if any Related Party Transactions ('RPT') exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as material and would require members' approval. In this regard, during the year under review, the Company has taken the necessary members' approval.

The details of RPTs during FY 2023-24, including transactions with a person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company are provided in the accompanying financial statements.

During the FY 2023-24, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees, commission and reimbursement of expenses, as applicable.

Pursuant to the requirements of the Act and the SEBI LODR the Company has formulated a policy on RPTs and the same is available on the Company's website: Policy on Related Party Transactions https://www.tatatechnologies.com/in/corporate-governance/

## 29. CORPORATE SOCIAL RESPONSIBILITY

In line with Tata Group's long-standing commitment to building business with purpose and interest of the society in which we operate, the Company's vision is to provide STEM education and upskilling opportunities for the communities around us and in underprivileged areas to help them lead better lives.

The Company's approach is to leverage technology knowledge and industry expertise to build strong relationships with reputed partners to help deliver these educational programs for key segments of the society.

The Company has taken up the following programs towards this vision.

1. **Ready Engineer 2.0:** The Ready Engineer 2.0 program was run in collaboration with industrial associations and incubation partners and offered graduate engineers in India the opportunity to enhance their engineering and entrepreneurial skills, as well as their employability.

2. **Employment via Education (EVE):** The Company helped female engineers from lower-income backgrounds reach their potential with scholarships for degree, PG and high school courses.

3. **STEM Education for Schools:** The STEM program focuses on integrated learning solutions for high school students through various activity-based learning programs, mentorship through experts, career counselling support and innovation project competitions. The course content is developed for teachers and students to make effective learning experiences and has reached states like Maharashtra, Karnataka, and Bihar during FY 2023-24.

The Company has complied with the provisions of Section 135 of the Companies Act, 2013 and all its subsequent amendments. The brief outline of the Company's corporate social responsibility (CSR) policy and the CSR initiatives undertaken during the year under review are set out in Annexure III of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. For other details regarding CSR Committee, please refer Corporate Governance Report, which is a part of this report. The CSR policy is available on Corporate Social Responsibility Policy https://www.tatatechnologies.com/in/corporate-governance/

## 30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

### CONSERVATION OF ENERGY INITIATIVES

During the year under review, the Company worked on various eco-efficiency measures to promote sustainability and reduce its carbon footprint. It implemented the best practices to improve its operations, reduce its environmental impact, and enable a safe return to work (RTO).

**Energy savings:**

During the year, the energy consumption of 70,29,875 KWH across India locations was 14% lower than the pre-pandemic (FY 2019-20) consumption, which is partially attributed to the work-from-home practice adopted by the Company. However, an increase in employees' footfall to the offices, compared with previous years (FY 2022-23), has resulted in increased energy consumption by 11% compared with FY 2022-23. A range of energy conservation measures (ECM) and initiatives were undertaken during the year, which included installations of 24 solar streetlights at the corporate office and APFC panels at two SEZs and Thane locations.

**Water saving measures:**

The total water consumption during the year was 86,727 KL across the key locations. During the year, 12% (10,478 KL) of total water consumption was recycled and reused.

Sustainable Connect: Sustainability has always been an area of focus for the Company, implemented with the objective of environmental protection and restoration. During the year, the following major initiatives were implemented across Pune offices:

- Solar streetlights 24 x 45W were installed which helped reduce $CO_2$ emission equivalent to 16.77 tons in the year
- 2 EV Cars were added to our carpool, resulting in a reduction in diesel consumption
- 148 reused 20-liter plastic water jars were converted into plant pots
- Re-used MS scrap material for railing, platform and secondary contamination purposes. The total weight of the material was 241 Kg (MS Pipes and sheets). Carbon footprint $CO_2$ was ~662.75 Kgs
- Re-used wooden furniture to make new workstations, total wooden furniture weight was ~685 Kg. Carbon footprint $CO_2$ was ~1,130 Kgs
- Recycling: Across India, 28.686 tons of e-waste was disposed of during the year including IT materials, etc. through local recycling vendors.

The principle of Reuse – Reduce – Recycle (3R) was promoted across the Company's facilities to eliminate waste and avoid landfilling.

As part of green energy initiatives, a next-generation data center has been set up with smart rack solution for power and cooling optimization.

**TECHNOLOGY ABSORPTION**

Your Company remains steadfast in its commitment to Digital Transformation, with a primary focus on enhancing employee experiences and optimizing operational efficiency. Throughout the year, substantial investments were made in digital tools and platforms aimed at improving employee engagement, talent acquisition, project management, budget controls, skill management, and process automation. These initiatives resulted in the rollout of industry-leading solutions across various functions, ensuring a seamless integration of digital technologies to drive innovation and productivity. Furthermore, the implementation of enhanced business analytics dashboards across corporate and delivery functions strengthened the Company's data-driven approach, empowering key business users for informed decision-making and fostering continuous improvement.

To enhance the speed and effectiveness of the information security decision-making process, an Information Security dashboard was created to monitor the overall organization's security. This dashboard is based on the Tata Cyber excellence framework released in 2023 and includes key metrics related to coverage (breadth and depth of security programs), remediation efficiency, risk exposure rate and time to event.

Your Company added the Hinjewadi delivery location to TISAX certification scope to strengthen data protection and compliance commitment to customers. These certifications provide confidence to customers with a commitment to continuous improvement in the Information Security posture. This certification is a binding information protection standard in the confidentiality agreement with some of our key customers.

In the pursuit to drive process simplification across enterprise processes, multiple initiatives have been undertaken to streamline approvals in key business processes. Furthermore, business applications were enhanced to align with the evolving needs of our current and future business' core processes like People Supply Chain Management, Skill Management, and project planning & control.

To enhance employee experience and facilitate easy application access, the Tata Technologies' Application store has been integrated within Microsoft Teams. Now, employees can seamlessly access relevant applications directly from their Teams' workspace on their mobile devices, tablets, or laptops.

To accelerate IT solution delivery, a low-code platform has been leveraged. This platform enabled the development team to design and deploy solutions for effective management of IT Assets, Business Continuity processes, and the Project Health and Quality Index (PHQI).

To enhance people process efficiency and engagement, the Company has implemented Viva Engage as part of our continuous improvement efforts, replacing Workplace. This strategic transition underscores our commitment to continue to evaluate opportunities for cost optimization and better adoption of solutions deployed.

Recognizing the pivotal role of data in any enterprise decision-making, the Company has strategically deployed multiple dashboards across sales, delivery, and corporate functions. These dashboards empower business leaders to make informed, data-driven decisions. Additionally, data management processes have been strengthened to ensure accuracy and reliability of the data. Further, key organizational KPIs have been digitized specifically for our CXOs dashboards, providing them with real-time insights to drive business performance and strategic initiatives.

Employee onboarding experience being a critical aspect of employee engagement and retention initiative, the complete on-boarding process was significantly improved through multiple automation initiatives that have resulted in significant improvement in data quality and cutting down on process cycle time across enterprise systems.

As part of green energy initiatives, a next-generation data center has been set up with smart rack solution for power and cooling optimization. These improved data center and storage services include optimization of the Company's software-defined platform, which has enhanced the capacity of existing servers.

To safeguard organizational data, new backup solutions technology in line with future requirements, cloud backups, and cross-site data replication have been deployed.

To streamline processes with significantly reduced manpower and elimination of human error, network devices backup automation has been deployed. Improvements in Wi-Fi quality and strategic infrastructure enhancements at some of the offices have greatly enhanced user connectivity and end-user experience. Successful deployment of multiple ODCs has boosted business performance and ensured client commitment and compliance. Enhanced proactive monitoring and security measures have been deployed to secure the IoT environment, blocking traffic towards unidentified destinations.

To ensure robust continuity of operations, failover techniques in line with industry standards has been implemented. This strategic approach will safeguard against any single point of failure across all three SEZ locations data centers and hub rooms core switches.

Leveraging AI for firewall management streamlines operations and ensures optimal performance.

Adopting managed services from ISPs reduces administrative overheads and simplifies hardware upgrades resulting in cost efficiency. The organization has also initiated network devices refresh at its multiple office locations in India as well as Europe which will lead to resilient connectivity, minimize down time, and ensure better compliance.

**FOREIGN EXCHANGE EARNINGS & OUTGO**

The total foreign exchange earnings during the year stood at ₹ 1,255.52 crore compared to ₹ 802.48 crore in the previous year while the foreign exchange outgo (including imports) stood at ₹ 21.59 crore compared to ₹ 23.22 crore in the previous year.

## 31. MANAGEMENT DISCUSSION AND ANALYSIS

The shareholders are advised to refer to the separate section on the Management Discussion and Analysis in this Report.

## 32. CORPORATE GOVERNANCE REPORT

The shareholders are advised to refer to the separate section on Corporate Governance in this Report.

## 33. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Company's annual return is available on its website at https://www.tatatechnologies.com/in/investor-relations/.

## 34. MANAGEMENT OF BUSINESS ETHICS

At Tata Technologies, the Tata Code of Conduct (TCOC) represents the cornerstone of our commitment to the highest standards of corporate and personal conduct. It serves as the guiding principle not only for our organization but for all entities within the Tata conglomerate. The TCOC shapes our interactions and ensures compliance across all levels of the organization.

The TCOC is designed to ensure that every employee's actions align with our core values of integrity, accountability, and transparency. It governs interactions not just within the Company but also with our external stakeholders, including partners and suppliers, thereby fostering an ethical business environment.

To embed these values deeply within our corporate culture, Tata Technologies has implemented several educational initiatives:

- **Induction Training:** Every new hire participates in a TCOC session as part of their induction, ensuring they understand our ethical standards from day one.
- **E-Learning Modules:** Utilizing our iGETIT® Learning Management System, we provide comprehensive e-learning courses on TCOC. This training is mandatory for all employees and is critical for fostering a consistent understanding of our ethical standards.
- **Awareness Campaigns:** Regular TCOC awareness campaigns through emails and our internal digital communication platforms are being conducted.
- **Values-Mission-Vision Sessions:** Our exclusive series of learning sessions are dedicated to socializing and propagating our Company's Values, Mission, and Vision (VMV).

Compliance with the TCOC is closely monitored at an organizational level to ensure continuous alignment with our ethical standards. The Tata Code of Conduct is more than just a set of guidelines; it is a vital framework that ensures Tata Technologies operates with integrity and respect in all business dealings. As we move forward, the TCOC will continue to be a beacon of ethical behaviour, guiding us in making decisions that are not only good for business but also right for society. This commitment to ethical excellence is a testament to our dedication to maintaining the trust and confidence of our employees, partners, and customers worldwide.

The organizational structure for the Management of Business Ethics (MBE) in the Company comprises a) Chief Ethics Counsellor, b) Regional Ethics Counsellors, and c) the POSH IC committee. In addition to the TCOC, the Company has in place a whistle-blower policy to provide a mechanism for its employees to report any concern to the Ethics Counsellor/Chairman of the Company's Audit Committee. The Company has also adopted a global anti-bribery and gift policy in line with the TCOC and applicable laws. Through regular communication, employees of the Company are well-informed regarding the framework for raising any concern about TCOC violations. The framework is managed by the Chief Ethics Counsellor through the Ethics office. Employees raise issues or concerns by connecting with the office through the e-mail id- ethics@tatatechnologies.com. The Regional Ethics Counsellors conduct an inquiry into the matter through independent investigation committees. Complaint closures are reviewed on a regular basis by the Chief Ethics Counsellor. To manage this process better, Ethics Committee is convened at periodic intervals and a governance framework has been established.

## 35. TATA TECHNOLOGIES LIMITED SHARE BASED LONG TERM INCENTIVE SCHEME 2022 (TTL SLTI 2022)

Pursuant to the approval of the Members obtained at the Annual General Meeting ('AGM') held on July 1, 2022, the Company adopted Tata Technologies Limited Share-based Long Term Incentive Scheme 2022 (TTL SLTI Scheme 2022). The objective behind the implementation of the scheme is to attract, motivate, and retain appropriate talent in the Company, to achieve sustained long-term growth and drive shareholder value by aligning the interests of the employees with the long-term interests of the Company. During FY 2023-24, Members vide postal ballot dated March 15, 2024, approved certain amendments to the Scheme primarily to align with the provisions under the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 ('SEBI SBEB Regulations 2021').

The scheme comprises two types of options, viz., Class A Stock Options (Performance Stock Options) and Class B Stock Options (Employee Stock Option Plan). The maximum number of options that may be granted under the Scheme is 28,00,000 resulting in 28,00,000 equity shares of ₹ 2 each. The Exercise Price for Class A Stock Options (Performance Stock Options) is ₹ 2 and Class B Stock Options (Employee Stock Option Plan) is at Fair Market Value being the latest available closing price on a recognized Stock Exchange on which the shares of the Company are listed on the date immediately prior to the date of grant approved by the Board. If such shares are listed on more than one recognized stock exchanges, then the closing price on the recognized stock exchange having higher trading volume shall be considered as the market price. The scheme is administered by the Board of Directors of the Company directly. The Board may authorize the Nomination and Remuneration Committee (NRC) of the Board to operate and administer the scheme.

Options granted under the scheme would vest within 3 (Three) years from the date of grant of options and shall be determined by the Board based on the benchmark of achievement of performance metrics in terms of the Company's performance outcome vs. target on revenue, operating profits, large account performance and such other parameters as may be determined by Board of the Company as mentioned in the Grant Letter or communicated to Employees from time to time.

During the year, 1,33,397 Class A Stock Options (Performance Stock Options) were granted to select employees of the Company and its subsidiaries. None of the Class A Stock Options (Performance Stock Options) and Class B Stock Options (Employee Stock Option Plan) vested or any shares were allotted during the year.

The statutory disclosures as mandated under the SEBI SBEB Regulations 2021 and a certificate from the Secretarial Auditors confirming implementation of the above schemes in accordance with SEBI SBEB Regulations 2021 and Members approval, will be available for electronic inspection by the Members during the AGM and is also hosted on the website of the Company: https://www.tatatechnologies.com/in/investor-relations/

## 36. PREVENTION OF SEXUAL HARASSMENT

The Company has complied with the provisions relating to the constitution of an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. In the recent financial year, Tata Technologies reported 2 POSH Cases under the Prevention of Sexual Harassment (POSH) guidelines. Both the cases have been investigated and closed. This underscores our commitment to maintaining a safe and respectful work environment for all our employees. The annual return for POSH has been filed for the period ending December 2023.

The Company prioritizes sensitizing employees on POSH through training sessions for employees and their managers, mandatory e-learning courses for new hires, and regular updates on legal amendments and organizational policies, ensuring a continuous and informed dialogue on POSH throughout the Company.

## 37. ORDER OF COURT

The Company has not received any significant and material orders, passed by the regulators and courts or tribunal that materially impact the ongoing status and the Company's operations in the future. However, members' attention is drawn to the Statement on Contingent Liabilities and Commitments in the Notes forming part of the Financial Statement.

## 38. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Company has complied with applicable secretarial standards. For more details, shareholders are advised to refer to the Secretarial Audit Report annexed to this report as Annexure II.

## 39. PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as Annexure IV.

The statement containing particulars of top 10 employees and particulars of employees as required under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders, excluding the aforesaid Annexure. The said statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said Annexure are related to any Director of the Company.

### 40. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI LODR, the Business Responsibility and Sustainability Report ('BRSR') on initiatives taken from an environmental, social and governance perspective, in the prescribed format is available as a separate section of the Annual Report and is also available on the Company's website: https://www.tatatechnologies.com/in/investor-relations/

### 41. INVESTOR EDUCATION AND PROTECTION FUND

Refer to Corporate Governance Report para on 'Transfer of unclaimed / unpaid amounts / shares to the Investor Education and Protection Fund (IEPF)' for details on transfer of unclaimed/unpaid amount/ shares to IEPF.

### 42. ACKNOWLEDGMENTS

The directors express their earnest gratitude to all the customers, business partners, bankers, and auditors for their continued support and association with the Company. We also wish to thank the Government and all statutory authorities for their unwavering support and co-operation and place on record our appreciation of the dedication and hard work of the employees, individually and collectively, in the overall progress of the Company during the year. The directors would like to particularly thank and place on record their gratitude to all the members of the Company for their faith in the management and continued affiliation with the Company.

On behalf of the Board of Directors

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

Date: May 3, 2024
Place: Mumbai







Annexure I – Board's Report

## FORM NO. AOC -1

[Pursuant to first proviso to sub section 3 of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

### PART "A":

### Statement containing salient features of the financial statement of subsidiaries

(Amount in ₹ Crore)

| Sr. No. | Name of Subsidiary Company | Country | Reporting Currency | Exchange Rate | Capital | Reserves | Total Assets | Total Liabilities | Investments Other than Investment in Subsidiaries | Turnover | Profit/ (Loss) Before Taxation | Provision for taxation | Profit / (loss) After taxation | Proposed Dividend | % shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | INCAT International Plc. | UK | GBP | 105.03 | 2.55 | 46.98 | 49.53 | - | - | - | 0.05 | 0.01 | 0.04 | - | 100 |
| 2 | Tata Technologies Inc. | USA | USD | 83.41 | 998.39 | (277.78) | 972.06 | 251.44 | - | 1,049.28 | 70.69 | 18.79 | 51.90 | - | 99.80 |
| 3 | Tata Technologies de Mexico, S.A. de C.V. (in process of liquidation) | Mexico | MXN | 5.03 | 0.89 | 2.35 | 5.12 | 1.88 | - | - | 0.06 | - | 0.06 | - | 99.80 |
| 4 | Cambric Limited, Bahamas | Bahamas | USD | 83.41 | 22.52 | 1.13 | 23.65 | - | - | - | 0.25 | - | 0.25 | - | 99.80 |
| 5 | Tata Technolgies SRL, Romania | Romania | RON | 18.12 | 5.57 | 73.99 | 89.47 | 9.92 | - | 84.84 | (5.73) | - | (5.73) | - | 99.80 |
| 6 | Tata Manufacturing Technologies Consulting (Shanghai) Limited | China | CNY | 11.60 | 3.57 | 65.36 | 85.28 | 16.35 | - | 126.89 | 17.16 | 4.37 | 12.78 | - | 100 |
| 7 | Tata Technologies Europe Limited | UK | GBP | 105.03 | 0.12 | 1,274.70 | 1,701.84 | 427.03 | - | 1,821.64 | 362.21 | 92.13 | 270.09 | - | 100 |
| 8 | Tata Technologies Nordics AB ^ (Formerly known as Escenda Engineering AB upto November 01, 2020) | Sweden | SEK | 7.81 | 0.17 | 0.03 | 65.41 | 65.22 | - | 102.66 | (1.90) | (0.36) | (1.54) | - | 100 |
| 9 | Tata Technologies GmbH | Germany | EURO | 89.87 | 1.47 | 15.35 | 60.85 | 44.03 | - | 65.53 | (5.23) | (0.13) | (5.10) | - | 100 |
| 10 | Tata Technologies (Thailand) Limited | Thailand | BAHT | 2.29 | 8.07 | (19.39) | 8.38 | 19.70 | - | 5.10 | (4.37) | - | (4.37) | - | 100 |
| 11 | TATA Technologies Pte Ltd. | Singapore | USD | 83.41 | 450.39 | 582.25 | 1,061.11 | 28.47 | - | 204.17 | 386.02 | 9.25 | 376.77 | - | 100 |
| 12 | Tata Technologies Limited Employees Stock Option Trust | India | INR | 1.00 | - | 2.24 | 2.28 | 0.04 | - | - | 0.12 | 0.08 | 0.04 | - | 0% |
| 13 | INCAT International Limited ESOP 2000 | UK | GBP | 105.03 | - | 20.35 | 35.69 | 15.34 | - | - | (0.24) | - | (0.24) | - | 0% |

1. Names of the subsidiaries which are yet to commence operations NIL
2. Names of the subsidiaries which have been liquidated or sold during the year NIL

Annexure II - Board's Report

# FORM NO. MR-3
# SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

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

To,
The Members
**Tata Technologies Limited**
Plot No 25, Rajiv Gandhi Infotech Park,
Hinjawadi, Pune, Maharashtra, India-411057

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tata Technologies Limited** having CIN: U72200PN1994PLC013313* (Hereinafter called 'the Company')

*The securities of the company got listed on the stock exchanges w.e.f. November 30, 2023 but the CIN has not been updated from U to L in the records of the Ministry of Corporate Affairs (MCA) till the date of this report.

Secretarial Audit was conducted for the financial year 2023-24, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and for expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and representations made by the Management, during the audit period covering the financial year ended on March 31, 2024 ("Audit Period"), the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of the following list of laws and regulations:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) SEBI (Buyback of Securities) Regulations, 2018; **[Not applicable during the Audit Period]**.

e) SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021;

f) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not applicable during the Audit Period]**.

g) SEBI (Prohibition of Insider Trading) Regulations, 2015;

h) SEBI (Depositories and Participants) Regulations, 2018;

i) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

j) SEBI (Delisting of Equity Shares) Regulations, 2021 **[Not applicable during the Audit Period]**

and circulars/ guidelines issued thereunder;

(vi) Other Applicable Laws: As informed by the management, there are no other laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

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

Adequate notice is given to all directors to schedule the committee and Board Meetings, agenda and detailed notes on agenda are sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

The decisions were passed by the Board members unanimously and recorded as a part of minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period: -

1. The Board of directors have approved the amendments and/ or alteration to Shareholders Agreement and Articles of Association on June 30, 2023. The alteration of Articles of Association was subsequently approved by the members on July 27, 2023 (Special Resolution).

2. The members appointed Mr. Nagraj Ijari (DIN: 09390579) as an Independent Director of the company for a period of five years commencing from March 1, 2023 to February 28, 2028 at the Annual General Meeting held on July 27, 2023 (Ordinary Resolution).

3. The members appointed Mr. Shailesh Chandra (DIN: 07593905) as a Non-Executive Director of the company at the Annual General Meeting held on July 27, 2023 (Ordinary Resolution).

4. The company had filed the Draft Red Herring Prospectus (DRHP) with the authorities on March 9, 2023 and further filed the Addendum to Draft Red Herring Prospectus on October 3, 2023 and the Red Herring Prospectus on November 13, 2023.

5. The Company has issued Prospectus dated November 24, 2023, offering 6,08,50,278 (Six Crore Eight Lakh Fifty Thousand Two Hundred and Seventy-Eight) Equity Shares of ₹ 2/- (Rupees Two only) each under Offer for Sale

route through an Initial Public Offer (IPO) which was opened for a period of 3 days from November 21, 2023 to November 24, 2023. The details of offloading by the promoters and Selling Shareholders are as follows-

| Sr. No. | Name of the selling shareholder | Category | Number of Equity Shares offered |
|---|---|---|---|
| 1. | Tata Motors Limited | Promoter Selling Shareholder | 4,62,75,000 Equity shares amounting to ₹ 23,13,75,00,000 |
| 2. | Alpha TC Holdings Pte. Ltd. | Investor Selling Shareholder | 97,16,853 Equity shares amounting to ₹ 4,85,84,26,500 |
| 3. | Tata Capital Growth Fund I | Investor Selling Shareholder | 48,58,425 Equity shares amounting to ₹ 2,42,92,12,500 |

6. Subsequent to the IPO, the Equity shares of the Company got listed on Stock Exchanges i.e., National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from November 30, 2023.

7. The members approved the following resolutions through postal ballot on March 15, 2024:

    1) Ratification and amendments in Tata Technologies Limited Share Based Long Term Incentive Scheme 2022 (Special Resolution)

    2) Extension of the benefits under Tata Technologies Limited Share Based Long Term Incentive Scheme 2022 to the Employees of Holding / Subsidiary companies of the Company (Special Resolution)

    3) Material Related Party Transaction(s) between the Company and Tata Motors Limited (Ordinary Resolution)

    4) Material Related Party Transaction(s) between Tata Technologies Europe Limited (TTEL) and Jaguar Land Rover Limited (Ordinary Resolution)

8. The Board of directors have confirmed the appointment of Ms. S. Sukanya as the Chief Operating Officer (COO) of the Company w.e.f. March 6, 2024.

9. The Board of directors approved the re-appointment of Mr. Ajoyendra Mukherjee (DIN: 00350269) as a Non-Executive Independent Director of the company for a second term w.e.f. March 29, 2024 subject to approval from members.

For **J. B. Bhave & Co.**
Company Secretaries

**Jayavant B. Bhave**
Proprietor
FCS: 4266 CP: 3068
PR No. 1238/2021
UDIN: F004266F000296195

Place: Pune
Date: May 03 2024







ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF TATA TECHNOLOGIES LIMITED (2023-2024)

# AUDITORS' RESPONSIBILITY

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSA1 to CSA4) I wish to state as under-

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **J. B. Bhave & Co.**
Company Secretaries

**Jayavant B. Bhave**
Proprietor
FCS: 4266 CP: 3068

Place: Pune
Date: May 03 2024

Annexure III - Board's Report

# ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF THE COMPANY IN FY 2023-24

1. **Brief outline on CSR Policy of the Company**

   At Tata Technologies, our CSR vision is to co-create sustainable value for our key stakeholders through engineering and technology innovations. Our mission is to make a positive impact on the communities where the Company does business, areas with relevant intervention needs, and on our internal and external stakeholders, thereby, making it better for the planet, better for people and better for progress, better now and better for the future, by leveraging our core competencies, resources, technology, and employee volunteers. Our CSR programs shall aim to be relevant to local, national, and global contexts, keeping disadvantaged communities as the focus and based on globally agreed sustainable development principles.

2. **Composition of CSR Committee**

   As on March 31, 2024, the CSR Committee comprises of the following Board members:

   Composition of CSR Committee:

| Sr. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---|---|---|---|---|
| 1 | Ms. Aarthi Sivanandh | Chairperson, Independent Director | Two | Two |
| 2 | Mr. P B Balaji | Member, Non-Executive, Non-Independent Director | Two | Two |
| 3 | Mr. Warren Kevin Harris | Member, Managing Director | Two | Two |

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

   Web link: https://www.tatatechnologies.com/in/sustainability/

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:**

   Not applicable

5. (a) **Average net profit of the company as per section 135(5):**

   ₹ 2,57,86,20,822

   (b) **Two percent of average net profit of the company as per section 135(5):**

   ₹ 5,15,72,416

   (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:**

   NIL

   (d) **Amount required to be set off for the financial year, if any:**

   NIL

   (e) **Total CSR obligation for the financial year [(b) + (c) - (d)]:**

   ₹ 5,15,72,416







6. (a) **CSR amount spent or unspent for the financial year:**

| Total Amount spent for the Financial Year (in ₹) | Amount Unspent (in ₹) | | | | |
|---|---|---|---|---|---|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| 5,74,96,285 | NOT APPLICABLE | | | | |

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

| (1) Sr. No. | (2) Name of the Project | (3) Item from the list of activities In Schedule VII to the Act | (4) Local Area (Yes / No) | (5) Location of the Project | | (6) Project Duration | (7) Amount Allocated for the Project (in ₹) | (8) Amount spent in the current financial Year (in ₹) | (9) Amount transferred to Unspent CSR A/C for the project as per Section 135 (6) (in ₹) | (10) Mode of Implementation - Direct (Yes / No) | (11) Mode of Implementation - Through implementing Agency | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | State | District | | | | | | Name | CSR Regi. No. |
| 1 | STEM Education Program (Science-Technology-Engineering-Mathematics) | SCH VII (ii) | Yes | Maharashtra | Pune | 3 years | 2,32,66,726 | 2,41,94,980 | Not applicable | No | IISER, ISF, Star Forum, PEF | CSR00006468 CSR00008242 CSR00019778 CSR00028968 |
| 2 | Ready Engineer 2.0 (Employability enhancement program through innovation) | SCH VII (ii) | Yes | Maharashtra & Karnataka | Aurangabad Belgaum, Kolhapur, Solapur and Bengaluru | 3 years | 80,89,374 | 80,87,655 | Not applicable | Yes | Not Applicable | Not Applicable |
| 3 | Empowerment Via Education (Women Empowerment) | SCH VII (ii) & (iii) | Yes | Maharashtra & Karnataka | Amravati, Wardha, Pune, Bengaluru | 3 years | 1,45,00,000 | 1,45,07,750 | Not applicable | No | LPF | CSR00000090 |
| 4 | Empowerment Via Education (Technical Education) | SCH VII (ii) | Yes | Maharashtra & Telangana | Mumbai, Hyderabad | 3 years | 87,68,900 | 78,30,900 | Not applicable | No | Tata Strive (TCIT) | CSR00002739 |
| | | | | | | Total | 5,46,25,000 | 5,46,21,285 | | | | |

List of Implementing Agencies mentioned in above table:

i. *IISER: Indian Institute of Science Education and Research*

ii. *ISF: India STEM Foundation*

iii. *PEF: Potters Earth Foundation*

iv. *LPF: Lila Poonawalla Foundation*

v. *TCIT: Tata Community Initiatives Trust*

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

| (1) Sr. No. | (2) Name of the Project | (3) Item from the list of activities In Schedule VII to the Act | (4) Local Area (Yes / No) | (5) Location of the Project | | (6) Amount spent in the current financial Year (in ₹) | (7) Mode of Implementation - Direct (Yes / No) | (8) Mode of Implementation - Through implementing Agency | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | State | District | | | Name | CSR Registration No. |
| Not Applicable | | | | | | | | | |

(d) **Amount spent in Administrative Overheads**
₹ 28,75,000

(e) **Amount spent on Impact Assessment, if applicable**
NOT APPLICABLE

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e)**
₹ 5,74,96,285

(g) **Excess amount for set off, if any**

| Sr. No. | Particulars | Amount (in ₹) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) | 5,15,72,416 |
| (ii) | Total amount spent for the Financial Year | 5,74,96,285 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 59,23,869 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 59,23,869 |

7. **Details of Unspent CSR amount for the preceding three financial years:**

| (1) | (2) | (3) | (4) | (5) | (6) | | (7) | (8) |
|---|---|---|---|---|---|---|---|---|
| Sr. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹) | Amount Spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any | | Amount remaining to be spent in succeeding Financial Years (in ₹) | Deficiency, if any |
| | | | | | Amount (in ₹) | Date of Transfer | | |
| 1 | FY 2021-22 | 1,00,00,000* | NIL | NIL | NIL | NIL | NIL | NOT APPLICABLE |

*(Note* - The unspent amount of ₹ 1,00,00,000 was completely spent in FY 2022-23)*

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**
NOT APPLICABLE

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):**
NOT APPLICABLE

10. **A Responsibility Statement of the CSR Committee:**
We hereby declare that implementation and monitoring of CSR Policy are in compliance with CSR objectives and policy of the Company and in line with the Companies Act, 2013.

| Sd/- | Sd/- | Sd/- |
|---|---|---|
| **Ms. Aarthi Sivanandh** | **Mr. P. B. Balaji** | **Mr. Warren Harris** |
| (Chairperson, CSR Committee) | (Non-Executive) | (CEO & Managing Director) |
| (Independent Director) | (Non-Independent Director) | |
| Place: Pune | Place: Pune | Place: Pune |
| Date: April 30, 2024 | Date: April 30, 2024 | Date: April 30, 2024 |





## Details of Remuneration of Directors, Key Managerial Personnel and Employees and comparatives

**[Pursuant to Section 197 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

1. A) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2023-24:

| Sr. No. | Name of Director | Designation | Ratio of remuneration to median remuneration | % increase in the remuneration |
|---|---|---|---|---|
| 1 | Mr. Ajoyendra Mukherjee | Independent Director | 3.02 | 11% |
| 2 | Mr. Nagaraj Ijari[1] | Independent Director | 2.87 | * |
| 3 | Ms Usha Sangwan[2] | Independent Director | 2.84 | * |
| 4 | Ms. Aarthi Sivanandh[3] | Independent Director | 2.58 | * |
| 5 | Mr. P B Balaji | Non-Executive, Non-Independent Director | $ | - |
| 6 | Mr. Shailesh Chandra | Non-Executive, Non-Independent Director | $ | - |
| | **Executive Director** | | | |
| 7 | Warren Kevin Harris | Chief Executive Officer and Managing Director | 85.6 | 10% |
| | **Key Managerial Personnel** | | | |
| 1 | Savitha Balachandran | Chief Financial Officer | N.A. | 20% |
| 2 | Vikrant Gandhe | Company Secretary and Compliance Officer | N.A. | 10% |

**Notes:**

** Since the remuneration of these Directors/KMPs is only for the part of the current year / previous year the ratio of their remuneration to median and increase in remuneration is not comparable.*

*$ In line with the internal guidelines of the Company, no payment is made towards commission / sitting fee to the Non-Executive Directors of the Company, who are in full time employment with any other Tata company.*

*[1] Appointed as an Independent Director of the Company, effective from March 1, 2023. Hence, his remuneration is not comparable.*

*[2] Appointed as an Independent Director of the Company, effective from October 21, 2022. Hence, her remuneration is not comparable.*

*[3] Appointed as an Independent Director of the Company, effective from June 11, 2022. Hence, her remuneration is not comparable.*

B) A break-up of median remuneration for employees is given below:

| Employee Group | Median Remuneration (₹)* | Increase In Median Remuneration (%) |
|---|---|---|
| Full time Employees | 10,21,124 | 5.2% |

** The Median Remuneration for all India Full time employees ₹ 10,21,124*

2. The number of permanent employees on the rolls of Company as of March 31, 2024 (India): 10,188

3. The Company decides the remuneration of its Managerial Personnel on the basis of Cost to Company (CTC), whereas, under the provisions of the Act, the managerial remuneration is calculated as per the Income Tax Act, 1961. To provide the fair interpretation of median, the annual Cost to Company (CTC) has been considered and not actual payout during the year, which could vary on account of several reasons for instance, perquisite value on account of ESOPs allotment. The reported figures look higher or lower depending on the components of the CTC.

4. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

| Employee Group | Average percentage increase / (decrease) in salaries for FY 2024 (in%) |
|---|---|
| All Employees | 5.7% |

5. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company confirms that the remuneration is as per the remuneration policy of the Company.

On behalf of the Board of Directors

**Ajoyendra Mukherjee**
Chairman
DIN:00350269

Date: May 3, 2024
Place: Mumbai





# Corporate Governance Report

## 1. Company's Philosophy on Corporate Governance:

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance guides business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the communities in which we operate.

Strong ethical leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted the Tata Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act") and a Code of Conduct for Board of Directors and Senior Management Personnel as per Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's corporate governance philosophy has been further strengthened through the Tata Business Excellence Model and the Tata Group Governance Guidelines. The Company has in place an Information Security Policy that ensures proper utilization of IT resources.

## 2. Board of Directors

a. As on March 31, 2024, the Company has 7 Directors comprising of 4 Independent Directors, 2 Non-Executive Directors and 1 Managing Director. The profiles of Directors can be found on https://www.tatatechnologies.com/in/leadership/. The composition of the Board is in conformity with Section 149 of the Act.

b. None of the Directors on the Board hold directorships in more than 10 public companies. None of the Independent Directors serve as an Independent Director on more than 7 listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by the Directors. None of the Directors are related to each other.

c. Independent Directors are non-executive directors as defined under Section 149(6) of the Act along with rules framed thereunder. Based on the declaration received from the Independent Director, the Board of Directors has confirmed that the director meets the criteria of independence as mentioned under Section 149 of the Companies Act, 2013 and is independent of the management.

d. Thirteen Board Meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The said meetings were held on May 5, 2023; June 30, 2023; July 18, 2023; September 6, 2023; October 16, 2023; October 24, 2023; November 2, 2023; November 13, 2023; November 21, 2023; November 24, 2023; November 28, 2023; January 25, 2024 and March 28, 2024. The necessary quorum was present for all the meetings.

e. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), number of listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2024 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders'

Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

| Name of the Director (DIN) | Category | Number of Board Meetings attended during FY 2023-24 | Whether attended last AGM held on July 27, 2023 | Number of Directorships in other Public Companies | | Number of Committee positions held in other Public Companies | | Directorship in other listed entity (Category of Directorship) |
|---|---|---|---|---|---|---|---|---|
| | | | | Chairman/ Chairperson | Member | Chairman/ Chairperson | Member | |
| Ajoyendra Mukherjee (DIN: 00350269) | Chairman, Independent, Non-Executive | 13 | Yes | Nil | 1 | 0 | 1 | None |
| Usha Sangwan (DIN: 02609263) | Independent, Non-Executive | 13 | Yes | Nil | 7 | 3 | 5 | 4 (Independent Director) |
| Nagaraj Ijari (DIN: 09390579) | Independent, Non-Executive | 13 | Yes | Nil | Nil | 0 | 2 | None |
| Aarthi Sivanandh (DIN: 00140141) | Independent, Non-Executive | 8 | Yes | Nil | 1 | 0 | 0 | None |
| P B Balaji (DIN: 02762983) | Non-Independent, Non-Executive | 12 | Yes | Nil | 6 | 0 | 14 | 1 (Non-Executive Director) |
| Shailesh Chandra (DIN: 07593905) | Non-Independent, Non-Executive | 9 | Yes | Nil | 3 | Nil | Nil | Nil |
| Warren Kevin Harris (DIN: 02098548) | Chief Executive Officer & Managing Director | 13 | Yes | Nil | Nil | Nil | Nil | Nil |

f. During FY 2023-24, two meetings of the Independent Directors were held on January 8, 2024 and March 13, 2024 without the presence of other directors or the management. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company.

g. The Board periodically reviews the compliance reports of all laws applicable to the Company.

h. Details of equity shares of the Company held by the Directors as on March 31, 2024 are given below:

| Name of the Director | Category of the Director | Number of Equity shares |
|---|---|---|
| Warren Kevin Harris | CEO & Managing Director | 40,00,000* |

** The shares are held through Zedra Corporate Services (Guernsey) Limited*

The Company has not issued any convertible instruments.

i. **Board Diversity:** As on March 31, 2024 the Board comprises of qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee meetings. The below matrix summarizes a mix of skills, expertise and competencies expected to be possessed by our individual directors, which are key to corporate governance and Board effectiveness:

| Key Board Skills / Expertise / Competencies | |
|---|---|
| Entrepreneur / Leadership | Extended entrepreneurial / leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning and execution, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth. |
| Engineering and Technology | Engineering and the development of new technologies involving application of scientific and mathematical knowledge to design and operation of objects, systems, and processes to help the Company solve problems and reach its goals |
| Financial Expertise | Education and experience as an Auditor or Public Accountant or a principal financial officer, comptroller or principal accounting officer or holding a position involving performance of similar functions. |
| Global Exposure | Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities. |
| Diversity | Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide. |
| Mergers and Acquisitions | Experience or record of leading growth through acquisitions and other business combinations, with the ability to assess 'build or buy' decisions, analyze the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate and execute operational integration plans |
| Engineering and Digital Services | A significant background in engineering and/or digital Services or similar industries, resulting in knowledge of how to anticipate market trends, generate disruptive innovation and extend or create new business models. |
| Board Service and Governance | Service on other public company boards, to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices |
| Sales and Marketing | Experience in developing strategies to grow sales and market share, build brand awareness and equity, and as well as enhance brand reputation |

| Name of Director | Entrepreneur/ Leadership | Engineering & Technology | Financial Expertise | Global Exposure | ER&D and DES Services | Diversity | Mergers & Acquisitions | Board Service & Governance | Sales & Marketing |
|---|---|---|---|---|---|---|---|---|---|
| Ajoyendra Mukherjee | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Usha Sangwan | ✓ | - | ✓ | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| Nagaraj Ijari | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Aarthi Sivanandh | ✓ | - | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | - |
| P B Balaji | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Shailesh Chandra | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Warren Kevin Harris | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

**Familiarisation Programme:** Pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI Listing Regulations, kindly refer to the Company's website https://www.tatatechnologies.com/in/corporate-governance/ for details of the familiarisation programme for IDs on their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

**Senior Management:**

| Serial No. | Name of Senior Managerial Personnel | Designation |
|---|---|---|
| 1. | Warren Kevin Harris# | Chief Executive Officer & Managing Director |
| 2. | Savitha Balachandran# | Chief Financial Officer |
| 3. | S Sukanya* | Chief Operating Officer |
| 4. | Pawan Bhageria | President - Global HR, IT, Admin & Education |
| 5. | Nachiket Paranjpe | President – Automotive Sales |
| 6. | Sriram Lakshminarayanan | President and Chief Technical Officer |
| 7. | Aloke Palsikar | Executive Vice President & Head -Aerospace and Industrial Heavy Machinery Sales |

| Serial No. | Name of Senior Managerial Personnel | Designation |
|---|---|---|
| 8. | Shailesh P Saraph | Executive Vice President & Global Head – Engineering Research & Development |
| 9. | Geena Binoy | Executive Vice President & Global Head – Digital Enterprise Solutions |
| 10. | Anjali Balagopal | Executive Vice President & General Counsel |

**S Sukanya was appointed as Chief Operating Officer w.e.f. March 6, 2024*
*# Warren Kevin Harris and Savitha Balachandran are also categorized as Key Managerial Personnel (KMP)*

ii. **Committees of the Board:**

a. There are five Statutory Board Committees and one other Board Committee as on March 31, 2024, that have been formed, considering the needs of the Company, details of which are as follows:

| Name of the Committee | Extract of Terms of Reference | Category and Composition: Name | Category |
|---|---|---|---|
| **Statutory Committee** | | | |
| Audit Committee | **Primary Objectives:**<br>The Audit Committee's role shall flow directly from the Board of Directors' overview function on corporate governance; which holds the Management accountable to the Board and the Board, in turn, accountable to the shareholders. Acting as a catalyst in helping the organization achieve its objectives, the primary role of the Audit Committee is that of assisting the Board of Directors in overseeing the:<br>• integrity of the Company's financial statements;<br>• compliance with legal and regulatory requirements and the Tata Code of Conduct;<br>• qualification and independence of the external auditors;<br>• performance of the Company's external auditors and the Internal Audit function; and<br>• adequacy and reliability of the internal control system. | Ms. Usha Sangwan (Chairperson) | Non-Executive, Independent |
| | | Mr. Nagaraj Ijari | Non-Executive, Independent |
| | | Ms. Aarthi Sivanandh | Non-Executive, Independent |
| | | Mr. P B Balaji* | Non-Executive, Non-Independent |
| | | **Ceased to be member w.e.f. December 29, 2023* | |

| Name of the Committee | Extract of Terms of Reference | Category and Composition: Name | Category |
|---|---|---|---|
| Nomination & Remuneration Committee | **Primary Objectives:**<br>The Committee has the overall responsibility of identifying and recommending the Board persons qualified to be appointed as directors in accordance with the criteria laid down, approving and evaluating the compensation plans, policies and programs for the managing director/executive directors and key management personnel. The Committee is committed to ensure that the compensation practices of the Company are in full compliance with law and commensurate with the high standards of performance expected of the Company's Directors and officers. The Committee shall also make sure that the Company's compensation packages, Human Resources practices and programs are competitive and effective in motivating highly qualified personnel and establish a suitable relationship between compensation and performance. | Mr. Nagaraj Ijari (Chairman) | Non-Executive, Independent |
| | | Mr. Ajoyendra Mukherjee | Non-Executive, Independent |
| | | Ms. Usha Sangwan | Non-Executive, Independent |





| Name of the Committee | Extract of Terms of Reference | Category and Composition: Name | Category |
|---|---|---|---|
| **Statutory Committee** | | | |
| Stakeholder's Relationship Committee | The Committee has the overall responsibility to consider and resolve the grievances of security holders of the Company | Mr. Ajoyendra Mukherjee (Chairman) | Non-Executive, Independent |
| | | Ms. Aarthi Sivanandh | Non-Executive, Independent |
| | | Mr. Warren Kevin Harris | CEO & Managing Director |
| Corporate Social Responsibility and Sustainability Committee (CSR) | The Corporate Social Responsibility and Sustainability Committee (this "Committee") shall discharge the Board's responsibilities relating to its CSR obligations, sustainability integration throughout the company's global operations with respect to the below three tracks:<br>• Corporate Sustainability assessment, assurance and benchmarking<br>• Affirmative action and technical education and women empowerment<br>• Community development initiatives | Ms. Aarthi Sivanandh (Chairperson) | Non-Executive, Independent |
| | | Mr. P B Balaji | Non-Executive, Non-Independent |
| | | Mr. Warren Kevin Harris | CEO & Managing Director |
| Risk Management Committee | The Committee has the overall responsibility for oversight of Risk Management including the following:<br>• formulate a detailed risk management policy<br>• Ensure that processes and systems are in place to monitor and evaluate risks<br>• monitor and oversee implementation of the risk management policy<br>• periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity | Nr. Nagaraj Ijari | Non-Executive, Independent |
| | | Mr. Shailesh Chandra | Non-Executive, Non-Independent |
| | | Mr. Warren Kevin Harris | CEO & Managing Director |
| **Other Committee (Non-Statutory)** | | | |
| Executive Committee | The Committee was constituted by the Board on October 14, 2020 and was delegated authority under section 179(3) of the Companies Act 2013 | Mr. Ajoyendra Mukherjee (Chairman) | Non-Executive, Independent |
| | | Mr. P B Balaji | Non-Executive, Non-Independent |
| | | Mr. Warren Kevin Harris | CEO & Managing Director |
| IPO Committee | The Committee was constituted on December 12, 2022 for the purposes of approving and undertaking various activities in relation to the proposed IPO | Mr. Ajoyendra Mukherjee (Chairman) | Non-Executive, Independent |
| | | Ms. Usha Sangwan | Non-Executive, Independent |
| | | Ms. Aarthi Sivanandh | Non-Executive, Independent |
| | | Mr. P B Balaji | Non-Executive, Non-Independent |

**Stakeholders Relationship Committee:**

a. Name, designation and address of Company Secretary & Compliance Officer: Mr. Vikrant Gandhe, Company Secretary, Plot No. 25, Rajiv Gandhi Infotech Park, Hinjawadi, Pune – 411057

b. Details of Investor Communication/ Queries received and redressed during FY 2024 are as follows:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|---|---|---|---|
| 0 | 467 | 467 | 0 |

** Resolved after 31st March 2024*

**Nomination and remuneration committee:**

a. **Performance Evaluation criteria for Independent Directors:**

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

b. **Remuneration Policy:**

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations. In each country where the Company operates, the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the IT industry.

The Company pays remuneration by way of salary, benefits, perquisites and allowances, both fixed and variable components to its Managing Director. Annual increments are recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members.

The Company pays sitting fees of ₹ 35,000 per meeting to its Non-Executive Directors for attending meetings of the Board and ₹ 25,000 per meeting for attending meetings of committees of the Board. The Company also pays commission to the Non-Executive Directors within the ceiling of 1 percent of the net profits of the Company as computed under the applicable provisions of the Act, with the approval of the members. The said commission is decided each year by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and distributed amongst the Non-Executive Directors based on the Board evaluation process, considering criteria such as their attendance and contribution at the Board and Committee meetings, as well as the time spent on operational matters other than at meetings. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings. The Remuneration policy is available as an annexure to the Report of the Board of Directors.

iv. **Details of the Remuneration for the year ended March 31, 2024:**

a. **Non-independent and Non-executive directors & independent directors:**

(Amount in ₹)

| Name | Commission | Sitting Fees Paid |
|---|---|---|
| Mr. Ajoyendra Mukherjee | 25,00,000 | 5,80,000 |
| Ms. Usha Sangwan | 21,00,000 | 8,05,000 |
| Mr. Nagaraj Ijari | 21,00,000 | 8,30,000 |
| Ms. Aarthi Sivanandh | 21,00,000 | 5,30,000 |
| Mr. P B Balaji** | - | - |
| Mr. Shailesh Chandra** | - | - |

*** In line with the internal guidelines of the Company, no payment is made towards commission / sitting fee to the Non-Executive Directors of the Company, who are in full time employment with any other Tata company.*

b. **Managing director and executive director:**

(Amount in ₹)

| Name of Director | Salary | Benefits, Perquisites and Allowances | Commission | ESPS / ESOPs |
|---|---|---|---|---|
| Mr. Warren Kevin Harris | 7,49,97,445 | 1,52,28,763 | - | Granted 12,770 Performance Stock Options |

** Mr. Warren Kevin Harris also received a remuneration of ₹ 3,69,36,044 in USA in the capacity of Director of Tata Technologies Inc.*

Services of the Managing Director and Executive Director may be terminated by either party, giving the other party twelve months' notice or the Company paying twelve months' salary in lieu thereof. There is no separate provision for payment of severance pay.

v. **Number of Committee Meetings held and attendance records:**

| Name of the committee | Audit Committee | Nomination and Remuneration committee | Stakeholders' Relationship Committee | Corporate Social Responsibility Committee | Risk Management Committee | Independent Directors Meeting | Executive Committee | IPO Committee |
|---|---|---|---|---|---|---|---|---|
| No. of meetings held | Ten(10) | Four (4) | One (1) | Two (2) | One (1) | Two (2) | None | None |
| Date of meetings | i. May 5, 2023<br>ii. May 31, 2023<br>iii. July 18, 2023<br>iv. August 31, 2023<br>v. October 16, 2023<br>vi. October 24, 2023<br>vii. November 2, 2023<br>viii. January 8, 2024<br>ix. January 25, 2024<br>x. March 22, 2024 | i. May 4, 2023<br>ii. June 30, 2023<br>iii. January 24, 2024<br>iv. March 26, 2024 | i. January 8, 2024 | i. April 27, 2023<br>ii. March 1, 2024 | i. August 31, 2023 | i. January 8, 2024<br>ii. March 13, 2024 | NA | NA |
| No. of Meetings attended | | | | | | | | |
| Mr. Ajoyendra Mukherjee | Not a member | 4 | 1 | Not a member | | 2 | NA since No Meeting held during the year under review | The Committee was formed on December 12, 2022 and No Meeting held during the year under review. |
| Ms. Usha Sangwan | 10 | 4 | Not a member | Not a member | | 2 | | |
| Mr. Nagaraj Ijari | 10 | 4 | Not a member | Not a member | 1 | 2 | | |
| Ms. Aarthi Sivanandh | 7 | Not a member | 1 | 2 | | 2 | | |
| Mr. P B Balaji[&] | 5 | Not a member | Not a member | 2 | | | | |
| Mr. Shailesh Chandra | Not a member | Not a member | Not a member | Not a member | 1 | | | |
| Mr. Warren Kevin Harris | Not a member | Not a member | 1 | 2 | 1 | | | |
| Whether quorum was present for all the meetings | Quorum was present for all the meetings | | | | | NA | NA | NA |

*& Ceased to be a member of the Audit Committee w.e.f. December 29, 2023*

vi. General Body Meetings

i. General Meeting

a. Annual General Meeting (AGM)

| Financial Year | Date | Time | Venue |
|---|---|---|---|
| 2022-23 | July 27, 2023 | 03:30 PM | Through Video Conferencing or OAVM |
| 2021-22 | July 1, 2022 | 03:00 pm | |
| 2020-21 | June 24, 2021 | | |

b. Extraordinary General Meeting:

No extraordinary general meeting of the members was held during FY 2023-24.

c. Special Resolution(s):

The details of special resolution(s) passed by the Company in any of its previous three AGMs are as under:

| Date of the AGM | Special Resolution for |
|---|---|
| July 27, 2023 | Adoption of amended Articles of association |
| July 1, 2022 | Increasing the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate |
| | Grant of Stock Options to the employees of the Company under 'Tata Technologies Limited Share Based Long Term Incentive Scheme 2022 |
| | Grant of Stock Options to the employees of the Holding / Subsidiary Company(ies) of the Company under "Tata Technologies Limited Share Based Long Term Incentive Scheme 2022" |
| | Appointment of Ms. Aarthi Sivanandh (DIN: 00140141) as a Non-Executive Independent and Woman Director |
| June 24, 2021 | Appointment of Mr. Ajoyendra Mukherjee (DIN 00350269) as a Non-Executive Independent Director for a period of three years w.e.f. March 29, 2021 |

ii. **Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:**

The Company had sought the approval of the shareholders by way of Special Resolution/s through notice of postal ballot dated February 14, 2024 for various resolutions in connection with and items incidental to the Initial Public Offer of the Company, which were duly passed and the results of which were announced on March 15, 2024.

Mr. Jayavant B Bhave (Membership No. 4266) of J B Bhave & Co., Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

**Resolution No. 1**- Ratification and amendments in Tata Technologies Limited Share Based Long Term Incentive Scheme 2022- **Special Resolution**

| Category | Mode of Voting | No. of shares held | No. of votes polled | % of Votes Polled on outstanding shares | No. of Votes – in favour | No. of Votes – Against | % of Votes in favour on votes polled | % of Votes against on votes polled |
|---|---|---|---|---|---|---|---|---|
| | | [1] | [2] | [3]={[2]/[1]}*100 | [4] | [5] | [6]={[4]/[2]}*100 | [7]={[5]/[2]}*100 |
| Promoter and Promoter Group | E-Voting | 22,46,89,736 | 22,46,89,736 | 100.0000 | 22,46,89,736 | 0 | 100.0000 | 0.0000 |
| | Poll | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | Postal Ballot | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | **Total** | | **22,46,89,736** | **100.0000** | **22,46,89,736** | **0** | **100.0000** | **0.0000** |
| Public Institutions | E-Voting | 1,58,00,279 | 1,03,93,154 | 65.7783 | 83,88,732 | 20,04,422 | 80.7140 | 19.2860 |
| | Poll | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | Postal Ballot | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | **Total** | | **1,03,93,154** | **65.7783** | **83,88,732** | **20,04,422** | **80.7140** | **19.2860** |
| Public Non-Institutions | E-Voting | 16,51,78,515 | 7,12,20,701 | 43.1174 | 711,93,395 | 27,306 | 99.9617 | 0.0383 |
| | Poll | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | Postal Ballot | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | **Total** | | **7,12,20,701** | **43.1174** | **7,11,93,395** | **27,306** | **99.9617** | **0.0383** |
| **Total** | | **40,56,68,530** | **30,63,03,591** | **75.5059** | **30,42,71,863** | **20,31,728** | **99.3367** | **0.6633** |

**Resolution No. 2** – Approval to extend the benefits under Tata Technologies Limited Share Based Long Term Incentive Scheme 2022 to the Employees of Holding/ Subsidiary companies of the Company - **Special Resolution**

| Category | Mode of Voting | No. of shares held | No. of votes polled | % of Votes Polled on outstanding shares | No. of Votes – in favour | No. of Votes – Against | % of Votes in favour on votes polled | % of Votes against on votes polled |
|---|---|---|---|---|---|---|---|---|
| | | [1] | [2] | [3]={[2]/[1]}*100 | [4] | [5] | [6]={[4]/[2]}*100 | [7]={[5]/[2]}*100 |
| Promoter and Promoter Group | E-Voting | 22,46,89,736 | 22,46,89,736 | 100.0000 | 22,46,89,736 | 0 | 100.0000 | 0.0000 |
| | Poll | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | Postal Ballot | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | **Total** | | **22,46,89,736** | **100.0000** | **22,46,89,736** | **0** | **100.0000** | **0.0000** |
| Public Institutions | E-Voting | 1,58,00,279 | 1,03,81,804 | 65.7065 | 41,09,669 | 62,72,135 | 39.5853 | 60.4147 |
| | Poll | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | Postal Ballot | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | **Total** | | **1,03,81,804** | **65.7065** | **41,09,669** | **62,72,135** | **39.5853** | **60.4147** |
| Public Non-Institutions | E-Voting | 16,51,78,515 | 7,12,19,254 | 43.1165 | 7,11,83,977 | 35,277 | 99.9505 | 0.0495 |
| | Poll | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | Postal Ballot | | 0 | 0.0000 | 0 | 0 | 0.0000 | 0.0000 |
| | Total | | 7,12,19,254 | 43.1165 | 7,11,83,977 | 35,277 | 99.9505 | 0.0495 |
| **Total** | | **40,56,68,530** | **30,62,90,794** | **75.5027** | **29,99,83,382** | **63,07,412** | **97.9407** | **2.0593** |

**Procedure for postal ballot:**

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder.

iii. **Details of special resolution proposed to be conducted through postal ballot:**

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

vii. **BSR & Co. LLP, Chartered Accountants (Firm registration No. 101248W/W -100022) are the Statutory auditors of the Company. The particulars of payment of Statutory auditors' fees, on Standalone basis is given below:**

| Particulars | Amounts (₹ Lakh) |
|---|---|
| Statutory Audit fees | 53 |
| Tax Audit/Transfer Pricing Audit Fees | 07 |
| Other Services | 06 |
| Reimbursement of traveling and out of pocket expenses | 05 |
| **Total** | **71** |

viii. **Means of Communication:**

The quarterly, half-yearly and annual financial results of the Company are displayed on the Company's website at https://www.tatatechnologies.com/in/about-us/investor-relations. Statutory notices are generally published in Business Standard or Financial Express (English) and Navrashtra or Loksatta (Marathi). A Management Discussion and Analysis is a part of this Annual Report.

iv. **General Shareholder Information:**

a. **Annual General Meeting for FY 2024**

Date: Friday, June 21, 2024

Time: 02:30 PM (IST)

Venue: The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated September 25, 2023 and subsequent amendments/ extensions thereto and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

As required under Secretarial Standard 2, particulars of Directors seeking appointment / re-appointment at this AGM are given in the Notice of this AGM.

b. **Financial calendar**

Year ending: 2023-24

AGM on: Friday, June 21, 2024

**Dividend Payment:** Subject to approval of shareholders, this will be paid on and from the third day from the AGM date

c. The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);

1. National Stock Exchange of India Limited – Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai- 400051

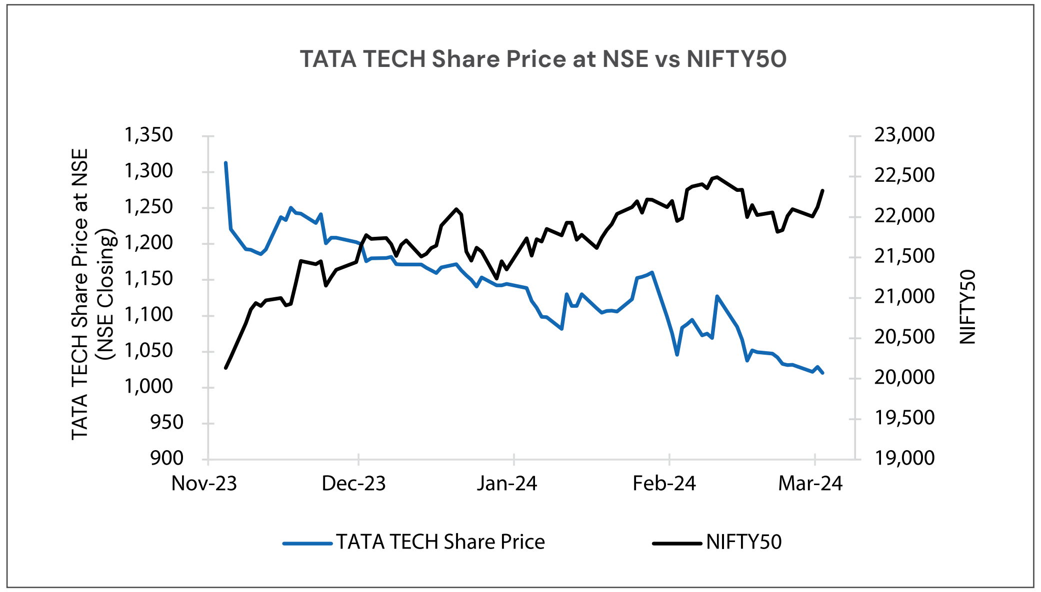
2. BSE Limited - Pheroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai - 400 001.

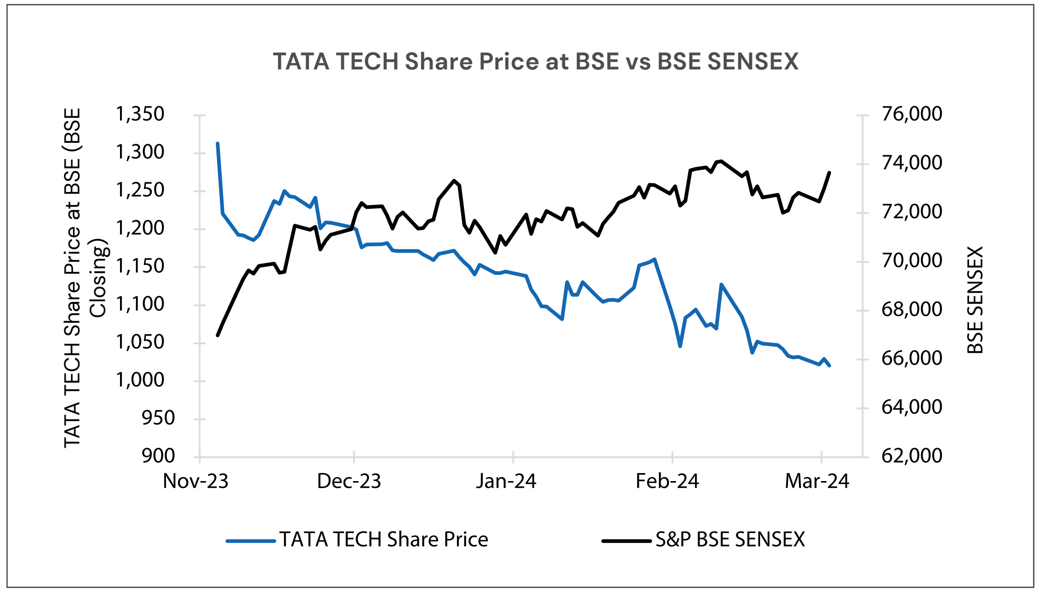
d. Stock code- NSE Code: TATATECH; BSE Code: 544028

e. Market price data- high, low during each month in last financial year

| Month | NSE | | | BSE | | |
|---|---|---|---|---|---|---|
| | High | Low | Total number of equity shares traded | High | Low | Total number of equity shares traded |
| Dec-23 | 1,348.0 | 1,151.2 | 73,709,266 | 1,348.0 | 1,151.0 | 7,760,084 |
| Jan-24 | 1,202.0 | 1,108.8 | 17,872,352 | 1,200.0 | 1,108.7 | 2,587,024 |
| Feb-24 | 1,179.0 | 1,033.1 | 25,126,076 | 1,179.0 | 1,034.0 | 3,428,225 |
| Mar-24 | 1,146.5 | 1,020.0 | 18,974,609 | 1,146.8 | 1,020.0 | 2,721,062 |

f. Performance in comparison to broad-based indices such as BSE Sensex, etc.




g. In case the securities are suspended from trading, the directors report shall explain the reasons thereof

Not applicable

h. **Date of Book closure / record date:** As mentioned in the Notice of this AGM

i. **Corporate Identity Number (CIN) of the company:** L72200PN1994PLC013313

j. **Date of Listing of Equity Shares of the Company:** November 30, 2023

k. **Registrars and Transfer Agents (RTA)**

**Name and Address:**

Link Intime India Private Limited,

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400083 Telephone: +91 22 66568484; Fax: +91 22 66568494

E-mail: csg-unit@linkintime.co.in

Website: https://linkintime.co.in/

l. **Place for acceptance of documents:**

For the convenience of the shareholders, documents will also be accepted at the following branches/agencies of LIIPL: Pune, Mumbai, Delhi, Kolkata, Jamshedpur, Ahmedabad and Bangalore

m. **Share transfer System:**

All transfer, transmission or transposition of securities are conducted in accordance with the provisions of Regulation 40 and Schedule VII of the SEBI Listing Regulations, read together with relevant SEBI Circulars.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialized form.

Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all the listed companies to issue securities in dematerialised form only, while processes the service request for issue of duplicate securities certificates, renewal/ exchange of securities certificate, claim from Unclaimed Suspense Account, endorsement, sub-division/ splitting of securities certificate, consolidation of folios, transmission and transposition.

n. **Shareholders as on March 31, 2024:**

a. Distribution of equity shareholding as on March 31, 2024:

| Number of shares | Holding | Percentage to capital | Number of accounts | Percentage to total accounts |
|---|---|---|---|---|
| 1 – 100 | 2,77,68,000 | 6.84 | 11,15,180 | 93.34 |
| 101 – 500 | 1,58,22,143 | 3.90 | 67,086 | 5.61 |
| 501 – 1000 | 54,37,947 | 1.34 | 7,090 | 0.59 |
| 1001 – 5000 | 90,37,525 | 2.23 | 4,334 | 0.36 |
| 5001 – 10000 | 41,59,336 | 1.03 | 568 | 0.05 |
| 10001 – 20000 | 28,38,465 | 0.70 | 201 | 0.02 |
| 20001 – 30000 | 25,57,458 | 0.63 | 104 | 0.01 |
| 30001 – 40000 | 18,42,984 | 0.45 | 53 | 0.00 |
| 40001 – 50000 | 15,12,930 | 0.37 | 33 | 0.00 |
| 50001 – 100000 | 36,51,974 | 0.90 | 54 | 0.00 |
| 100001 – above | 33,10,39,768 | 81.60 | 74 | 0.01 |
| **Grand Total** | **40,56,68,530** | **100.00** | **11,94,777** | **100.00** |

b. Categories of equity shareholding as on March 31, 2024:

* Include non-corporate entities

| Category | Number of equity shares held | % of holding |
|---|---|---|
| Promoters and Promoter Group | 22,46,89,736 | 55.39 |
| Mutual Funds and UTI | 46,41,378 | 1.14 |
| Banks, Financial Institutions, States and Central Government | 5,398 | 0.00 |
| Alternate Investment Funds | 2,01,849 | 0.05 |
| Insurance Companies | 12,82,955 | 0.32 |
| Foreign Institutional Investors and Foreign Portfolio Investors - Corporate | 44,24,882 | 1.09 |
| Provident Funds / Pension Funds | 0 | 0.00 |
| Non-Resident Indians / Overseas Bodies Corporates / Foreign Companies/Foreign National | 69,00,3431 | 17.01 |
| Bodies Corporate / Trust | 2,58,75,279 | 6.38 |
| NBFCs / HUFs / LLPs | 28,30,114 | 0.70 |
| Indian Public and Others | 7,23,18,013 | 17.83 |
| Directors | 0 | 0.00 |
| IEPF account | 3,95,495 | 0.10 |
| **Grand Total** | **40,56,68,530** | **100** |

c. Top ten equity shareholders of the Company as on March 31, 2024:

| Sl. No. | Name of the Shareholder | Number of equity shares held | % of holding |
|---|---|---|---|
| 1 | Tata Motors Limited | 21,65,69,816 | 53.39 |
| 2 | Tata Motors Finance Limited | 81,19,920 | 2.00 |
| 3 | TPG Rise Climate SF Pte. Ltd. | 3,65,09,794 | 9.00 |
| 4 | Alpha TC Holdings Pte. Ltd. | 1,97,28,157 | 4.86 |
| 5 | Tata Technologies Limited Unclaimed Securities Suspense Escrow Account | 1,32,74,780 | 3.27 |
| 6 | Tata Capital Growth Fund I | 62,29,845 | 1.54 |
| 7 | Zedra Corporate Services (Guernsey) Limited | 57,66,720 | 1.42 |
| 8 | Patrick Raymon McGoldrick | 46,00,000 | 1.13 |
| 9 | Ratan Tata Endowment Foundation | 36,51,390 | 0.90 |
| 10 | SBI Multi Asset Allocation Fund | 11,19,763 | 0.28 |

o. **Dematerialization of Shares and Liquidity:**

The Company has dematerialized its Equity Shares with CDSL and NSDL and the Company's ISIN is INE142M01025. The share transfers of dematerialized shares can be made through your Depository Participant. As prescribed by Rule 9A(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("PAS Rules"), a person who holds securities of an unlisted company in physical mode shall, post 2nd October 2018, be entitled to bonus shares only after his/her existing securities are dematerialized. In other words, the PAS Rules prohibit an unlisted public company from issuing bonus shares / share certificates to a shareholder who holds his shares in physical mode though the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") do not expressly prohibit a listed company from issuing bonus shares to shareholders who hold their shares in physical mode. Further as per NSDL Circular No.: NSDL/POLICY/2022/113 dated 11th August 2022, the Company had opened an 'Unclaimed Suspense Escrow Demat Account' with Ventura Securities Limited and parked all the shares belonging to 450 physical shareholders in this account. Consequently, the Company's shares are now nearly 100% dematerialised with one shareholder holding 4 shares in physical form (post Remat). Shareholders are encouraged to approach the RTA to get their shares released from the said Escrow account by contacting the RTA at csg-unit@linkintime.co.in.

The Company's Equity Shares are tradable compulsorily in electronic form. The electronic holding of the shares as on March 31, 2024 through the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) are as follows:

| Particulars | Year | |
|---|---|---|
| | 2024 | 2023 |
| NSDL | 83.76 | 87.56 |
| CDSL | 16.24 | 12.44 |
| **Total** | **100*** | **100** |

** one shareholder holds 4 shares in physical form (post Remat)*

**How to manage your shares effectively:** The Company's foremost objective is to mitigate / avoid risks relating to shares and related matters, the following are the Company's recommendations to its Members:

i. **Dematerialize your Shares:** Members are requested to convert their physical holdings into electronic holdings. Holding shares in electronic form helps to achieve immediate transfer of shares. Risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.

ii. **Consolidate your Multiple Folios:** Members are requested to consolidate their shareholding held under multiple folios. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

iii. **Confidentiality of Security Details:** Folio Nos/DP ID/Client ID should not be disclosed to any unknown persons. Signed blank transfer deeds, delivery instruction slips should not be given to any unknown persons.

iv. **Update your address and bank details:** To receive all communication and corporate actions promptly, please update your address, bank details, Email ID, etc., with the Company or Share Transfer Agent or DP, as the case may be.

v. **Quote you Folio Number/s or Demat account details:** Always quote your folio number/s or Demat Account Details, for any communication in regard to your shares with the Company or RTA, this will ensure speedy and effective processing.

vi. **Prevention of frauds:** There is a possibility of fraudulent transactions relating to folios which lie dormant, where the Member is either deceased or has gone abroad. Hence, we urge you to exercise diligence and notify the Company of any change in address, stay abroad or demise of any Member, as and when required.

vii. **Monitor holdings regularly:** Do not leave your demat account unchecked for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.

viii. **Transfer of unclaimed/unpaid amounts to the investor education and protection Fund:** Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of seven 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").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for seven consecutive years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during FY 2023-24 are as follows:

| Financial year | Amount of unclaimed dividend transferred (INR) | Number of shares transferred |
|---|---|---|
| 2015-16 | 3,72,880 | None |
| 2016-17 | 21,24,455 | 11,305 |

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

The following tables give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's RTA, Link Intime India Private Limited by writing to them on iepfclaims@tcplindia.co.in:

For shareholders of the company:

| Date of Dividend Declaration | Last date for claiming payment from Link Intime India Private Limited |
|---|---|
| 29/06/2016 | 28/06/2023 |
| 28/07/2016 | 27/07/2023 |
| 10/11/2016 | 09/11/2023 |
| 25/01/2017 | 24/01/2024 |
| 15/05/2017 | 14/05/2024 |
| 25/01/2018 | 24/01/2025 |
| 27/06/2018 | 26/06/2025 |
| 23/07/2018 | 22/07/2025 |
| 26/10/2018 | 25/10/2025 |
| 23/01/2019 | 22/01/2026 |
| 28/06/2019 | 27/06/2026 |
| 18/10/2019 | 17/10/2026 |
| 27/7/2023 | 26/7/2030 |

ix. **Related Party Transactions:** All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee. Certain transactions repetitive in nature were approved through omnibus route by the Audit Committee. The Audit Committee takes into consideration the management representation and an independent audit consultant's report, whilst scrutinizing and approving all related party transactions, from the perspective of fulfilling the criteria of meeting arms' length pricing and being transacted in the ordinary course of business.

x. **The Policy is available on our website at:** https://www.tatatechnologies.com/in/corporate-governance/

Details of transactions with related parties as specified in Indian Accounting Standards (IND AS 24) have been reported in the Financial Statements. During the year under review, there was no transaction of a material nature with any of the related parties, which was in conflict with the interests of the Company.

xi. **Policy on Determining Material Subsidiaries:**

The Company adopted a Policy on determining material Subsidiaries of the Company, pursuant to Regulation 16(1)(c) of the SEBI Listing Regulations. This policy is available on the Company's website at https://www.tatatechnologies.com/in/corporate-governance/, pursuant to Regulation 46(2) of the SEBI Listing Regulations. During the year under review, as per the provisions of Regulations 16 and 24 of the SEBI Listing Regulations, at least one ID of the Company is required to be appointed on the Board of unlisted material subsidiaries whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

Tata Technologies Pte. Ltd., Singapore, Tata Technologies Europe Limited, United Kingdom and Tata Technologies Inc., United States of America were identified as the Company's material subsidiaries. One Independent Director each is appointed on the respective boards of these three material subsidiaries.

Details of material subsidiaries of the listed entity including the date and place of incorporation, and the name and date of appointment of statutory auditors of such material subsidiaries

| Name of subsidiary | Date and place of incorporation | Name of the Statutory Auditor | Date of appointment |
|---|---|---|---|
| Tata Technologies Pte. Ltd. | February 3, 1981 Singapore | M/s. H. Wee & Co. LLP | May 5, 2023 |
| Tata Technologies Europe Limited | May 2, 1986 United Kingdom | KPMG, LLP | May 18, 2023 |
| Tata Technologies Inc. | December 11, 1997, United States of America | Audit is not applicable | NA |

xii. **Details of Non Compliance:**

The Company has complied with the requirement of various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India, statutory authority during the last 3 years relating to the capital markets, since the Company got listed on November 30, 2023. No penalties or strictures have been imposed by them on the Company during FY24.

xiii. **Certificate from Practicing Company Secretaries:**

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI or the Ministry of Corporate Affairs or any such statutory authority. The Company has received from M/s J B Bhave & Co., Company Secretaries is annexed to this Report.

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI Listing Regulations, the Company

xiv. **Plant locations:** In view of the nature of the Company's business viz. Information Technology Services and Trading in computer hardware/software, the Company operates from various offices in India and abroad.

xv. **Address for correspondence:**

Mr. Vikrant Gandhe,
Company Secretary,
Tata Technologies Limited,
Plot No. 25, Rajiv Gandhi Infotech Park,
Hinjawadi,
Pune – 411057
Email ID: investor@tatatechnologies.com

xvi. **Website:**

Appropriate information on the Company's website, regarding key policies, codes and charters, adopted by the Company

| Name of Policy, Code or Charter | Brief Description | Web Link |
|---|---|---|
| Terms of Appointment of IDs | Relevant extracts form the appointment letter issued to IDs detailing the broad terms and conditions of their appointment. | https://www.tatatechnologies.com/in/corporate-governance/ |
| Board Committees | The composition of various committees of the Board | https://www.tatatechnologies.com/in/corporate-governance/ |
| Whistleblower Policy (Vigil Mechanism) | The Whistleblower policy has been formulated for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the Tata Code of Conduct. | https://www.tatatechnologies.com/in/corporate-governance/ |
| Policy on Related Party Transactions | The Company has in place a Policy on Related Party Transactions setting out: (a) the materiality thresholds for related parties; and (b) the manner of dealing with transactions between the Company and related parties, including omnibus approvals by Audit Committee based on the provisions of the Act and Regulation 23 of the SEBI Listing Regulations. | https://www.tatatechnologies.com/in/corporate-governance/ |
| Policy for determining Material Subsidiaries | This policy is determine material subsidiaries and material non-listed Indian subsidiaries of the Company and to provide governance framework for them. | https://www.tatatechnologies.com/in/corporate-governance/ |
| Familiarisation Programme | For IDs through various programmes/ presentations. | https://www.tatatechnologies.com/in/corporate-governance/ |
| Unpaid Dividend Account Details | Statement of unclaimed and unpaid amounts to be transferred to the IEPF. | https://www.tatatechnologies.com/in/stock-information/ |
| Corporate Social Responsibility Policy | The policy outlines the Company's strategy to bring about a positive impact on society through programmes focusing on Health, Education, Employability and Environment interventions for relevant target groups, ensuring diversity and giving preference to needy and deserving communities inhabiting urban India. | https://www.tatatechnologies.com/in/corporate-governance/ |
| Policy on determination of Materiality for Disclosure of Event / Information | This policy pursuant to the Regulation 30 of the SEBI Listing Regulations applies to disclosures of material events affecting the Company and its subsidiaries. This policy is in addition to the Company's corporate policy. | https://www.tatatechnologies.com/in/corporate-governance/ |
| Archival Policy | The policy pursuant to the Regulation 9 of the SEBI Listing Regulations provides guidelines for archiving corporate records and documents as statutorily required by the Company. | https://www.tatatechnologies.com/in/corporate-governance/ |
| Code of Corporate Disclosure Practices | This policy is aimed at providing timely, adequate, uniform and universal dissemination of information and disclosure of Unpublished Price Sensitive Information outside the Company in order to provide accurate and timely communication to our shareholders and the financial markets. | https://www.tatatechnologies.com/in/corporate-governance/ |

| Name of Policy, Code or Charter | Brief Description | Web Link |
| --- | --- | --- |
| Dividend Distribution Policy | This policy pursuant to the Regulation 43A of the SEBI Listing Regulations outlines the financial parameters and factors that are to be considered whilst declaring dividend | https://www.tatatechnologies.com/in/corporate-governance/ |
| Remuneration Policy | This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel, senior management and other employees. | https://www.tatatechnologies.com/in/corporate-governance/ |





## Annual declaration by the CEO on adherence to the Tata Code of Conduct & the Anti-Bribery Policy and Gift Policy

I confirm that Tata Technologies Limited has adopted the Tata Code of Conduct and the Anti- Bribery Policy and Gift Policy and the same is available on the Company's website www.tatatechnologies.com. I also confirm that, all the Directors and the Senior Management Personnel of Tata Technologies Limited have affirmed compliance to the Tata Code of Conduct, as applicable to them for the Financial Year ended March 31, 2024.

**Warren Kevin Harris**
CEO & Managing Director

Date: May 3, 2024
Place: Mumbai

## CEO and CFO Certificate

We, Warren Kevin Harris, Chief Executive Officer (CEO) and Managing Director and Savitha Balachandran, Chief Financial Officer (CFO) hereby certify that the financial statements of the Company and its subsidiaries/Joint ventures for the year ended on March 31, 2024 do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading to the best of our knowledge and belief.

**Warren Kevin Harris**
CEO & Managing Director

**Savitha Balachandran**
Chief Financial Officer

Date: May 3, 2024
Place: Mumbai

## CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(As per Provisions of Chapter IV of Securities and Exchange Board of India
(Listing Obligations and Disclosure requirements) Regulations, 2015 as amended from time to time)

To,
The Members
**Tata Technologies Limited**
Plot No 25, Rajiv Gandhi Infotech Park,
Hinjawadi, Pune, Maharashtra, India-411057

**Sub: Corporate Governance Compliance Certificate**

I have examined all relevant records of Tata Technologies Limited (CIN: U72200PN1994PLC013313)* for the purpose of certifying compliance of the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2024. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the above certification.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was carried out in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. My examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with the mandatory conditions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable and amended from time to time for the financial year ended March 31, 2024.

For **J. B. Bhave & Co.**
Company Secretaries

**Jayavant Bhave**
Proprietor
FCS: 4266 CP: 3068
UIN: S1999MH025400
PR No.: 1238/2021
UDIN: F004266F000296261

Date - May 03, 2024
Place- Pune

**The securities of the Company got listed on the stock exchanges w.e.f. November 30, 2023 but the CIN has not been updated from U to L in the records of Ministry of Corporate Affairs (MCA) till the date of this report.*





# Management Discussion and Analysis

## Economic Review

### Global Economic Review

The global economy surpassed expectations in 2023 after a turbulent year. It continues to navigate a dynamic landscape marked by a blend of opportunities and challenges. As per the International Monetary Fund (IMF), global economic growth declined to 3.1% in 2023 from 3.5% in 2022. Despite several major economies demonstrating remarkable resilience, underlying risks and vulnerabilities persist due to simmering geopolitical tensions, the growing intensity and frequency of extreme weather events, volatility in energy and food markets, and higher-for-longer interest rates. Amidst these challenges, there is a silver lining as global inflation continues to recede faster than expected, declining from 8.7% in 2022 to 6.8% in 2023. Core inflation is also on a downward trend.

Several emerging markets and developing economies (EMDEs) have outperformed initial projections in 2023. The US economy has experienced the strongest recovery among major economies and its GDP increased from 1.9% in 2022 to 2.5% in 2023. The European Union (EU) has demonstrated resilience in navigating through unprecedented shocks from the prolonged Russia-Ukraine war and higher interest rates. Although its GDP growth substantially contracted from 3.6% in 2022 to 0.6% in 2023, the EU managed to avoid the recession in 2023.

The IMF estimated a growth rate of 4.7% for Asia in 2023, with China and India playing a major role. In China, higher spending on disaster recovery and resilience initiatives supported growth, while in India, robust domestic demand led to an upward revision in the growth estimate.

### Outlook

The global economy is expected to sustain its resilience in 2024. The IMF forecasts a global growth of 3.1% in 2024, with a slight uptick to 3.2% in 2025. Asia is expected to again contribute significantly to global growth in 2024, echoing its impact in 2023.

**Region-wise economic growth (%)**

| Region | 2023 | 2024 (P) | 2025 (E) |
|---|---|---|---|
| Global Economy | 3.1 | 3.1 | 3.2 |
| Advanced Economies (AEs) | 1.6 | 1.5 | 1.8 |
| Emerging Markets and Developing Economies (EMDEs) | 4.1 | 4.1 | 4.2 |

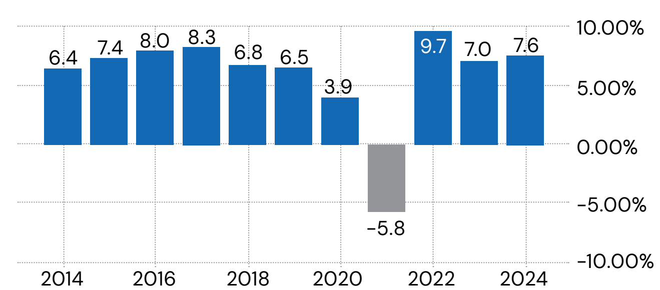
*(P- Projections, E- Estimates) (Source: International Monetary Fund)*

Global headline inflation is expected to decrease to 5.8% in 2024 and 4.4% in 2025. The global economic outlook for 2024 will be impacted by higher interest rates, carrying the risk of a resurgence in inflation and shifts in the anticipated monetary stance. Furthermore, the ongoing Russia-Ukraine conflict has the potential to dampen the overall economic outlook of the EU. The escalation of geopolitical conflict in the Middle East and the Red Sea route could elevate logistics costs, energy and commodity prices, raise the risks of supply disruptions, and pose downside risks to the global economy. However, with faster disinflation and steady growth, the possibility of a severe economic downturn has decreased. Positive factors, such as stronger-than-expected economic performance of the US and several large emerging market and developing economies, economic stimulus measures in China, and the resilience of Europe, are poised to bolster the outlook of the global economy.

## Indian Economic Review

Amid the volatile global economic environment, India emerges as a symbol of optimism, maintaining its position as the world's fifth-largest economy and expected to continue leading as the fastest-growing major economy. As per the Second Advance Estimates of National Income, 2023-24, India's GDP growth remained strong at 7.6% in FY 2024 as against 7% in FY 2023, supported by buoyant domestic demand, moderate inflation, a stable interest rate environment, and strong foreign exchange reserves. Additionally, a double-digit growth rate of 10.7% in the construction sector and an 8.5% growth rate in the Manufacturing sector have contributed to the GDP growth in FY 2024. The Index of Industrial Production (IIP) shows that the output of India's industry grew by 6.1% in the first three quarters of FY 2024 compared to 5.5% in the corresponding period of last year.

**India's GDP Growth Rate**




*(Source: Ministry of Statistics and Programme Implementation; Tradingeconomics.com)*

CPI inflation is on a downward trajectory and eased to 5.09% in February 2024 from 5.69% in December 2023 and 6.44% in February 2023. Headline inflation is expected to gradually decline to the target although it remains volatile due to repetitive food price shocks. The RBI keeps the policy repo rate unchanged at 6.50% and retains the CPI inflation forecast at 5.4% in FY 2024.

### Outlook

According to the IMF, the Indian economy is anticipated to progress steadily at 6.7% in FY 2024 and 6.5% in FY 2025. However, the RBI's forecast is more optimistic, projecting a higher GDP growth of 7.6% for FY 2024 and 7.0% for FY 2025. India's economic outlook remains positive, supported by stronger consumer demand, increased capital expenditure, and enhancements in both physical and digital infrastructure. Private and government investments are expected to be the primary drivers of economic growth in 2024, backed by improving prospects of rural consumption due to the easing of inflation, increased spending in an election year, and proactive government policy measures.

The Interim Budget 2024-25 reflects the Government's continued focus on infrastructure development, economic stability, sector-specific developments, environmental sustainability and strategic global positioning. It sets the foundation for the vision of a 'Viksit Bharat' (Developed India) by 2047.

## Industry Review

Since the onset of the pandemic in FY21, the world has experienced more profound changes than in the past few decades combined. Technologies have emerged as primary catalysts for transformation within companies. As a global leader in product engineering and digital transformation, your company is equipped to assist manufacturing firms in adapting and flourishing in this new normal. Your company has strategically invested in these domains in response to emerging megatrends such as the adoption of electric vehicles, embedded systems, sustainable engineering solutions, and digital transformation. By developing innovative solutions and accelerators, your company differentiates itself, helping customers create competitive and sustainable products. Your company has collaboratively guided some of the world's leading OEMs through these shifts, enabling them to excel in the evolving global landscape.

ER&D services are essential for designing and developing products with software, embedded, and mechanical components and cover the complete product and process development lifecycle. Global ER&D spending estimated to have reached $1,811 billion in 2022 and is projected to grow at a 16% CAGR through 2026. This growth is driven by innovation, digital engineering, and investments in IoT, AI, and advanced analytics. Significant contributions come from the manufacturing, automotive, and high-tech verticals, with North America leading in ER&D spending, which is expected to increase from $903 billion in 2022 to $1,459 billion in 2026. APAC, known for its significant contributions across key sectors and as a major market for battery electric vehicles, is projected to grow from $447 billion in 2022 to $616 billion in 2026. European spending is expected to rise from $443 billion in 2022 to $573 billion in 2026. The rise of cloud computing, 5G, AI, and the shift towards remote and hybrid work models have accelerated the demand for skilled talent, shortened product development timelines, and increased reliance on third-party ESPs for competitive differentiation. The automotive ER&D outsourced market, valued between $18 and $20 billion in 2022, is expected to grow faster than the overall ER&D sector, with the share of digital technology anticipated to increase from 26% to 36%. The aerospace and defense ER&D spend is projected to reach $62 billion by 2026, with Europe taking the lead. The IHM sector's ER&D spending is expected to hit $49 billion by 2026, focusing on digital engineering. Sustainability initiatives aiming at carbon net-zero targets are driving ER&D spending towards energy-efficient designs and clean energy transitions, especially through electrification in transport and other sectors. Shrinking innovation cycles demand faster product development, with automakers expected to launch 61 new models annually from 2022 to 2026, a 50% increase over previous decades. The integration of digital technologies such as PLM, ERP, and MES, collectively known as the digital thread, is revolutionizing manufacturing by enabling real-time insights and enhancing factory automation within Industry 4.0 frameworks. This responds to the growing product complexity seen in industries like automotive, where digital and connected services are prioritized, and companies are moving towards models like battery-as-a-service (BaaS) and over-the-air (OTA) updates. Lastly, the advent of generative AI holds promise transform business operations and product development with its potential for efficiency and innovation, marking a significant investment trend in ER&D.

Key product and technology trends influencing the manufacturing industry and its customer preferences are:

1) **Software-defined vehicle aligned to ACES:** The automotive industry is undergoing a significant transformation with the rise of software-defined vehicles (SDV), which has greatly impacted Engineering Research and Development (ER&D) service providers. These vehicles depend heavily on software for functionalities such as infotainment systems and Advanced Driver-Assistance Systems (ADAS), requiring ER&D firms to play a crucial role in designing, testing, and implementing complex software integrations. This shift enhances vehicle functionality and user experience while emphasizing the importance of continual software updates and robust cybersecurity measures. ER&D providers are now essential in developing and maintaining the digital architecture of modern vehicles, ensuring innovation and security. As vehicles become more software centric, ER&D service providers must evolve their offerings in software development, systems integration, and continuous support to help automotive clients navigate this transition. Additionally, advancements in AI and machine learning are being leveraged to enhance vehicle motion control, and OEMs are focusing on establishing bidirectional communication to enable a variety of connected features.

2) **Regulatory Push Towards Cleaner and Greener Products (carbon footprint reduction):** There has also been a regulatory push towards cleaner and greener products through electrification and improved fuel efficiency in traditional ICE (Internal Combustion Engine) vehicles, particularly enforced through the CAFE (Corporate Average Fuel Efficiency) regulations. This set of regulations aims to increase the fuel efficiency of vehicles on the road by 35% by 2030 and imposes economic penalties on manufacturers who do not meet the corporate average targets. Automakers are shifting their focus to lightweighting, which is expected to become a new trend as products are designed to meet the tougher CAFE rules spanning from 2017 to 2025.

3) **Advent of Generative AI:** GenAI streamlines the product design process, enabling rapid development and exploration of complex designs that were previously limited by manual processes. This technology also enhances the accuracy of simulations and predictive analytics, crucial in industries like automotive and aerospace, leading to better decision-making and reduced reliance on physical prototypes. By facilitating customized engineering solutions that meet specific client demands without significant increases in time or cost, GenAI improves client satisfaction and competitive positioning. Additionally, GenAI optimizes operational efficiencies by automating routine and complex tasks, such as data analysis and inventory management, freeing up resources for strategic initiatives. Your company is capitalizing on Generative AI (GenAI) to enhance its Engineering Research & Development (ER&D) services, reinforcing its leadership in digital innovation within the engineering sectors.Ultimately, it's proactive approach to integrating advanced technologies allows your company to quickly adapt to changing market conditions and maintain a competitive edge in the ER&D sector.

4) **Digital Manufacturing:** Digital technologies are revolutionizing the global manufacturing sector by enhancing how products are developed, built, and maintained. These technologies facilitate creating, securing organization, and analysing data from various sources. Core components of any manufacturing enterprise, such as Product Lifecycle Management (PLM), Enterprise Resource Planning (ERP), and Manufacturing Execution Systems (MES), are foundational to this transformation. However, the sector faces challenges, including poor collaboration due to widely dispersed and complex infrastructures, limited flexibility from reliance on disparate platforms, constrained decision-making from lack of integrated channels, and restricted data visibility due to the absence of centralized monitoring and the high costs of connectivity solutions. These issues underscore the need for real-time manufacturing insights across all stages—from design to disposal. In response, many large manufacturing firms are intensifying their focus on factory automation, employing Industry 4.0 technologies to better manage demand fluctuations, adapt management and production processes for remote work, and enhance their environmental sustainability.

## Company Overview

Your company (BSE: 544028, NSE: TATATECH) is a global product engineering and digital services company, focused on fulfilling the mission of helping the world drive, fly, build, and farm by enabling customers to realize better products and deliver better experiences. As the strategic engineering partner that businesses turn to, your company enables manufacturing companies to conceptualize, develop, and realize products that are safer, cleaner, and improve the quality of life for all stakeholders, thereby achieving the vision of engineering a better world. Your company offers a full spectrum of solutions across the product value chain, including outsourced product engineering services, digital transformation services, upskilling solutions, and value-added reselling of software products essential for developing and realizing superior products. From delivering discrete outcomes to end-to-end turnkey product development for Electric Vehicles, your company is the partner with the experience and expertise to understand what better looks like—and how to bring it to life.

There are two components to your company's value proposition:

- Outsourced product engineering services that help manufacturing customers conceptualize, design, and develop superior products.
- Identifying and deploying technologies and solutions used to manufacture, service, and realize better products, and upskill the workforce with required competencies.

Your company's primary business line includes providing outsourced engineering services and digital transformation services to global manufacturing clients, helping them conceive, design, develop, and deliver superior products, including software-defined vehicles (SDV). Complementing its service offerings, your company's Products and Education offerings (collectively known as Technology Solutions) resell third-party software applications, primarily product lifecycle management (PLM) software and solutions, and provide value-added services such as consulting, implementation, systems integration, and support. Your company's education business offering provides "phygital" education solutions in manufacturing skills, including upskilling and reskilling in relation to the latest engineering and manufacturing technologies, to the public sector, private institutions, and enterprises through curriculum development and competency center offerings via its proprietary iGetIT platform.

Your company is committed to its vision of engineering a better world through collaborative innovation and the adoption of sustainable technologies and processes for customer offerings and its operations. Your company's focus on sustainable engineering solutions, including end-to-end offerings on electric vehicles (EV) and SDV, is enabling OEMs to transform their portfolio and reduce tailpipe emissions, thereby leading to a better environment for everyone. Your company's global presence allows it to capitalize on the investments that companies are likely to make across key regions. The company prioritizes investing in its workforce, focusing on upskilling in new competencies essential for delivering innovative solutions to meet customer expectations. Your company is enhancing its end-to-end product development offerings for electric vehicles (EV) and strengthening its embedded and digital engineering capabilities. Your company continues to optimize its global talent pool, maintaining a cost-effective balance of onshore and offshore resources. This provides OEMs with a valuable, global delivery model that enables intimate client engagement and scalability. Furthermore, with the surge in growth of the Ed-tech sector in the new normal, your company is dedicated to using its expertise in education to assist institutions in training and empowering youth with Industry 4.0 technologies. Your company's commitment to leveraging its iGETIT and Education offerings to train the needy and underserved is aimed at engineering a better world for the youth of tomorrow and addressing industry challenges associated with the availability of skilled manpower.

Your company has over 12,500+ employees serving global customers through 20 global delivery centers spread across Asia-Pacific, Europe, and North America. Your company brings together diverse teams with varying skill sets across geographies and a global mindset to collaborate in real time and solve complex engineering problems. In doing so, your company is redefining what the world understands by engineering and spreading the influence and impact of engineering as humanity's best way of addressing its most important challenges and opportunities. In a world that is becoming increasingly complex, with shortening product innovation timelines and rapid technological change, your companies uniquely balanced on-shore/off-shore global delivery model enables it to provide aligned on-shore customer proximity required to support the iterative nature of product development services, as well as the capacity and cost-effectiveness of off-shore sourcing. The opening of new delivery centers in Germany and France and your company's effective on-shore/off-shore delivery model underscore its commitment to meeting clients' dynamic needs across 27 countries, combining local engagement with global efficiency. Meanwhile, your company is expanding into tier 2 cities by opening a new delivery center in Coimbatore, which is focused on SDV and e-Mobility solutions to contribute to the thriving new engineering landscape in the region and control the cost of operations.

Your company has notably enhanced its market standing, a fact underscored by the remarkable success of its Initial Public Offering (IPO). The IPO's shares debuted on the stock market with an extraordinary initial gain of 140% over the bid price, reaching an intraday high of 160% on the day of listing. Over 73.5 lakh total applications, IPO subscription 69.4x, QIBs subscription: 203.4x, At the close of the first day of trading, highest ever listing day gains (all IPOs sized $100mm and above since 2003) and ET Now recognized your company's IPO as the IPO of the year 2023. This splendid performance of IPO was fetched through brand strength and your company's market performance,.

Your company defined a go-to-market strategy, targeting top R&D spenders in pursuit of large-scale deals and deeper engagement with existing accounts. This approach clubbed with the deployment of the "4 in a box" strategy for the meticulous management of key and selected focus accounts. Marketing efforts were also intensified, with a strategic focus on enhancing visibility among select client accounts and their key stakeholders alongside a concerted effort to elevate. These strategic initiatives have resulted in developing inroads into Top R&D spenders' marquee accounts and enhanced revenue from our anchor account and other key and focus accounts. Your company has also signed a joint venture with BMW to extend its services for engineering premium products, delivering great digital experiences for their customers and propelling BMW's digital transformation journey in Business IT. Your company is positioned as a leader across social media platforms on a month-on-month basis, as evidenced by its dominant presence in terms of followers and engagement to promote the employer brand. Your company has won the Best B2B Brand - GOLD award and Best Storytelling award at the prestigious ET Brand Equity award in 2023 and many such recognitions at different platforms during the past 2 to 3 years. Your company has further strengthened its approach to innovation. In FY24, your company launched InnoVent, an open Innovation initiative to engage with academia, which attracted top talent from premier institutions nationwide, spotlighting top projects for commercialization and invigorating the innovation ecosystem. Additionally, an internal hackathon has unearthed viable Generative AI solutions to identify promising use cases for implementation. These strategic endeavours have collectively fortified your company's organizational framework, positioning for sustained success and innovation in an evolving business landscape. Your company's Innovation efforts were recognized at the NASSCOM quarterly spotlight award in the Ideation to Engineering Leadership category and NASSCOM Digital Skills award in FY 24, and 2 projects won at Tata InnoVista prefinals in FY 24. Your company's ICE2EV conversion solution was featured in the NASSCOM - Boston Consulting Group (BCG) Seizing the ER&D Advantage – Frontiers for 2030 report.

Zinnov, a leading product engineering analyst company, positioned your company as the leader across the Automotive, Electrification, Body Engineering, and Aerospace industry verticals, as well as its Digital Thread capabilities. Your company was also positioned as the No. 1 Automotive ESP in India for the 6th consecutive year, No. 2 in India, and No. 3 globally for EV Capabilities. TechVarsity, a program to develop the capability within your company, has broadened its training programs to include effectiveness assessments, directly contributing to your company's growth by developing the skills in new age technologies such as embedded, digital transformation, a systematic training intervention for GETs before deploying on the live project. To develop future leaders and enhance the capabilities of leaders, programs like LEAP and LeaderBridge have been launched by the company's L&OD team responsible for non-technical training. These efforts have been echoed by customers as part of the NPS survey. "One Team with Customers" is one of your company's core values, and achieving an NPS of 58 in FY24, which is in the top quartile as per industry benchmarks.

Your company is committed to building a sustainable future for mankind, and in that direction, your company's goals and approach are aligned with the Tata Group's Project Aalingana. Your company has also enhanced its community support interventions with the Tree plantation drives, enhancing its employees working for social causes and scaling up the 'Ready Engineer' program to train underprivileged children and help them become employable.

This year, more than ever before, your company will be investing in its people, strengthening learning and development platforms, building next-gen capability such as SDV, Gen AI, etc., and making sure its people stay engaged and trained to deliver its customer projects. Your company will also strengthen its internal systems and processes to support the next phase of growth. The company's service offerings are delivered through two lines of business, leveraging the deep domain knowledge of the manufacturing industry and end-to-end understanding of physical and digital layers of product engineering and seamless integration of digital thread, which is instrumental for its product engineering success. These two LOBs are complemented by your company's offering of Technology Solutions (Education and Software Products)

**Engineering, Research & Development (ER&D) services:** Today, the manufacturing industry is focused on engineering customer-centric, connected products and building a technology ecosystem to engage service providers better. Your company's ER&D line of business provides global outsourced engineering services that enable manufacturers to conceive, design, develop, and realize more competitive products. Your company's global talent pool of experienced engineers, technicians, project managers, and domain specialists provides efficient and cost-effective product development, from fully outsourced program management to transactional engineering support tailored to client's needs. Your company offers its customers global engineering programs and expert domain services throughout the whole product lifecycle, including shared services, component, subsystem and system delivery, full vehicle turnkey projects and software-defined vehicles. ER&D team is focused on developing and taking clients the capabilities in eVMP 2.0, which include the fully developed model of EV platforms, which include the electrifications such as battery management system, AD-DC converter, and Software-defined vehicles, etc.

**Digital Enterprise Solutions (DES):** Today's global digital economy is defined by continuous change and progress. To keep up and manage technology-driven change and evolving business transformation roadmaps, manufacturers need a partner who understands the latest innovation and how to implement change successfully. Your company uses its deep domain knowledge of product and manufacturing engineering processes and partnerships with emerging technology providers to deliver digital transformation for customers. Your company's Digital Enterprise Solutions (DES) cover digital manufacturing, data analytics, predictive maintenance, artificial intelligence, and machine learning as your company help its customers move toward Industry 4.0. With your company's help, manufacturers implement, embed and integrate efficient digital strategies across product design, development, manufacturing and aftersales to realize better products, gain a competitive advantage – and accelerate their digital revolution.

**Education:** As manufacturers seek to accelerate toward Industry 4.0, they need engineers who can engineer products of the future and deliver effective digital transformation. To equip the next generation of talent with the required skills, businesses need a partner that offers the relevant training, resources and support. Your company have developed upskilling tools, training and courses that leverage its manufacturing domain knowledge and bridge the gap between industry and academia. Your company works with colleges, universities, and governments to equip the next generation of engineers and technicians with the skills required by the global manufacturing industry. Your company also offer a digital learning system through its proprietary iGET IT offering to corporations and individuals to address their training requirements.

**Software Products:** Today, the manufacturing industry is focused on engineering customer-centric, connected products with minimum time to market and low product development costs. Your company has collaborated with leading product software providers for value-added software reselling across the product lifecycle. This includes software products that enable digital engineering and manufacturing, helping customers devise a software-enabled strategy to improve processes to conceptualize, design, develop, and manage profitable products. As a product design and manufacturing value-added service provider, your company, from product development – CAD, CAM, product lifecycle management (PLM) and simulation to manufacturing process management, improves customer experience with its best-in-class enhanced technical support and training tailored to customers' needs.

## Business Outlook

Tata Technologies monitors industry and market trends and listening to customers closely. In Automotive, the transition to SDV and electrification trend is already well established and the Company is scaling its existing offerings and accelerators such as eVMP. In Aerospace, the three areas of lightweighting, tooling, and avionics are expected to drive growth and the Company aspires to cement its leadership through these levers. In Industrial, the three areas of IIoT, Digital Engineering, and Smart Manufacturing are being considered while expanding capabilities. Within IHM, electrification, digitization of practices and processes, and automation-robotics are becoming increasingly important. The Company is augmenting its current offerings and creating new offerings to match its capabilities with industry trends.

Tata Technologies believes that it is appropriately poised to effectively utilize the opportunity afforded by the business and technology outlook across all target verticals, such as Automotive, IHM and Aerospace. The Company aspires to shift its business mix over the next two years towards software while keeping its mechanical engagements and credibility intact. The Company is actively pivoting towards a more software-focused core and consciously developing a pipeline across Software Defined Vehicles (SDV), Cybersecurity, Infotainment, and other domains within Digital Engineering. It has established collaborations with industry-leading organizations such as Arm to enhance offerings and establish joint Go-To-Markets. The recently announced JV with BMW Group is focused on Automotive S/W and Digital / IT transformations. The Company expects to capture client mindshare and establish value propositions through an increased presence in marquee events, as is evident from the Company's presence in both CES in Las Vegas, USA and ELIV in Bonn, Germany during 2023. In Aerospace, the Company's relationship with Airbus has allowed it to scale its capabilities.

Strengthening and leveraging Tata Group synergies is another important track within the Company's business outlook. For example, the JLR-TML-Tata Technologies joint approach towards Sanand Manufacturing Plant#2. Additionally, the Agratas-Tata Technologies collaboration will enable Tata Technologies to develop digital business architectures to support the production of advanced battery solutions at Agratas' gigafactories in India and the UK.

Tata Technologies is recognized as a global engineering and digital powerhouse across all verticals and is more confident of C-suite access. The Company will build on its strengths in the new fiscal year.

### BMW JV

In FY 2023-24, Tata Technologies took a significant step towards bolstering its capabilities in the automotive software domain through a strategic joint venture (JV) with the BMW Group. This collaboration leverages the complementary strengths of both parties. The Company brings its established expertise in product engineering and digital services, while the BMW Group contributes its knowledge and experience in developing cutting-edge automotive technologies.

The JV, focuses on two key areas: automotive software development and business IT solutions. On the automotive side, the JV will co-develop software solutions for automated driving, infotainment systems, and digital services within BMW vehicles. This aligns perfectly with Tata Technologies' commitment to staying at the forefront of the automotive software revolution. In the business IT domain, the JV will target digitalization and automation solutions for product development, production processes, and sales functions within the BMW Group. This collaborative effort is expected to yield significant benefits for both companies, enhancing their overall efficiency and competitiveness in the global automotive market. This JV represents a significant step toward advancing automotive technology and underscores the importance of cross-industry collaboration in shaping the future of mobility.

## OPPORTUNITIES AND THREATS

### Opportunities

1) **Shrinking Innovation Cycles:** The trend of shrinking innovation cycles, especially noticeable in the automotive industry where automakers are projected to launch an average of 61 new models annually between 2022 and 2026, offers substantial opportunities for your company. This increase in model launches, representing a 50% rise from previous decades, responds to rising consumer demand for the latest technologies and features. Your company can leverage this acceleration by offering enhanced engineering and design services to shorten development times, utilizing digital solutions like simulation and digital twins to streamline production, and advising on sustainability to incorporate eco-friendly practices. Customization to meet specific consumer demands can further differentiate your services. Moreover, your company can expand its aftermarket services to accommodate the frequent updates and maintenance that a rapidly evolving market demands, thus enhancing customer satisfaction and loyalty. This strategic alignment with the automotive industry's rapid innovation cycles positions your company to strengthen its market presence and drive business growth.

2) **Growing product complexity:** The trend of growing product complexity, particularly notable in the automotive industry, where digital technologies are integrated throughout the entire value chain, offers significant opportunities for your company. This complexity, driven by technological advancements and changing consumer behaviours, necessitates sophisticated engineering solutions and services from concept to aftermarket support. As automakers expand their features to include offerings like battery-as-a-service (BaaS) and over-the-air updates to meet consumer demands for greater connectivity and convenience, your company can capitalize on its expertise in digital integration and service innovation. By delivering advanced engineering solutions, digital modelling, and support systems that manage the lifecycle of increasingly complex products, your company can effectively assist automakers in navigating this digital transformation. This capability positions your company as a crucial partner in the automotive sector's ongoing evolution, helping to streamline operations and innovate

product offerings in response to the complexities of modern vehicle technologies.

3) **Growing demand for Education Technology solutions in India:** The growing demand for Education Technology solutions in India presents a significant opportunity for your company, particularly in the context of Industry 4.0. A 2021 World Economic Forum survey revealed that 92% of companies want to reskill their workforce, and according to NASSCOM and Draup, up to 1.9 million engineers need upskilling by 2026. Your company can play a crucial role in addressing this substantial skill gap. Despite India's strong talent base, there remains a significant need for skill development in engineering and technology. This is crucial for supporting India's tech industry and could potentially boost the economy by up to 46,795 billion rupees while creating up to 2.5 million jobs by 2030. With your company's expertise in advanced engineering and digital solutions, there is a ripe opportunity to develop and provide educational technology solutions that deliver the necessary training and upskilling, capitalizing on this trend and meeting a critical market need.

Threats

1) **Client Concentration:** Client concentration in the automotive sector represents a significant threat to your company. The automotive industry, which generates a major portion of your revenues, is inherently cyclical and sensitive to macroeconomic and geopolitical shifts. Factors such as economic downturns, changes in consumer demand, and fluctuations in key economic indicators like growth rates, interest rates, and inflation can severely impact the industry. This concentration exposes your company to industry-specific downturns and the risks associated with failing to adapt to rapid technological changes within the automotive sector, such as advancements in autonomous driving and new energy technologies. Additionally, global trade, tariffs, and economic policies play a crucial role. Protectionist measures or shifts in trade agreements in countries where your clients are based can further complicate the operating environment, potentially restricting your company's ability to operate globally and competitively.

2) **Credit risk with new OEMs (Startups):** Your company is currently engaged with emerging OEMs that present innovative challenges to established players but lack comprehensive knowledge of the product development value chain and domain expertise. This gap can lead to uncertainties regarding their funding strategies, future product roadmaps, and potential changes in ownership, thereby exposing your company to credit risk. To address this, your company has strengthened due diligence and credit review processes for all new customers before formalizing contracts and has included robust commercial constructs while engaging with such customers.

3) **Protectionism and regulatory changes could raise costs and squeeze margins:** The rise of protectionist policies in several developed economies, coupled with changes in immigration laws and local regulations, may pose challenges in workforce mobilization and lead to higher employee and operational costs. Such shifts could consequently affect financial margins by increasing overhead and complicating the process of deploying talent across borders. This scenario necessitates a strategic review and possible adjustment of operations to manage these increased costs and maintain profitability amidst changing global regulatory environments.

4) **Data Security / DLP / Cyber-attack Security:** Your company relies on information technology networks and systems to securely process, transmit, and store electronic information and facilitate communication among global locations and with employees, clients, alliance partners, and vendors. Due to the heightened risks of system breaches, hacking, and data leakages in globally connected business operations, stringent data privacy laws have been enacted across various territories. These developments could significantly affect IT infrastructure. Your company is strengthening its data security, implementing data loss prevention (DLP) measures, and enhancing its defense against cyber-attacks.

5) **Exchange rate fluctuations:** The ongoing process of globalization and heightened currency volatility mean that exchange rate fluctuations significantly influence your company's operations and profitability. Unfavourable shifts in foreign currency exchange rates have previously impacted your company's financial performance negatively and could pose further material risks to operational results in the future. To mitigate these risks, your company has actively employed currency hedging strategies to complement the natural hedge it derives from its operations. While these strategies offer some protection, they may not completely shield your company from the potential adverse effects of currency fluctuations, underscoring the need for continuous refinement and adjustment of financial risk management practices.

## Risk Management

The Company has a robust Enterprise Risk Management (ERM) framework for the timely and effective identification, assessment, management, and mitigation of key business and operational risks. The risk management framework also includes evaluation of key business processes and review of operational and compliance controls. The key risks and their corresponding mitigation measures are mentioned below:

- **Concentration Risk**

  The cyclical nature of the automotive sector, economic slowdown, lower-than-expected demand, or other factors influencing this sector may adversely affect the Company's business, financial condition, and growth plans. Further, the Company is susceptible to shifts in laws and policies in countries where its automotive clients operate. If these countries withdraw from trade agreements, adopt protectionist measures, or undermine free trade, it could significantly impact the Company's ability to conduct business globally. The Company's material exposure to its anchor clients, primarily in the automotive sector may impact its revenues and profitability, Moreover, the Company's material exposure to Anchor clients, primarily in the automotive sector, may impact its performance Should these clients experience a significant reduction in their engineering and digital Spends

Mitigation

The Company is dedicated to innovating and developing pertinent skills and capabilities to stay abreast of the rapid technological advancements in the automotive sector. It addresses concentration risk by enhancing its relationships with existing clients, selectively targeting new large ER&D spenders, and broadening its client base in the education sector and other sectors.

- **Regulatory Risk**

  The Company operates in a highly regulated industry and is subject to laws and regulations in the countries where it operates including the United States and the UK. These regulations encompass export restrictions, economic sanctions, the Foreign Corrupt Practices Act, and similar anti-bribery laws. Any violations of these laws, regulations, and procedures would adversely affect the Company's business, reputation, and market share.

Mitigation

The Company closely monitors the regulatory requirements and their implications for business operations. It strictly adheres to the regulations and implements formal controls and procedures to ensure that it complies with the Foreign Corrupt Practices Act (FCPA), Office of Foreign Assets Control (OFAC) sanctions, and similar sanctions, laws, and regulations.

Operational Risk

The Company's business relies on third-party service providers and key vendors, including software vendors, sub-contracted engineers, and software maintenance providers. Any disruptions from such third-party vendors or sub-contractors, or their inability to fulfill service obligations could negatively impact the Company's business, financial condition, and reputation.

Mitigation

The Company maintains long-standing relationships with third-party software vendor partners and sub-contractors to ensure operational stability. Tata Technologies plays a pivotal role as an important sales channel for these third-party software vendor partners.

- **Competition Risk**

  The global ER&D industry is highly competitive. The Company faces competition from major ER&D consulting and technology firms, divisions of large multinational IT corporations, in-house ER&D departments of pure- play technologies firms, as well as local small companies in various geographic markets.

Mitigation

The Company's comprehensive portfolio of services for the automotive industry, coupled with robust digital capabilities enhanced by proprietary accelerators provide it with a strategic competitive advantage. Its extensive global presence, with a well-distributed talent pool, profound domain expertise, scale capacity, ability for turnkey project execution, and longstanding client relationships differentiate it from competitors and empower it to successfully compete in the ER&D industry.

- **Cybersecurity Risk**

  The evolving nature of cyber threats presents an ongoing risk that could result in failures or disruption of systems and operations, which may damage the Company's reputation and business. Additionally, the expanding landscape of data privacy laws worldwide poses risks of penalties for non-compliance and reputational harm.

#### Mitigation

The Company prioritizes safeguarding its systems and products against cybersecurity risks. To protect its IT environment against cybersecurity threats, the Company has implemented a layered security model covering protection at the perimeter network, local area network (LAN) segment, endpoint and application layers. Robust process and technological controls, including next-generation advanced firewalls with intrusion detection systems (IDS)/intrusion prevention systems (IPS), endpoint detection and response solutions, and web application firewalls are in place to ensure the security of its enterprise environment.

- **Exchange Rate Risk**

  The Company is exposed to foreign exchange fluctuation considering the countries in which it operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. Unfavorable fluctuations in exchange rates may impact the Company's margins and profitability.

#### Mitigation

The Company closely monitors currency exchange rate movements and utilizes foreign exchange and other derivative instruments, primarily to hedge foreign exchange exposure to minimize the impact of adverse currency fluctuations. Currently, its foreign exchange transaction risk is generally limited due to the natural hedge provided by onshore revenue and expenses.

- **Human Resource Risk**

  The Company's success largely depends on the strength of its skilled engineering professionals and management team. Shortage of skilled workforce, high attrition rates, underutilization of personnel, or lack of the right skills may disrupt the Company's operations, productivity, and growth prospects. Additionally, escalations in wages and other employee benefit expenses may hinder the Company from sustaining its competitive advantage.

#### Mitigation

The Company undertakes numerous initiatives to attract and retain its talented workforce and improve employee engagement. It has conducive people-centric policies to promote meritocracy across all hierarchies. The Company ensures the availability of the right skills in the right quantity through capability development and capacity augmentation activities. Its ability to manage employee benefit expenses is significantly influenced by its onshore and offshore resource mix, overall resource utilization, and management of the resource pyramid. A higher proportion of offshore resources and improved utilization in fixed-bid projects reduce employee costs.

## Financial Overview

#### Financial Highlights FY 2023-24

The discussions in this section relate to the consolidated financial statements pertaining to the year that ended on March 31, 2024. The Consolidated financial statements of Tata Technologies Limited are prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the consolidated financial statements.

FY 2023-24 marked a period of significant growth and transformation for Tata Technologies, as the company navigated through dynamic market conditions and emerging opportunities. Despite challenges, Tata Technologies demonstrated resilience and agility, achieving notable milestones in revenue growth, operational efficiency, and strategic expansion.

The following table gives an overview of the consolidated financial results of the Company:

(₹ Crore)

| Particulars | FY 2023-24 | FY 2022-23 |
|---|---|---|
| Revenue from Operations | 5,117.20 | 4,414.18 |
| Earnings before interest, tax, depreciation and amortization (EBITDA) (before other income) | 941.28 | 820.94 |
| Profit Before Tax (PBT) | 932.05 | 796.15 |
| Tax Expenses | 252.68 | 172.12 |
| Profit After Tax (PAT) | 679.37 | 624.03 |

#### Revenue from Operations

The company's revenue from operations increased by 15.9% to ₹ 5,117.20 crore for FY 2023-24 from ₹ 4,414.18 crore for FY 2022-23, due to an increase in revenue across all major markets, and across both the Company's segments of Services and Technology solutions.

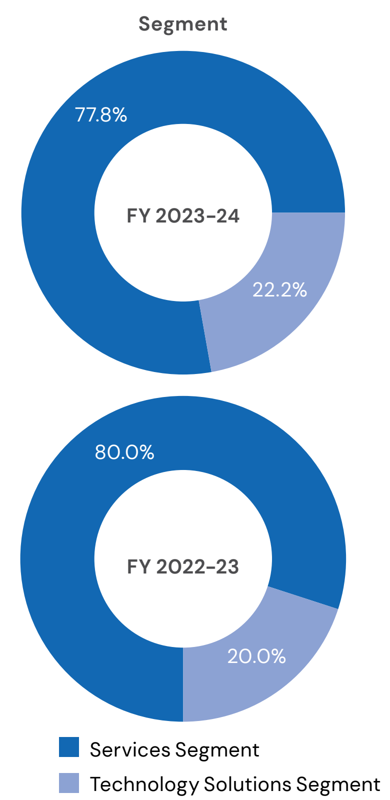
#### Geographical Revenue

Tata Technologies has a diversified global client base. The table below presents the Company's revenue from operations from clients in India, UK, North America, Rest of Euorpe and the rest of the World for the year.

| Geographical Revenue | FY 2023-24 | FY 2022-23 |
|---|---|---|
| India | 36.0% | 29.8% |
| UK | 24.2% | 19.7% |
| North America | 20.4% | 21.4% |
| Rest of Europe | 5.0% | 3.1% |
| Rest of the World | 14.5% | 26.0% |
| Revenue from Operations | 100% | 100% |

**Segment Performance:** Tata Technologies witnessed a robust increase in revenue from operations, which surged by 15.9% to reach ₹ 5,117.20 crore in FY 2023-24, crossing ₹ 5,000 crore revenue for the first time. This remarkable growth was fuelled by an uptick in revenue from operations across both the segments. Notably, revenue from the Services segment accounted for 77.8% of the total revenue, while the Technology Solutions segment contributed 22.2% in FY 2023-24. The company's diversified global client base and strategic focus on innovation played a pivotal role in driving revenue growth.

A summary of revenue from the Company's Services and Technology Solutions segments are depicted below:




**Services Segment:** The Services business primarily comprises Engineering & Design Services and Digital enterprise services to automotive and non-automotive customers across geographies. During the year, the Company completed the development of the two electric vehicles for a SEA based automotive OEM and it's activities are now transitioning to launch support. The company continued to win new business with its Anchor accounts and non-Anchor accounts fuelling growth. The Company's revenue attributable to the Services segment increased by 12.8% to ₹ 3,982.61 crore for FY 2023-24, from ₹ 3,531.16 crore for FY 2022-23 and Segment margin for FY 2023-24 stood at 31.5% vs 30.7% for FY 2022-23.

**Technology Solutions:** The Technology Solutions business comprises revenue from academia upskilling and reskilling solutions and value-added reselling of software applications and solutions. During the year, the company signed large contracts with various state Governments in India, leading to robust growth in the year. The Company's revenue attributable to the Technology Solutions segment increased by 28.5% to ₹ 1,134.59 crore for FY 2023-24, from ₹ 883.02 crore for FY 2022-23 and Segment margin for FY 2023-24 stood at 17.5% vs 19.9% for FY 2022-23.

**Expense Management:** Amidst a dynamic operating environment, Tata Technologies managed its expenses effectively, enabling sustainable growth and profitability. The company focused on optimizing operational costs while investing in strategic initiatives to drive long-term value creation. Despite challenges, Tata Technologies demonstrated disciplined expense management practices, which contributed to the overall financial resilience of the organization.

Tax expenses: Our tax expenses increased by 46.80% to ₹ 252.68 crore for FY 2023-24 from ₹ 172.12 crore for FY 2022-23, primarily due to increases in profits in various jurisdictions. The effective tax rate has increased from 21.6% for the FY 2022-23 to 27.1% for FY 2023-24. This is mainly due to the increase in the tax rate in the UK from 19% for FY 2022-23 to 25% for FY 2023-24 coupled with one-time impact of deferred tax charge in India due to the transition to the new tax regime in the current year.

#### Profit for the year

The Company delivered strong profitability metrics, reflecting the company's robust performance. The company's profit for the year increased by 8.9% to ₹ 679.37 crore for FY 2023-24 from ₹ 624.03 crore for FY 2022-23.

### Liquidity

The Company maintains a strong liquidity position, primarily relying on cash generated from operating activities to fulfil its working capital and capital expenditure requirements. As of March 31, 2024, the company remains debt-free, with adequate cash reserves and other liquid assets to meet its short-term obligations and fund future growth initiatives. Tata Technologies demonstrates effective working capital management practices, with a focus on optimizing credit terms, timely invoicing, and efficient collection from customers. The company's billed days sales outstanding (DSO) of 69 days and unbilled DSO of 14 days reflect its commitment to maintaining a healthy cash conversion cycle and minimizing the risk of overdue receivables. By closely monitoring and managing its working capital components, Tata Technologies ensures adequate liquidity to sustain its operations and drive growth.

## Key Financial Ratios

| Particulars | Unit | FY 2023-24 | FY 2022-23 |
|---|---|---|---|
| Employee benefit expenses /Revenue from operations | % | 46.2 | 43.7 |
| Total Expenses (excluding interest & depreciation) / Revenue from operations | % | 81.6 | 81.4 |
| EBITDA (Before Other Income) / Revenue from operations | % | 18.4 | 18.6 |
| Effective Tax Rate – Tax expenses /Profit Before Tax | % | 27.1 | 21.6 |
| Profit for the year / Revenue from operations | % | 13.3 | 14.1 |
| Days Sales Outstanding (DSO) | Days | 83 | 87 |
| Current Ratio | Times | 1.87 | 1.92 |
| Debt (excluding lease liabilities) Equity Ratio | Times | - | - |
| Return on Net Worth (%) | % | 21.9 | 23.7 |
| Earnings Per Share (EPS) - Basic | ₹ | 16.75 | 15.38 |
| Dividend Per Share | ₹ | 10.05 * | 12.30 |

**Proposed final dividend of ₹ 8.40 per share and special dividend of ₹ 1.65 per share subject to approval by the shareholders in the AGM*

In conclusion, FY 2023-24 was a transformative year for Tata Technologies, characterized by sustained growth, operational resilience, and strategic advancements. As the company continues its journey of innovation and expansion, Tata Technologies remains committed to delivering value to its stakeholders and driving sustainable growth in the global marketplace. With a strong foundation and a forward-looking approach, Tata Technologies is well-positioned to navigate through challenges and capitalize on opportunities, reaffirming its status as a leader in India-based automotive ER&D service providers.

## Human Resources

The Company considers its employees as the most important asset and integral to its growth and continued success. Over the past years, the Company has increased its focus on its employee engagement and developement, launching various new initiatives with the goal of attracting, engaging, retaining, and fostering key talent and diversity across the organization.

The Company has increased its investments in learning and skill development initiatives, exemplified by its global in-house technical training program, 'TechVarsity', dedicated to training and mentoring graduate hires in India. Additionally, the Company also conducts training programs in cloud skilling, cybersecurity, and analytics (artificial intelligence and data science), aimed at upskilling its workforce to achieve its business goals. It remains committed to cultivating a future-ready workforce. It continues to nurture a culture that values meritocracy and motivates employees, placing significant emphasis on maintaining high levels of employee engagement, consistent performance, and fostering an innovative mindset to minimize attrition. The Company's initiatives aimed at enhancing employee engagement have led to a consistent decrease in attrition rates.

| Region | FY 2024 | FY 2023 | FY 2022 |
|---|---|---|---|
| Employee Headcount | 12,688 | 11,616 | 9,338 |
| Global Attrition Rate | 14.5% | 21.7% | 25.1% |

## Corporate Social Responsibility

The Company's CSR vision is aimed at co-creating sustainable value for its key stakeholders through technological innovations. By employing innovative product design and embracing advanced digital transformation technologies, it endeavors to contribute to a greener and more sustainable planet and fulfill the expectations of its stakeholders, including customers and communities. Its mission is to make a positive impact on the communities, in which it operates, addressing pertinent needs and concerns and benefiting both internal and external stakeholders. By delivering sustainable solutions, the Company aims to uplift the welfare of communities and preserve the health of the planet.

*For CSR Programs, the shareholders are advised to refer to Board's Report, "Corporate Social Responsibility" Section.*

## Internal Control Systems and their Adequacy

The Company has a robust internal control mechanism in place commensurate with the size and nature of its business. The internal control systems comprising policies and procedures are designed to ensure that operations are efficiently managed and aligned with the strategic objectives of the Company and address various aspects of governance, compliance, audit, control, and reporting. The internal controls are responsible for complying with the regulatory requirements, preventing fraud and errors, safeguarding the Company's assets and finances, and preserving the accuracy and reliability of financial transactions and reporting.

The Company's internal audit committee periodically reviews the adequacy of the internal control systems. Key observations and recommendations are communicated to the management, who takes appropriate corrective measures as deemed fit to maintain the efficiency and effectiveness of the internal controls.

## Cautionary Statement

The Management Discussion and Analysis may contain some statements describing the Company's objectives, plans, projections, estimates, and expectations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations and are based on informed judgments and estimates. Actual results may differ materially from those expressed or implied due to external and internal factors beyond the Company's control. The Company does not undertake any obligation to publicly amend, modify, or revise these forward-looking statements based on subsequent developments, information, or events.

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

| | | |
|---|---|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L72200PN1994PLC013313 |
| 2. | Name of the Listed Entity | TATA Technologies Limited |
| 3. | Year of incorporation | 1994 |
| 4. | Registered office address | Plot No 25, Rajiv Gandhi Infotech Park, Hinjawadi, Pune, 411057 |
| 5. | Corporate address | Plot No 25, Rajiv Gandhi Infotech Park, Hinjawadi, Pune, 411057 |
| 6. | E-mail | investor@tatatechnologies.com |
| 7. | Telephone | +91 20 66529299 |
| 8. | Website | www.tatatechnologies.com |
| 9. | Financial year for which reporting is being done | 2023-2024 |
| 10. | Name of the Stock Exchange(s) where shares are listed | Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) |
| 11. | Paid-up Capital | ₹ 81,13,37,060 |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Mr. Sujit Dixit (Head Internal Audit, CSR & Sustainability)<br>**Email address:** sujit.dixit@tatatechnologies.com<br>Telephone: +91 20 66529080 |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | **Financial data:**<br>**Inclusions:** TTL's consolidated global operations<br>**Exclusions:** None<br>**Human Resources Data:**<br>**Inclusions (Statutory Topics):** TTL's India operations<br>**Inclusions (Other than Statutory Topics):** TTL's global operations including wholly owned subsidiaries.<br>Exclusions pertaining to individual disclosures are mentioned in the respective Notes.<br>**Environmental Data:**<br>**Inclusions:** TTL's global offices where it has operational control.<br>**Exclusions:** Centres where TTL does not have operational control. |
| 14. | Name of assurance provider | Not applicable |
| 15. | Type of assurance obtained | Not applicable |

II. Product/Services

16. Details of business activities (accounting for 90% of the turnover):

| Sr. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|---|---|---|---|
| 1 | Information and communication | Publishing of computer operating systems, system software, application software, games, etc. | 100% |

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| Sr. No. | Product/Service | NIC Code | % of total Turnover contributed |
|---|---|---|---|
| 1 | Other information technology and computer service activities n.e.c | 62099 | 100% |

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of Plants | Number of Offices | Total |
|---|---|---|---|
| National | NA | 9 | 9 |
| International | NA | 12 | 12 |

19. Markets served by the entity

a. Number of locations

| Location | Number |
|---|---|
| National (No. of States) | 4 |
| International (No. of Countries) | 10 |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

45.95%

c. A brief on types of customers.

TTL works with diverse customers within the automotive industry, industrial heavy machinery, aerospace & defence, and educational sectors. We collaborate with affiliated entities to deliver comprehensive, sustainable solutions suiting our customers' needs.

IV. Employees

20. Details as at the end of financial year:

a. Employees (including differently abled):

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No.(B) | %(B/A) | No.(C) | %(C/A) |
| | | | EMPLOYEES | | | |
| 1. | Permanent(D) | 11,780 | 10,001 | 84.90% | 1,779 | 15.10% |
| 2. | Other than Permanent (E) | 861 | 730 | 84.79% | 131 | 15.21% |
| **3.** | **Total employees (D+E)** | **12,641** | **10,731** | **84.89%** | **1,910** | **15.11%** |

Note:

1. The company does not employ any workers.
2. Overall count is 12,688 but for gender bifurcation it is 12,641 as 47 employees have chosen not to provide their gender information, and the company fully support their decision. Our commitment to inclusivity means that everyone's identity is valued and honoured equally, regardless of whether they choose to disclose this personal information.

b. Differently abled Employees:

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No.(B) | %(B/A) | No.(C) | %(C/A) |
| | DIFFERENTLY ABLED EMPLOYEES | | | | | |
| 1. | Permanent(D) | 8 | 7 | 87.50% | 1 | 12.50% |
| 2. | Other than Permanent (E) | 0 | 0 | 0% | 0 | 0% |
| **3.** | **Total differently abled employees (D+E)** | **8** | **7** | **87.50%** | **1** | **12.50%** |

21. Participation/Inclusion/Representation of women:

| Particulars | Total (A) | Number and percentage of Females | |
|---|---|---|---|
| | | No.(B) | %(B/A) |
| Board of Directors | 7 | 2 | 29% |
| Key Management Personnel | 3 | 1 | 33% |

22. Turnover rate for permanent employees:
(Disclose trends for the past 3 years)

| | FY 2024 | | | FY 2023 | | | FY 2022 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | **17.50%** | **14.80%** | **17.20%** | 24.60% | 23.50% | 24.50% | 29.60% | 36.80 % | 30.60% |

## V. Holding, Subsidiary and Associate companies (including joint ventures)

23. a. Names of holding/ subsidiary/ associate companies/ joint ventures

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---|---|---|---|---|
| 1. | Tata Motors Ltd. | Holding | 53.39% | No |
| 2. | TATA Technologies Pte Ltd | Subsidiary | 100% | No |
| 3. | Tata Manufacturing Technologies Consulting (Shanghai) Limited | Subsidiary | 100% | No |
| 4. | Tata Technologies (Thailand) Limited | Subsidiary | 100% | No |
| 5. | INCAT international Plc. | Subsidiary | 100% | No |
| 6. | Tata Technologies Europe Limited | Subsidiary | 100% | No |
| 7. | Tata Technologies Nordics AB | Subsidiary | 100% | No |
| 8. | Tata Technologies GmbH | Subsidiary | 100% | No |
| 9. | Tata Technologies Inc. (US) | Subsidiary | 99.80% | No |
| 10. | Tata Technologies de Mexico, S.A. de C.V | Subsidiary* | 99.80% | No |
| 11. | Cambric Limited, Bahamas | Subsidiary | 99.80% | No |
| 12. | Tata Technologies SRL, Romania | Subsidiary | 99.80% | No |

*Under liquidation*





## VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 2,732.09 Cr

(iii) Net worth (in ₹): 1,205.06 Cr

**Standalone numbers*

## VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) | FY 2023-24 | | | FY 2022-23 | | |
|---|---|---|---|---|---|---|---|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | No | **Nil** | **Nil** | **NA** | Nil | Nil | NA |
| Investors (other than shareholders) | Yes | **467** | **Nil** | **NA** | Nil | Nil | NA |
| Shareholders | Yes | **Nil** | **Nil** | **NA** | Nil | Nil | NA |
| Employees and workers | Yes | **21** | **2** | **Warning letter is being issued.** | 13 | 0 | NA |
| Customers | Yes | **Nil** | **Nil** | **NA** | Nil | Nil | NA |
| Value Chain Partners | Yes | **Nil** | **Nil** | **NA** | Nil | Nil | NA |
| Other (please specify) | NA | **NA** | **NA** | **NA** | NA | NA | NA |

** The mechanism can be accessed at https://www.tatatechnologies.com/in/investor-relations/*

26. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 1 | Energy Consumption | R | With the return to office post the pandemic, the energy usage has increased. Optimum utilisation of energy is essential for lower carbon footprint. | Use of green certified facilities, energy saving equipment and operational practices.<br>Use of renewable energy sources for the operations. | Negative |
| 2 | Employee well being and talent management | R & O | Equal opportunity, talent attrition, legal compliance, reputational damage, unsafe work conditions cause injuries or accidents. | Implementing inclusive people practices, providing opportunities for learning and growth and inclusive and supportive work environment. | Negative. |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 3 | Wastage and recycling | O | Use of equipment that generate waste at end of lifecycle and other activities that lead to waste. | Adapt to newer waste management processes that enable efficient recycling. | Positive |
| 4. | Circular economy – Products and Services | O | Social and Environmental requirement have generated shift in customer preferences and demand for newer products. This presents opportunity to TTL. | Investment in R&D and prioritization of projects to co create value to save resources, bring efficiencies and meet customer requirement for sustainable products.. Improve oprtaional resources efficiency by reducing waste. | Positive. |
| 5 | Climate change | O & R | Opportunity – Climate change affects product preferences, product demand and change in product strategies causing more product design and development work<br>Risk – Change in climate may adversely affect markets and areas TTL operates causing health and safety issues for the employees and possible geo economical issues in the market. | Leverage TTL's vast experience in product design to co create products to meet end customer needs by continuous communication and understanding of changing preferences. | Positive |
| 6 | Supply chain management | R | Ability to assess supply chain partner performance on legal compliances, DEI practices | Continuous communication and training of supply chain partners on TCOC, compliance practise requirements and contract strengthening. | Negative |

**Note:**

Material responsible business conduct issues is as per TTL's internal assessment. A third-party materiality assessment is in progress.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

This section describes the structures, policies and processes aligned to nine principles of business responsibility. These briefly are as follows:

P1 Business should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 Businesses should promote the wellbeing of all employees.

P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 Businesses should respect and promote human rights.





P6 Business should respect, protect, and make efforts to restore the environment.

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 Businesses should support inclusive growth and equitable development.

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

| Disclosure Questions | | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Policy and management processes** | | | | | | | | | | | |
| **1.** | **a.** | **Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)** | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | **b.** | **Has the policy been approved by the Board? (Yes/No)** | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | **c.** | **Web Link of the Policies, if available.** | P1 to P9: Tata Code of Conduct (TCoC)<br>P1: Whistle-blower Policy, ABAC Policy<br>P3 & P5: Employee related policies, Global Policy on POSH<br>P4 & P8: CSR Policy<br>The Policies can be accessed at: https://www.tatatechnologies.com/in/corporate-governance/ | | | | | | | | |
| **2.** | **Whether the entity has translated the policy into procedures. (Yes / No)** | | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| **3.** | **Do the enlisted policies extend to your value chain partners?** | | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| **4.** | **Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.** | | AS 9100D: Quality Management System for Aviation, Space and Defence products<br>ISO: 45001:2018- Occupational Health and Safety<br>ISO: 27001:2013-Information Security Management System<br>ISO: 9001:2015- Quality Management System<br>ISO: 14001:2015- Environmental Management System | | | | | | | | |
| **5.** | **Specific commitments, goals and targets set by the entity with defined timelines, if any.** | | Continue to remain compliant as per the CSR and other regulations in place in India. The company will be identifying clear sustainability goals and targets through a structured process and track it for completion. | | | | | | | | |
| **6.** | **Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.** | | The company has been compliant with CSR and other regulations to the extent possible. | | | | | | | | |
| **Governance, leadership and oversight** | | | | | | | | | | | |
| 7 | **Tata Technologies is consciously committed to ensuring a sustainable, healthy, and clean environment across its facilities in different global locations. The company will address environmentally sensitive issues in a responsible manner. Tata Technologies recognizes the impact of environment and climate change on the ecology, economy, and society.**<br>Tata Technologies is also committed to the group ethos of balancing the interests of various stakeholders while contributing to the long-term sustainability and well-being of the society.<br>The company thro' it's Environmental and Social policies is committed to become carbon neutral and make use of 100% renewable energy before 2045 and commit to be guided by Tata Group's Project AAlingana to action plan social and environmental goals. | | | | | | | | | | |
| **8.** | **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).** | | Name: Warren Harris<br>Designation: CEO & Managing Director<br>DIN: 02098548 | | | | | | | | |
| **9.** | **Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.** | | Yes. The CSR and Sustainability Committee of the Board of Directors is responsible for decision making on CSR and sustainability related issues. | | | | | | | | |

10. Details of review of NGRBCs by the Company:

| | Indicate whether review was undertaken by the Director/ Committee of the Board/Any other Committee | | | | | Frequency: (Annually/ Half-yearly/ Quarterly/ Any other – please specify) | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Subject for review** | **P1** | **P2** | **P3** | **P4** | **P5** | **P6** | **P7** | **P8** | **P9** |
| Performance against above policies and follow up action | Yes Half Yearly/ Quarterly | Yes Yearly/ Quarterly | Yes Yearly/ Quarterly | Yes Yearly/ Quarterly | NA | Yes Yearly/ Quarterly | NA | Yes Yearly/ Quarterly | Yes Yearly/ Quarterly |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | TTL complies with all statutory requirements and regulations of its operational locations. | | | | | | | | |

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No) If yes, provide the name of the agency.

| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|

Yes, as part of the below mentioned ISO certifications, TTL's policies and procedures are subject to external scrutiny and also internal audit at regular intervals.

1. ISO 9001: 2015/ AS 9100 D (Quality Management Systems)
2. ISO 27001: 2013 (Information Security Management Systems)
3. ISO 45001: 2018 (Occupational Health & Safety Management Systems)
4. ISO 14001: 2015 (Environmental Management Systems)

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|
| The entity does not consider the principles material to its business (Yes/No) | NA | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | | | | | | | | | |
| Any other reason (please specify) | | | | | | | | | |







## SECTION C: PRINCIPAL WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year.

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | %age of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| Board of Directors | During the reporting year, the Board of Directors were familiarised on topics like regulations, economy, emerging trends, strategic changes, environment, social and governance parameters at regular intervals. Moreover, every new director is mandatorily taken through elements like corporate vision, values, TATA Code of Conduct. On an average, every director spends about 20-25 hours in trainings/ awareness sessions per year. | | 100% |
| Key Managerial Personnel | The KMPs are provided trainings on topics like human rights, TCoC, ethics, POSH, values, governance and other domain-specific updates. These trainings are imparted through TTL's internal training platforms and organised by the TATA group or external training partners. On an average, each of the KMPs spend about 25-30 hours in trainings/ awareness sessions per year. | | 100% |
| Employees other than BoD and KMPs | All our employees undergo mandatory trainings on Tata Code of Conduct (TcoC) which covers all the nine principles laid down in BRSR. Other than the above, domain specific trainings and awareness sessions were held during the financial year. | | |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

| Monetary | | | | | |
|---|---|---|---|---|---|
| | **NGRBC Principle** | **Name of the regulatory/ enforcement agencies/ judicial institutions** | **Amount (In ₹)** | **Brief of the Case** | **Has an appeal been preferred? (Yes/No)** |
| Penalty/ Fine | NA | NA | Nil | NA | NA |
| Settlement | P1 | SEBI | 2.5 Mn. | Our Company had filed a settlement application with SEBI dated January 9, 2023 in relation to certain old preferential allotments. | No |
| Compounding fee | P1 | National Company Law Tribunal – Mumbai Branch | 34.21 Mn. | Our Company had filed an application before the National Company Law Tribunal, Mumbai, on February 15, 2023, for compounding in relation to certain old preferential allotments | No |

| Non-Monetary | | | | |
|---|---|---|---|---|
| | **NGRBC Principle** | **Name of the regulatory/ enforcement agencies/ judicial institutions** | **Brief of the Case** | **Has an appeal been preferred? (Yes/No)** |
| Imprisonment | None | NA | NA | No |
| Punishment | None | NA | NA | No |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|---|---|
| None | None |

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the policy is available on the company's website at https://www.tatatechnologies.com/in/corporate-governance/

In our pursuit of ethical conduct and transparency, TTL has implemented an Anti-Bribery and Anti-Corruption (ABAC) Policy. This policy unequivocally prohibits any form of bribery or corruption among our personnel. Additionally, the TcoC provides directives regarding the prevention of bribery and corruption. TTL is dedicated to maintaining the utmost moral and ethical principles and staunchly opposes any manifestation of bribery or corruption. The policy is available on the company website at: https://www.tata.com/content/dam/tata/pdf/Tata%20Code%20Of%20Conduct.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| Particulars | FY 2024 | FY 2023 |
|---|---|---|
| Directors | Nil | Nil |
| KMPs | Nil | Nil |
| Employees | Nil | Nil |

No law enforcement agency has taken disciplinary action against any of the Company's Directors, Key Management Personnel (KMPs), employees, or workers for charges related to bribery or corruption.

6. Details of complaints with regard to conflict of interest:

| Particulars | FY 2023-24 | | FY 2022-23 | |
|---|---|---|---|---|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | None | NA | None | NA |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | None | NA | None | NA |

7. **Provide details of any corrective action taken or underway on issues related to fines/ penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

| Particulars | FY 2024 | FY 2023 |
|---|---|---|
| Number of days of accounts payables | 97 | 144 |

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter | Metrics | FY 2024 | FY 2023 |
|---|---|---|---|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | 0.90% | 1.2% |
| | b. Number of trading houses where purchases are made from. | 292 | 312 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 52% | 53% |
| Concentration of Sales | a. Sales to dealers/ distributors as % of total sales | NA | NA |
| | b. Number of dealers distributors to whom sales are made | NA | NA |
| | c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors | NA | NA |
| Share of RPTs in | a. Purchases (Purchases with related parties/ Total Purchases) | 3% | 6% |
| | b. Sales (Sales to related parties/ Total Sales) | 43% | 37% |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | 88% | 99% |
| | d. Investments (Investments in related parties/ Total Investments made) | - | - |

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

| Total number of awareness programmes held | Topics / principles covered under the training | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|---|
| 5 | Training on Ethics & Compliance, ESG & Sustainability | 5% |

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.**

Yes, the company does have a process on avoiding/ managing cases of conflicts of interests involving Board members. The same can be accessed at Code-of-Conduct-for-BOD-SMP.pdf (tatatechnologies.com). As part of our commitment to integrity and responsible governance, TTL mandates that the Board members act solely in the Company's best interests. They are required to ensure that any personal or business associations they maintain do not present conflicts of interest with their responsibilities within the Company.

They are held to stringent professional conduct guidelines, which include fostering transparent and effective Board functioning. They must diligently review related party transactions to ensure alignment with the Company's interests and promptly report any instances of unethical behaviour, fraud, or violations of our code of conduct or ethics policy. Both the Board and Senior Management Personnel are prohibited from involvement in situations where their personal interests may conflict with those of the Company. They are obligated to perform their duties with competence, diligence, and independent judgment, always prioritizing the Company's best interests. Furthermore, the policy emphasizes the importance of confidentiality, prohibiting the disclosure of confidential information, including commercial secrets and unpublished price-sensitive information, unless explicitly approved by the Board or mandated by law. This commitment ensures the protection of sensitive information and upholds transparency within our operations.

**PRINCIPLE 2: Business should provide goods and services in a manner that is sustainable and safe.**

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

| | FY 2023-24 | FY 2022-23 | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R&D | **Nil** | Nil | TTL has expensed out all R&D spend as opex in FY24. |
| Capex | **Total 54.04 Cr**<br>**100%** | Total 43.56 Cr<br>**100%** | TTL has been instrumental in providing technology solutions to its clients to help them achieve their sustainability goals end user preferences. TTL has also been investing in building or using green campuses and greater use of renewable energy. Total capex includes all the investments related product and capacity enhancement. |

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   Yes; the entity has procedures or processes in place for Sustainable Sourcing.

   b. **If yes, what percentage of inputs were sourced sustainably?**

   100%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

   (a) Plastics (including packaging)

   (b) E-waste

   (c) Hazardous waste and

   (d) other waste.

   Although this is not applicable to the entity owing to the peculiar nature of the business and the services provided, the entity has processes in place to recycle and dispose of the waste and eWaste generated from operations as per industry practise and applicable local regulations.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Not applicable.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   None conducted during the financial year.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not applicable.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

   Not applicable considering the nature of business.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Not applicable.

**PRINCIPLE 3: Business should respect and promote the well-being of all employees, including those in their value chains**

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

| Category | Total (A) | % of employees covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B / A) | Number (C) | % (C / A) | Number (D | % (D / A | Number (E) | % (E / A) | Number (F) | % (F / A) |
| **Permanent employees** | | | | | | | | | | | |
| Male | 10,001 | 10,001 | 100% | 10,001 | 100% | NA | NA | 10,001 | 100% | NA | NA |
| Female | 1,779 | 1,779 | 100% | 1,779 | 100% | 1,779 | 100% | NA | NA | 1,779 | 100% |
| **Total** | **11,780** | **11,780** | **100%** | **11,780** | **100%** | **1,779** | **100%** | **10,001** | **100%** | **1,779** | **100%** |
| **Other than Permanent employees** | | | | | | | | | | | |
| Male | 730 | As a principal employer, TTL is committed to applicable compliances and to provide all benefits required by Statutory provisions. | | | | | | | | | |
| Female | 131 | | | | | | | | | | |
| **Total** | **861** | | | | | | | | | | |

   b. **Details of measures for the well-being of workers:**

   Not applicable.

   c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-**

| Particulars | FY 2024 | FY 2023 |
|---|---|---|
| Cost incurred on well-being measures as a % of total revenue of the company | 1.12% | 1.15% |

2. **Details of retirement benefits, for Current FY and Previous Financial Year**

| Benefits | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | **100%** | **NA** | **Yes** | 100% | NA | Yes |
| Gratuity | **100%** | **NA** | **NA** | 100% | NA | NA |
| ESI | **NA** | **NA** | **NA** | NA | NA | NA |
| Others – please specify | **NA** | **NA** | **NA** | NA | NA | NA |

**Notes:**

- Data for India operations.
- All employees are covered under PF and Gratuity from their date of joining.

3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

We prioritize inclusivity by providing ramps to assist differently abled individuals at the Parking area with handrails that come with broad sliding doors for wheelchair accessibility. Demarked lifts and reserved parking are also other amenities that are provided to differently abled employees.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The company follows the Group's Tata Code of Conduct which can be accessed at Tata Code Of Conduct.pdf and is in alignment with the group's commitment to fostering an inclusive workplace. TTL upholds the principle of equal opportunities for all employees and eligible job applicants. We firmly reject discrimination on any grounds, including but not limited to race, caste, religion, colour, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability, or any other protected category as mandated by law.

In our recruitment, development, and promotion processes, decisions are guide solely by an individual's performance, merit, competence, and potential. We prioritize fairness, transparency, and clarity in our employee policies, which are designed to promote diversity and equality in accordance with legal requirements and the principles outlined in our corporate Code of Conduct. These policies encompass clear terms of employment, comprehensive training, robust development opportunities, and equitable performance management practices. By upholding these standards, we strive to create a workplace where every individual has the opportunity to thrive and contribute to our collective success.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

| Gender | Permanent employees | | Permanent workers | |
|---|---|---|---|---|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 100% | 100% | NA | NA |
| Female | 100% | 100% | NA | NA |
| **Total** | **100%** | **100%** | **NA** | **NA** |

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

| | Yes/No (If Yes, then give details of the mechanism in brief) |
|---|---|
| **Permanent Employees** | Yes, the employees can raise a grievance with respective HR Business Partners or even at times through internal channels. Other mechanisms such as POSH, Amber (AI bot), ETHICS committee, and Whistle-blower are also available for specific types of serious misconduct. |
| **Other than Permanent Employees** | Yes, the company follows the 'Tata Code of Conduct' (TCoC)encouraging employees to raise concerns about Bribery and corruption, harassment and Human rights issues, Insider trading and many more. |

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

TTL does not have any employee's association. However, the company acknowledges and respects the right to freedom of association, and it does not discourage or impede collective bargaining

8. **Details of training given to employees and workers:**

| Category | FY 2024 | | | | | FY 2023 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| **Employees** | | | | | | | | | | |
| Male | 8,666 | 8,666 | 100% | 5,985 | 69.06% | 7,801 | 7,340 | 84.79% | 5,881 | 67.93% |
| Female | 1,520 | 1,502 | 98.82% | 1,153 | 75.86% | 1,273 | 1,208 | 79.95% | 963 | 11.12% |
| **Total** | **10,186** | **10,235** | **99.82%** | **7,138** | **70.08%** | **9,074** | **8,548** | **84.07%** | **6,844** | **79.06%** |

Note: Data for India operations.

9. **Details of performance and career development reviews of employees and worker:**

| Category | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| **Employees** | | | | | | |
| Male | 10,001 | 10,001 | 100% | 9,615 | 9,615 | 100% |
| Female | 1,779 | 1,779 | 100% | 1,494 | 1,494 | 100% |
| **Total** | **11,780** | **11,780** | **100%** | **10,676** | **10,676** | **100%** |

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?**

Yes. TTL has implemented a health and safety management system in line with ISO 45001:2018 and is assessed for ISO 45001:2018 (HJW Corp & SEZ 4) & TATA BUSINESS EXCELLENCE MANAGEMENT Assessment-Safety Category for global locations.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

TTL uses the processes mentioned below to identify work related hazards and risks:

1. Safety Audits
2. Incident Investigation
4. Inspection and scenario planning
5. Monitoring
6. Past Incident
7. Safety Observation
8. Task Analysis
9. Assessment
10. Incident Reporting can also be done by Employees from Global Safety Management Portal.
11. Enabling Function Kit used to capture Risk & Opportunities of Every Function.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes. There is a multichannel communication system comprising of Email and and Global Safety Management Portal to report the incidents, accidents and near Miss scenarios.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, access to medical and healthcare service is provided across all locations.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | FY 2024 | FY 2023 |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0 | 0 |
| | Workers | NA | NA |
| Total recordable work-related injuries | Employees | 0 | 0 |
| | Workers | NA | NA |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | NA | NA |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | NA | NA |

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

TTL acknowledges the significance of occupational health and safety (OHS) as well as the overall physical and mental well-being of its employees, which are central to its success and growth objectives. TTL is dedicated to ensuring safe workplaces, prioritizing the prevention of injuries and illnesses, and consistently endeavours to eliminate hazards while reducing OHS risks. Given that TTL specializes in providing customized technology solutions and IT services, there are no significant health and safety (H&S) risks associated with its offerings.

Some of the measures taken by the company are as follows:

- Quarterly fire mock drills at the facilities
- Monthly wellness webinars
- Online OH&S talks for global employees
- Gemba/ Safety monthly walks
- Toolbox talk
- Provision of safety briefings to visitors, before any new project.
- Safety Portal to Report accidents/ incidents/ near miss.
- OH&S Induction to New Joinees (twice a week) & to Senior Joinees.
- Conducting various OH&S Campaigns like Road Safety Week, Fire Safety Week, National Safety Week, Electrical Safety Week.
- Conduct OH&S Training- First Aid, Defensive Driving etc.
- Provision of a medical centre equipped with 2 doctors available on alternate days & one brother/ nurse available daily at the HJW Corporate Campus.

13. Number of Complaints on the following made by employees and workers:

| | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| | | | Employees | | | |
| Working Conditions | Nil | Nil | NA | Nil | Nil | NA |
| Health & Safety | Nil | Nil | NA | Nil | Nil | NA |

14. Assessment for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Health and safety practices | 100% |
| Working Conditions | 100% |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

Although there were no significant concerns that arose from the above assessment, HSE compliance audit highlighted marking the walkway in the facilities to ensure safer movement of people.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of:

(A) Employees (Y/N): Yes

(B) Workers(Y/N): Not applicable.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The company ensures that all relevant statutory payments concerning transactions it handles are deducted and deposited according to regulatory standards. This procedure undergoes scrutiny in both internal and statutory audits. The company anticipates its partners in the value chain to follow business responsibility principles and maintain transparency and accountability values.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| | Total no. of affected employees/ workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|---|---|---|---|---|
| | FY 2024 | FY 2023 | FY 2024 | FY 2023 |
| Employees | Nil | Nil | Nil | Nil |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Health and safety practices | 100% |
| Working Conditions | None but work is in progress in that direction. |

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks/ concerns were identified as part of the assessment process.

PRINCIPLE 4: Business should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   In the company's framework, individuals, groups or institutions contributing value to its business chain are recognized as core or key stakeholders. This encompasses employees, shareholders, investors, customers, channel partners, regulators, lenders, research analysts, communities, suppliers, and others.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/ No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Shareholder | No | Newspapers, Direct Emails from the Company, Emails from RTA and other intermediaries. Investor meets, investor calls, press releases and mail updates, email support for investor queries. | The communication with shareholders is made as part of statutory requirements and is made at various frequencies. Quarterly engagement post results. Annual engagement at AGM. Investor meetings on request. | Timely business updates on material events, enhancing level of disclosures, compliances |
| Investor (Small investors) | No | Emails/Phone Calls/In person meetings, webinars, conferences. | Quarterly and need based | Help investors understand the company's business prospects and long-term strategies. |
| Community | Yes | Meetings, Website, direct interactions, Other | Quarterly and need based | Community development and scope for enhancement. |
| Employees | No | Viva, Notices, emails, meetings | Need based | Learning opportunities, career management and growth prospects, compensation structure, etc. |
| Supplier | No | Email/Phone Calls/In person meetings, webinars, conferences | Quarterly and need based | Key offerings from the partners, payment terms, risk management discussion, landscape of engagement. |
| Customer | No | Meetings, Annual Report, Website, direct interactions, Other | Need Based | Plan and progress towards Net zero as part of being suppliers of OEM. |

Leadership Indicator

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Based on the regular interactions with the stakeholders, the board is updated through reports & meetings.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes; the ELT sustainability workshop highlighted solar energy generation, water conservation, and plastic bottle elimination as key priorities. Implementation is currently underway.





3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   Based on the regular interactions with the stakeholders, necessary steps are taken to address the concerns. For instance, in one of our key programs, Industry academia gap was observed where students lack access to the emerging trends in the industry. Based on discussions with the stakeholders and SMEs, this has been addressed through interventions such as mentoring sessions between the students and SMEs, engagement with Industry Associations for hands-on experience among others.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. of employees / workers covered (B) | % (B / A) | Total (C) | No. of employees / workers covered (D) | % (D / C) |
| **Employees** | | | | | | |
| Permanent | 10,186 | 10,186 | 100% | 9,074 | 9,074 | 100% |
| Other than permanent | 487 | 487 | 100% | 506 | 506 | 100% |
| **Total Employees** | **10,673** | **10,673** | **100%** | **9,580** | **9,580** | **100%** |

**Note:** Data for India operations.

2. **Details of minimum wages paid to employees and workers, in the following format:**

| Category | FY 2024 | | | | | FY 2023 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| **Employees** | | | | | | | | | | |
| **Permanent** | | | | | | | | | | |
| Male | 10,001 | NA | NA | 10,001 | 100% | 9,165 | NA | NA | 9,165 | 100% |
| Female | 1,779 | NA | NA | 1,779 | 100% | 1,494 | NA | NA | 1,494 | 100% |
| **Other than Permanent** | | | | | | | | | | |
| Male | 730 | NA | NA | 730 | 100% | 797 | NA | NA | 797 | 100% |
| Female | 131 | NA | NA | 131 | 100% | 137 | NA | NA | 137 | 100% |

3. **Details of remuneration/ salary/ wages, in the following format:**

   a. **Median remuneration/wages:**

| | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration/ salary/ wages of respective category ₹ in lacs | Number | Median remuneration/ salary/ wages of respective category ₹ in lacs |
| Board of Directors (BoD)* | 2 | 30.05 | 2 | 27.68 |
| Key Managerial Personnel | 2 | 326.05 | 1 | 173.32 |
| Employees other than BoD and KMP | 8,665 | 10.46 | 1,519 | 8.16 |
| Workers | NA | NA | NA | NA |

** In line with the internal guidelines of the Company, no payment is made towards commission / sitting fee to the Non-Executive Directors of the Company, who are in full time employment with any other Tata company and Managing director is included in Key Managerial Person*

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

| Particulars | FY 2024 | FY 2023 |
|---|---|---|
| Gross wages paid to females as % of total wages | 12.87% | 11.40% |

**Note-** Data pertains to India operations.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes; the organization conducts training on Code of Conduct, ethics and POSH. Furthermore, the company has a POSH Committee and Ethics Committee in place.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

TTL has established comprehensive internal processes for addressing grievances related to human rights. Additionally, the company has implemented Whistle-blower Mechanisms to receive and manage complaints and feedback concerning human rights violations and process enhancements. Under this policy, any employee, director, or affiliated individual can make a Protected Disclosure regarding violations while safeguarding the organization's interests. The mechanism delineates clear procedures for lodging complaints, receiving and handling them, conducting investigations, assigning responsibilities, and ensuring non-retaliation. Furthermore, the company has in place a TCOC & POSH policy that delineates a grievance mechanism, including procedures for reporting sexual harassment, conducting inquiries, specifying the members of the scrutiny committee, outlining complaint investigation procedures, and providing avenues for redressal.

6. **Number of Complaints on the following made by employees and workers:**

| | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | 2 | Nil | NA | Nil | Nil | NA |
| Discrimination at workplace | Nil | Nil | NA | Nil | Nil | NA |
| Child Labour | Nil | Nil | NA | Nil | Nil | NA |
| Forced Labour/ Involuntary Labour | Nil | Nil | NA | Nil | Nil | NA |
| Wages | Nil | Nil | NA | Nil | Nil | NA |
| Other human rights related issues | Nil | Nil | NA | Nil | Nil | NA |

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

| Particulars | FY 2024 | FY 2023 |
|---|---|---|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 2 | Nil |
| Complaints on POSH as a % of female employees / workers | 0.0008% | NA |
| Complaints on POSH upheld | 2 | NA |

8. **Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.**

TTL handles concerns regarding discrimination and harassment with strict confidentiality. Any form of retaliation against individuals reporting such concerns in good faith is not tolerated. Those found targeting individuals raising such complaints will face disciplinary action.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes; human rights requirements form part of business agreements and contracts.

10. **Assessment for the year:**

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Child labour | 100% |
| Forced/involuntary labour | NA |
| Sexual harassment | 100% |
| Discrimination at workplace | 100% |
| Wages | NA |
| Others-please specify | NA |

11. **Provide details of any corrective actions taken or underway to address significant risks/ concerning arising from the assessments at Question 10 above.**

Not applicable, there were no significant concerns that arose from the assignments above that needed corrective actions.

**Leadership Indicators**

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

For addressing the human rights grievances/complaints, group Policy on Human Rights, Whistle-blower policy, TCOC, Diversity & Inclusion, POSH, Equal opportunity for employees is in place. For global business, the Modern Slavery Act is in place. The weblink of the policy are as follows: https://www.tatatechnologies.com/in/modern-slavery-act/.

Some of the processes introduced as a follow-up to the human rights issues identified were the maternity policy, re-ignite program for women to encourage them to start working post a career break, policy for differently abled at workplaces among others.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

The human rights due diligence is conducted as part of the compliance audits which have enabled TTL to address grievances on ethics and changes to the Internal Complaints committee.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes.

4. **Details on assessment of value chain partners:**

| | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Child labour | Not measured |
| Forced/involuntary labour | |
| Sexual harassment | |
| Discrimination at workplace | |
| Wages | |
| Others-please specify | |

5. **Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.**

   Not applicable, there were no significant concerns that arose from the assignments above that needed corrective actions.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|---|---|---|---|
| **From renewable sources** | | | |
| Total electricity consumption (A) | GJ | 14 | 0 |
| Total fuel consumption (B) | GJ | 0 | 0 |
| Energy consumption through other sources (C) | GJ | 0 | 0 |
| **Total energy consumed from renewable sources (A+B+C)** | GJ | **14** | **0** |
| **From non-renewable sources** | | | |
| **Total electricity consumption (D)** | GJ | **34,051** | **24,719** |
| **Total fuel consumption (E)** | GJ | **2,090** | **3314** |
| Energy consumption through other sources (F) | GJ | Nil | Nil |
| **Total energy consumed from non-renewable sources (D+E+F)** | GJ | **36,141** | **28,033** |
| **Total energy consumed (A+B+C+D+E+F)** | GJ | **36155** | **28,033** |
| **Energy intensity per rupee of turnover** (Total energy consumption/ turnover in rupees) | | 0.00000071 | 0.00000064 |
| **Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*** (Total energy consumed/ Revenue from operations adjusted for PPP) | | 0.000016 | 0.000014 |
| **Energy intensity in terms of physical output** | | NA | NA |
| **Energy intensity** (optional)- the relevant metric may be selected by the entity | | | |

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.:*

*No*

**Source -* *https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND*

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Not applicable.

3. Provide details of the following disclosures related to water, in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface Water | Nil | Nil |
| (ii) Ground Water | Nil | Nil |
| (iii) Third Party Water | 89,175 | 63,085 |
| (iv) Seawater / desalinated water | Nil | Nil |
| (v) Others | Nil | Nil |
| **Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)** | **89,175** | **63,085** |
| **Total volume of water consumption (in kilolitres)** | **89,175** | **63,085** |
| Water intensity per rupee of turnover (Total Water consumption / Revenue from operations) | 0.0000017 | 0.0000014 |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption/ Revenue from operations adjusted for PPP) | 0.000039 | 0.000032 |
| Water intensity in terms of physical output | NA | NA |
| Water intensity (optional) – the relevant metric may be selected by the entity | - | - |

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:*

*No*

** Source -* *https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND*

4. Provide the following details related to water discharged:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|---|---|
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| **i) To surface water** | Nil | Nil |
| - No treatment | Nil | Nil |
| - With treatment-please specify level of treatment | Nil | Nil |
| **ii) To Groundwater** | | |
| - No treatment | Nil | Nil |
| - With treatment-please specify level of treatment | Nil | Nil |
| **iii) To Seawater** | | |
| - No treatment | Nil | Nil |
| - With treatment-please specify level of treatment | Nil | Nil |
| **iv) Sent to third-parties** | | |
| - No treatment | Nil | Nil |
| - With treatment-please specify level of treatment | Nil | Nil |
| **v) Others** | | |
| - No treatment | Nil | Nil |
| - With treatment-please specify level of treatment | Nil | Nil |
| **Total water discharge (in kilolitres)** | **Nil** | **Nil** |

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No*

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   No, the company has not implemented a mechanism for Zero Liquid Discharge.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter | Please specify unit | FY 2023-24 | FY 2022-23 |
|---|---|---|---|
| NOx | mg/Nm3 | 120.00 | 30.20 |
| Sox | mg/Nm3 | 123.40 | 58.40 |
| Particulate matter (PM) | mg/Nm3 | 59.64 | 65.60 |
| Persistent organic compounds (POP) | Nil | Nil | Nil |
| Volatile organic compounds (VOC) | Nil | Nil | Nil |
| Hazardous air pollutants (HAP) | Nil | Nil | Nil |
| Others-please specify | Nil | Nil | Nil |

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.:*
*No*

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|---|---|---|---|
| Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 134 | 211 |
| Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 7705 | 5753 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | | 0.00000015 | 0.00000014 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | | 0.0000034 | 0.0000030 |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output | | NA | NA |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity | | - | - |

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.:*
*No*
**Source- https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND*

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Following specific projects were undertaken during the financial year with a view to reduce GHG emissions:

Energy:

1. The desktop computers which consumed around 150 watts of electricity, were replaced with Laptops consuming 30 watts.
2. Solar Street Lights have been installed which has reduced CO2 emissions in the year by 16.77 MT.
3. CFL lights have been replaced by LED lights in the Facilities and has helped reduce 59.26 MT CO2 emissions in the year.
4. 2 EV cars have been purchased reducing 261 kg CO2 emissions compared to diesel cars.

Biodiversity:

In the reporting year, tree and sapling plantation drives have been carried out both in the campus and communities. 140 trees were planted resulting in CO2 sequestration of 2,800 kgs and 125 saplings were planted in a TTL supported CSR school near campus. Also, as part of client relationships, TTL has partnered with an organization to plant trees on behalf of its clients.

9. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2024 | FY 2023 |
|---|---|---|
| **Total Waste generated (in metric tonnes)** | | |
| Plastic waste (A) | 8.40 | Not available |
| E-waste (B) | 21.58 | Not available |
| Bio-medical waste (C) | 0.0024 | 0.0016 |
| Construction and demolition waste (D) | 33.30 | Not available |
| Battery waste (E) | 0.83 | Nil |
| Radioactive waste (F) | Not Applicable | Not Applicable |
| Other Hazardous waste. Please specify, if any. (G) | 0.20 | 0.50 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 28.13 | Nil |
| **Total (A+B + C + D + E + F + G + H)** | **92.44** | **0.50** |
| **Waste intensity per rupee of turnover** (Total waste generated / Revenue from operations) | 0.0000000018 | 0.000000000011 |
| **Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total waste generated / Revenue from operations adjusted for PPP) | 0.000000040 | 0.00000000025 |
| Waste intensity in terms of physical output | NA | NA |
| **Waste intensity (optional)** – the relevant metric may be selected by the entity | NA | NA |
| **For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)** | | |
| **Category of waste** | | |
| i) Recycled | NA | NA |
| ii) Re-used | NA | NA |
| iii) Other recovery operations | NA | NA |
| **Total** | **NA** | **NA** |
| **For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)** | | |
| Category of waste | | |
| i) Incineration | Not Applicable | Not Applicable |
| ii) Landfilling | Not Applicable | Not Applicable |
| iii) Other disposal operations | 92.44 | 0.50 |
| **Total** | **92.44** | **0.50** |

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.:*

*No*

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

TTL does not manufacture anything and therefore does not use any hazardous or toxic chemicals in its processes. However, the company has adopted the below waste management practices to manage wastes:

- Waste Segregation: Clearly labelled bins are provided to facilitate proper waste disposal.
- Composting Initiative: Organic waste is locally converted into nutrient-rich compost.
- Sewage Treatment Plant: Blackwater is treated on-site through a sewage treatment plant (STP), and the treated wastewater is reused for non-potable purposes such as gardening, reducing freshwater demand.
- Water Conservation: Measures such as aerators are implemented to reduce liquid waste volume.
- Digitalization: Whenever possible, digital documents are preferred over paper, electronic communication is utilized, and documents are stored digitally to reduce paper waste and conserve resources.
- Repair, Refurbish, Repurpose: Electronic items and wooden furniture are repaired or refurbished instead of discarded, and paper materials are reused when feasible (e.g., reusing envelopes).
- Recycling: Waste materials, including IT equipment, electrical items, and bulbs, are disposed of through local recycling vendors.
- Spill Response Plans: Spill response plans are in place for stored diesel for DG sets, outlining procedures for containing and cleaning up spills to prevent environmental contamination.
- Reduction of Single-Use Plastics: Single-use plastic items are minimized, and reusable alternatives such as glass bottles and stainless-steel utensils are utilized to decrease plastic waste generation.
- Refillable Soap Dispensers: Refillable soap dispensers are used in TTL offices instead of single-use plastic bottles, reducing plastic packaging waste.
- Sanitary Waste Management: Separate bins specifically designed for sanitary waste disposal are provided in bathrooms, clearly labelled to guide users.
- Biomedical Waste Disposal: Specialized biomedical waste disposal services are engaged in medical facilities to manage biomedical waste in compliance with regulations.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not applicable.

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not applicable. No such impact assessments were conducted during the current financial year.

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, TTL is compliant with the applicable laws and regulations in India to the extent required by the Pollution Control Board.

## Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility/ plant located in areas of water stress, provide the following information:

i) **Name of the area:**

ii) **Nature of operations:**

iii) **Water withdrawal, consumption, and discharge in the following format:**

Not applicable as none of TTL's facilities are in areas of water stress.

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

| Parameter | Unit | FY 2024 | FY 2023 |
|---|---|---|---|
| Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | **NA** | NA |
| Total Scope 3 emissions per rupee of turnover | | **NA** | NA |
| Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity | | **NA** | NA |

*Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.:*

*No*

TTL is currently not tracking Scope 3 emissions and would start tracking its Scope 3 emissions in the coming years.

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

| Sr. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---|---|---|---|
| 1. | E Vehicles | TTL has purchased two EV vehicles during the financial year. | Reduction in 261 kgs of CO2 emissions compared to diesel cars |
| 2. | Transition to better fuel | LPG Cooking gas consumed in the cafeteria was replaced with PNG. | This is more recent initiative. However, immediate outcomes are<br>a) marginal decrease in carbon emissions as the emission factor is less with PNG;<br>b) with negligible chances of leakage, there is no risk of fire incidents in the campus. |

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, TTL does have a Business Continuity Plan (BCP) in place. The BCP outlines the scope of protection of personnel and assets during a disaster, continued business operations, prevention, and recovery from potential threats, maintaining health and safety of the staff, contractors and others. The BCP plan is an internal document which is not available in the public domain.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

   Not Applicable as an entity as no adverse impacts are seen.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   None.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

   1 (One)

   b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|---|---|---|
| 1 | NASSCOM | National |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority | Brief of the case | Corrective action taken |
|---|---|---|
| NA | NA | NA |

Leadership Indicators

1. Details of public policy positions advocated by the entity:

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in the public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, if available |
|---|---|---|---|---|---|
| 1. | Extending work from home for Special Economic Zone (SEZ) facilities in the IT sector was done with NASSCOM post COVID | Recommendations submitted to relevant government departments, trade associations on request | No | Annual | Not available |

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|---|---|---|---|---|---|
| This section is not applicable as there were no projects that required Social Impact Assessment (SIA) to be undertaken under the law. | | | | | |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S. No | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In ₹) |
|---|---|---|---|---|---|---|
| Not applicable | | | | | | |

3. Describe the mechanisms to receive and redress grievances of the community.

   As a TATA Group Company, TTL is governed by the TATA Code of Conduct (TCOC) which elaborates the various Human Rights violations and possible risks. For instance, regards to supply chain vendors, every Purchase Order and Memorandum of Understanding has incorporated the TCOC clause which needs to be adhered to. For partners under CSR, mechanisms such as reviews and site visits are used to share challenges (if any), directly with the concerned officials. For whistleblowers, there is a third-party vendor wherein grievances can be filed, confidentially. If the grievances are still not resolved, the communities have access to the Business Leads and the Senior Leadership. The below web-link can be accessed for all matters related to the company https://www.tatatechnologies.com/us/about-us/

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| Particulars | FY 2024 | FY 2023 |
|---|---|---|
| Directly sourced from MSMEs/ small producers | 64% | NA |
| Directly from within India | 64% | NA |

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

| Particulars | FY 2024 | FY 2023 |
|---|---|---|
| Rural | | |
| Semi-urban | | |
| Urban | 100% | 100% |
| Metropolitan | | |

*(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)*

*Note: Data specific to India*

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|---|---|
| Not applicable, as no social impact assessment has been undertaken. | |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| Sr. No. | State | Aspirational District | Amount spent (In ₹) |
|---|---|---|---|
| Not applicable as no CSR projects were undertaken in designated aspirational districts. | | | |

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/ No)**

   No, however preferential procurement guidelines are in place. These guidelines provide fair chance to compete and perform as follows:

   - **Access to opportunity and Selection -** Selection evaluation criteria provide them to fairly compete and perform in the business.
   - **Business terms and conditions -** Betterment and comply with all MSME payment term requirements.
   - **Performance evaluation-** Not categorized based on MSME but 50% is MSME so they fall in the random sampling.
   - **Business continuity-** BCP in place for MSME category related suppliers.

   b. **From which marginalized /vulnerable groups do you procure?**

   Currently, we do not procure from any marginalised/ vulnerable groups.

   c. **What percentage of total procurement (by value) does it constitute?**

   Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

   Not applicable.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not applicable.

6. **Details of beneficiaries of CSR Projects:**

| S. No | CSR Project | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|---|---|---|---|
| 1. | Ready Engineer | 7,866 | Not applicable |
| 2. | STEM Education and Enhancement | 29,842 | Not applicable |
| 3. | Empowerment via Education | 292 | 100% |

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential indicator**

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   TTL seeks delivery-based project feedbacks from its customers throughout the delivery process and also at the end of the project cycle. Similarly, Net Promoter Score survey is carried out to obtain pertinent feedback from the customers and respond. Each customer concern is handled with the highest level of attention across all levels. TTL teams acknowledge and thoroughly analyse incidents, devising action plans for resolution. The team collaborates with the customer to validate the action plan and provides regular updates on the progress made. Customer feedback is embraced constructively, and action plans are adjusted to ensure the utmost satisfaction of the customer.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

| | As a percentage to total turnover |
|---|---|
| Environmental and social parameters relevant to the product | Not applicable |
| Safe and responsible usage | Not applicable |
| Recycling and/or safe disposal | Not applicable |

3. **Number of consumer complaints in respect of the following:**

| | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy | **Nil** | **Nil** | **NA** | Nil | Nil | NA |
| Advertising | **NA** | **NA** | **NA** | NA | NA | NA |
| Cyber-security | **Nil** | **Nil** | **NA** | Nil | Nil | NA |
| Delivery of essential services | **NA** | **NA** | **NA** | NA | NA | NA |
| Restrictive Trade Practices | **NA** | **NA** | **NA** | NA | NA | NA |
| Unfair Trade Practices | **NA** | **NA** | **NA** | NA | NA | NA |

   NA = Not applicable

4. **Details of instances of product recalls on account of safety issues:**

   Not applicable.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes; the entity has a documented policy on data privacy in place, the weblink is as follows: https://www.tatatechnologies.com/in/privacy-policy/.

   TTL also has an Information Security Policy in place which provides detailed guidelines on the procurement of software, hardware, equipment usage and e-waste disposal among others. The policy however is not available in the public domain.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   There were no such actions taken by any regulatory authorities which required corrective actions to be taken against.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches**

   Nil

   b. **Percentage of data breaches involving personally identifiable information of customers**

   Nil

   c. **Impact, if any, of the data breaches**

   Not applicable.

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Information on services provided by the company can be accessed at https://www.tatatechnologies.com/in

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.**

   Not applicable owing to the nature of business.

3. **Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

   Refer to Principle 6, Question 7 of Leadership indicators in this report.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Not applicable as far as the display of product information is concerned. Yes, TTL does conduct Net Promoter Surveys to understand the satisfaction levels amongst its customers and to continually improve its services.





# Independent Auditor's Report

**To the Members of Tata Technologies Limited**

**Report on the Audit of the Consolidated Financial Statements**

## Opinion

We have audited the consolidated financial statements of Tata Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, 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 31 March 2024, and notes to the consolidated financial statements, including material 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 financial statements of such subsidiaries as was 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 as at 31 March 2024, of its consolidated profit and other comprehensive income, 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 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 Matter

Key audit matters are those matters that, in our professional judgment 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.

**Revenue recognition - Fixed price contracts where revenue is recognized using percentage of completion method**

See Note 21 to consolidated financial statements

| The key audit matter | How the matter was addressed in our audit |
|---|---|
| The Group enters into fixed-price contracts with its customers where the revenue from each contract is recognized based on percentage of completion. This involves computation of actual cost incurred and estimation of total cost on each contract to measure progress towards completion (the input method).<br><br>Accuracy and existence of revenue recognition in respect of fixed price contracts has been identified as key audit matter considering below:<br><br>• there is an inherent risk and presumed fraud risk around the accuracy and existence of revenues recognised considering the customised and complex nature of these contracts and significant inputs of IT systems, | We performed the following audit procedures to obtain sufficient audit evidence:<br><br>• Obtained an understanding of the systems and processes and evaluated the design and implementation and tested the operating effectiveness of key internal financial controls implemented by the Group with respect to:<br>– recognition of actual cost incurred on each contract (including allocation and apportionment),<br>– estimation of future cost to complete,<br>– estimation of provision for onerous contract,<br>– recognition of contract assets and contract liability,<br>– the total contract revenue on its completion. |

| Revenue recognition - Fixed price contracts where revenue is recognized using percentage of completion method | |
|---|---|
| See Note 21 to consolidated financial statements | |
| **The key audit matter** | **How the matter was addressed in our audit** |
| • these contracts involve identification of actual cost incurred on each contract including allocation and apportionment,<br>• these contracts require estimation of future cost-to-completion of each contract as well as critical estimates to make provision for onerous contract,<br>• application of the revenue recognition accounting standard is complex as there is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations,<br>• Contracts are subject to modification to account for changes in contract specification and requirements,<br>• At year-end, contract assets and contract liabilities (unearned revenue) related to each contract is to be identified,<br>(Refer note 2.1.(iv).(g), 2.4 and 21 to the consolidated financial statements) | • Involved our Information Technology specialists (STM) to assess the design and implementation and test the operating effectiveness of IT controls relating to revenue recognition and in particular the following:<br>– The IT environment in which the business systems operate including access controls, program change controls, program development controls and IT operation controls ;<br>– The application controls pertaining to time recording and budgeting systems which prevents unauthorised changes to recording of costs and revenue.<br>• For selected samples of fixed contracts using statistical method,<br>– Tested the contractual terms to assess the performance obligation and the basis for revenue recognition,<br>– Tested the approval for estimates of cost to completion by authorised personnel of the Group,<br>– Carried out a retrospective analysis of costs incurred with estimated costs to identify any significant variations,<br>– Tested if the variations have been considered in estimating the remaining costs to complete the contract,<br>– Tested the contract assets and contract liabilities on balance sheet with the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations;<br>• Tested adequacy of provision in respect of onerous contracts. |

## 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 report 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'/Board of Trustees 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 and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group 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/ Board of Trustees of the Employee Stock Option Trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/Employee Stock Option Trust 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/ Board of Trustees of the Employee Stock Option Trust included in the Group are responsible for assessing the ability of each company/Employee Stock Option Trust 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/Board of Trustees 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/ Board of Trustees of the Employee Stock Option Trust included in the Group are responsible for overseeing the financial reporting process of each company/Employee Stock Option Trust.

## 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 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 of such entities or business activities within the Group 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 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 of four subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 1,728.66 Cr as at 31 March 2024, total revenues (before consolidation adjustments) of ₹ 1,797.78 Cr and net cash inflows (before consolidation adjustments) amounting to ₹ 156.47 Cr for the year ended on that date, as considered in the consolidated financial statements. These financial statements 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, 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 is based solely on the reports of the other auditors.

   Certain of these 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 Holding Company's's management has converted the financial statement 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 Holding Company's'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 Holding Company's 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 of five subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 223.74 crore as at 31 March 2024, total revenues (before consolidation adjustments) of ₹ 148.02 crore and net cash in flows (before consolidation adjustments) amounting to ₹ 62.55 crore 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. These unaudited financial statements 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, 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, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements 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 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(11) 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 financial statements of such subsidiaries, 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   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. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f)] below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 31(a) to the consolidated financial statements.

   b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.

   c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024.

   d (i) The management of the Holding Company has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 (d)(vii) 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 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 Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 (d)(vii) to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company 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 final dividend paid by the Holding 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.

As stated in Note 41(c) to the consolidated financial statements, the Board of Directors of the Holding Company has 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.

f. Based on our examination which included test checks, the Holding company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that audit trail was not enabled at the database level to log any direct changes for the accounting software used for maintaining the books of account. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the remuneration paid/payable during the current year by the Holding company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding company 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 **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

**Swapnil Dakshindas**
Partner
Membership No.: 113896
ICAI UDIN: 24113896BKFIFX8536

Place: Mumbai
Date: 03 May 2024

## Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Tata Technologies Limited for the year ended 31 March 2024

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

(xxi) According to the information and explanations given to us and based on our examination, there are no companies included in the consolidated financial statements of the Holding Company which are companies incorporated in India except the Holding Company. The Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavourable answers or qualifications or adverse remarks.

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

**Swapnil Dakshindas**
Partner
Membership No.: 113896
ICAI UDIN: 24113896BKFIFX8536

Place: Mumbai
Date: 03 May 2024

## Annexure B to the Independent Auditor's Report on the consolidated financial statements of Tata Technologies Limited for the year ended 31 March 2024

**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)(g) 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 Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion, the Holding Company, has, 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 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company 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 Holding 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 Holding 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 Holding 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 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls 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

**Swapnil Dakshindas**
Partner
Membership No.: 113896
ICAI UDIN: 24113896BKFIFX8536

Place: Mumbai
Date: 03 May 2024

# Consolidated Balance Sheet

(Amount in ₹ Crore)

| | Note No | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **I. ASSETS** | | | |
| **(1) Non-current Assets** | | | |
| (a) Property, Plant and Equipment | 3 | 129.33 | 120.15 |
| (b) Capital work-in-progress | 3 | - | 2.65 |
| (c) Right-to-use-asset | 4 | 180.95 | 180.29 |
| (d) Goodwill | 5 | 782.58 | 762.92 |
| (e) Other Intangible assets | 6 | 57.68 | 31.96 |
| (f) Intangible assets under development | 6 | - | 0.10 |
| (g) Financial assets: | | | |
| (i) Other financial assets | 14 | 41.47 | 43.70 |
| (h) Deferred tax assets (net) | 9 | 253.28 | 152.08 |
| (i) Income tax assets (net) | 9 | 40.61 | 30.52 |
| (j) Other non-current assets | 10 | 119.42 | 79.65 |
| **Total Non-current Assets** | | **1,605.32** | **1,404.02** |
| **(2) Current Assets** | | | |
| (a) Financial assets: | | | |
| (i) Investments | 7 | 150.35 | 29.78 |
| (ii) Trade receivables | | | |
| (a) Billed | 11 | 967.11 | 951.75 |
| (b) Unbilled | 11 | 180.75 | 154.47 |
| (iii) Cash and cash equivalents | 12 | 519.85 | 382.82 |
| (iv) Other bank balances | 13 | 393.54 | 616.38 |
| (v) Loans | 8 | 250.94 | 490.22 |
| (vi) Other financial assets | 14 | 64.79 | 74.43 |
| (b) Current tax assets (net) | 9 | 28.18 | 32.62 |
| (c) Other current assets | 10 | 1,417.49 | 1,065.00 |
| **Total Current Assets** | | **3,973.00** | **3,797.47** |
| **Total Assets** | | **5,578.32** | **5,201.49** |
| **II. EQUITY AND LIABILITIES** | | | |
| **(1) Equity** | | | |
| (a) Equity Share capital | 15 | 81.13 | 81.13 |
| (b) Other Equity | 16 | 3,139.69 | 2,908.32 |
| **Total Equity** | | **3,220.82** | **2,989.45** |
| **Liabilities** | | | |
| **(2) Non-current Liabilities** | | | |
| (a) Financial Liabilities: | | | |
| (i) Lease Liabilities | | 205.01 | 214.76 |
| (ii) Other financial liabilities | 18 | 0.78 | 0.54 |
| (b) Provisions | 19 | 28.87 | 23.33 |
| **Total Non-current liabilities** | | **234.66** | **238.63** |
| **(3) Current Liabilities** | | | |
| (a) Financial Liabilities: | | | |
| (i) Lease Liabilities | | 52.38 | 40.60 |
| (ii) Trade payables | 17 | | |
| (a) total outstanding dues of micro enterprises and small enterprises | | 28.42 | 107.17 |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | | 452.96 | 550.64 |
| (iii) Other financial liabilities | 18 | 28.01 | 4.57 |
| (b) Other current liabilities | 20 | 1,414.44 | 1,174.88 |
| (c) Provisions | 19 | 29.27 | 33.91 |
| (d) Current tax liabilities (net) | 9 | 117.36 | 61.64 |
| **Total Current Liabilities** | | **2,122.84** | **1,973.41** |
| **Total Liabilities** | | **2,357.50** | **2,212.04** |
| **Total Equity and Liabilities** | | **5,578.32** | **5,201.49** |
| **See accompanying notes forming integral part of the Consolidated Financial Statements** | 1-42 | | |

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

**For and on behalf of the Board**

**Swapnil Dakshindas**
Partner
Membership No: 113896

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024

Mumbai: May 03, 2024





# Consolidated Statement of Profit and Loss

(Amount in ₹ Crore)

| | | Note No | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|---|
| I. | Revenue from operations | 21 | 5,117.20 | 4,414.18 |
| II. | Other income (net) | 22 | 115.55 | 87.74 |
| **III.** | **Total Revenue (I + II)** | | **5,232.75** | **4,501.92** |
| **IV.** | **Expenses:** | | | |
| | (a) Purchases of technology solutions | 23 | 895.33 | 682.48 |
| | (b) Outsourcing and consultancy charges | | 508.36 | 569.66 |
| | (c) Employee benefits expense | 24 | 2,363.72 | 1,929.46 |
| | (d) Finance costs | 25 | 18.91 | 17.98 |
| | (e) Depreciation and amortisation expense | 26 | 105.87 | 94.55 |
| | (f) Other expenses | 27 | 408.51 | 411.64 |
| | **Total Expenses (IV)** | | **4,300.70** | **3,705.77** |
| **V.** | **Profit before tax (III - IV)** | | **932.05** | **796.15** |
| **VI.** | **Tax Expense:** | | | |
| | (a) Current tax | 29 | 354.05 | 261.16 |
| | (b) Deferred Tax | 9 | (101.37) | (89.04) |
| | | | **252.68** | **172.12** |
| **VII.** | **Profit for the year (V -VI)** | | **679.37** | **624.03** |
| **VIII.** | **Other comprehensive income:** | | | |
| | **Items that will not be reclassified to profit or loss:** | | | |
| | (i) Remeasurement of post employment benefit obligations | | (4.49) | (14.98) |
| | (ii) Income tax relating to above item | 9 | (2.18) | 5.24 |
| | **Items that will be reclassified to profit or loss:** | | | |
| | (i) Exchange differences on translation of foreign operations | | 54.10 | 93.30 |
| **IX.** | **Other comprehensive income for the year** | | **47.43** | **83.56** |
| **X.** | **Total comprehensive income for the year (VII+IX)** | | **726.80** | **707.59** |
| **XI.** | **Earnings Per Equity Share(Face value of ₹ 2 each)** | 30 | | |
| | Ordinary shares: | | | |
| | (i) Basic (₹) | | 16.75 | 15.38 |
| | (ii) Diluted (₹) | | 16.72 | 15.37 |
| | **See accompanying notes forming integral part of the Consolidated Financial Statements** | 1-42 | | |

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

**For and on behalf of the Board**

**Swapnil Dakshindas**
Partner
Membership No: 113896

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024

Mumbai: May 03, 2024

# Consolidated Statement of Cash Flows

(Amount in ₹ Crore)

| | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **A.** | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | Profit for the year | 679.37 | 624.03 |
| | Depreciation and amortisation | 105.87 | 94.55 |
| | Share-based payments to employees | 3.54 | 1.73 |
| | Provision for income tax | 354.05 | 261.16 |
| | Provision for deferred tax | (101.37) | (89.04) |
| | (Profit) on sale of investments | (2.61) | (0.65) |
| | (Profit) on derecognition of lease liability/right to use assets | (0.45) | (0.69) |
| | (Profit) on sale of tangible and intangible fixed assets | (0.99) | (0.06) |
| | Interest income | (57.11) | (41.48) |
| | Finance cost | 18.91 | 17.98 |
| | Unrealised exchange loss / (gain) | - | 0.03 |
| | Effect of exchange differences on translation of foreign currency cash & cash equivalent | 1.27 | (1.90) |
| | Allowance for doubtful trade receivables and advances | 1.13 | (13.84) |
| | Change in fair value of investments | (3.81) | (0.02) |
| | Change in fair value of derivatives measured at FVTPL | (1.41) | 0.38 |
| | Loss on net investment in sublease | 4.45 | - |
| | Bad debts written off | 3.18 | 11.27 |
| | Operating profit before working capital changes | **1,004.02** | **863.45** |
| | **Working capital adjustments** | | |
| | Decrease/(Increase) in billed trade receivables current | 0.11 | (273.98) |
| | (Increase) in unbilled trade receivables current | (24.79) | (28.63) |
| | Decrease/(Increase) in other financial assets | 8.08 | (36.32) |
| | (Increase) in other current assets | (348.41) | (337.52) |
| | Decrease in non-current loans | - | 0.04 |
| | Decrease/(Increase) in current loans | 1.60 | (1.00) |
| | (Increase) in other non current assets | (39.77) | (38.27) |
| | (Decrease)/Increase in trade payables | (189.48) | 302.55 |
| | Increase in other financial liabilities non current | 0.24 | 0.19 |
| | Increase/(Decrease) in other financial liabilities current | 3.19 | (0.34) |
| | Increase in other current liabilities | 185.80 | 201.38 |
| | (Decrease)/Increase in current provisions | (4.73) | 3.06 |
| | Increase/(Decrease) in non-current provisions | 1.05 | (10.30) |
| | **CASH GENERATED FROM OPERATIONS** | **596.91** | **644.31** |
| | Income taxes paid (net) | (302.58) | (242.92) |
| | **NET CASH GENERATED FROM OPERATING ACTIVITIES** | **294.33** | **401.39** |
| **B.** | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Proceeds from sale of tangible and intangible property, plant and equipment | 1.05 | 0.44 |
| | Proceeds from sub lease receivable | 4.25 | 2.12 |
| | Interest received on bank deposit and others | 28.60 | 7.59 |
| | Deposits with banks | (1,219.72) | (622.32) |
| | Payment for purchase of tangible and intangible fixed assets | (91.81) | (65.66) |
| | Proceeds from redemption of the bank deposits | 1,525.45 | 108.62 |
| | Inter corporate deposits placed | (1,796.25) | (1,839.50) |
| | Inter corporate deposits refunded | 2,059.00 | 1,397.25 |
| | Inter corporate deposits placed with financial institution | (25.00) | - |
| | Interest received from inter corporate deposit | 22.23 | 25.46 |
| | Purchase of mutual funds | (481.73) | (98.25) |
| | Proceeds from sale of mutual funds | 367.57 | 596.82 |
| | **NET CASH GENERATED FROM/ (USED IN) INVESTING ACTIVITIES** | **393.64** | **(487.43)** |
| **C.** | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Payments for purchase of shares including premium | - | (295.90) |
| | Expenditure on Buyback of shares | - | (0.02) |
| | Interest paid | (0.07) | (0.06) |
| | Dividends paid | (498.97) | - |
| | Repayment of lease liabilities | (57.77) | (50.89) |
| | **NET CASH (USED IN) FINANCING ACTIVITIES** | **(556.81)** | **(346.87)** |





# Consolidated Statement of Cash Flows

(Amount in ₹ Crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS** | **131.16** | **(432.91)** |
| Cash & cash equivalents at the close of the year (Refer Note 12) | 519.85 | 382.82 |
| Cash & cash equivalents at the beginning of the year (Refer Note 12) | 382.82 | 768.26 |
| Less: Effect of exchange rate changes on cash and cash equivalents | 1.27 | (1.90) |
| Add: Translation adjustment on cash & bank balances of foreign subsidiaries | 7.14 | 45.57 |
| | **131.16** | **(432.91)** |

**Notes:**

(a) The above cash flows from operating activities has been prepared under the indirect method set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

(b) For the purpose of cash flow Cash and cash equivalents comprise:

**Cash and Cash Equivalents**

(Amount in ₹ Crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Cash on hand | - | 0.01 |
| Cheques, drafts on hand / funds in transit | 5.34 | 28.51 |
| Current account with banks | 328.84 | 319.70 |
| Bank deposits with less than 3 months maturity | 185.67 | 34.60 |
| | **519.85** | **382.82** |

(c) Change in liabilities arising from financing activities

(Amount in ₹ Crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Opening balance** | 255.36 | 261.44 |
| Additions | 42.46 | 26.67 |
| Interest accurred on lease liabilities | 14.18 | 14.09 |
| Principal payment of lease liabilities | (43.59) | (36.80) |
| Interest paid on lease liabilities | (14.18) | (14.09) |
| Deletions | (1.31) | (0.09) |
| Translation differences | 4.47 | 4.14 |
| **Closing balance** | **257.39** | **255.36** |

(d) Cash flow from operating activities for the year ended March 31, 2024 is after considering corporate social responsibility expenditure of ₹ 5.75 crore (March 31, 2022: ₹ 5.55 crore)

See accompanying notes forming integral part of the Consolidated Financial Statements 1-42

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

**Swapnil Dakshindas**
Partner
Membership No: 113896

Mumbai: May 03, 2024

**For and on behalf of the Board**

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024

# Consolidated Statement of Changes in equity

## Part A - Equity Share Capital

(Amount in ₹ Crore)

| Balance as at April 1, 2023 | Changes in equity share capital due to prior year errors | Restated balance as at April 1, 2023 | Changes in equity share capital during the year | Balance as at March 31, 2024 |
|---|---|---|---|---|
| 81.13 | - | 81.13 | - | 81.13 |

(Amount in ₹ Crore)

| Balance as at April 1, 2022 | Changes in equity share capital due to prior year errors | Restated balance as at April 1, 2022 | Changes in equity share capital during the year | Balance as at March 31, 2023 |
|---|---|---|---|---|
| 41.81 | - | 41.81 | 39.32 | 81.13 |

## Part B - Other Equity

(Amount in ₹ Crore)

| Particulars | Reserves and Surplus | | | | | | | | Items of Other comprehensive income | Total Other Equity |
|---|---|---|---|---|---|---|---|---|---|---|
| | Securities Premium Reserve | General reserve | Legal reserve | Surplus Reserve | Capital Redemption Reserve | Special Economic Zone Reinvestment Reserve | Share options outstanding account | Retained earnings | Exchange differences on translating the financial statements of a foreign operation | |
| **Balance as at April 1, 2022** | **23.22** | **85.15** | **1.05** | **1.59** | **1.25** | **-** | **-** | **1,916.66** | **209.42** | **2,238.34** |
| Profit for the year | - | - | - | - | - | - | - | 624.03 | - | 624.03 |
| Other comprehensive income for the year (net of tax) | - | - | - | - | - | - | - | (9.74) | 93.30 | 83.56 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **614.29** | **93.30** | **707.59** |
| Expenditure on buyback of equity shares (refer note 15) | (0.02) | - | - | - | - | - | - | - | - | (0.02) |
| Transfer to Capital Redemption Reserve | (1.24) | - | - | - | 1.24 | - | - | - | - | - |
| Buy-back of equity shares | 1.24 | - | - | - | - | - | - | - | - | 1.24 |
| Transfer to Special Economic Zone Reinvestment Reserve | - | - | - | - | - | 22.19 | - | (22.19) | - | - |
| Transfer from Special Economic Zone Reinvestment Reserve | - | - | - | - | - | (22.19) | - | 22.19 | - | - |
| Issue of bonus issue (refer note 15) | (13.13) | (26.18) | - | - | (1.25) | - | - | - | - | (40.56) |
| Employee stock compensation expense (refer note 24) | - | - | - | - | - | - | 1.73 | - | - | 1.73 |
| **Balance as at March 31, 2023** | **10.07** | **58.97** | **1.05** | **1.59** | **1.24** | **-** | **1.73** | **2,530.95** | **302.72** | **2,908.32** |





Consolidated Statement of Changes in equity

(Amount in ₹ Crore)

| Particulars | Reserves and Surplus | | | | | | | | Items of Other comprehensive income | Total Other Equity |
|---|---|---|---|---|---|---|---|---|---|---|
| | Securities Premium Reserve | General reserve | Legal reserve | Surplus Reserve | Capital Redemption Reserve | Special Economic Zone Reinvestment Reserve | Share options outstanding account | Retained earnings | Exchange differences on translating the financial statements of a foreign operation | |
| **Balance as at April 01, 2023** | **10.07** | **58.97** | **1.05** | **1.59** | **1.24** | **-** | **1.73** | **2,530.95** | **302.72** | **2,908.32** |
| Profit for the year | - | - | - | - | - | - | - | 679.37 | - | 679.37 |
| Other comprehensive income for the year (net of tax) | - | - | - | - | - | - | - | (6.67) | 54.10 | 47.43 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **672.70** | **54.10** | **726.80** |
| Dividend (₹ 12.30 per share) | - | - | - | - | - | - | - | (498.97) | - | (498.97) |
| Employee stock compensation expense (refer note 24) | - | - | - | - | - | - | 3.54 | - | - | 3.54 |
| **Balance as at March 31, 2024** | **10.07** | **58.97** | **1.05** | **1.59** | **1.24** | **-** | **5.27** | **2,704.68** | **356.82** | **3,139.69** |

(Loss) of (₹ 6.67 crore) as at March 31, 2024 ((₹ 9.74 crore) as at March 31, 2023) on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings

**See accompanying notes forming integral part of the Consolidated Financial Statements** **1-42**

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W -100022

**Swapnil Dakshindas**
Partner
Membership No: 113896

Mumbai: May 03, 2024

**For and on behalf of the Board**

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024

# Notes Forming Part of the Consolidated Financial Statement

## Company overview and Material Accounting Policies

### 1. Company overview

TATA Technologies Limited ("TTL or the Company") was incorporated on August 22, 1994 as a Private Limited Company in the name of Core Software Systems Private Limited. The name of the Company was subsequently changed to Tata Technologies (India) Limited. On February 8, 2001, the Company changed its name from Tata Technologies (India) Limited to Tata Technologies Limited. The Company is headquartered in Pune, India. The Company has six offices located at Mumbai, Lucknow, Jamshedpur, Bangalore, Gurugram and a branch office located in Japan that enables it to provide high quality, cost-effective services to clients.

TTL together with its subsidiaries is herein after referred to as the "Group".

Service offerings provided by the Group include providing outsourced engineering and designing services and digital transformation services to global manufacturing clients. We also complement our service offerings with technology solution offerings containing academia upskilling and reskilling solutions and value added reselling of software applications and solutions. The offshore capabilities of the Group in the field of engineering automation services combined with the high-end onshore strengths of subsidiaries are expected to offer a strong and seamless onshore/offshore delivery capability to the international customers in the automotive, aerospace and engineering industries.

During October 2005, the Company incorporated a wholly owned subsidiary in Thailand to cater the need of automotive companies in Thailand and South East Asian countries. Also, during October 2005 the Company acquired, through its subsidiary, 100% equity of INCAT International Plc., UK which had various subsidiaries in US, Europe, Japan and Singapore. A reorganization of various entities under INCAT was undertaken, to have a single representative legal entity in each country in which the Company operates, to improve operational efficiency. The Company has a global presence, through its subsidiaries and branches, in US, UK, Germany, Canada, Singapore, South Korea, Thailand, China, France, Japan and Sweden.

In December, 2005, the Company acquired 100% stake in Tata Technologies Pte Ltd. a Singapore based Company.

In October 2006, the Company sold its 100% equity stake in Tata Technologies (Thailand) Ltd. to its wholly owned subsidiary viz. Tata Technologies Pte Ltd., Singapore at a value determined by an independent valuer.

During May 2013 the Group acquired US based engineering services company – Cambric Holdings Inc. The Group has also set up a wholly owned subsidiary in China in March 2014.

In April 2017, the Group acquired 100% stake in Tata Technologies Nordics AB (formerly known as Escenda Engineering AB upto November 01, 2020), a Sweden based Company.

Tata Technologies Limited is a subsidiary of Tata Motors Limited (which is the holding company).

### 2. Summary of Material Accounting Policies

#### 2.1 Basis of Preparation

**(i) Statement of compliance**

The Consolidated Financial statements of the group comprise the Consolidated Balance Sheet as at 31 March 2024 and 31 March 2023; the related Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31 March 2024, 31 March 2023, the Consolidated Statement of Changes in Equity as at 31 March 2024 and 31 March 2023, and the Consolidated Statement of Cash Flows for the year ended 31 March 2024, 31 March 2023 and the Material Accounting Policies (together referred to as 'financial statements').

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

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies





Notes Forming Part of the Consolidated Financial Statement

(Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and other accounting principles generally accepted in India.

These financial statements were approved for issue in accordance with the resolution of the Board of Directors on May 03, 2024.

These financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

**(ii) Historical cost convention**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) which are measured at fair value or amortised cost;
- defined benefit plans;
- share- based payments and
- assets and liabilities arising in a business combination

**(iii) Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**(iv) Use of estimates**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

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

**Critical accounting estimates:**

**a) Useful lives of Property, plant and equipment**

The Group reviews the useful life of property, plant and equipment at the end of each reporting year. This reassessment may result in change in depreciation expense in future periods.

**b) Impairment of goodwill**

Goodwill is tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

**c) Business combination**

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and liability acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

**d) Income Taxes**

The major tax jurisdictions for the Group are India, United Kingdom and the United States of America. Significant judgments are involved

## Notes Forming Part of the Consolidated Financial Statement

in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

e) Deferred Taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the year in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward year are reduced.

f) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting year.

g) Revenue Recognition and contract assets (to the extent of projects where revenue is recognised on percentage completion method)

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

h) Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

i) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.





## Notes Forming Part of the Consolidated Financial Statement

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

2.2 Basis of consolidation

Subsidiaries (Also refer Note 38)

The financial statements comprise the Consolidated Financial Statements of the Company, its subsidiaries for the year ended 31 March 2024 and 31 March 2023.

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted 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.

Investment in Joint venture

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.

Equity method of accounting

An interest in a joint venture is accounted for using the equity method from the date in which the investee becomes a joint venture and is recognized initially at cost. The financial statements include the Company's share of profits or losses and equity movements of equity accounted investees, from the date joint control commences until the date joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments 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 an obligation or has made payments on behalf of the investee.

When the Company transacts with a joint venture of the Company, unrealized profits and losses are eliminated to the extent of the Company's interest in its joint venture.

Treasury Shares

When any entity within the Group (Tata Technologies Limited and its subsidiaries) purchases the Company's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from share premium.

2.3 Foreign currency transaction and translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The

# Notes Forming Part of the Consolidated Financial Statement

financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) **Transactions and balances**

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are re-instated into the functional currency at exchange rates at the balance sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(iii) **Foreign operations**

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the Balance Sheet
- Income and expense items are translated at the average exchange rates for the respective months (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- All resulting exchange differences are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity. When a foreign operation is disposed of, the relevant amount recognized in FCTR is transferred to the statement of income as part of the profit or loss on disposal.

### 2.4 Revenue recognition

The Group earns revenue primarily from providing Engineering, Research and Development (ER&D) services, Digital Enterprise Solutions (DES) services, solutions for education business and Product Lifecycle Management (PLM) services and products

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from time and material contracts is recognized and measured by units delivered and efforts expended.
- Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognized using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation.
- Revenue from the sale of internally developed software and third-party is recognized upfront at the point in time when the software is delivered to the customer. In cases where implementation and / or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognized over time on a POC method.
- Revenue from the sale of third party manufactured products / hardware is recognized at the point in time when control is transferred to the customer.
- The Group is also in business of solutions for education business and in business of supply of third-party software. In such cases, revenue for supply of such third-party products are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Invoices are usually payable based on the credit terms agreed with customers which vary up to 90 days.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues.

In accordance with Ind AS 37, the Group recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

**Use of significant judgements in revenue recognition**

- The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting year. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how





Notes Forming Part of the Consolidated Financial Statement

# Notes Forming Part of the Consolidated Financial Statement

customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- Contract fulfilment costs are generally expensed as incurred except where they meet the criteria for capitalization. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

### 2.5 Property, plant and equipment

**(i) Recognition and measurement:**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized 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.

The carrying amount of any component accounted for as a separate asset is derecognised when discarded / scrapped. All other repairs and maintenance costs are charged to profit and loss in the reporting period in which they occur.

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital work-in-progress.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

**(ii) Depreciation:**

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method considering the nature, estimated usage, operating conditions, past history of replacement and anticipated technological changes. Taking into account these factors, the Company has 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.

The estimated useful lives of assets are as follows:

| Type of Asset | Useful life |
|---|---|
| Lease hold improvements | Lower of Lease period or estimated useful life |
| Buildings | 15 to 25 years |
| Plant and machinery | 1 to 21 years |
| Computer equipment's | 1 to 4 years |
| Vehicles | 3 to 11 years |
| Furniture & fixtures | 1 to 21 years |
| Software | 1 to 4 years |

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end with the effect of any changes in the estimate accounted for on a prospective basis.





Notes Forming Part of the Consolidated Financial Statement

### 2.6 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Internally generated intangible asset arising from development activity is recognised at cost on demonstration of its technical feasibility, the intention and ability of the Company to complete, use or sell it, only if, it is probable that the asset would generate future economic benefit and the expenditure attributable to the said assets during its development can be measured reliably.

Software not exceeding ₹ 25,000 is charged off to the statement of profit and loss.

### 2.7 Business combination

The Company accounts for its business combinations under acquisition method of accounting under the provisions of IND AS 103, Business Combinations. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders (if any) is initially measured either at fair value or at the non-controlling interests' proportionate share 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 of subsidiaries.

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairmsent losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Business combinations between entities under common control is accounted for at carrying value.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

### 2.8 Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits and
- the availability of adequate resources to complete the development.

### 2.9 Financial instruments

**(a) Financial assets:**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either though other comprehensive income, or through profit and loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the

# Notes Forming Part of the Consolidated Financial Statement

financial assets and the contractual cash flow characteristics.

For investments in debt instruments, this will depend on business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(ii) **Initial recognition:**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However trade receivables that do not contain a significant financing component are measured at transaction price.

(iii) **Measurement:**

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

**Cash and cash equivalents:**

The Group's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks (half year or less from the date of acquisition). For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks (half year or less from the date of acquisition), net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

**Financial assets carried at amortised cost:**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income (FVOCI):**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

**Financial assets at fair value through profit or loss (FVTPL):**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

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

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.





Notes Forming Part of the Consolidated Financial Statement

The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(v) **Derecognition of financial assets:**

The Company derecognizes a financial asset when

- the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109.
- retains contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to extent of continuing involvement in the financial asset.

### 2.9 Financial liabilities

(i) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(ii) **Subsequent measurement**

The subsequent measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at amortised cost:**

Borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

(iii) **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iv) **Derivative financial instruments**

The Group is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Group limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Group enters into derivative financial instruments where the counterparty is primarily a bank.

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for

# Notes Forming Part of the Consolidated Financial Statement

hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

### 2.10 Impairment-Non Financial assets

**Intangible assets, property, plant and equipment and right to use assets**

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

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 recognized immediately in the income statement.

As at March 31, 2024, none of the Company's property, plant and equipment and intangible assets and right to use assets were considered impaired.

### 2.11 Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are determined at present value based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

### 2.12 Earnings per equity share:

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year adjusted for treasury shares held. Diluted earnings per share is computed





# Notes Forming Part of the Consolidated Financial Statement

using the weighted average number of shares during the year adjusted for treasury shares held and dilutive potential shares, except where the result would be anti-dilutive.

### 2.13 Taxation

Income tax comprises current and deferred taxes. Income tax expense is recognized in the income statement except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss, or where they arise from the initial accounting for business combination.

**(i) Current income tax:**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the year. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

**(ii) Deferred income tax:**

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

**(iii) Minimum Alternate Tax (MAT)**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Company will pay normal income tax in the future.

# Notes Forming Part of the Consolidated Financial Statement

2.14 Employee benefits:

(i) Post-employment benefit plans:

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as an expense during the year when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

The Company has the following employee benefit plans:

a. Provident fund

In accordance with Indian law, Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both, the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company has no further obligations under this scheme beyond its periodic contributions.

b. Superannuation

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

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

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the year in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the year of plan amendment.

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.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Company contribute up to 15% of the eligible employees' basic salary to the trust every year. Such contributions are recognized as an expense when incurred. The Company has no further obligation beyond this contribution.

c. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent





# Notes Forming Part of the Consolidated Financial Statement

to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts. The Company account for the liability for gratuity benefits payable in the future based on an estimated basis for the year end and on an independent actuarial valuation under Projected Unit Cost method as on the Balance Sheet date.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the year in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting year, regardless of when the actual settlement is expected to occur.

d. Bhavishya Kalyan Yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees of the Company. The benefits of the plan include pension in certain 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 basic salary drawn at the time of death or accident or a specified amount, whichever is greater. The Company account for the liability for BKY benefits payable in the future based on an estimated basis for the year end and on an independent actuarial valuation under Projected Unit Cost method as on the Balance Sheet date.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the year in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the year of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

# Notes Forming Part of the Consolidated Financial Statement

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting year, regardless of when the actual settlement is expected to occur.

The Parent Company has replaced its employee benefit scheme BKY with Group Term Life Insurance (GTL) policy with effect from November 2019. Accordingly, with effect from December 2019, the Company has continued to carry obligation under this scheme based on actuarial valuation for those beneficiaries having claims under this scheme before the date of discontinuation.

e. **Post-retirement medicare scheme**

Under this unfunded scheme, employees of the Company 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. The Company account for the liability for post-retirement medical scheme based on an estimated basis for the year end and on an independent actuarial valuation under Projected Unit Cost method at the year end.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the year in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the year of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting year, regardless of when the actual settlement is expected to occur.

During the year ended March 31, 2021, the Parent Company has curtailed its Post-retirement Medicare scheme, which is an unfunded defined benefit plan to exclude all employees who will retire after December 31, 2020. Accordingly, with effect from January 2021, the carrying value of liability has been recognised based on an independent actuarial valuation under Projected Unit Cost method for those beneficiaries having claims under this scheme before the date of discontinuation.

(ii) **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 number of days of unutilized leave at each balance sheet date based on an estimated basis for the year end and on an independent actuarial valuation under Projected Unit Cost method at the year end.





# Notes Forming Part of the Consolidated Financial Statement

### 2.15 Share based payments

Share-based compensation benefits are provided to the employees via the Share based long term incentive scheme 2022 ("SLTI 2022").

**Equity-settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**Cash-settled transactions**

The cost of cash-settled transactions is measured initially at fair value at the grant date. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense

### 2.16 Dividends

Dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors as per Ind AS 10.

### 2.17 Government Grants and Incentives

Government Grant and Incentives are recognised when there is a reasonable assurance that the Group will comply with the relevant conditions and the incentive will be received. Incentives are recorded at fair value where applicable. Incentives 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 incentives are intended to compensate or, immediately if the costs have already been incurred. Incentives 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 Group are recognised as income in the period in which the grant is received.

### 2.18 Leases

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. Group as a lessee The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component

# Notes Forming Part of the Consolidated Financial Statement

and the aggregate stand-alone price of the non-lease components.

**Group as a lessee**

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

**Group as a lessor**

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract







# Notes Forming Part of the Consolidated Financial Statement

**Sub lease**

At the inception of the sub lease contract, the Group classifies the sub lease as a finance lease or an operating lease based on criteria in Ind AS 116 Lease.

The sub lease which is classified as an operating lease, the lease liability and right to use of the head lease is not derecognised. The lease income which would be received from the sub lease over the lease term is recognised as other income in the Statement of Profit or Loss Account.

The sub lease which is classified as a finance lease, the lease liability of the head lease is not derecognised, instead the right to use asset of the head lease is derecognised and net investment in sub lease is recognised. The interest income received on the net investment in sub lease is recognised in Statement of Profit or Loss Account over the lease term.

### 2.19 Cost recognition

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

### 2.20 Exceptional items

The Group considers exceptional items to be those which derive from events or transactions which are significant for separate disclosure by virtue of their size or incidence in order for the user to obtain a proper understanding of the Group's financial performance. These items include, but are not limited to, acquisition costs, impairment charges, restructuring costs and profits and losses on disposal of subsidiaries, contingent consideration and other one off items which meet this definition. To provide a better understanding of the underlying results of the year, exceptional items are reported separately in the Statement of Profit and Loss.

### 2.21 Adoption of new accounting principles

Deferred tax related to assets and liabilities arising from a single transaction (amendments to Ind AS 12 –Income Taxes). The amendments clarified that lease transactions give rise to equal and offsetting temporary differences and financial statements should reflect the future tax impacts of these transactions through recognizing deferred tax. The Group has adopted this amendment effective 1 April 2023. The Group previously accounted for deferred tax on leases on a net basis. Following the amendments, the Group has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-to-use assets. The adoption did not have any impact on Group's consolidated financial statements as balances qualify for offset under paragraph 74 of Ind AS 12.

### 2.22 Recent Indian Accounting Standards (Ind AS) and Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

# Notes Forming Part of the Consolidated Financial Statement

## 3 Property, Plant and Equipment

(Amount in ₹ Crore)

| | Buildings | Plant & Machinery and Equipments | Computers | Furniture and fixtures | Vehicles | Leasehold Improvements | Total |
|---|---|---|---|---|---|---|---|
| **Gross carrying value as of April 1, 2022** | 17.79 | 42.19 | 193.50 | 34.03 | 3.62 | 29.02 | 320.15 |
| Additions | 0.07 | 4.42 | 37.70 | 1.37 | - | - | 43.56 |
| Currency translation differences | - | 0.43 | 2.47 | 0.98 | 0.18 | 0.84 | 4.90 |
| Disposals | (0.06) | (0.27) | (2.43) | (0.66) | (0.27) | - | (3.69) |
| **Gross carrying value as of March 31, 2023** | **17.80** | **46.77** | **231.24** | **35.72** | **3.53** | **29.86** | **364.92** |
| **Accumulated depreciation as of April 1, 2022** | **8.80** | **25.68** | **133.42** | **22.76** | **3.04** | **11.92** | **205.62** |
| Depreciation for the year | 1.25 | 3.06 | 28.97 | 2.51 | 0.33 | 2.36 | 38.48 |
| Currency translation differences | - | 0.27 | 2.45 | 0.71 | 0.16 | 0.39 | 3.98 |
| Accumulated depreciation on disposals | (0.05) | (0.20) | (2.18) | (0.61) | (0.27) | - | (3.31) |
| **Accumulated depreciation as of March 31, 2023** | **10.00** | **28.81** | **162.66** | **25.37** | **3.26** | **14.67** | **244.77** |
| **Net carrying value as of March 31, 2023** | **7.80** | **17.96** | **68.58** | **10.35** | **0.27** | **15.19** | **120.15** |
| **Gross carrying value as of April 1, 2023** | **17.80** | **46.77** | **231.24** | **35.72** | **3.53** | **29.86** | **364.92** |
| Additions | 0.38 | 1.59 | 47.42 | 3.77 | 0.32 | 0.56 | 54.04 |
| Currency translation differences | - | 0.65 | 1.48 | 0.46 | 0.04 | 0.49 | 3.12 |
| Disposals | - | (0.03) | (19.52) | (2.93) | (0.15) | (0.86) | (23.49) |
| **Gross carrying value as of March 31, 2024** | **18.18** | **48.98** | **260.62** | **37.02** | **3.74** | **30.05** | **398.59** |
| **Accumulated depreciation as of April 1, 2023** | **10.00** | **28.81** | **162.66** | **25.37** | **3.26** | **14.67** | **244.77** |
| Depreciation for the year | 1.32 | 3.48 | 36.31 | 2.47 | 0.07 | 2.03 | 45.68 |
| Currency translation differences | - | 0.36 | 1.23 | 0.45 | 0.04 | 0.17 | 2.25 |
| Accumulated depreciation on disposals | - | (0.02) | (19.48) | (2.93) | (0.15) | (0.86) | (23.44) |
| **Accumulated depreciation as of March 31, 2024** | **11.32** | **32.63** | **180.72** | **25.36** | **3.22** | **16.01** | **269.26** |
| **Net carrying value as of March 31, 2024** | **6.86** | **16.35** | **79.90** | **11.66** | **0.52** | **14.04** | **129.33** |

(i) Contractual obligations: The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 3.11 crore as at March 31, 2024 (₹ 13.55 crore as at March 31, 2023).

(ii) Ageing schedule of Capital Work in Progress (CWIP) as on March 31, 2024

(Amount in ₹ Crore)

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |





Notes Forming Part of the Consolidated Financial Statement

(iii) Ageing schedule of Capital Work in Progress (CWIP) as on March 31, 2023

(Amount in ₹ Crore)

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 2.65 | - | - | - | 2.65 |
| Projects temporarily suspended | - | - | - | - | - |

## 4 Right-to-use-asset

(Amount in ₹ Crore)

| | Commercial Premises | Land | Residential Premises | Plant, machinery and equipments | Vehicles | Total |
|---|---|---|---|---|---|---|
| **Gross carrying value as at April 1, 2022** | **253.92** | **3.30** | **1.41** | **0.18** | **16.71** | **275.52** |
| Additions | 16.74 | - | 0.27 | - | 9.66 | 26.67 |
| Currency translation differences | 5.85 | - | - | - | 0.27 | 6.12 |
| Disposals | - | - | - | - | (1.11) | (1.11) |
| Other adjustments | 0.17 | - | - | - | - | 0.17 |
| **Gross carrying value as of March 31, 2023** | **276.68** | **3.30** | **1.68** | **0.18** | **25.53** | **307.37** |
| **Accumulated depreciation as at April 1, 2022** | **76.40** | **0.12** | **1.34** | **0.18** | **9.63** | **87.67** |
| Depreciation for the year | 32.86 | 0.04 | 0.09 | - | 4.60 | 37.59 |
| Disposals | - | - | - | - | (1.08) | (1.08) |
| Currency translation differences | 2.58 | - | - | - | 0.32 | 2.90 |
| **Accumulated depreciation as of March 31, 2023** | **111.84** | **0.16** | **1.43** | **0.18** | **13.47** | **127.08** |
| **Net carrying value as of March 31, 2023** | **164.84** | **3.14** | **0.25** | **-** | **12.06** | **180.29** |
| **Gross carrying value as at April 1, 2023** | **276.68** | **3.30** | **1.68** | **0.18** | **25.53** | **307.37** |
| Additions | 26.33 | - | - | - | 16.13 | 42.46 |
| Currency translation differences | 3.34 | - | - | - | 0.68 | 4.02 |
| Disposals | (3.60) | - | - | - | (2.04) | (5.64) |
| Other adjustments | (0.37) | - | - | - | - | (0.37) |
| **Gross carrying value as of March 31, 2024** | **302.38** | **3.30** | **1.68** | **0.18** | **40.30** | **347.84** |
| **Accumulated depreciation as at April 1, 2023** | **111.84** | **0.16** | **1.43** | **0.18** | **13.47** | **127.08** |
| Depreciation for the year | 35.00 | 0.04 | 0.09 | - | 7.97 | 43.10 |
| Disposals | (2.98) | - | - | - | (1.88) | (4.86) |
| Currency translation differences | 1.16 | - | - | - | 0.41 | 1.57 |
| **Accumulated depreciation as of March 31, 2024** | **145.02** | **0.20** | **1.52** | **0.18** | **19.97** | **166.89** |
| **Net carrying value as of March 31, 2024** | **157.36** | **3.10** | **0.16** | **-** | **20.33** | **180.95** |

# Notes Forming Part of the Consolidated Financial Statement

## 5 Goodwill

### 5 (i) Goodwill Movement

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| As at the beginning of the year | 762.92 | 729.30 |
| Translation difference | 19.66 | 33.62 |
| **Balance as at the end of the year** | **782.58** | **762.92** |

### 5 (ii) Goodwill Impairment

Goodwill has been allocated to the service segment of the Group as Cash Generating Units ("CGUs").

The movement in goodwill during the year is on account of foreign exchange fluctuation.

Goodwill is tested for impairment annually. The recoverable amount of the cash generating unit was determined based on value in use. Value in use was determined based on future cash flows, which requires use of assumptions such as growth in the sales, gross margin and operating income margin.

The assumptions are build basis the group's past experience, the existing economic conditions and trends, estimated future growth rates and anticipated future economic conditions. None of the key assumptions are sensitive to any of the CGU's recoverable amount

The calculations use financial budgets approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated long-term growth rate of 5% as at March 31, 2024 (5% as at March 31, 2023). These growth rates are consistent with forecasts included in the industry reports. The discount rate considered is 16.216% as at March 31, 2024 (14.996% as at March 31, 2023).

An analysis of the sensitivity of the computation to a change in key assumptions (operating margin, discount rates and long-term average growth rate), based on any reasonable change, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

## 6 Other Intangible assets

**(Other than internally generated)**

(Amount in ₹ Crore)

| | Software Licenses | Customer Relationship | Total |
|---|---|---|---|
| **Gross carrying value as of April 1, 2022** | **149.69** | **24.84** | **174.53** |
| Additions | 14.59 | - | 14.59 |
| Currency translation differences | 2.15 | (0.58) | 1.57 |
| **Gross carrying value as of March 31, 2023** | **166.43** | **24.26** | **190.69** |
| **Accumulated amortisation as of April 1, 2022** | **126.47** | **11.84** | **138.31** |
| Amortisation for the year | 16.08 | 2.40 | 18.48 |
| Currency translation differences | 2.16 | (0.22) | 1.94 |
| **Accumulated amortisation as of March 31, 2023** | **144.71** | **14.02** | **158.73** |
| **Net carrying value as of March 31, 2023** | **21.72** | **10.24** | **31.96** |





# Notes Forming Part of the Consolidated Financial Statement

(Amount in ₹ Crore)

| | Software Licenses | Customer Relationship | Total |
|---|---|---|---|
| **Gross carrying value as of April 1, 2023** | **166.43** | **24.26** | **190.69** |
| Additions | 42.94 | - | 42.94 |
| Currency translation differences | 0.81 | (0.38) | 0.43 |
| Disposal | (0.01) | - | (0.01) |
| **Gross carrying value as of March 31, 2024** | **210.17** | **23.88** | **234.05** |
| **Accumulated amortisation as of April 1, 2023** | **144.71** | **14.02** | **158.73** |
| Amortisation for the year | 14.67 | 2.42 | 17.09 |
| Currency translation differences | 0.77 | (0.22) | 0.55 |
| Accumulated amortisation on disposals | - | - | - |
| **Accumulated amortisation as of March 31, 2024** | **160.15** | **16.22** | **176.37** |
| **Net carrying value as of March 31, 2024** | **50.02** | **7.66** | **57.68** |

(i) Details of Intangible assets under development are as under:

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Balance at the beginning of the year | 0.10 | - |
| Addition during the year | 0.08 | 0.26 |
| Capitalized during the year | (0.18) | (0.16) |
| **Balance at the end of the year** | **-** | **0.10** |

(ii) Contractual obligation: The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 3.22 crore as at March 31, 2024 (₹ 7.31 crore as at March 31, 2023).

(iii) Ageing schedule of Intangible assets under development as on March 31, 2024

(Amount in ₹ Crore)

| Particulars | Amount in intangible assets under development for a year of | | | |
|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| Projects in progress | - | - | - | - |
| Projects temporarily suspended | - | - | - | - |

(iv) Ageing schedule of Intangible assets under development as on March 31, 2023

(Amount in ₹ Crore)

| Particulars | Amount in intangible assets under development for a year of | | | |
|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| Projects in progress | 0.10 | - | - | - |
| Projects temporarily suspended | - | - | - | - |

# Notes Forming Part of the Consolidated Financial Statement

## 7 INVESTMENTS

(Amount in ₹ Crore)

| | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| CURRENT | | | | |
| **Quoted:** | | | | |
| i) **Investment carried at Fair value through Profit and Loss (FVTPL)** | | | | |
| SBI Premier Liquid Fund - DIRECT Growth | - | - | 8,525 | 3.00 |
| Kotak Liquid Fund Direct Plan Growth | - | - | 18,162 | 8.26 |
| UTI Liquid Cash Plan - Regular Plan-Growth | - | - | 4,114 | 1.52 |
| UTI Liquid Cash Plan - Direct Plan - Growth Option | 23,544 | 9.32 | 5,429 | 2.00 |
| Aditya Birla Sun Life Overnight Fund | - | - | 24,747 | 3.00 |
| Axis Overnight Fund Direct Growth | - | - | 67,489 | 8.00 |
| SBI Overnight Fund Direct Growth | - | - | 10,963 | 4.00 |
| Aditya Birla Sun Life Liquid Fund - Growth-Direct | 95,256 | 3.71 | - | - |
| ICICI Prudential Money Market Fund - Direct Plan - Growth | 12,05,462 | 42.10 | - | - |
| Tata Money Market Fund Direct Plan | 95,600 | 41.75 | - | - |
| HDFC Money Market Fund - Direct Plan - Growth | 81,956 | 43.44 | - | - |
| Nippon India Money Market Fund - Direct Plan - Growth | 2,65,33.09 | 10.03 | | |
| **Total Current Investments** | | **150.35** | | **29.78** |
| Aggregate book value of quoted investments | | 150.35 | | 29.78 |
| Aggregate market value of quoted investments | | 150.35 | | 29.78 |
| Aggregate book value of unquoted investments | | - | | - |
| Aggregate value of impairment | | - | | - |

## 8 Loans

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| CURRENT | | |
| **(Unsecured, considered good)** | | |
| (a) Loans to related parties (Refer Note 37(b)) | | |
| - Inter corporate deposits | 222.00 | 484.75 |
| (b) Inter corporate deposits palced with financial institution (Refer note 8 (i)) | 25.00 | - |
| (c) Loans and advances to employees | 4.40 | 5.94 |
| Less: Allowance for doubtful receivable | (0.46) | (0.47) |
| **Total** | **250.94** | **490.22** |

8 (i) Inter-corporate deposits yield fixed interest rate and are placed with financial institutions, who are authorized to accept and use such inter-corporate deposits as per regulations applicable to them.





Notes Forming Part of the Consolidated Financial Statement

**Disclosure of the loan granted which are repayable on demand**

(Amount in ₹ Crore)

| Type of borrowers | Amount of loan or advance in the nature of loan outstanding | Percentage to the total loans and advances in the nature of loans (including current and non-current) | Amount of loan or advance in the nature of loan outstanding | Percentage to the total loans and advances in the nature of loans (including current and non-current) |
|---|---|---|---|---|
| | March 31, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2023 |
| Promoter | 222.00 | 89.88% | 484.75 | 100.00% |
| Directors | - | - | - | - |
| Key Managerial Personnel ("KMP") | - | - | - | - |
| Related Parties | - | - | - | - |

The above intercompany deposits are in compliance with the companies act and have been given for business purpose. The rate of interest on the intercorporate deposits is 7.25% to 7.30% as on March 31, 2024 (5% to 7.05% as on March 31, 2023)

## 9 (i) Income tax assets/(liabilities)

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Non-current Income Tax Assets (Net) | 40.61 | 30.52 |
| Current Income Tax Assets (Net) | 28.18 | 32.62 |
| Income Tax Liabilities (Net) | 117.36 | 61.64 |
| **Net income tax (liability)/ assets** | **(48.57)** | **1.50** |

## 9 (ii) Movement in income tax assets/(liabilities)

The gross movement in income tax assets/(liabilities) for the year ended March 31, 2024 and March 31, 2023 is as follows:

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Net Current Income Tax Assets at beginning of the year | 1.50 | 19.42 |
| Income Tax Paid (Net) | 302.58 | 242.92 |
| Translation Differences | 1.40 | 0.32 |
| Current Income Tax Expense | (354.05) | (261.16) |
| Net income tax (liability)/ assets at the end of the year | **(48.57)** | **1.50** |

# Notes Forming Part of the Consolidated Financial Statement

## 9 (iii) Deferred Tax Assets (Net)

(Amount in ₹ Crore)

| Significant components and movements in deferred tax assets and liabilities for the year ended March 31, 2024: | As at April 1, 2023 | Recognised in statement of profit and loss | Recognised in/ reclassified from other comprehensive income | Currency Translation impact | As at March 31, 2024 |
|---|---|---|---|---|---|
| **Deferred tax assets:** | | | | | |
| Business loss carry forwards | 6.91 | 0.31 | - | (0.04) | 7.18 |
| Expenses deductible in future years | 84.82 | 114.87 | - | 1.93 | 201.62 |
| Provisions, allowances for doubtful receivables and others | 10.46 | (2.00) | - | 0.02 | 8.48 |
| Compensated absences and retirement benefits | 37.58 | 0.02 | - | 0.32 | 37.92 |
| Lease Liablity | 40.17 | (10.47) | - | - | 29.70 |
| Remeasurement of post employment benefit obligations | 11.28 | - | (2.18) | - | 9.10 |
| Others | 5.96 | 0.82 | - | 0.03 | 6.81 |
| **Total deferred tax assets** | **197.18** | **103.55** | **(2.18)** | **2.26** | **300.81** |
| **Deferred tax liabilities:** | | | - | | |
| Property, plant and equipment and Intangible assets | 1.01 | 3.27 | - | 0.03 | 4.31 |
| Amortisation of Customer intangibles | 3.54 | (0.50) | - | (0.08) | 2.96 |
| Gain/Loss on Change in Fair Value of Investments (MTM on Investments) | 0.01 | 0.96 | - | - | 0.97 |
| Right to use assets | 32.27 | (8.47) | - | (0.01) | 23.79 |
| Depreciation carry forwards | 0.10 | 0.88 | - | (0.03) | 0.95 |
| Derivative financial instruments | (0.13) | 0.40 | - | - | 0.27 |
| Others | 8.29 | 5.64 | - | 0.34 | 14.27 |
| **Total deferred tax liabilities** | **45.10** | **2.18** | **-** | **0.25** | **47.53** |
| **Net assets/(liabilities)** | **152.08** | **101.37** | **(2.18)** | **2.01** | **253.28** |

(Amount in ₹ Crore)

| Significant components and movements in deferred tax assets and liabilities for the year ended March 31, 2023: | As of April 1, 2022 | Recognised in statement of profit and loss | Recognised in/ reclassified from other comprehensive income | Currency Translation impact | As of March 31, 2023 |
|---|---|---|---|---|---|
| **Deferred tax assets:** | | | | | |
| Expenses deductible in future years | - | 85.05 | | (0.23) | 84.82 |
| Business loss carry forwards | 7.08 | - | - | (0.17) | 6.91 |
| Provisions, allowances for doubtful receivables and others | 13.20 | (2.93) | - | 0.19 | 10.46 |
| Compensated absences and retirement benefits | 25.54 | 11.48 | - | 0.56 | 37.58 |
| Derivative financial instruments | - | 0.13 | - | - | 0.13 |
| Lease Liablity | 30.69 | 8.84 | - | 0.64 | 40.17 |
| Remeasurement of post employment benefit obligations | 6.04 | - | 5.24 | - | 11.28 |
| Others | 6.33 | (0.62) | - | 0.25 | 5.96 |
| **Total deferred tax assets** | **88.88** | **101.95** | **5.24** | **1.24** | **197.31** |
| **Deferred tax liabilities:** | | | | | |
| Property, plant and equipment and Intangible assets | 0.97 | (0.12) | - | 0.16 | 1.01 |
| Amortisation of Customer intangibles | 4.16 | (0.49) | - | (0.13) | 3.54 |
| Right to use assets | 24.37 | 7.36 | - | 0.55 | 32.27 |
| Gain/Loss on Change in Fair Value of Investments (MTM on Investments) | 0.10 | (0.09) | - | - | 0.01 |
| Depreciation carry forwards | (2.16) | 2.14 | | 0.12 | 0.10 |
| Others | 4.00 | 4.12 | - | 0.18 | 8.29 |
| **Total deferred tax liabilities** | **31.44** | **12.91** | **-** | **0.88** | **45.23** |
| **Net assets/(liabilities)** | **57.44** | **89.04** | **5.24** | **0.36** | **152.08** |

**Note:**

In the Income Tax Act, 1961, the Government of India added a new section 115BAA (the "New Tax Regime") on September 20, 2019 through the Taxation Laws (Amendment) Act 2019. This section gave domestic companies the option to pay income taxes at the lower rate (25.17%, inclusive of surcharge and cess) subject to the rules/ conditions outlined in the said section. The company evaluated the underlying assumptions in lights of the business reality and made the decision to choose the new tax regime, which took effect from Financial year 2023-24. The effect of this change had been recognised in tax expense for the year ended March 31, 2024 on effective tax basis. This had resulted in an increase in deferred tax expense of ₹ 12.22 crore for the year ended March 31, 2024 on account of remeasurement of deferred tax assets.

## 10 Other Assets

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| NON-CURRENT | | |
| **(Unsecured, considered good)** | | |
| (a) Capital advances | 0.01 | - |
| (b) Prepaid expenses | 118.12 | 78.37 |
| (c) Deposits with government authorities | 1.29 | 1.28 |
| **Total** | **119.42** | **79.65** |
| CURRENT | | |
| **(Unsecured, considered good)** | | |
| **Advances other than capital advances:** | | |
| (a) Advances to suppliers and contractors | 85.64 | 90.44 |
| (b) Other advances | 0.34 | 0.35 |

# Notes Forming Part of the Consolidated Financial Statement

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Others:** | | |
| (a) Contract Assets | 1,059.23 | 718.20 |
| (b) Prepaid expenses | 92.22 | 88.34 |
| (c) Deposits with government authorities | 1.83 | 0.92 |
| (d) Balances with government authorities | 178.23 | 166.75 |
| | **1,417.49** | **1,065.00** |

## 11 TRADE RECEIVABLES

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| CURRENT | | |
| **(Unsecured unless otherwise stated)** | | |
| (a) Trade receivables considered good | 1,004.95 | 983.47 |
| Less: Allowance for doubtful trade receivables | 38.70 | 32.61 |
| | **966.25** | **950.86** |
| (b) Trade receivables which are credit impaired | 7.01 | 11.50 |
| Less: Allowance for doubtful trade receivables | 6.15 | 10.61 |
| | **0.86** | **0.89** |
| | **967.11** | **951.75** |

Above balance of Trade receivable include balances with related parties (Refer Note 37(b))

**Trade receivable ageing schedule as on March 31, 2024**

(Amount in ₹ Crore)

| Particulars | Outstanding for following years from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 year | 1 year - 2 year | 2 year - 3 year | More than 3 years | Total |
| Undisputed trade receivables- considered good | 634.37 | 308.84 | 23.51 | 1.31 | 20.47 | 16.45 | 1,004.95 |
| Undisputed trade receivables- which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed trade receivables- credit impaired | | | - | - | 3.84 | 3.17 | 7.01 |
| Disputed trade receivables- considered good | - | - | - | - | - | - | - |
| Disputed trade receivables- which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed trade receivables- credit impaired | - | - | - | - | - | - | - |
| Gross trade receivables | - | - | - | - | - | - | 1,011.96 |
| Less: Allowance for doubtful trade receivables | - | - | - | - | - | - | (44.85) |
| Trade receivables - billed | - | - | - | - | - | - | 967.11 |
| Unbilled trade receivables | 180.75 | - | - | - | - | - | 180.75 |
| Trade receivables - billed and unbilled | - | - | - | - | - | - | 1,147.86 |





# Notes Forming Part of the Consolidated Financial Statement

**Trade receivable ageing schedule as on March 31, 2023**

(Amount in ₹ Crore)

| Particulars | Outstanding for following years from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 year | 1 year - 2 year | 2 year - 3 year | More than 3 years | Total |
| Undisputed trade receivables- considered good | 575.95 | 280.87 | 89.74 | 19.07 | 0.21 | 17.63 | 983.47 |
| Undisputed trade receivables- which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed trade receivables- credit impaired | - | - | - | 4.44 | - | 7.06 | 11.50 |
| Disputed trade receivables- considered good | - | - | - | - | - | - | - |
| Disputed trade receivables- which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed trade receivables- credit impaired | - | - | - | - | - | - | - |
| Gross trade receivables | - | - | - | - | - | - | 994.97 |
| Less: Allowance for doubtful trade receivables | - | - | - | - | - | - | (43.22) |
| Trade receivables - billed | - | - | - | - | - | - | 951.75 |
| Unbilled trade receivables | 154.47 | - | - | - | - | - | 154.47 |
| Trade receivables - billed and unbilled | - | - | - | - | - | - | 1,106.22 |

## 12 CASH AND CASH EQUIVALENTS

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (a) Balances with banks: | | |
| - Current account with banks | 328.84 | 319.70 |
| - Deposits with maturity of less than three months | 185.67 | 34.60 |
| (b) Cheques, drafts on hand/funds in transit | 5.34 | 28.51 |
| (c) Cash on hand | - | 0.01 |
| | **519.85** | **382.82** |

Balances with banks in current account include ₹ 33.49 crore as on March 31, 2024 (₹ 34.79 crore as on March 31, 2023) pertaining to trusts held for specified purposes.

## 13 OTHER BANK BALANCES

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (a) Earmarked balance with banks (Refer note 13(i)) | 67.40 | 1.19 |
| (b) Bank deposits* | 326.14 | 615.19 |
| | **393.54** | **616.38** |

*Balances with banks in bank deposits include ₹ 2.20 crore as on March 31, 2024 (₹ Nil crore as on March 31, 2023) pertaining to trusts held for specified purposes.

# Notes Forming Part of the Consolidated Financial Statement

Notes:

(i) Earmarked balance pertain to:

- Unclaimed dividend
- Amounts withheld from IPO proceeds, which would be paid to the selling shareholders. (Also refer note 18 and 37(b))
- Funds received in Escrow Account from one of our customer

## 14 OTHER FINANCIAL ASSETS

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| NON-CURRENT | | |
| **(Unsecured unless otherwise stated)** | | |
| (a) Deposits pledged/lien with banks | 0.06 | 0.06 |
| (b) Security deposits | 16.69 | 12.61 |
| (c) Net investment in sub lease | 24.72 | 31.03 |
| | **41.47** | **43.70** |
| CURRENT | | |
| **(Unsecured unless otherwise stated)** | | |
| (a) Interest accrued on deposits and investments | 4.87 | 5.65 |
| (b) Bills of Exchange | 6.73 | 1.79 |
| (c) Derivative carried at fair value through Profit & Loss | 1.04 | - |
| (d) Receivable from related parties for reimbursement of expenses (Refer Note 37(b)) | 1.52 | 1.42 |
| (e) Research and Development Expenditure Credit receivable | 41.80 | 30.19 |
| (f) Security deposits | 3.33 | 0.24 |
| (g) Net investment in sub lease | 3.29 | 3.48 |
| (h) Others (Refer Note (i)) | 2.21 | 31.66 |
| | **64.79** | **74.43** |

Note:

(i) Previous year balance is inclusive of expenses incurred in relation to IPO that were recoverable by the Company from the selling shareholders and same have been recovered (Also refer note 41(b) and 37(b)).

The movement in the net investment in sublease asset during the year ended March 31, 2024 and March 31, 2023 is as follows:

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Opening balance** | **34.51** | **34.56** |
| Additions | - | - |
| Interest income accrued during the year | 1.12 | 1.59 |
| Lease receipts | (4.25) | (2.12) |
| Loss on net investment in sublease | (4.45) | - |
| Translation difference | 1.08 | 0.48 |
| **Closing balance** | **28.01** | **34.51** |





# Notes Forming Part of the Consolidated Financial Statement

The table below provides details regarding the contractual maturities of Net investment in sub lease, including estimated interest receipts as at March 31, 2024 and March 31, 2023:

**Net investment in sub lease - Maturity Analysis as on March 31, 2024**

(Amount in ₹ Crore)

| Particulars | Due in 1st Year | Due in 2nd Year | Due in 3rd to 5th Year | Due after 5th Year | Total |
|---|---|---|---|---|---|
| (a) Net Investment in sub lease | 4.28 | 4.28 | 11.10 | 12.85 | 32.50 |

**Net investment in sub lease - Maturity Analysis as on March 31, 2023**

(Amount in ₹ Crore)

| Particulars | Due in 1st Year | Due in 2nd Year | Due in 3rd to 5th Year | Due after 5th Year | Total |
|---|---|---|---|---|---|
| (a) Net Investment in sub lease | 4.70 | 4.70 | 11.48 | 19.47 | 40.35 |

**Reconciliation between maturity analysis and the carrying value**

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| As per maturity analysis | 32.50 | 40.35 |
| (Less) Unearned interest income | (4.49) | (5.84) |
| **Carrying value** | **28.01** | **34.51** |

## 15 EQUITY SHARE CAPITAL

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **(a) Authorised:** | | |
| (i) 1,75,00,00,000 equity shares of ₹ 2/- each (as at March 31, 2023: 1,75,00,00,000 equity shares of ₹ 2/- each) | 350.00 | 350.00 |
| (ii) 7,00,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each (as at March 31, 2023: 7,00,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each) | 0.70 | 0.70 |
| **Total** | **350.70** | **350.70** |
| **(b) Issued, Subscribed and Fully paid up capital:** | | |
| 40,56,68,530 equity shares of ₹ 2/- each (40,56,68,530 equity shares of ₹ 2/- each as at March 31, 2023) | 81.13 | 81.13 |
| **Issued and subscribed share capital** | **81.13** | **81.13** |

**Note on Buy-back of Shares**

The Board of Directors of the Company, at its meeting held on February 11, 2022 had approved a proposal to buyback upto 12,40,122 equity shares of the Company for an aggregate amount not exceeding ₹ 245.79 crore representing 2.97% of the total paid up equity share capital at ₹ 1,982 per equity share, which was approved by the shareholders by means of a special resolution through a postal ballot dated March 18, 2022.

# Notes Forming Part of the Consolidated Financial Statement

A Letter of Offer was sent to all eligible shareholders holding shares as on the record date i.e. March 21, 2022. The offer period i.e. the period for tendering the equity shares for buyback was March 26, 2022 to April 09, 2022. The verification of the applications was completed by the Registrar to the Buyback on April 11, 2022 and payments made to equity shareholders during April 13, 2022 to April 26, 2022. The unaccepted equity shares were returned to eligible equity shareholders on April 13, 2022. Pursuant to the Letter of Offer, the Company had recorded a payable of ₹ 295.90 crore (including provision for tax on buy-back of ₹ 50.11 crore) as at March 31, 2022 as Other financial and current liability.

Capital redemption reserve was created to the extent of nominal value of share capital extinguished of ₹ 1.24 crore in the year ended March 31, 2023.

The Company paid an amount of ₹ 79.48 crore to Tata Capital Growth fund I, Associate of Group company, on April 13, 2022 and ₹ 158.96 crore to Alpha TC Holdings Pte. Ltd., towards the consideration for buy-back of its equity shares on April 25, 2022.

**Note on share split and bonus of Shares**

The Company has increased the authorised share capital from existing 6,00,00,000 equity shares to 1,75,00,00,000 equity shares of ₹ 2 each, which was approved by the shareholders by means of a special resolution through a postal ballot dated January 14, 2023.

The Board of Directors of the Company, at its meeting held on December 12, 2022 had approved the sub division of the existing authorised share capital of the company from 6,00,00,000 equity shares of ₹ 10 each into 30,00,00,000 equity shares of ₹ 2 each, which was approved by the shareholders by means of a special resolution through a postal ballot dated January 14, 2023. The record date for the share split is January 16, 2023. The company had alloted 16,22,67,412 weighted average number of equity shares of ₹ 2 each effective January 16, 2023

Post sub division of the existing authorised share capital of the company, the Board of Directors at its meeting held on December 12, 2022 had approved the bonus issue of one new equity share for every one share held on record date, which was approved by the shareholders by means of an ordinary resolution through a postal ballot dated January 14, 2023. The record date for the bonus issue is January 16, 2023. The sum of ₹ 40.56 crore by capitalisation of profits transferred from security premium amounting to ₹ 13.13 crore and capital redemption reserve amounting to ₹ 1.25 crore and general reserve amounting to ₹ 26.18 crore. The company had allotted 20,28,34,265 weighted average number of equity shares of ₹ 2 each by way of bonus issue to its shareholders in ratio of 1:1 effective January 16, 2023.

The company had allotted bonus shares of 15,15,03,000 equity shares to Tata Motors Limited (Promoter and Parent company), 40,59,960 equity shares to Tata Motors Finance Limited (Fellow Subsidiary), 73,61,250 equity shares to Tata Capital Growth fund I (Associate of Group company) and 1,47,22,505 equity shares to Alpha TC Holdings Pte Ltd. (Associate of Group company)

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

(Amount in ₹ Crore)

| Particulars | No of shares | Amount in ₹ Crore |
|---|---|---|
| Equity shares | | |
| Number of shares as at April 1, 2022 | 4,18,06,975 | 41.81 |
| Less:Shares extinguished on buy-back | (12,40,122) | (1.24) |
| **Number of shares before split and bonus** | **4,05,66,853** | **40.57** |





# Notes Forming Part of the Consolidated Financial Statement

(Amount in ₹ Crore)

| Particulars | No of shares | Amount in ₹ Crore |
|---|---|---|
| Number of shares after split * | 20,28,34,265 | 40.57 |
| Add: Shares issued on account of bonus | 20,28,34,265 | 40.56 |
| **Number of shares as at March 31, 2023** | **40,56,68,530** | **81.13** |
| Number of shares as at April 1, 2023 | 40,56,68,530 | 81.13 |
| **Number of shares as at March 31, 2024** | **40,56,68,530** | **81.13** |

* Number of shares have been sub divided into 5 shares of ₹ 2 each during the year ended March 31, 2023.

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

(i) Ordinary Shares

The Company has only one class of shares having par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share and in the event of liquidation, has rights proportionate to their shareholdings over the residual assets after paying out all the liabilities.

**(e) Shares in the Company held by each shareholder holding more than 5% shares (including shares held by the Holding Company, it's subsidiaries and associates)**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| **Equity Shares** | | | | |
| (a) Tata Motors Limited (Parent Company) | 21,65,69,816 | 53.39% | 30,30,06,000 | 74.69% |
| (b) Alpha TC Holdings Pte Ltd. | 1,97,28,157 | 4.86% | 2,94,45,010 | 7.26% |
| (c) TPG Rise Climate Sf Pte. Ltd. | 3,65,09,794 | 9.00% | - | - |
| | 27,28,07,767 | 67.25% | 33,24,51,010 | 81.95% |

**(f) Shares in the Company held by promoter**

**Disclosure of shareholding of promoters as on March 31, 2024 is as follows:**

| Name of promoter | As at March 31, 2024 | | As at March 31, 2023 | | % change during the year |
|---|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding | |
| (a) Tata Motors Limited | 21,65,69,816 | 53.39% | 30,30,06,000 | 74.69% | -21.31% |

**(g) 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) Equity shares issued as bonus shares

20,28,34,265 equity shares of ₹ 2 each as fully paid bonus shares by capitalisation of profits transferred from security premium amounting to ₹ 13.13 crore and capital redemption reserve amounting to ₹ 1.25 crore and general reserve amounting to ₹ 26.18 crore, pursuant to an ordinary resolution passed after taking the consent of shareholders through postal ballot.

(c) Equity shares extinguished on buy-back

2,96,164 equity shares of ₹ 10 each were extinguished on buy-back by the company pursuant to a Letter of Offer made to all eligible shareholders of the company at ₹ 748 per equity share. The equity shares bought back were extinguished on March 6, 2020.

# Notes Forming Part of the Consolidated Financial Statement

12,40,122 equity shares of ₹ 10 each were extinguished on buy-back by the company pursuant to a Letter of Offer made to all eligible shareholders of the company at ₹ 1,982 per equity share. The equity shares bought back were extinguished on April 20, 2022.

(h) Shares reserved for issue under options:

Information relating to the Group's share based payment plans, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the year, is set out in note 34.

## 16 (a) Other Equity:

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Securities Premium | 10.07 | 10.07 |
| Capital Redemption Reserve | 1.24 | 1.24 |
| General reserve | 58.97 | 58.97 |
| Legal reserve | 1.05 | 1.05 |
| Surplus Reserve | 1.59 | 1.59 |
| Retained earnings | 2,704.68 | 2,530.95 |
| Special Economic Zone Reinvestment Reserve | - | - |
| Share options outstanding account | 5.27 | 1.73 |
| Items of other comprehensive income | 356.82 | 302.72 |
| | **3,139.69** | **2,908.32** |

## 16 (b) Movement in other equity

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Securities premium** | | |
| Balance as at the beginning of the year | 10.07 | 23.22 |
| Less: Expenditure incurred on buy back of equity shares | - | (0.02) |
| Add: Buy-back of equity shares (adjusted with paid up equity share capital) | - | 1.24 |
| Less: Issue of bonus shares | - | (13.13) |
| Less: Transfer to Capital Redemption Reserve | - | (1.24) |
| **Balance as at the end of the year** | **10.07** | **10.07** |
| **Capital redemption reserve** | | |
| Balance at the beginning of the year | 1.24 | 1.25 |
| Add: Transferred from Securities Premium Reserve | - | 1.24 |
| Less: Issue of bonus shares | - | (1.25) |
| **Balance as at the end of the year** | **1.24** | **1.24** |
| **General reserve** | | |
| Balance as at the beginning of the year | 58.97 | 85.15 |
| Less: Issue of bonus shares | - | (26.18) |
| **Balance as at the end of the year** | **58.97** | **58.97** |
| **Legal reserve** | | |
| Balance as at the beginning of the year | 1.05 | 1.05 |
| Add: Transferred from Retained earnings | - | - |
| **Balance as at the end of the year** | **1.05** | **1.05** |





# Notes Forming Part of the Consolidated Financial Statement

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Surplus reserve** | | |
| Balance as at the beginning of the year | 1.59 | 1.59 |
| Add: Transferred from Retained earnings | - | - |
| **Balance as at the end of the year** | **1.59** | **1.59** |
| **Special Economic Zone Reinvestment Reserve** | | |
| Balance as at the beginning of the year | - | - |
| Add: Transferred from Retained earnings | - | 22.19 |
| Less: Transferred to Retained earnings | - | (22.19) |
| **Balance as at the end of the year** | **-** | **-** |
| **Retained earnings** | | |
| Balance as at the beginning of the year | 2,530.95 | 1,916.66 |
| Add: Profit for the year | 679.37 | 624.03 |
| Less: Remeasurement of post employment benefits obligations (net of tax effect) | (6.67) | (9.74) |
| Less: Dividends | (498.97) | |
| Less: Transferred to Special Economic Zone Reinvestment Reserve | - | (22.19) |
| Add: Transferred from Special Economic Zone Reinvestment Reserve | - | 22.19 |
| **Balance as at the end of the year** | **2,704.68** | **2,530.95** |
| **Share options oustanding account** | | |
| Balance as at the beginning of the year | 1.73 | - |
| Add: Employee stock compensation expense (refer note 24) | 3.54 | 1.73 |
| **Balance as at the end of the year** | **5.27** | **1.73** |
| **Other Components of Equity:** | | |
| Balance as at the beginning of the year | 302.72 | 209.42 |
| Add: Exchange differences on translation of foreign operations | 54.10 | 93.30 |
| **Balance as at the end of the year** | **356.82** | **302.72** |

Notes:

(i) Securities premium account

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(ii) Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The Company has transferred the amount to Capital redemption reserve from Securities Premium.

(iii) General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

# Notes Forming Part of the Consolidated Financial Statement

(iv) **Legal reserve**

The Company has created this reserve based on the local requirements of the Romanian Law. Since the Company has reached maximum amount that can be transferred as required by the Law, there are no further transfers from FY 2020-21.

(v) **Surplus reserve**

The Company has created this reserve based on the local requirements of the Chinese Law. The Company has transferred 50% of the paid up capital from profit for the year as required by the Law, there are no further transfers from FY 2020-21.

(vi) **Special Economic Zone Reinvestment Reserve**

The Special Economic Zone (SEZ) re-investment reserve is created out of the profit of eligible SEZ unit in terms of the provisions of section 10AA(1)(ii) of the Income-tax Act, 1961. The reserve will be utilised by the Company for acquiring new assets for the purpose of its business as per the terms of section 10AA(2) of Income-tax Act, 1961.

(vii) **Retained earnings**

Retained earnings comprises of the Company's undistributed earnings after taxes.

(viii) **Share options oustanding account**

The Share options outstanding account is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to the general reserve on account of stock options not exercised by employees.

## 17 Trade Payables

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| CURRENT | | |
| **Trade payables** | | |
| (a) Total outstanding dues of micro enterprises and small enterprises* | 28.42 | 107.17 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 452.96 | 550.64 |
| **Total** | **481.38** | **657.81** |

*Note:

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.





# Notes Forming Part of the Consolidated Financial Statement

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (a) Principal amount and the interest due and remaining unpaid | 28.42 | 107.17 |
| (b) Principal amount paid after appointed date during the year | 0.25 | 0.42 |
| (c) Interest remaining due and payable for earlier years | 0.09 | 0.09 |
| (d) Amount of interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year | - | - |
| (e) Amount of interest accrued and unpaid | 0.09 | 0.09 |

### Trade payable ageing schedule as on March 31, 2024

(Amount in ₹ Crore)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | Less than 1 year | 1 year - 2 year | 2 year- 3 year | More than 3 years | Total |
| Micro and small enterprises | 28.41 | - | 0.01 | - | - | 28.42 |
| Other than micro and small enterprises | 120.23 | 35.50 | 1.94 | 2.56 | 1.26 | 161.49 |
| Disputed dues micro and small enterprises | - | - | - | - | - | - |
| Disputed dues other than micro and small enterprises | - | - | - | - | - | - |
| | **148.64** | **35.50** | **1.95** | **2.56** | **1.26** | **189.91** |
| Accurred expenses | | | | | | 291.47 |
| **Total** | | | | | | **481.38** |

### Trade payable ageing schedule as on March 31, 2023

(Amount in ₹ Crore)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | Less than 1 year | 1 year - 2 year | 2 year- 3 year | More than 3 years | Total |
| Micro and small enterprises | 107.12 | 0.05 | - | - | - | 107.17 |
| Other than micro and small enterprises | 271.76 | 6.59 | 2.61 | 0.64 | 2.18 | 283.78 |
| Disputed dues micro and small enterprises | - | - | - | - | - | - |
| Disputed dues other than micro and small enterprises | - | - | - | - | - | - |
| | **378.88** | **6.64** | **2.61** | **0.64** | **2.18** | **390.95** |
| Accurred expenses | | | | | | 266.86 |
| **Total** | | | | | | **657.81** |

# Notes Forming Part of the Consolidated Financial Statement

## 18 OTHER FINANCIAL LIABILITIES

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| NON-CURRENT | | |
| (a) Dues payable to employees | 0.78 | 0.54 |
| **Total** | **0.78** | **0.54** |
| CURRENT | | |
| (a) Unpaid dividends | 1.42 | 1.19 |
| (b) Dues payable to employees | 2.19 | 0.03 |
| (c) Capital creditors | 5.39 | 2.97 |
| (d) Fair value of foreign exchange derivative liabilities | - | 0.38 |
| (e) Payable to selling shareholders (Also refer Note 37(b) and 41(b)) | 19.01 | - |
| **Total** | **28.01** | **4.57** |

## 19 PROVISIONS

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| NON CURRENT | | |
| (a) Provision for Employee Benefits | 28.87 | 23.33 |
| **Total** | **28.87** | **23.33** |
| CURRENT | | |
| (a) Provision for Employee Benefits | 29.27 | 33.91 |
| **Total** | **29.27** | **33.91** |

## 20 OTHER LIABILITIES

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| CURRENT | | |
| (a) Unearned Revenue | 147.81 | 187.41 |
| (b) Statutory remittances (withholding taxes, Provident Fund, GST etc.) | 102.00 | 74.40 |
| (c) Advance and progress payments | 1,164.63 | 913.07 |
| **Total** | **1,414.44** | **1,174.88** |

# Notes Forming Part of the Consolidated Financial Statement

## 21 REVENUE FROM OPERATIONS

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Sale of services | 3,986.64 | 3,535.22 |
| (b) Sale of technology solutions (Refer note (i) below) | 1,126.57 | 877.37 |
| (c) Other operating revenues | 3.99 | 1.59 |
| | **5,117.20** | **4,414.18** |

**Note:**

(i) Technology Solutions includes group's revenue from academia upskilling and reskilling solutions and value added reselling of software applications and solutions.(Refer Note 32)

## 21 (i) Revenue disaggregation by Vertical Buisness Units is as follows:

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Service Segment | 3,982.61 | 3,531.16 |
| (b) Technology Solutions Segment (Refer note (i) below) | 1,134.59 | 883.02 |
| | **5,117.20** | **4,414.18** |

**Note:**

(i) Technology solution segment includes revenue from services pertaining to product business amounting to ₹ 4.03 crore for the year ended March 31, 2024 (March 31, 2023: ₹ 4.06 crore).

## 21 (ii) Revenue disaggregation by geography is as follows:

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) India | 1,841.46 | 1,313.83 |
| (b) UK | 1,237.73 | 868.74 |
| (c) North America | 1,042.11 | 946.54 |
| (d) Rest of Europe | 255.02 | 138.88 |
| (e) Rest of the world | | |
| - Vietnam | 560.07 | 958.29 |
| - Others | 180.81 | 187.90 |
| | **5,117.20** | **4,414.18** |

Geographical information is based on the location of the specific customer site, irrespective of the location of the headquarters of the customer or the location of the Delivery Centre where the work is performed.

# Notes Forming Part of the Consolidated Financial Statement

## 21 (iii) Changes in Contract Assets are as follows:

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Balance at the beginning of the year | 718.20 | 501.88 |
| Revenue recognised during the year | 2,259.87 | 1,956.14 |
| Invoices raised during the year | (1,918.84) | (1,739.82) |
| **Balance at the end of the year** | **1,059.23** | **718.20** |

## 21 (iv) Changes in unearned, deffered revenue and advances from customers are as follows:

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Balance at the beginning of the year | 1,100.48 | 904.92 |
| Revenue recognised that was included in the unearned and deferred revenue balance and Advance from customers at the beginning of the year | (511.16) | (491.08) |
| Increase due to invoicing during the year, excluding amounts recognised as revenue during the year and increase in advances received during the year | 723.12 | 686.64 |
| **Balance at the end of the year** | **1,312.44** | **1,100.48** |

## 21 (v) Reconciliation of revenue recognised with the contracted price is as follows:

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Contracted price | 5,119.43 | 4,417.60 |
| Reduction towards variable consideration components | (2.23) | (3.42) |
| **Revenue from operations** | **5,117.20** | **4,414.18** |

21 (vi) The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 952.40 crore as on March 31, 2024 (March 31, 2023: ₹ 1,420.43 crore) and is expected to be recognised as revenue in the next year.

## 22 OTHER INCOME (NET)

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **(a) Interest Income** | | |
| Interest income earned on financial assets that are not designated as at fair value through profit and loss | | |
| (i) Interest income-others | 55.99 | 39.89 |
| (ii) Interest income on net investment in sub lease | 1.12 | 1.59 |
| **(b) Other gains and losses** | | |
| (i) Change in fair value of investments measured at FVTPL (net) | 3.81 | 0.02 |
| (ii) Change in fair value of derivatives measured at FVTPL (net) | 1.41 | (0.38) |





# Notes Forming Part of the Consolidated Financial Statement

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **(c) Other non-operating income** | | |
| (i) Research and Development Expenditure Credit | 42.17 | 32.72 |
| (ii) Foreign currency gain/ (loss) (Net) | (0.02) | 5.94 |
| (iii) Other non-operating income | 6.69 | 5.52 |
| (iv) Profit/(loss) on sale of investments measured at FVTPL (net) | 2.61 | 0.65 |
| (v) Lease income | 1.77 | 1.79 |
| | **115.55** | **87.74** |

**Note:**

(i) **Maturity analysis of undiscounted lease payments to be received under opearting lease**

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Due in 1st Year | 1.80 | 1.74 |
| Due in 2nd Year | - | - |
| Due in 3rd to 5th Year | - | - |
| Due after 5th Year | - | - |
| | **1.80** | **1.74** |

## 23 PURCHASE OF TECHNOLOGY SOLUTIONS

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Purchase of technology solutions | 895.33 | 682.48 |
| | **895.33** | **682.48** |

**Note:**

(i) Technology solutions include purchase of information technology equipment, software and other products for academia upskilling and reskilling solutions and purchase of third party software licenses for value added reselling of software applications and solutions (Refer note 32)

## 24 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Salaries and wages | 2,190.92 | 1,785.96 |
| (b) Contribution to Provident and other funds | 128.46 | 107.64 |
| (c) Share-based payments to employees (Refer Note 34) | 3.54 | 1.73 |
| (d) Staff welfare Expenses | 40.80 | 34.13 |
| | **2,363.72** | **1,929.46** |

# Notes Forming Part of the Consolidated Financial Statement

## 25 FINANCE COSTS

(Amount in ₹ Crore)

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| (a) | Interest | 4.73 | 3.89 |
| (b) | Interest on lease liabilities | 14.18 | 14.09 |
| | | **18.91** | **17.98** |

## 26 DEPRECIATION AND AMORTISATION EXPENSE

(Amount in ₹ Crore)

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| (a) | Depreciation on Property, Plant and Equipment | 45.68 | 38.48 |
| (b) | Depreciation on Right to use asset | 43.10 | 37.59 |
| (c) | Amortisation of Other Intangible assets | 17.09 | 18.48 |
| | | **105.87** | **94.55** |

## 27 OTHER EXPENSES

(Amount in ₹ Crore)

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| (a) | Rent (refer note 28 (c)) | 6.71 | 7.70 |
| (b) | Repairs & maintenance | 17.59 | 15.79 |
| (c) | Office expenses | 45.56 | 40.29 |
| (d) | Travelling & conveyance | 83.81 | 77.27 |
| (e) | Power, fuel and water charges | 11.89 | 11.17 |
| (f) | Auditors remuneration | | |
| | Remunerations paid to the auditors of holding Company (refer note 28 (a)) | 1.61 | 1.67 |
| | Remunerations paid to other auditors | 1.80 | 1.81 |
| (g) | Staff recruitment, training and seminar expenses | 19.01 | 27.14 |
| (h) | Software and AMC charges | 157.74 | 160.29 |
| (i) | Professional fees | 18.22 | 36.42 |
| (j) | Communication expenses | 18.11 | 15.33 |
| (k) | Bad Debts written off | 3.18 | 11.27 |
| (l) | Allowance for doubtful trade receivables | 1.14 | (13.84) |
| (m) | Allowance for doubtful advances | (0.01) | - |
| (n) | Loss on net investment in sublease | 4.45 | - |
| (o) | Corporate social responsibility expenses (refer note 28 (b)) | 5.75 | 5.55 |
| (p) | Miscellaneous expenses | 11.95 | 13.78 |
| | | **408.51** | **411.64** |





# Notes Forming Part of the Consolidated Financial Statement

## 28 (a) Payment to auditors of holding Company

(Amount in ₹ Crore)

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **For Holding Company** | | | |
| i) | For statutory audit, including quarterly audits | 0.53 | 0.53 |
| ii) | For Tax audit | 0.07 | 0.07 |
| iii) | For other attest services | 0.05 | 0.13 |
| iv) | Reimbursement of out-of-pocket expenses | 0.05 | 0.02 |
| **Sub-Total** | | **0.70** | **0.75** |
| **For Subsidiaries audit for the purpose of consolidation** | | | |
| i) | For services as auditors, including quarterly audits | 0.90 | 0.91 |
| ii) | Reimbursement of out-of-pocket expenses | 0.01 | 0.01 |
| **Sub-Total** | | **0.91** | **0.92** |
| **Total** | | **1.61** | **1.67** |

The above audit fees excludes ₹ 0.62 crore (March 31, 2023 - ₹ 1.69 crore) towards fees paid/payable to be made to the auditors on account of intial public offering of equity shares as these expenses would be recovered from selling shareholders.

## 28 (b) Corporate social responsibility expenditure

(Amount in ₹ Crore)

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| 1 | Amount required to be spent by company during the year | 5.75 | 5.50 |
| 2 | Amount approved by the board/committee | 5.75 | 5.50 |
| 3 | Amount spent during the year on | | |
| | (a) Construction/ acquisition of any asset | - | - |
| | (b) On purposes other than (a) above | 5.75 | 5.55 |
| 4 | Shortfall at the end of the year | - | - |
| 5 | Total previous year shortfall | - | - |
| 6 | Reasons of shortfall | Not Applicable | Not Applicable |
| 7 | Nature of CSR activities | STEM (Science Technology Engineering Mathematics) Education and Enhancement program, Skills and Employability enchancement program and Education via Empowerment | STEM (Science Technology Engineering Mathematics) Education program, Employability enchancement program and Women empowerment program |
| **Total** | | **5.75** | **5.55** |

# Notes Forming Part of the Consolidated Financial Statement

**Movement in provision for corporate social responsibility expenditure**

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening balance of the provision | - | 1.00 |
| (Add) Addition during the year | - | - |
| (Less) Utilised during the year | - | (1.00) |
| Closing balance of the provision | - | - |

The Company has not entered into related party transaction for corporate social expenditure for the year ended March 31, 2024 and March 31, 2023

## 28 (c) Rent

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Expense related to short term leases | 6.22 | 5.24 |
| (b) Expense related to low value asset, excluding short term lease of low value assets | 0.49 | 2.46 |
| | **6.71** | **7.70** |

## 29 Income tax expense

This note provides an analysis of the Group's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non- assessable and non-deductible items. It also explains significant estimates made in relation to Group's tax positions

(Amount in ₹ Crore)

(i)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Income tax expense** | | |
| Current tax on profits for the period | 354.05 | 261.16 |
| **Total current tax expense** | **354.05** | **261.16** |
| **Deferred tax** | | |
| Decrease / (increase) in deferred tax assets | (103.55) | (101.95) |
| (Decrease) / increase in deferred tax liabilities | 2.18 | 12.91 |
| **Total deferred tax (benefit)** | **(101.37)** | **(89.04)** |
| **Income tax expense** | **252.68** | **172.12** |





# Notes Forming Part of the Consolidated Financial Statement

### (ii) Reconciliation of tax expense and the accounting profit:

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Profit before taxes | 932.05 | 796.15 |
| **Income tax expense at tax rates applicable to individual entities** | 230.31 | 205.73 |
| Income taxed at higher/(lower) rates | - | (31.37) |
| Effect of change in tax rate (Refer note below) | 12.22 | - |
| Effect of non deductible expenses | 5.71 | 6.24 |
| Others | 4.44 | (8.48) |
| **Total tax expense** | **252.68** | **172.12** |

Note:

In the Income Tax Act, 1961, the Government of India added a new section 115BAA (the "New Tax Regime") on September 20, 2019 through the Taxation Laws (Amendment) Act 2019. This section gave domestic companies the option to pay income taxes at the lower rate (25.17%, inclusive of surcharge and cess) subject to the rules/conditions outlined in the said section. The company evaluated the underlying assumptions in lights of the business reality and made the decision to choose the new tax regime, which took effect from Financial year 2023-24. The effect of this change had been recognised in tax expense for the year ended March 31, 2024 on effective tax basis. This had resulted in an increase in deferred tax expense of ₹ 12.22 crore for the year ended March 31, 2024 on account of remeasurement of deferred tax assets.

### (iii) Amounts recognised in OCI

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Income tax relating to items that will not be reclassified to profit and loss | (2.18) | 5.24 |
| **Total** | **(2.18)** | **5.24** |

### (iv) Tax losses

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Unused capital losses on which no deferred tax asset has been recognised | - | 1.26 |
| Potential tax benefit @23.296% (@ 23.296% for March 31, 2023) | - | 0.29 |

Capital losses pertain to A.Y. 2015 - 2016 ₹ Nil crore (A.Y. 2015 - 2016 ₹ 1.26 crore for March 31, 2023). Deferred tax asset was not recognised on unused capital losses since there was lack of reasonable certainity of taxable capital profits to utilize this deferred tax asset. The losses can be carried forward for a period of 8 years as per local tax regulations.

(v) **Changes in tax rate –** The applicable Indian statutory tax rate for the financial year 2023-24 is 25.17% and financial year 2022-23 is 34.94%.

# Notes Forming Part of the Consolidated Financial Statement

## 30 Earnings per Share

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **Earnings Per Share** | | | |
| (a) Profit attributable to equity shareholders | ₹ Crore | 679.37 | 624.03 |
| (b) The weighted average number of Ordinary equity shares outstanding during the year | Nos. | 40,56,68,530 | 40,57,36,482 |
| (c) The nominal value per Ordinary Share | ₹ | 2.00 | 2.00 |
| (d) Earnings Per Share (Basic) | ₹ | 16.75 | 15.38 |
| (e) Profit attributable to equity shareholders | ₹ Crore | 679.37 | 624.03 |
| (f) The weighted average number of Ordinary equity shares outstanding during the year | Nos. | 40,56,68,530 | 40,57,36,482 |
| (g) Add: Adjustment for Employee Stock Options | Nos. | 6,14,532 | 1,59,148 |
| (h) The weighted average number of Ordinary outstanding for diluted EPS | Nos. | 40,62,83,062 | 40,58,95,630 |
| (i) Earnings Per Shares (Diluted) | ₹ | 16.72 | 15.37 |

## 31 (a) Contingent Liabilities

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Bonus related to retrospective period (Refer note (i)) | 7.82 | 7.82 |
| (b) Income Tax demands disputed in appeals (Refer note (ii)) | 3.46 | 3.46 |
| (c) Service Tax demands disputed in appeals (Refer note (iii)) | 18.43 | 17.65 |

**Notes:**

(i) Statutory bonus at the revised rates pertaining to year retrospective to the notification dated on 01.01.2016 (i.e. from 01.04.2014 to 31.12.2015) was not provided pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts. During November 2016, considering the industry practices, the management after internal deliberations decided to and has paid the incremental bonus covering the fiscal year of the said notification i.e. from 01.04.2015 to 31.12.2015 aggregating to ₹. 5.55 crore, which has been presented as exceptional item in the financials for the year ended 31.03.2017. The incremental bonus for the FY 2014-15 is continued as contingent liability pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts.

(ii) The Company has ongoing disputes with Income Tax Authorities relating to tax treatment of certain items. These mainly include disallowed expenses for Corporate tax, the tax treatment of certain expenses claimed by the Company as deductions and the computation of certain allowances.





# Notes Forming Part of the Consolidated Financial Statement

(iii) Service Tax Department had raised demand amounting to ₹ 5.11 crore (for the period April 08 to September 08 - ₹ 1.57 crore and for the period October 08 to September 09 - ₹ 3.54 crore) for delay in filing the prescribed declaration for availing cenvat credit. Aggrieved by the order, company had preferred an appeal with CESTAT. The appeal was decided in favour of the company during January 2016. Subsequently service tax department filed an appeal with High Court in 2017. The case being question of law, the High Court admitted the appeal in December 2018. Considering the merit of the case, confirmation of demand is likely to be remote, hence contingent liability has been disclosed to the tune of ₹ 18.43 crore (March 31, 2023: ₹ 17.65 crore) consisting of demand of ₹ 5.11 crore and interest and penalty of ₹ 13.32 crore (March 31, 2023: ₹ 12.54 crore).

(iv) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on the receipt of the judgements/ decisions pending with various forums/authorities.

(v) The Company does not expect any reimbursements in respect of the above contingent liabilities.

**31 (b)** 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. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable and consequently no financial effect has been provided for in the financial statements. The Company has taken effect on a prospective basis, from the date of the SC order.

## 32 Segment Reporting

IndAS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers.

The chief operating decision maker ("CODM") reviews the performance of the Group on the basis of its Vertical business units. Accordingly, the Group's reportable segments are its vertical business units of "Services" and "Technology Solutions. The Group's chief operating decision maker are the Board of Directors of the company.

The service segment include providing outsourced engineering and designing services and digital transformation services to global manufacturing clients and technology solution segment contains academia upskilling and reskilling solutions and value added reselling of software applications and solutions.

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments and are not used by the CODM to allocate resources or review performance of the operating segments. The cost incurred during the period to acquire Segment fixed assets, Depreciation/Amortisation and non-cash expenses are not attributable to any reportable segment.

# Notes Forming Part of the Consolidated Financial Statement

**Vertical Business Units Segments**

Year ended March 31, 2024 & March 31, 2023

(Amount in ₹ Crore)

| | Particulars | Service Segment | Technology Solutions Segment | Total |
|---|---|---|---|---|
| (a) | **Segment Revenue** | | | |
| | Total Segment Revenue | **3,982.61** | **1,134.59** | **5,117.20** |
| | | (3,531.16) | (883.02) | (4,414.18) |
| | Inter Segment Revenue | **-** | **-** | **-** |
| | | - | - | - |
| | Revenue from External Customers | **3,982.61** | **1,134.59** | **5,117.20** |
| | | (3,531.16) | (883.02) | (4,414.18) |
| (b) | **Segment Results** | **1,255.68** | **198.30** | **1,453.98** |
| | | (1,085.21) | (175.67) | (1,260.88) |
| | Unallocated Corporate Expenses (Net) | | | **(618.57)** |
| | | | | (534.49) |
| | Interest/Other Income | | | **115.55** |
| | | | | 87.74 |
| | Finance Cost | | | **(18.91)** |
| | | | | (17.98) |
| | Profit before Tax | | | **932.05** |
| | | | | (796.15) |
| | Income Tax | | | **(354.05)** |
| | | | | (261.16) |
| | Deferred Tax | | | **101.37** |
| | | | | 89.04 |
| | **Profit/(Loss) after Tax** | | | **679.37** |
| | | | | (624.03) |

Revenue of ₹ 2,080.65 crore (March 31, 2023: ₹ 2,141.28 crore) are derived from three major customers. These revenue are attributed to the Service and Technology solutions



# Notes Forming Part of the Consolidated Financial Statement

## 33 Employee benefit plans

### 33.1 Defined contribution plans

The Company's contribution to defined contribution plan for the year ended March 31, 2024 and March 31, 2023 has been recognised in the statement of Profit and Loss as follows.

(Amount in ₹ Crore)

| Particulars | March 31, 2024 | March 31, 2023 |
|---|---|---|
| Contribution to provident fund | 42.62 | 33.03 |
| Contribution to superannuation fund | 7.09 | 6.39 |
| | **49.71** | **39.42** |

### 33.2 Defined benefit plans

The principal assumptions used for the purposes of the actuarial valuations were as follows.

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | Valuation as at | | Valuation as at | |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Discount rate(s) | 7.00% | 7.20% | 7.00% | 7.20% |
| Expected rate(s) of salary increase | 8%-9% | 7%-10% | N.A. | N.A. |
| Withdrawal rate: | | | | |
| Age | | | | |
| 20 - 34 years | 15% | 17% | N.A. | N.A. |
| 35 - 40 years | 9% | 9% | N.A. | N.A. |
| 41 - 50 years | 5% | 6% | N.A. | N.A. |
| 51 - 60 years | 5% | 5% | N.A. | N.A. |

**Amounts recognised in standalone statement of profit and loss in respect of these defined benefit plans are as follows.**

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| **Service cost:** | | | | |
| Current service cost | 13.25 | 9.57 | - | - |
| Net interest expense | 0.85 | 0.70 | 0.14 | 0.15 |
| Components of defined benefit costs recognised in profit or loss | 14.10 | 10.27 | 0.14 | 0.15 |
| **Remeasurement on the net defined benefit liability:** | | | | |
| Return on plan assets (excluding amounts included in net interest expense) | (1.72) | 2.03 | - | - |

# Notes Forming Part of the Consolidated Financial Statement

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| Actuarial (gains) / losses arising from changes in demographic assumptions. | 1.06 | (0.20) | - | - |
| Actuarial (gains) / losses arising from changes in financial assumptions | 5.30 | 0.61 | 0.02 | (0.01) |
| Actuarial (gains) / losses arising from experience adjustments | 0.14 | 13.00 | (0.14) | (0.05) |
| Components of defined benefit costs recognised in other comprehensive income | **4.78** | **15.44** | **(0.12)** | **(0.06)** |
| **Total** | **18.88** | **25.71** | **0.02** | **0.09** |

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the standalone balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | As at March 31, 2024 Amount in ₹ Crore | As at March 31, 2023 Amount in ₹ Crore | As at March 31, 2024 Amount in ₹ Crore | As at March 31, 2023 Amount in ₹ Crore |
| Present value of funded defined benefit obligation | (115.73) | (95.32) | (1.83) | (2.03) |
| Fair value of plan assets | 97.73 | 70.91 | - | - |
| **Funded status** | **(18.00)** | **(24.41)** | **(1.83)** | **(2.03)** |
| **Net liability arising from defined benefit obligation** | **(18.00)** | **(24.41)** | **(1.83)** | **(2.03)** |





# Notes Forming Part of the Consolidated Financial Statement

Movements in the present value of the defined benefit obligation are as follows.

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| Opening defined benefit obligation | 95.32 | 76.12 | 2.03 | 2.16 |
| Current service cost | 13.25 | 9.57 | 0.14 | 0.15 |
| Interest cost | 6.65 | 5.09 | - | - |
| Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions | 1.06 | (0.20) | - | - |
| Actuarial gains and losses arising from changes in financial assumptions | 5.30 | 0.61 | 0.02 | (0.01) |
| Actuarial gains and losses arising from experience adjustments | 0.14 | 13.00 | (0.14) | (0.05) |
| Trasnfer in/(out) (Net) | 0.94 | - | - | - |
| Benefits paid | (6.93) | (8.87) | (0.22) | (0.22) |
| Curtailment | | | - | - |
| **Closing defined benefit obligation** | **115.73** | **95.32** | **1.83** | **2.03** |

Movements in the fair value of the plan assets are as follows.

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| Opening fair value of plan assets | 70.91 | 55.10 | - | - |
| Interest income | 5.80 | 4.39 | - | - |
| Remeasurement gain (loss): Return on plan assets (excluding amounts included in net interest expense) | 1.72 | (2.03) | - | - |
| Contributions from the employer | 25.29 | 22.32 | 0.22 | 0.22 |
| Benefits paid | (6.93) | (8.87) | (0.22) | (0.22) |
| Trasnfer in/(out) (Net) | 0.94 | - | - | - |
| **Closing fair value of plan assets** | **97.73** | **70.91** | **-** | **-** |

The major categories of plan assets as percentage of total plan assets:

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| Debt securities | 100.00% | 100.00% | N/A | N/A |

Not Applicable (N/A)

# Notes Forming Part of the Consolidated Financial Statement

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:

(Amount in ₹ Crore)

| Assumption | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | Discount Rate | Salary Escalation Rate | Discount Rate | Salary Escalation Rate |
| **Change in Assumption** | | | | |
| Increase by 1% | 8.00% | Defined above | 8.00% | Defined above |
| Decrease by 1% | 6.00% | Defined above | 6.00% | Defined above |
| **Impact on defined benefit obligation** | | | | |
| Increase by 1% | (10.88) | 9.91 | (0.11) | N.A. |
| Decrease by 1% | 10.70 | (10.38) | 0.12 | N.A. |
| **Impact on service cost and interest cost** | | | | |
| Increase by 1% | (4.32) | 4.88 | 0.01 | N.A. |
| Decrease by 1% | 4.78 | (4.30) | (0.01) | N.A. |

Maturity profile of defined benefit obligation:

(Amount in ₹ Crore)

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Within 1 Year | 7.74 | 7.36 | 0.21 | 0.27 |
| 1-2 years | 9.28 | 7.73 | 0.21 | 0.22 |
| 2-3 years | 9.12 | 9.53 | 0.21 | 0.22 |
| 3-4 years | 12.05 | 9.42 | 0.21 | 0.22 |
| 4-5 years | 14.80 | 12.48 | 0.21 | 0.22 |
| 5-10 years | 98.69 | 81.93 | 0.75 | 0.87 |

### 33.2 Defined benefit plans

The principal assumptions used for the purposes of the actuarial valuations were as follows.

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Valuation as at | | Valuation as at | |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Discount rate(s) | 7.00% | 7.10% | 7.00% | 7.30% |
| Medical inflation rate | - | - | 7.00% | 6.00% |
| Withdrawal rate: | | | | |
| Age | | | | |
| 20 - 34 years | 15% | 17% | N.A. | N.A. |
| 35 - 40 years | 9% | 9% | N.A. | N.A. |
| 41 - 50 years | 5% | 6% | N.A. | N.A. |
| 51 - 60 years | 5% | 5% | N.A. | N.A. |





# Notes Forming Part of the Consolidated Financial Statement

Amounts recognised in standalone statement of profit and loss in respect of these defined benefit plans are as follows.

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| **Service cost:** | | | | |
| Current service cost | 0.04 | 0.05 | - | - |
| Past service cost and (gain)/loss from settlements | - | - | (0.49) | - |
| Net interest expense | - | - | 0.13 | 0.17 |
| Components of defined benefit costs recognised in profit or loss | **0.04** | **0.05** | **(0.36)** | **0.17** |
| **Remeasurement on the net defined benefit liability:** | | | | |
| Return on plan assets (excluding amounts included in net interest expense) | (0.04) | 0.06 | - | - |
| Actuarial (gains) / losses arising from changes in financial assumptions | - | - | 0.09 | (0.31) |
| Actuarial (gains) / losses arising from experience adjustments | (0.01) | (0.08) | (0.26) | (0.09) |
| **Others** | 0.05 | 0.02 | | |
| Components of defined benefit costs recognised in other comprehensive income | **-** | **-** | **(0.17)** | **(0.40)** |
| **Total** | **0.04** | **0.05** | **(0.53)** | **(0.23)** |

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the standalone balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | As at March 31, 2024 Amount in ₹ Crore | As at March 31, 2023 Amount in ₹ Crore | As at March 31, 2024 Amount in ₹ Crore | As at March 31, 2023 Amount in ₹ Crore |
| Present value of funded defined benefit obligation | (2.08) | (2.36) | (1.03) | (1.91) |
| Fair value of plan assets | 2.49 | 2.72 | - | - |
| Effect of asset ceiling | (0.41) | (0.36) | - | - |
| **Funded status** | **-** | **-** | **(1.03)** | **(1.91)** |
| **Net liability arising from defined benefit obligation** | **-** | **-** | **(1.03)** | **(1.91)** |

# Notes Forming Part of the Consolidated Financial Statement

Movements in the present value of the defined benefit obligation are as follows.

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| Opening defined benefit obligation | 2.36 | 2.88 | 1.91 | 2.51 |
| Current service cost | 0.04 | 0.05 | - | - |
| Interest cost | 0.15 | 0.17 | 0.13 | 0.17 |
| Actuarial gains and losses arising from changes in financial assumptions | - | - | 0.09 | (0.31) |
| Actuarial gains and losses arising from experience adjustments | (0.01) | (0.08) | (0.26) | (0.09) |
| Others | - | - | - | - |
| Benefits paid | (0.46) | (0.66) | (0.35) | (0.37) |
| Past service cost, including losses/(gains) on curtailments | | | (0.49) | - |
| **Closing defined benefit obligation** | **2.08** | **2.36** | **1.03** | **1.91** |

Movements in the fair value of the plan assets are as follows.

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| Opening fair value of plan assets | 2.72 | 3.23 | - | - |
| Interest income | 0.15 | 0.16 | - | - |
| Remeasurement gain (loss): Return on plan assets (excluding amounts included in net interest expense) | 0.04 | (0.06) | - | - |
| Contributions from the employer | 0.04 | 0.05 | 0.35 | 0.37 |
| Benefits paid | (0.46) | (0.66) | (0.35) | (0.37) |
| Closing fair value of plan assets | **2.49** | **2.72** | **-** | **-** |

The major categories of plan assets as percentage of total plan assets:

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| Debt securities | 100.00% | 100.00% | N/A | N/A |

Not Applicable (N/A)





# Notes Forming Part of the Consolidated Financial Statement

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:

(Amount in ₹ Crore)

| Assumption | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Discount Rate | Salary Escalation Rate | Discount Rate | Salary Escalation Rate |
| **Change in Assumption** | | | | |
| Increase by 1% | 8.00% | Defined above | 8.00% | 8.00% |
| Decrease by 1% | 6.00% | Defined above | 6.00% | 6.00% |
| **Impact on defined benefit obligation** | | | | |
| Increase by 1% | - | N.A. | (0.07) | 0.08 |
| Decrease by 1% | - | N.A. | 0.08 | (0.07) |
| **Impact on service cost and interest cost** | | | | |
| Increase by 1% | (0.04) | N.A. | - | - |
| Decrease by 1% | (0.04) | N.A. | - | - |

Maturity profile of defined benefit obligation:

(Amount in ₹ Crore)

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Within 1 Year | 0.14 | 0.14 | 0.07 | 0.26 |
| 1-2 years | - | - | 0.07 | 0.24 |
| 2-3 years | - | - | 0.07 | 0.23 |
| 3-4 years | 0.05 | - | 0.07 | 0.21 |
| 4-5 years | - | 0.05 | 0.07 | 0.20 |
| 5-10 years | 0.03 | 0.08 | 0.34 | 0.64 |

### 33.3 Long term compensated absences:

The principal assumptions used for the purposes of the actuarial valuations were as follows:

| | Compensated Absence- Domestic Plans (Unfunded) | | Compensated Absence - Foreign Plans (Unfunded) | |
|---|---|---|---|---|
| | Valuation as at | | Valuation as at | |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Discount rate(s) | 7.00% | 7.20% | 3.40% | 3.76% |
| Expected rate(s) of salary increase | 8%-9% | 7%-10% | 3.00% | 3.50% |
| Withdrawal rate: | | | | |
| Age | | | | |
| 20 - 34 years | 15% | 17% | 16% | 16% |
| 35 - 40 years | 9% | 9% | 16% | 16% |
| 41 - 50 years | 5% | 6% | 16% | 16% |
| 51 - 60 years | 5% | 5% | 16% | 16% |

# Notes Forming Part of the Consolidated Financial Statement

**Amounts recognised in consolidated statement of profit and loss in respect of these long term compensated absences are as follows:**

| | Compensated Absence- Domestic Plans (Unfunded) | | Compensated Absence - Foreign Plans (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| **Service cost:** | | | | |
| Current service cost | 4.38 | 2.90 | 1.04 | 1.25 |
| Actuarial (gains) / losses (net) | 5.82 | 6.94 | 3.49 | 2.80 |
| Net interest expense | 1.39 | 0.97 | 0.03 | 0.01 |
| **Total** | **11.59** | **10.81** | **4.56** | **4.06** |

The current service cost and the net interest expense for the year/ period are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss.

The amount included in the standalone balance sheet arising from the entity's obligation in respect of its long term compensated absences is as follows:

| | Compensated Absence- Domestic Plans (Unfunded) | | Compensated Absence - Foreign Plans (Unfunded) | |
|---|---|---|---|---|
| | As at March 31, 2024 Amount in ₹ Crore | As at March 31, 2023 Amount in ₹ Crore | As at March 31, 2024 Amount in ₹ Crore | As at March 31, 2023 Amount in ₹ Crore |
| Present value of obligation | (28.43) | (21.88) | (3.54) | (2.67) |
| **Net liability arising from long term compensated absences** | **(28.43)** | **(21.88)** | **(3.54)** | **(2.67)** |

Movements in the present value of the defined benefit obligation are as follows:

| | Compensated Absence- Domestic Plans (Unfunded) | | Compensated Absence - Foreign Plans (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| Opening defined benefit obligation | 21.88 | 16.34 | 2.67 | 2.95 |
| Current service cost | 4.38 | 2.90 | 1.04 | 1.25 |
| Interest cost | 1.39 | 0.97 | 0.03 | 0.01 |
| Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions | 5.82 | 6.94 | 3.49 | 2.80 |
| Acquisition / Business Combination / Divestiture | 0.06 | - | - | - |
| Benefits paid | (5.10) | (5.27) | (3.69) | (4.34) |
| **Closing balance** | **28.43** | **21.88** | **3.54** | **2.67** |





Notes Forming Part of the Consolidated Financial Statement

Maturity profile of defined benefit obligation:

| | Compensated Absence- Domestic Plans (Unfunded) | | Compensated Absence - Foreign Plans (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore | Year Ended March 31, 2024 Amount in ₹ Crore | Year Ended March 31, 2023 Amount in ₹ Crore |
| Within 1 Year | 3.05 | 2.61 | 3.25 | 2.51 |
| 1-2 years | 3.41 | 2.83 | 0.73 | 0.56 |
| 2-3 years | 3.52 | 3.00 | 0.76 | 0.57 |
| 3-4 years | 3.65 | 2.99 | 0.66 | 0.54 |
| 4-5 years | 3.75 | 3.02 | 0.55 | 0.55 |
| 5-10 years | 18.16 | 14.81 | 1.80 | 1.38 |

### Employee benefit plans

The plans typically expose the company to the actuarial risks such as: investments risk, interest risks, longevity risk and salary risk

| | |
|---|---|
| Investment risk | The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments. |
| Interest risk | A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments. |
| Longevity risk | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability. |
| Salary risk | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. |

No other post-retirement benefits are provided to these employees.

In respect of the plan in India and Sweden, the actuarial valuation of the plan assets and the present value of the defined benefit obligation are carried out for March 31, 2024 and March 31, 2023 by Willis Towers Watson, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, are measured using the projected unit credit method on a proportionate basis.

The fair value of plan assets are majorly balance mix of investments in government securities and other debt instruments. The Trust activities are managed by mix of professional employees representing management and employees.

**33.4** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Holding company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Holding Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published

# Notes Forming Part of the Consolidated Financial Statement

## 34 Employee Stock Option Plan (ESOP)

**Share based long term incentive scheme 2022 ("SLTI 2022")**

On July 01, 2022, pursuant to approval by shareholders in Annual General Meeting, the board has been authorised to introduce, offer, issue and provide share based incentives to eligible employees of the company and its subsidiaries under Share based long term incentive scheme 2022 ("SLTI 2022"). Further the SLTI 2022 was ratified by the shareholders through special resolution through postal ballot on March 15, 2024. The maximum number of shares under plan shall not exceed 28,00,000 equity shares. The options would vest on achievement of defined performance parameters as determined by Nomination and Remuneration committee. The performance parameters are based on operating performance metrics of the company as decided by Nomination and Remuneration committee. Each of the performance parameters will be distinct for the purpose of calculation of the quantity of the shares to vest based on performance. The instruments generally vests within three years from grant date. Each option carries with a right to purchase one equity share of the Parent Company at exercise price determined by Nomination and Remuneration committee at the time of grant.

The summary of grants during year ended March 31, 2024 and March 31, 2023 is as follows:

(Amount in ₹ Crore)

| | SLTI 2022 | |
|---|---|---|
| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| **Equity settled plans** | | |
| Class A SLTI 2022 | 1,33,397 | 3,95,800 |
| Class B SLTI 2022 | - | 4,47,970 |
| | **1,33,397** | **8,43,770** |

The fair value of the option is estimated on the date of grant using Black- Scholes-Merton model with following assumptions

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free interest rate. The expected volatility is computed based on average annualised price volatility of comparable companies for the period of 2.64 years (March 31, 2023: 3.11 years).

The fair value of the equity settled award is estimated on date of grant with following assumptions

(Amount in ₹ Crore)

| Particulars | SLTI 2022 Tranche II | | SLTI 2022 Tranche I | |
|---|---|---|---|---|
| | Class A | Class B | Class A | Class B |
| Weighted average price of equity shares (₹) | 1,032.00 | - | 189.95 | 189.95 |
| Exercise price (₹) | 2.00 | - | 2 | 189.95 |
| Expected volatility (%) | 40.10 | - | 48.80 | 48.80 |
| Expected life of the option (years) | 2.64 | - | 3.11 | 3.11 |
| Expected dividend (%) | 0.97 | - | 1.47 | 1.47 |
| Risk free interest rate (%) | 6.97 | - | 6.92 | 6.92 |
| Weighted average fair value as on grant date (₹) | 1,004.40 | - | 180.64 | 70.77 |





# Notes Forming Part of the Consolidated Financial Statement

The movement in the SLTI 2022 plan for equity settled share based payment transactions during the year ended March 31, 2024 and March 31, 2023 is as follows:

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | | | |
|---|---|---|---|---|
| | Class A | | Class B | |
| | Shares | Weighted average exercise price (₹) | Shares | Weighted average exercise price (₹) |
| Outstanding at the beginning of the year | 3,88,790 | 2.00 | 4,47,970 | 189.95 |
| Granted during the year | 1,33,397 | 2.00 | - | - |
| Exercised during the year | - | - | - | - |
| Forfeited during the year | 41,530 | - | 89,160 | - |
| Expired during the year | - | - | - | - |
| Outstanding at the end of the year | 4,80,657 | 2.00 | 3,58,810 | 189.95 |
| Exercisable at the end of the year | - | - | - | - |

The movement in the SLTI 2022 plan for equity settled share based payment transactions during the year ended March 31, 2024 and March 31, 2023 is as follows:

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2023 | | | |
|---|---|---|---|---|
| | Class A | | Class B | |
| | Shares | Weighted average exercise price (₹) | Shares | Weighted average exercise price (₹) |
| Outstanding at the beginning of the year | - | - | - | - |
| Granted during the year | 3,95,800 | 2.00 | 4,47,970 | 189.95 |
| Exercised during the year | - | - | - | - |
| Forfeited during the year | 7,010 | - | - | - |
| Expired during the year | - | - | - | - |
| Outstanding at the end of the year | 3,88,790 | 2.00 | 4,47,970 | 189.95 |
| Exercisable at the end of the year | - | - | - | - |

The summary of the information about equity settled ESOPs outstanding as on March 31, 2024 and March 31, 2023 is as follows:

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | | For the year ended March 31, 2023 | |
|---|---|---|---|---|
| | SLTI 2022 Tranche I | | SLTI 2022 Tranche I | |
| | Class A | Class B | Class A | Class B |
| Weighted average Exercise price (₹) | 2.00 | 189.95 | 2.00 | 189.95 |
| Number of options | 3,47,260 | 3,58,810 | 3,88,790 | 4,47,970 |
| Weighted average remaining contractual life (year) | 1.00 | 1.00 | 2.00 | 2.00 |

# Notes Forming Part of the Consolidated Financial Statement

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | | For the year ended March 31, 2023 | |
|---|---|---|---|---|
| | SLTI 2022 Tranche II | | SLTI 2022 Tranche II | |
| | Class A | Class B | Class A | Class B |
| Weighted average Exercise price (₹) | 2.00 | - | - | - |
| Number of options | 1,33,397 | - | - | - |
| Weighted average remaining contractual life (year) | 2.00 | - | - | - |

The employee stock compensation cost under SLTI 2022 has been computed by reference to the fair value of share options granted and amortised over the vesting period. For the year ended March 31, 2024, the company has accounted for employee stock compensation cost (equity settled) amounting to ₹ 3.54 crore. (₹ 1.73 crore for the year ended March 31, 2023) (Refer note 24 Employee Benefit Expense). The company has recharged the amount of ₹ 1.18 crore for the year ended March 31, 2024 to subsidiaries on account of the employee stock compensation cost for eligible employees of the subsidaries (₹ 0.67 crore for the year ended March 31, 2023)

## 35 Capital Management

The Group's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders.

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

As there is no debt in the Company, hence the debt ratio is not applicable.

No changes were made in the objectives, policies or processes for managing capital of the Group during the current year/ period and previous year/period.

### Dividends

(Amount in ₹ Crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (i) Equity shares | | |
| Final dividend declared during the period aggregating ₹ 12.30 per fully paid equity share (₹ Nil per fully paid equity share March 31, 2023) (Refer Note 41 (c)) | 498.97 | - |





# Notes Forming Part of the Consolidated Financial Statement

## 36.1 Categories of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|---|---|---|---|---|---|
| | Fair value through profit or loss | Derivative instruments not in hedging relationship | Amortised cost | Fair value through profit or loss | Derivative instruments not in hedging relationship | Amortised cost |
| **Financial assets** | | | | | | |
| Investments: | | | | | | |
| - mutual funds | 150.35 | - | - | 29.78 | - | - |
| Security deposits | - | - | 20.02 | - | - | 12.85 |
| Loans to others | - | - | 3.94 | - | - | 5.47 |
| Inter-corporate deposits | - | - | 247.00 | - | - | 484.75 |
| Bills of exchange | - | - | 6.73 | - | - | 1.79 |
| Unbilled receivables | - | - | 180.75 | - | - | 154.47 |
| Trade receivables | - | - | 967.11 | - | - | 951.75 |
| Net investment in sub lease | - | - | 28.01 | - | - | 34.51 |
| Research and Development Expenditure Credit receivable | - | - | 41.80 | - | - | 30.19 |
| Cash and cash equivalents | - | - | 519.85 | - | - | 382.82 |
| Other bank balances | - | - | 393.54 | - | - | 616.38 |
| Others | - | 1.04 | 8.66 | - | - | 38.79 |
| **Total financial assets** | **150.35** | **1.04** | **2,417.41** | **29.78** | **-** | **2,713.77** |
| **Financial liabilities** | | | | | | |
| Trade payables | - | - | 481.38 | - | - | 657.81 |
| Lease Liabilities | - | - | 257.39 | - | - | 255.36 |
| Others | - | - | 28.79 | - | 0.38 | 4.73 |
| **Total financial liabilities** | **-** | **-** | **767.56** | **-** | **0.38** | **917.90** |

## 36.2 (a) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2024.

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | Fair value measurement at the end of the year | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| **Financial Assets** | | | | |
| Investments in Mutual Funds | 150.35 | 150.35 | - | - |
| Fair value of foreign exchange derivative asset | 1.04 | - | 1.04 | - |
| **Financial Liablities** | | | | |
| Fair value of foreign exchange derivative liabilities | - | - | - | - |

# Notes Forming Part of the Consolidated Financial Statement

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2023.

(Amount in ₹ Crore)

| Particulars | As at March 31, 2023 | Fair value measurement at the end of the year | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| **Financial Assets** | | | | |
| Investments in Mutual Funds | 29.78 | 29.78 | - | - |
| **Financial Liablities** | | | | |
| Fair value of foreign exchange derivative liabilities | 0.38 | - | 0.38 | - |

Level 1 -Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 -Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

## 36.2 (b) Valuation technique used to determine fair value

The following methods and assumptions were used to estimate the fair value of the level 1 and level 2 financial instruments included in the above tables:

1. **Investments in mutual funds:** The fair value is derived based on the closing Net Asset value published by the respective mutual fund houses.
2. **Derivative instruments:** The fair value is derived based valued using the forward pricing valuation technique, using present value calculations.

**36.2 (c)** As per Ind AS 107 "Financial Instrument:Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

1. Trade receivables
2. Cash and Cash Equivalent
3. Other Bank Balances
4. Loans
5. Borrowings
6. Trade payables
7. Other financial liabilities
8. Other financial assets
9. Lease liabilities



Notes Forming Part of the Consolidated Financial Statement

## 36.3 Financial risk management

In the course of its business, the Group 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 Group 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 Group's business plan.

Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

## 36.4 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.

## 36.5 Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, 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 Group 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, Great Britain Pounds, Euro and Swedish Krona, against the respective functional currencies of Tata Technologies Limited and its subsidiaries.

The Group, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Group 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. For further details with respect to Foreign Currency Risk (other than risk arising from derivatives) refer below details.

Furthermore, any movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenues from its international operations. Any weakening of the functional currency may impact the Group's cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.

The Group uses forward exchange contracts to hedge its exposure in foreign currency. The information on derivative instruments is as follows:

| Particulars | As At | Currency | Notional amount of outstanding contracts in Foreign currency (in crore) | Notional amount of outstanding contracts in ₹ Crore | Fair value (gain)/ loss of outstanding contracts in ₹ Crore |
|---|---|---|---|---|---|
| Forward Exchange contracts | March 31, 2024 | GBP | 0.82 | 86.12 | (0.95) |
| | | USD | 2.40 | 200.17 | (0.09) |
| | **Total** | | | **286.29** | **(1.04)** |
| | March 31, 2023 | GBP | 0.50 | 50.82 | 0.36 |
| | | USD | 0.20 | 16.44 | 0.02 |
| | **Total** | | | **67.26** | **0.38** |

# Notes Forming Part of the Consolidated Financial Statement

## 36.5 Foreign currency exchange rate risk:

Foreign exchange currency exposures not covered by derivative instruments as at March 31, 2024 and March 31, 2023

(Amount in ₹ Crore)

| Particulars | Currency | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|---|
| | | Amount in Foreign Currency | Equivalent amount in ₹ | Amount in Foreign Currency | Equivalent amount in ₹ |
| **Financial Assets:** | | | | | |
| Trade Receivables and unbilled revenue* | EUR | 0.64 | 57.20 | 0.40 | 35.80 |
| | GBP | 0.64 | 66.91 | 1.18 | 120.29 |
| | USD | 0.72 | 59.65 | 1.49 | 122.37 |
| | SGD | 0.05 | 3.12 | 0.04 | 2.69 |
| | CAD | 0.01 | 0.61 | 0.01 | 0.51 |
| | CNY | 0.05 | 0.54 | 0.72 | 8.64 |
| | JPY | 1.30 | 0.72 | - | - |
| | THB | 7.00 | 16.00 | 5.27 | 12.71 |
| | INR | 5.44 | 5.44 | 0.16 | 0.16 |
| | CHF | 0.01 | 0.68 | 0.01 | 0.78 |
| | ZAR | 0.04 | 0.16 | 0.02 | 0.09 |
| | SEK | 5.32 | 41.53 | 4.78 | 37.94 |
| | VND | 48.66 | 0.16 | 48.66 | 0.17 |
| Current account with Bank and deposits held with Bank (including cheques in hand/ money in transit) | USD | 1.04 | 86.66 | 1.08 | 88.72 |
| | EUR | 0.20 | 17.92 | 0.16 | 13.93 |
| | GBP | 0.05 | 5.06 | 0.06 | 6.31 |
| | SGD | 0.03 | 1.56 | 0.06 | 3.82 |
| | CAD | - | 0.01 | - | 0.03 |
| | CNY | 0.52 | 6.08 | 0.28 | 3.34 |
| **Total** | | **-** | **370.01** | **-** | **458.30** |
| **Financial Liabilities:** | | | | | |
| Trade Payables* | EUR | 0.22 | 20.08 | 0.56 | 49.77 |
| | SGD | 0.03 | 1.95 | 0.05 | 3.00 |
| | INR | 1.06 | 1.06 | 2.66 | 2.66 |
| | USD | 0.25 | 20.78 | 0.30 | 24.92 |
| | SEK | 0.02 | 0.14 | 0.04 | 0.33 |
| | GBP | 0.02 | 2.42 | 0.03 | 2.86 |
| | CNY | - | - | 0.04 | 0.47 |
| | VND | 1,619.30 | 5.45 | 1,779.22 | 6.23 |
| | AUD | - | - | - | - |
| **Total** | | **-** | **51.88** | **-** | **90.24** |

* The above balances are before considering intra-company balances elimination on consolidation.
10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in increase/decrease in the Company's net income before tax by approximately ₹ 37.00 crore as at March 31, 2024 (₹ 45.83 crore as at March 31, 2023) and ₹ 5.19 crore as at March 31, 2024 (₹ 9.02 crore as at March 31,2023) for financial assets and financial liabilities respectively.

## 36.6 Interest rate risk

The Group's investments are primarily in fixed rate interest bearing deposits/debentures and long term growth mutual funds. Hence, the Group is not significantly exposed to interest rate risk





# Notes Forming Part of the Consolidated Financial Statement

## 36.7 Credit risk management

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 of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, cash and cash equivalents, bank deposits and other financial assets.

Out of the total trade receivables, two major customers who are also related parties, account for more than 20% of the gross receivable. Also, refer note 37 (b) for further details. There is one non-related customer which contributes for 20.71% of the gross receivable.

The remaining balance of trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Movement in the expected credit loss allowance** | | |
| Balance at the beginning of the year | 43.22 | 56.24 |
| Movement in expected credit allowance on trade receivables | 1.14 | (13.84) |
| Exchange fluctuation | 0.51 | 0.97 |
| Reversal of provisions for debts paid | (0.02) | (0.15) |
| **Balance at the end of the year** | **44.85** | **43.22** |

## 36.8 Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund and non-fund based working capital lines from various banks. The Group 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 Group also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2024 and March 31, 2023:

(Amount in ₹ Crore)

| Financial liabilities | As at March 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Due in 1st Year | Due in 2nd Year | Due in 3rd to 5th Year | Due after 5th Year | Total contractual cash flows |
| **Non-derivative financial liabilities** | | | | | |
| (a) Trade payables | 481.38 | - | - | - | 481.38 |
| (b) Lease Liability | 63.39 | 53.28 | 115.72 | 65.86 | 298.25 |
| (c) Other financial liabilities | 28.01 | 0.78 | - | - | 28.79 |
| | **572.78** | **54.06** | **115.72** | **65.86** | **808.42** |
| Derivative financial liabilities | - | - | - | - | - |
| **Total** | **572.78** | **54.06** | **115.72** | **65.86** | **808.42** |

# Notes Forming Part of the Consolidated Financial Statement

(Amount in ₹ Crore)

| Financial liabilities | As at March 31, 2023 | | | | |
|---|---|---|---|---|---|
| | Due in 1st Year | Due in 2nd Year | Due in 3rd to 5th Year | Due after 5th Year | Total contractual cash flows |
| **Non-derivative financial liabilities** | | | | | |
| (a) Trade payables | 657.81 | - | - | - | 657.81 |
| (b) Lease Liability | 49.08 | 48.58 | 109.27 | 99.15 | 306.08 |
| (c) Other financial liabilities | 4.19 | 0.54 | - | - | 4.73 |
| | **711.08** | **49.12** | **109.27** | **99.15** | **968.62** |
| Derivative financial liabilities | 0.38 | - | - | - | 0.38 |
| **Total** | **711.46** | **49.12** | **109.27** | **99.15** | **969.00** |

## 37 Related Party Disclosures for the year ended March 31, 2024

The Company's principal related parties consist of its holding company Tata Motors Limited, holding companies subsidiaries, associates & joint ventures, Company's own subsidiaries, affiliates and key managerial personnel. The company's material related party transactions and outstanding balances are with related parties with whom the company routinely enter into transactions 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.

Transactions and balances with its own subsidiaries are eliminated on consolidation.

### a) Relationship between the parent and its subsidiaries

| | | |
|---|---|---|
| 1 | **Parent Company** | Tata Motors Limited |
| 2 | **Direct subsidiary** | Tata Technologies Pte. Limited |
| 3 | **Indirect subsidiaries** | Tata Technologies (Thailand) Limited<br>INCAT International Plc.<br>Tata Technologies Europe Limited<br>Tata Technologies GmbH<br>Tata Technologies Inc.<br>Tata Technologies de Mexico, S.A. de C.V. (under liquidation)<br>Cambric Limited<br>Tata Technologies SRL Romania<br>Tata Manufacturing Technologies (Shanghai) Co. Limited<br>Tata Technologies Nordics AB<br>Tata Technologies Limited Employees Stock Option Trust<br>Incat International Limited ESOP 2000 |
| 4 | **List of fellow subsidaries, associates and joint ventures, with whom transactions have taken place during the year** | TML Business Services Limited<br>Tata Motors Design Tech Centre plc (Name changed from Tata Motors European Technical Centre PLC with effect from December 8, 2023)<br>Tata Motors Body Solutions Limited<br>Tata Daewoo Commercial Vehicle Company Limited<br>PT Tata Motors Indonesia<br>Jaguar Land Rover Limited<br>Jaguar Land Rover North America LLC<br>Jaguar Land Rover (China) Investment Co. Limited<br>Jaguar Land Rover India Limited<br>Jaguar Land Rover Slovakia s.r.o<br>Tata Motors Finance Limited (Name changed from Tata Motors Finance Solutions Limited with effect from October 26, 2023)<br>Tata Motors Passenger Vehicles Limited<br>TML CV Mobility Solutions Limited<br>Tata Passenger Electric Mobility Limited<br>TML Smart City Mobility Solutions Limited<br>TML Smart City Mobility Solutions (J&K) Private Limited<br>TML Holding Pte Limited<br>TitanX Engine Cooling Inc.<br>TitanX Engine Cooling AB<br>Agratas Energy Storage Solutions Private Limited<br>Agratas Limited<br>Qubit Investments Pte. Limited<br>Tata Elxsi Limited<br>Tata Consultancy Services Limited<br>Tata AutoComp Systems Limited<br>Tata Sons Private Limited<br>Tata AutoComp GY Batteries Private Limited<br>TACO Air International Thermal Systems Private Limited (Formerly known as - Air International TTR Thermal Systems Private Limited)<br>Tata Motors (SA) (Proprietary) Limited<br>Fiat India Automobiles Private Limited<br>Tata Hitachi Construction Machinery Company Private Limited<br>Tata Capital Growth Fund I<br>Tata Advanced Systems Limited<br>Tata Autocomp Hendrickson Suspensions Private Limited<br>Innovative Retail Concepts Private Limited<br>Voltas Limited<br>Titan Company Limited<br>TM Automotive Seating Systems Private Limited<br>TACO Prestolite Electric Private Limited<br>Tata AutoComp Gotion Green Energy Solutions Private Limited<br>Tata Digital Private Limited<br>Tata Toyo Radiator Limited<br>Tata Steel Limited<br>Tata Communications Limited<br>Tata Teleservices Limited<br>Tata Capital Housing Finance Limited<br>Tata Cleantech Capital Limited<br>Tata AIG General Insurance Company Limited<br>The Indian Hotels Company Limited<br>The Tata Power Company Limited<br>Tata Ficosa Automotive Systems Private Limited<br>Tata AIA Life Insurance Company Limited<br>Tata Capital Limited<br>Infiniti Retail Limited<br>Tata International West Asia DMCC<br>Tata Chemicals Limited<br>Air India Limited<br>Tata Capital Financial Services Limited<br>Automotive Stampings and Assemblies Limited |

# Notes Forming Part of the Consolidated Financial Statement

| | | | |
|---|---|---|---|
| 5 | **Post employment benefit plans** | 1 | Tata Technologies (India) Limited Gratuity Fund |
| | | 2 | Tata Technologies (India) Limited Superannuation Fund |
| | | 3 | Tata Technologies (India) Limited Provident Fund |

**b) List of Key Management Personnel ("KMP")**

| | |
|---|---|
| Mr. Ajoyendra Mukherjee | Chairman, Independent Director |
| Mr. S. Ramadorai (upto February 21, 2023) | Chairman |
| Ms. Usha Sangwan (w.e.f October 21, 2022) | Independent Director, Non- Excecutive Director |
| Mr. Nagaraj Ijari (w.e.f March 01, 2023) | Independent Director, Non- Excecutive Director |
| Ms. Aarthi Sivanandh (w.e.f June 11, 2022) | Independent Director, Non- Excecutive Director |
| Mr. PB Balaji | Non- Excecutive Director |
| Mr. Shailesh Chandra (w.e.f March 01, 2023) | Non- Excecutive Director |
| Mr. Warren Harris | CEO & Managing Director |
| Ms. Savitha Balachandran | Chief Financial Officer |
| Mr. Vikrant Gandhe | Company Secretary |
| Ms. Sonal Ramrakhiani (upto March 06, 2023) | Director in subsidiary company |

**b) Transactions with related parties**

(Amount in ₹ Crore)

| Particulars | Tata Motors Limited | Fellow subsidiaries of Tata Motors Limited | Associates and Joint Venture of Tata Motors Limited | Key Management Personnel | Total |
|---|---|---|---|---|---|
| Purchase of products | - | - | 5.65 | - | 5.65 |
| Sale of products | 43.21 | 54.25 | 39.78 | - | 137.24 |
| Services received (including reimbursements) | 3.16 | 0.33 | 27.71 | - | 31.20 |
| Services rendered (including reimbursements) | 469.72 | 1,409.98 | 202.56 | - | 2,082.26 |
| Rent received | - | 0.16 | 0.06 | - | 0.22 |
| Finance placed (including loans, equity & ICD) | 1,796.25 | - | - | - | 1,796.25 |
| Finance received back (including loans, equity & ICD) | 2,059.00 | - | - | - | 2,059.00 |
| Dividend paid | 372.70 | 9.99 | 18.11 | 4.92 | 405.72 |
| Interest paid / (received)(net) | (22.23) | - | - | - | (22.23) |
| Remuneration | - | - | - | 13.75 | 13.75 |
| Expenditure recovered from selling shareholders | 79.33 | - | 8.33 | - | 87.66 |
| Bad debts written off and allowance for doubtful trade receivables (net) (reversal)/ charge | 0.21 | 0.16 | 0.51 | - | 0.88 |
| Amount receivable including unbilled receivables | 107.62 | 353.63 | 119.38 | - | 580.63 |
| Provision for amount receivable | 2.04 | 0.77 | 0.60 | | 3.41 |
| Amount payable | 4.02 | 27.75 | 24.57 | - | 56.34 |
| Payable to selling shareholders | 14.48 | - | 1.52 | - | 16.00 |
| Amount receivable (in respect of loans and bonds) | 222.00 | - | - | - | 222.00 |
| Commission | - | - | - | 0.88 | 0.88 |
| Sitting fees | - | - | - | 0.27 | 0.27 |





# Notes Forming Part of the Consolidated Financial Statement

**Disclosure of material transactions:**

**Purchase of products:**

Tata Steel Limited: ₹ 5.25 crore
Tata Elxsi Limited: ₹ 0.40 crore

**Sale of products:**

Tata Motors Passenger Vehicles Limited: ₹ 22.82 crore
Tata Passenger Electric Mobility Limited: ₹ 28.51 crore
Tata Consultancy Services(including subsidaries): ₹ 11.69 crore

**Services received:**

Tata Sons Private Limited: ₹ 7.67 crore
Tata Elxsi Limited: ₹ 2.77 crore

**Services Rendered:**

Jaguar Land Rover (including subsidaries) ₹ 1,007.65 crore
Tata Consultancy Services(including subsidaries): ₹ 113.69 crore

**Accounts receivable**

Jaguar Land Rover (including subsidaries) ₹ 236.10 crore
Tata Consultancy Services(including subsidaries): ₹ 63.92 crore

**Accounts payable**

Tata Sons Private Limited: ₹ 7.94 crore

(Amount in ₹ Crore)

| Consideration of key management personnel | Year ended March 31, 2024 |
|---|---|
| Short term benefits | 14.42 |
| Post employment benefits | 0.13 |
| Share-based payments | 1.10 |

**Notes:**

1. Consideration of benefits payables to Key Managerial Management Personnel are in respect of holding company.
2. Includes provision for encashable leave and gratuity for certain key management personnels on estimate basis as a separate actuarial valuation is not available

## 37 Related Party Disclosures for the year ended March 31, 2023

**b) Transactions with related parties**

(Amount in ₹ Crore)

| Particulars | Tata Motors Limited | Fellow subsidiaries of Tata Motors Limited | Associates and Joint Venture of Tata Motors Limited | Key Management Personnel | Total |
|---|---|---|---|---|---|
| Purchase of products | - | - | 0.11 | - | 0.11 |
| Sale of products | 37.11 | 47.26 | 19.04 | - | 103.41 |
| Services received (including reimbursements) | 2.28 | 0.17 | 70.54 | - | 72.99 |
| Services rendered (including reimbursements) | 403.55 | 991.22 | 154.49 | - | 1,549.26 |
| Rent received | - | 0.05 | 0.02 | - | 0.07 |
| Finance placed (including loans, equity & ICD) | 1,839.50 | - | - | - | 1,839.50 |
| Finance received back (including loans, equity & ICD) | 1,397.25 | - | - | - | 1,397.25 |
| Interest paid / (received)(net) | (25.46) | - | - | - | (25.46) |
| Remuneration | - | - | - | 14.34 | 14.34 |
| Bad debts written off and allowance for doubtful trade receivables (net) (reversal)/ charge | (0.60) | 0.54 | 0.05 | - | (0.01) |

# Notes Forming Part of the Consolidated Financial Statement

(Amount in ₹ Crore)

| Particulars | Tata Motors Limited | Fellow subsidiaries of Tata Motors Limited | Associates and Joint Venture of Tata Motors Limited | Key Management Personnel | Total |
|---|---|---|---|---|---|
| Amount receivable including unbilled receivables | 62.30 | 253.58 | 77.51 | - | 393.39 |
| Provision for amount receivable | 1.83 | 0.61 | 0.09 | - | 2.53 |
| Amount payable | 0.94 | 58.51 | 24.56 | - | 84.01 |
| Amount receivable (in respect of loans and bonds) | 484.75 | - | - | - | 484.75 |
| Commission | - | - | - | 0.83 | 0.83 |
| Sitting fees | - | - | - | 0.23 | 0.23 |

**Disclosure of material transactions:**

**Sale of products:**

Tata Motors Passenger Vehicles Limited: ₹ 35.05 crore
Tata Elxsi Limited: ₹ 10.96 crore

**Services received:**

Tata Sons Private Limited: ₹ 13.25 crore
Tata Consultancy Services(including subsidaries): ₹ 19.14 crore

**Services Rendered:**

Jaguar Land Rover (including subsidaries) ₹ 742.35 crore
Tata Consultancy Services(including subsidaries): ₹ 100.60 crore

**Accounts receivable**

Jaguar Land Rover (including subsidaries) ₹ 169.56 crore
Tata Consultancy Services(including subsidaries): ₹ 48.38 crore

**Accounts payable**

Tata Sons Private Limited: ₹ 10.77 crore

(Amount in ₹ Crore)

| Consideration of key management personnel | Year ended March 31, 2023 |
|---|---|
| Short term benefits | 14.79 |
| Post employment benefits | 0.13 |
| Share-based payments | 0.61 |

**Notes:**

1. Consideration of benefits payables to Key Managerial Management Personnel are in respect of holding company.
2. Includes provision for encashable leave and gratuity for certain key management personnels on estimate basis as a separate actuarial valuation is not available





# Notes Forming Part of the Consolidated Financial Statement

## 38 Details of subsidiaries

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 subsidiary as at | |
|---|---|---|---|---|
| | | | March 31, 2024 | March 31, 2023 |
| | **Direct Subsidiary** | | | |
| 1 | TATA Technologies Pte. Ltd. | Singapore | 100 | 100 |
| | **Indirect Subsidiaries** | | | |
| 2 | Tata Technologies (Thailand) Limited | Thailand | 100 | 100 |
| 3 | Tata Manufacturing Technologies (Shanghai) Co. Limited | China | 100 | 100 |
| 4 | INCAT International Plc. | UK | 100 | 100 |
| 5 | Tata Technologies Europe Limited | UK | 100 | 100 |
| 6 | Tata Technologies Nordics AB | Sweden | 100 | 100 |
| 7 | Tata Technologies GmbH | Germany | 100 | 100 |
| 8 | Tata Technologies Inc. ** | USA | 99.80 | 99.80 |
| 9 | Tata Technologies de Mexico, S.A. de C.V ** (in process of liquidation refer note 40) | Mexico | 99.80 | 99.80 |
| 10 | Cambric Limited, Bahama ** | Bahama, USA | 99.80 | 99.80 |
| 11 | Tata Technologies SRL, Romania ** | Romania | 99.80 | 99.80 |
| 12 | Tata Technologies Limited Employees Stock Option Trust | India | 100 | 100 |
| 13 | INCAT International Limited ESOP 2000 | UK | 100 | 100 |

**For these subsidiaries though the holding is 99.80 %, the indirect voting power is 100%.

## 39 Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements as on March 31, 2024

| Sr. No | Name of the entity in the group | 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 | ₹ Crore | As % of consolidated (profit) or loss | ₹ Crore | As % of consolidated other comprehensive income | ₹ Crore | As % of total comprehensive income | ₹ Crore |
| | Tata Technologies Limited | 37.41% | 1,205.05 | 101.18% | 687.41 | -14.29% | (6.78) | 93.65% | 680.63 |
| | **Direct Subsidiaries - Indian** | | | | | | | | |
| | Tata Technologies Limited Employees Stock Option Trust | 0.07% | 2.27 | 0.01% | 0.04 | 0.00% | - | 0.01% | 0.04 |
| | **Direct and Indirect Subsidiaries – Foreign** | | | | | | | | |
| 1 | TATA Technologies Pte. Ltd. | 29.56% | 951.99 | 54.63% | 371.11 | 4.17% | 1.98 | 51.33% | 373.09 |
| 2 | Tata Technologies (Thailand) Limited | -0.35% | (11.32) | -0.67% | (4.52) | 1.08% | 0.51 | -0.55% | (4.01) |
| 3 | Tata Manufacturing Technologies Consulting (Shanghai) Limited | 2.07% | 66.55 | 1.61% | 10.93 | -3.77% | (1.79) | 1.26% | 9.14 |

# Notes Forming Part of the Consolidated Financial Statement

| Sr. No | Name of the entity in the group | 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 | ₹ Crore | As % of consolidated (profit) or loss | ₹ Crore | As % of consolidated other comprehensive income | ₹ Crore | As % of total comprehensive income | ₹ Crore |
| 4 | INCAT International Plc. | 1.47% | 47.32 | 0.01% | 0.04 | 0.53% | 0.25 | 0.04% | 0.29 |
| 5 | Tata Technologies Europe Limited | 38.61% | 1,243.48 | 38.92% | 264.40 | 58.93% | 27.95 | 40.23% | 292.35 |
| 6 | Tata Technologies Nordics AB | 0.04% | 1.43 | -0.22% | (1.47) | 0.08% | 0.04 | -0.19% | (1.43) |
| 7 | Tata Technologies GmbH | 0.51% | 16.52 | -0.75% | (5.09) | 0.19% | 0.09 | -0.69% | (5.00) |
| 8 | Tata Technologies Inc. | 22.38% | 720.89 | 7.59% | 51.57 | 21.19% | 10.05 | 8.48% | 61.62 |
| 9 | Tata Technologies de Mexico, S.A. de C.V (in process of liquidation) | 0.10% | 3.24 | 0.01% | 0.06 | 0.00% | - | 0.01% | 0.06 |
| 10 | Cambric Limited, Bahama | 0.73% | 23.65 | 0.04% | 0.24 | 0.00% | - | 0.03% | 0.24 |
| 11 | Tata Technologies SRL, Romania | 2.36% | 76.14 | -0.58% | (3.91) | 0.00% | - | -0.54% | (3.91) |
| 12 | INCAT International Limited ESOP 2000 | 0.63% | 20.35 | -0.03% | (0.23) | 1.37% | 0.65 | 0.06% | 0.42 |
| | Consolidation Adjustment | -35.60% | (1,146.74) | -101.74% | (691.21) | 30.53% | 14.48 | -93.11% | (676.73) |
| | **Total** | **100.00%** | **3,220.82** | **100.00%** | **679.37** | **100.00%** | **47.43** | **100.00%** | **726.80** |

## 39 Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements as on March 31, 2023

| Sr. No | Name of the entity in the group | 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 | ₹ Crore | As % of consolidated (profit) or loss | ₹ Crore | As % of consolidated other comprehensive income | ₹ Crore | As % of total comprehensive income | ₹ Crore |
| | **Parent Company** | | | | | | | | |
| | Tata Technologies Limited | 34.12% | 1,019.86 | 39.11% | 244.03 | -11.74% | (9.81) | 33.10% | 234.22 |
| | **Direct Subsidiaries - Indian** | | | | | | | | |
| | Tata Technologies Limited Employees Stock Option Trust | 0.07% | 2.23 | 0.01% | 0.07 | 0.00% | - | 0.01% | 0.07 |
| | **Direct and Indirect Subsidiaries - Foreign** | | | | | | | | |
| 1 | TATA Technologies Pte. Ltd. | 31.48% | 941.15 | 10.69% | 66.68 | 8.21% | 6.86 | 10.39% | 73.54 |
| 2 | Tata Technologies (Thailand) Limited | -0.24% | (7.31) | -0.75% | (4.66) | -0.48% | (0.40) | -0.72% | (5.06) |
| 3 | Tata Manufacturing Technologies Consulting (Shanghai) Limited | 1.92% | 57.40 | 3.39% | 21.14 | 0.61% | 0.51 | 3.06% | 21.65 |





# Notes Forming Part of the Consolidated Financial Statement

| Sr. No | Name of the entity in the group | 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 | ₹ Crore | As % of consolidated (profit) or loss | ₹ Crore | As % of consolidated other comprehensive income | ₹ Crore | As % of total comprehensive income | ₹ Crore |
| 4 | INCAT International Plc. | 1.57% | 47.03 | 0.00% | 0.01 | 0.19% | 0.16 | 0.02% | 0.17 |
| 5 | Tata Technologies Europe Limited | 42.80% | 1,279.46 | 36.34% | 226.79 | 25.78% | 21.54 | 35.11% | 248.33 |
| 6 | Tata Technologies Nordics AB | 0.10% | 2.86 | -0.60% | (3.74) | -0.07% | (0.06) | -0.53% | (3.80) |
| 7 | Tata Technologies GmbH | 0.73% | 21.82 | 0.05% | 0.32 | 1.54% | 1.29 | 0.23% | 1.61 |
| 8 | Tata Technologies Inc. | 22.04% | 658.92 | 10.39% | 64.81 | 57.43% | 47.99 | 15.94% | 112.80 |
| 9 | Tata Technologies de Mexico, S.A. de C.V (in process of liquidation) | 0.10% | 2.87 | -0.08% | (0.50) | 0.00% | - | -0.07% | (0.50) |
| 10 | Cambric Limited, Bahama | 0.77% | 23.06 | 0.01% | 0.07 | 0.00% | - | 0.01% | 0.07 |
| 11 | Tata Technologies SRL, Romania | 2.66% | 79.65 | 1.77% | 11.07 | 0.00% | - | 1.56% | 11.07 |
| 12 | INCAT International Limited ESOP 2000 | 0.67% | 19.92 | -0.02% | (0.15) | 0.53% | 0.44 | 0.04% | 0.29 |
| | Consolidation Adjustment | -38.79% | (1,159.47) | -0.31% | (1.91) | 18.00% | 15.04 | 1.86% | 13.13 |
| | **Total** | **100.00%** | **2,989.45** | **100.00%** | **624.03** | **100.00%** | **83.56** | **100.00%** | **707.59** |

## 40. Liquidation of Tata technologies de Mexico, S.A. de C.V

The Board of Directors of the Company has approved a plan of liquidation of its group entity in Mexico viz. Tata technologies de Mexico, S.A. de C.V. and accordingly appointed a liquidator vide resolution passed on December 20, 2019. The application for liquidation has been filed by the liquidator and is pending for approval with Public Registry of Commerce in Mexico. As a result, the Company changed its basis of accounting on December 20, 2019 from going concern basis to a liquidation basis and has recorded the assets and liabilities of the company on liquidation basis as on March 31, 2024 and March 31, 2023. A summary of assets and liabilities of the company is as given below:

(Amount in ₹ Crore)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | PESO Million | ₹ Crore | PESO Million | ₹ Crore |
| Other Financial Assets | 9.07 | 4.56 | 9.21 | 4.19 |
| Other Assets | 1.12 | 0.56 | 1.12 | 0.51 |
| **Total Assets (A)** | **10.19** | **5.12** | **10.33** | **4.70** |
| Trade Payables | 3.75 | 1.89 | 4.01 | 1.83 |
| **Total Liabilities (B)** | **3.75** | **1.89** | **4.01** | **1.83** |
| **Net asset value (A-B)** | **6.44** | **3.24** | **6.32** | **2.87** |

# Notes Forming Part of the Consolidated Financial Statement

Notes Forming Part of the Consolidated Financial Statement

## 41 (a) Group Restructuring

The Holding Company has completed following restructuring within the group during the year ended March 31, 2024:

(i) Tata Technologies Europe Limited (group company) has transferred the buisness of Germany Branch (group company) to another group company, Tata Technologies GMBH (TTGMBH) at the consideration of EURO 8,11,549 with effect from November 01, 2023.

The transfer of buisness of Germany Branch has been approved by Board of Directors of Tata Technologies Europe Limited through resolution passed in the meeting held on October 01, 2023. There is no impact on Consolidated Financial statements of the Group on account of this transaction.

## 41 (b) Initial Public Offer

The Company was incorporated on August 22, 1994 and in September / October 2023, the Selling Shareholders of the Company made an offer for sale of 6,08,50,278 equity shares aggregating to ₹ 3,042.541 crore. The equity shares of the Company got listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on November 30, 2023. The Company has not received any proceeds from the Offer and all such proceeds (net of any Offer related expenses which are borne by Selling Shareholders) have gone to the Selling Shareholders. The Offer has been authorised by resolution of Board of Directors at their meeting held on. December 12, 2022. Further, the Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to the resolution dated October 24, 2023 and November 2, 2023

## 41 (c) Dividends

During the year ended March 31, 2024, the Company has paid a final dividend of ₹ 12.30 per share in respect of the previous year ended March 31, 2023 which was proposed by the Board of Directors on May 05, 2023, and was subsequently approved by the shareholders at the Annual General Meeting, held on July 27, 2023, which has resulted in a cash outflow of ₹ 498.97 crore.

Dividends are declared based on profits available for the distribution. On May 03, 2024, the Board of Directors have proposed a final dividend of ₹ 8.40 per share and a one-time special dividend of ₹ 1.65 per share in respect of the year ended March 31, 2024. The total proposed dividend for the year ended March 31, 2024, that is the final dividend and one-time special dividend amounts to ₹ 10.05 per share, subject to approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 407.70 crore.

## 41 (d) Additional regulatory information required by Schedule III

**(i) Details of benami property held**

No proceedings have been initiated or pending against the Group under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder

**(ii) Wilful defaulter**

The Group is not declared wilful defaulter by any bank or financial Institution or government or any government authority.

**(iii) Borrowings secured against current assets**

The Group does not have any borrowings from banks and financial institutions that are secured against current assets during the current and previous year.

**(iv) Relationship with struck off companies**

The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**(v) Compliance with number of layers of companies**

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules 2017

**(vi) Compliance with approved scheme(s) of arrangements**

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous year.

**(vii) Utilisation of borrowed funds and share premium**

The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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 group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Group has not received any fund from any person(s) or entity(ies), 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

**(viii) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(ix) Details of crypto currency or virtual currency**

The Group has not traded or invested in Crypto currency or Virtual Currency during the current or previous year.

**(x) Valuation of PPE, intangible asset and investment property**

The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year.

**(xi) Title deeds of immovable properties not held in name of the Group**

The title deeds of all the immovable property (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group.

**(xii) Registration of charges or satisfaction with Registrar of Companies (ROC)**

There are no charges or satisfaction which are yet to be registered with ROC beyond the statutory year.

# Notes Forming Part of the Consolidated Financial Statement

(xiii) **Utilisation of borrowings availed from bank and financial institutions**

The Group does not have any borrowings from banks and financial institutions as at the balance sheet date.

42 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W -100022

**Swapnil Dakshindas**
Partner
Membership No: 113896

Mumbai: May 03, 2024

**For and on behalf of the Board**

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024







# Independent Auditor's Report

**To the Members of Tata Technologies Limited**

**Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the standalone financial statements of Tata Technologies Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, 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 material 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 2024, 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 Matter

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.

**Revenue recognition - Fixed price contracts where revenue is recognized using percentage of completion method**

See Note 21 to standalone financial statements

| The key audit matter | How the matter was addressed in our audit |
|---|---|
| The Company enters into fixed-price contracts with its customers where the revenue from each contract is recognized based on percentage of completion. This involves computation of actual cost incurred and estimation of total cost on each contract to measure progress towards completion (the input method).<br><br>Accuracy and existence of revenue recognition in respect of fixed price contracts has been identified as key audit matter considering below:<br>• there is an inherent risk and presumed fraud risk around the accuracy and existence of revenues recognised considering the customised and complex nature of these contracts and significant inputs of IT systems,<br>• these contracts involve identification of actual cost incurred on each contract including allocation and apportionment,<br>• these contracts require estimation of future cost-to-completion of each contract as well as critical estimates to make provision for onerous contract, | We performed the following audit procedures to obtain sufficient audit evidence:<br>• Obtained an understanding of the systems and processes and evaluated the design and implementation and tested the operating effectiveness of key internal financial controls implemented by the Company with respect to:<br>– recognition of actual cost incurred on each contract (including allocation and apportionment),<br>– estimation of future cost to complete,<br>– estimation of provision for onerous contract,<br>– recognition of contract assets and contract liability,<br>– the total contract revenue on its completion. |

| Revenue recognition - Fixed price contracts where revenue is recognized using percentage of completion method | |
|---|---|
| See Note 21 to standalone financial statements | |
| **The key audit matter** | **How the matter was addressed in our audit** |
| • application of the revenue recognition accounting standard is complex as there is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations,<br>• Contracts are subject to modification to account for changes in contract specification and requirements,<br>• At year-end, contract assets and contract liabilities(unearned revenue) related to each contract is to be identified.<br>(Refer note 2.1.(iv).(e), 2.3 and 21 to the standalone financial statements) | • Involved our Information Technology specialists (STM) to assess the design and implementation and test the operating effectiveness of IT controls relating to revenue recognition and in particular the following:<br>– The IT environment in which the business systems operate including access controls, program change controls, program development controls and IT operation controls ;<br>– The application controls pertaining to time recording and budgeting systems which prevents unauthorised changes to recording of costs and revenue.<br>• For selected samples of fixed contracts using statistical method,<br>– Tested the contractual terms to assess the performance obligation and the basis for revenue recognition,<br>– Tested the approval for estimates of cost to completion by authorised personnel of the Company,<br>– Carried out a retrospective analysis of costs incurred with estimated costs to identify any significant variations,<br>– Tested if the variations have been considered in estimating the remaining costs to complete the contract,<br>– Tested the contract assets and contract liabilities on balance sheet with the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations;<br>• Tested adequacy of provision in respect of onerous contracts. |

## 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 and other comprehensive loss, 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other





irregularities; selection and application of appropriate accounting policies; making 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 Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## 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 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(11) 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 except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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 as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company 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 Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 28 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 36(e)(vii) 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 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 36(e)(vii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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 final dividend paid by the 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.

As stated in Note 36(d) 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.

f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that audit trail was not enabled at the database level to log any direct changes for the accounting software used for maintaining the books of account. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director 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 **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

**Swapnil Dakshindas**
Partner
Membership No.: 113896
ICAI UDIN: 24113896BKFIFW4362

Place: Mumbai
Date: 03 May 2024

## Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Tata Technologies Limited for the year ended 31 March 2024

**(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.

(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 previous two years. As per the information and explanations given to us, no Property, Plant and Equipment were due for physical verification during the year and hence the Company has not condudcted physical verification of its Property, Plant and Equipment 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 Company is a service company, primarily rendering technology and related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(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 been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to 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 made any investments, provided guarantee or security or granted advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year except unsecured loans granted in respect of which the requisite information is as below in clause (iii) (a).

(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 as below:

| | Unsecured Loan (₹ in crore) |
|---|---|
| Aggregate amount during the year: | |
| Holding Company | 1,796.25 |
| Others | 25 |
| Balance outstanding as at balance sheet date: | |
| Holding Company | 222 |
| Others | 25 |

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the aforesaid loans are prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the aforesaid loans are repayable on demand. As informed to us, the parties are repaying the principal amounts whenever called. Thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular. Further, the Company has not given any advance in the nature of loan to any party during the 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. 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 to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

| | All Parties (₹ in crore) | Promoters (₹ in crore) | Related Parties (₹ in crore) |
|---|---|---|---|
| Aggregate of loans: | | | |
| - Repayable on demand | 1,821.25 | 1,796.25 | - |
| **Total** | **1,821.25** | **1,796.25** | **-** |
| Percentage of loans to the total loans | 100% | 98.6% | - |

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of the loans and investments made. However, the Company has not issued any guarantees or provided any security.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(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 Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities except in connection with certain employee related dues as more fully described in note 28(b) to the standalone Financial statements.

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 2024 for a period of more than six months from the date they became payable except in connection with certain employee related dues as more fully described in note 28(b) to the standalone Financial statements.

(b) According to the information and explanations given to us, there are no 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 with the appropriate authorities on account of any dispute. The particulars of dues of service tax and Sales tax which have not been deposited on account of any dispute are as follows:

| Name of the statute | Nature of the dues | Amount (₹ in crore) | Amount Unpaid (₹ in crore) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|---|
| Finance Act, 1994 (Service tax provisions) | Service Tax | 1.62 | 1.62 | 2008-09 | High Court |
| Finance Act, 1994 (Service tax provisions) | Service Tax | 3.54 | 3.54 | 2008-10 | High Court |

(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 explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(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) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(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 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. Refer note 36(c) of the standalone financial statements.

(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) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(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 seven CICs as part of the Group

(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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. 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

**Swapnil Dakshindas**
Partner
Membership No.: 113896
ICAI UDIN: 24113896BKFIFW4362

Place: Mumbai
Date: 03 May 2024

## Annexure B to the Independent Auditor's Report on the standalone financial statements of Tata Technologies Limited for the year ended 31 March 2024

**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)(g) 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 Technologies Limited ("the Company") as of 31 March 2024 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 has, 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 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The 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 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 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls 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

**Swapnil Dakshindas**
Partner
Membership No.: 113896
ICAI UDIN: 24113896BKFIFW4362

Place: Mumbai
Date: 03 May 2024

# Standalone Balance Sheet

(Amount in ₹ crore)

| | Note No | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **I. ASSETS** | | | |
| **(1) Non-current Assets** | | | |
| (a) Property, Plant and Equipment | 3 | 92.35 | 83.38 |
| (b) Capital work-in-progress | 3 | - | 2.65 |
| (c) Right-to-use-asset | 4 | 69.28 | 74.84 |
| (d) Intangible assets | 5 | 47.38 | 19.85 |
| (e) Intangible assets under development | 5 | - | 0.10 |
| (f) Financial assets: | | | |
| (i) Investments in subsidiaries | 6 | 218.91 | 218.91 |
| (ii) Other financial assets | 10 | 15.45 | 11.46 |
| (g) Income tax assets (net) | 11 | 40.61 | 30.52 |
| (h) Deferred tax assets (net) | 11 | 42.38 | 54.96 |
| (i) Other non-current assets | 12 | 119.42 | 79.65 |
| **Total Non-current Assets** | | **645.78** | **576.32** |
| **(2) Current Assets** | | | |
| (a) Financial assets: | | | |
| (i) Investments | 7 | 150.35 | 29.78 |
| (ii) Trade receivables | | | |
| (a) Billed | 13 | 357.54 | 346.42 |
| (b) Unbilled | 13 | 98.64 | 80.21 |
| (iii) Cash and cash equivalents | 14 | 62.60 | 68.70 |
| (iv) Other bank balances | 9 | 67.40 | 1.19 |
| (v) Loans | 8 | 247.60 | 485.75 |
| (vi) Other financial assets | 10 | 9.99 | 37.91 |
| (b) Other current assets | 12 | 1,290.20 | 971.75 |
| **Total Current Assets** | | **2,284.32** | **2,021.71** |
| **Total Assets** | | **2,930.10** | **2,598.03** |
| **II. EQUITY AND LIABILITIES** | | | |
| **(1) Equity** | | | |
| (a) Equity Share capital | 15 | 81.13 | 81.13 |
| (b) Other Equity | 16 | 1,123.93 | 938.76 |
| **Total Equity** | | **1,205.06** | **1,019.89** |
| **Liabilities** | | | |
| **(2) Non-current Liabilities** | | | |
| (a) Financial liabilities: | | | |
| (i) Lease Liabilities | | 58.79 | 68.35 |
| (ii) Other financial liabilities | 18 | 0.78 | 0.54 |
| (b) Provisions | 19 | 28.06 | 22.78 |
| **Total Non-current Liabilities** | | **87.63** | **91.67** |
| **(3) Current Liabilities** | | | |
| (a) Financial liabilities: | | | |
| (i) Lease Liabilities | | 23.22 | 17.40 |
| (ii) Trade payables | 17 | | |
| (a) total outstanding dues of micro enterprises and small enterprises | | 28.42 | 107.17 |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | | 217.91 | 274.43 |
| (iii) Other financial liabilities | 18 | 28.01 | 4.58 |
| (b) Other current liabilities | 20 | 1,305.07 | 1,037.17 |
| (c) Provisions | 19 | 21.23 | 27.45 |
| (d) Current tax liabilities (net) | 11 | 13.55 | 18.27 |
| **Total Current Liabilities** | | **1,637.41** | **1,486.47** |
| **Total Liabilities** | | **1,725.04** | **1,578.14** |
| **Total Equity and Liabilities** | | **2,930.10** | **2,598.03** |
| **See accompanying notes forming integral part of the Standalone financial statements** | 1-37 | | |

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

**Swapnil Dakshindas**
Partner
Membership No: 113896

**For and on behalf of the Board**

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024

Mumbai: May 03, 2024







# Standalone Statement of Profit and Loss

(Amount in ₹ crore)

| | | Note No | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|---|
| I. | Revenue from operations | 21 | 2,732.09 | 2,112.28 |
| II. | Other income (net) | 22 | 405.00 | 38.23 |
| **III.** | **Total Income (I + II)** | | **3,137.09** | **2,150.51** |
| **IV.** | **Expenses:** | | | |
| | (a) Purchases of technology solutions | | 668.62 | 450.16 |
| | (b) Outsourcing and consultancy charges | | 75.57 | 73.64 |
| | (c) Employee benefits expense | 23 | 1,257.18 | 982.55 |
| | (d) Finance costs | 24 | 11.63 | 11.66 |
| | (e) Depreciation and amortisation expense | 25 | 66.18 | 61.17 |
| | (f) Other expenses | 26 | 238.48 | 239.18 |
| | **Total expenses** | | **2,317.66** | **1,818.36** |
| **V.** | **Profit before tax (III-IV)** | | **819.43** | **332.15** |
| **VI.** | **Tax Expense:** | | | |
| | (a) Current tax | 32 | 121.64 | 95.80 |
| | (b) Deferred tax | 11 | 10.40 | (7.68) |
| | | | **132.04** | **88.12** |
| **VII.** | **Profit for the year (V-VI)** | | **687.39** | **244.03** |
| **VIII.** | **Other comprehensive (loss) for the year** | | | |
| | **Items that will not be reclassified to profit or loss:** | | | |
| | (i) Remeasurement of post employment benefits obligations | | (4.49) | (14.98) |
| | (ii) Income tax relating to above items | 11 | (2.18) | 5.24 |
| | **Items that will be reclassified to profit or loss:** | | | |
| | (i) Exchange differences on translation of operations of a foreign branch | | (0.12) | (0.07) |
| **IX.** | **Total Other comprehensive (loss) for the year** | | **(6.79)** | **(9.81)** |
| **X.** | **Total comprehensive income (net of tax) for the year (VII+IX)** | | **680.60** | **234.22** |
| **XI.** | **Earnings Per Equity Share (Face value of ₹ 2 each):** | 27 | | |
| | Ordinary shares: | | | |
| | (i) Basic (in ₹) | | 16.94 | 6.01 |
| | (ii) Diluted (in ₹) | | 16.92 | 6.01 |
| | **See accompanying notes forming integral part of the Standalone financial statements** | 1-37 | | |

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

**Swapnil Dakshindas**
Partner
Membership No: 113896

**For and on behalf of the Board**

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024

Mumbai: May 03, 2024

# Standalone Statement of Cash Flows

(Amount in ₹ crore)

| | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **A.** | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | Profit for the year | 687.39 | 244.03 |
| | Depreciation and amortisation | 66.18 | 61.17 |
| | Bad debts written off | - | 3.72 |
| | Current tax | 121.64 | 95.80 |
| | Deferred tax | 10.40 | (7.68) |
| | Share-based payments to employees | 2.36 | 1.06 |
| | Dividend income on investments | (362.36) | - |
| | Profit on derecognition of lease liabilities / right of use asset | (0.10) | (0.69) |
| | Profit on sale of investments (net) | (2.61) | (0.65) |
| | Profit on sale of tangible and intangible fixed assets | (0.99) | 0.17 |
| | Interest income | (26.98) | (27.25) |
| | Finance costs | 11.63 | 11.66 |
| | Allowance for doubtful trade receivable & advances | 1.12 | (4.09) |
| | Change in fair value of investments | (3.81) | (0.02) |
| | Change in fair value of MTM | (1.04) | 0.38 |
| | **Operating profit before working capital changes** | **502.83** | **377.61** |
| | **Working capital adjustments** | | |
| | (Increase) in trade receivables - Billed (current) | (12.24) | (70.84) |
| | (Increase) in trade receivables - Unbilled (current) | (18.43) | (18.00) |
| | (Increase) in other current assets | (318.45) | (326.23) |
| | Decrease / (Increase)in other current financial assets | 27.92 | (25.98) |
| | Decrease / (Increase) in current loans | 0.40 | (0.83) |
| | Decrease in non-current loans | - | 0.02 |
| | (Increase) in other non-current assets | (39.77) | (41.99) |
| | (Decrease) / Increase in trade payables | (135.26) | 255.20 |
| | (Decrease) in other financial liabilities | (26.98) | (0.14) |
| | Increase in other current liabilities | 248.63 | 297.77 |
| | (Decrease) / Increase in current provisions | (6.22) | 4.06 |
| | Increase / (Decrease) in non-current provisions | 0.79 | (10.85) |
| | **CASH GENERATED IN OPERATIONS** | **223.22** | **439.80** |
| | Income taxes paid (net) | (136.45) | (93.18) |
| | **NET CASH GENERATED FROM OPERATING ACTIVITIES** | **86.77** | **346.62** |
| **B.** | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Dividend received | 362.36 | - |
| | Interest received on bank deposit and others | 0.03 | 0.40 |
| | Inter corporate deposits placed | (1,796.25) | (1,839.50) |
| | Inter corporate deposits refunded | 2,059.00 | 1,397.25 |
| | Deposits with financial institution | (25.00) | - |
| | Interest received from inter corporate deposits | 22.23 | 25.46 |
| | Payment for purchase of mutual funds | (481.73) | (98.25) |
| | Proceeds from sale of Mutual Funds | 367.58 | 596.82 |
| | Proceeds from sale of tangible and intangible fixed assets | 1.04 | 0.11 |
| | Payment for purchase of tangible and intangible fixed assets | (78.41) | (55.26) |
| | **NET CASH GENERATED FROM INVESTING ACTIVITIES** | **430.85** | **27.03** |
| **C.** | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Interest paid | - | (0.01) |
| | Dividends paid | (498.97) | - |
| | Expenditure for buy-back of equity shares | - | (0.02) |
| | Payments for purchase of shares including premium | - | (295.90) |
| | Repayment of lease liabilities | (24.63) | (22.16) |
| | **NET CASH (USED) IN FINANCING ACTIVITIES** | **(523.60)** | **(318.09)** |
| | **NET (DECREASE) / INCREASE IN CASH & CASH EQUIVALENTS** | **(5.98)** | **55.56** |





# Standalone Statement of Cash Flows

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Cash and cash equivalents at the end of the period (Also refer note iii) | 62.60 | 68.70 |
| Cash and cash equivalents at the beginning of the period | 68.70 | 13.21 |
| Less: Translation adjustment on reserves of foreign branch | (0.12) | (0.07) |
| | **(5.98)** | **55.56** |

Notes:

(i) The above Cash Flow Statement has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

(ii) Prior period comparatives have been reclassified to conform with current period's presentation, where applicable.

(iii) For the purpose of cash flow, Cash and cash equivalents comprise:

(Amount in ₹ crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Balances with banks: | | |
| - Current account | 19.79 | 42.05 |
| Cheques, drafts on hand/funds in transit | 3.81 | 26.65 |
| Bank deposits less than 3 months maturity | 39.00 | - |
| | **62.60** | **68.70** |

**Reconciliation of liabilities from financing activities:**

(Amount in ₹ crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Opening balance** | 85.75 | 93.27 |
| Additions | 14.17 | 7.71 |
| Interest accurred on lease liabilities | 6.98 | 7.65 |
| Principal payment of lease liabilities | (17.65) | (14.51) |
| Interest paid on lease liabilities | (6.98) | (7.65) |
| Deletions | (0.16) | (0.03) |
| Translation differences | (0.10) | (0.69) |
| **Closing balance** | **82.01** | **85.75** |

Cash flow from operating activities for the year ended March 31, 2024 is after considering corporate social responsibility expenditure of ₹ 5.75 crore (March 31, 2023: ₹ 5.55 crore)

**See accompanying notes forming integral part of the Standalone financial statements** 1-37

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W -100022

**Swapnil Dakshindas**
Partner
Membership No: 113896

Mumbai: May 03, 2024

**For and on behalf of the Board**

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024

# Standalone Statement of Changes in Equity

## Part A - Equity Share Capital

(Amount in ₹ crore)

| Balance as at April 1, 2023 | Changes in equity share capital due to prior year errors | Restated balance as at April 1, 2023 | Changes in equity share capital during the year | Balance as at March 31, 2024 |
|---|---|---|---|---|
| 81.13 | - | 81.13 | - | 81.13 |

(Amount in ₹ crore)

| Balance as at April 1, 2022 | Changes in equity share capital due to prior year errors | Restated balance as at April 1, 2022 | Changes in equity share capital during the year* | Balance as at March 31, 2023 |
|---|---|---|---|---|
| 41.81 | - | 41.81 | 39.32 | 81.13 |

* Refer note 15 (b) and 15 (c)

## Part B - Other Equity

(Amount in ₹ crore)

| | Reserves and Surplus | | | | | | | Items of Other comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | Securities Premium | Securities Premium identified separately for consolidation adjustment | General reserve | Capital Redemption Reserve | Special Economic Zone Reinvestment Reserve | Share options outstanding account | Retained earnings | Exchange differences on translating the financial statements of a foreign operation | Total Other Equity |
| **Balance as at April 1, 2022** | **13.16** | **23.16** | **84.54** | **1.25** | **-** | **-** | **619.06** | **0.98** | **742.15** |
| Profit for the year | - | - | - | - | - | - | 244.03 | - | 244.03 |
| Other comprehensive income / (loss) for the year (net of tax) | - | - | - | - | - | - | (9.74) | (0.07) | (9.81) |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **-** | **-** | **234.29** | **(0.07)** | **234.22** |
| Expenditure on buy-back of equity shares (refer note 15) | (0.02) | - | - | - | - | - | - | - | (0.02) |
| Transfer to Capital Redemption Reserve | (1.24) | - | - | 1.24 | - | - | - | - | - |
| Buy-back of equity shares | 1.24 | - | - | - | - | - | - | - | 1.24 |
| Employee stock compensation expense (refer note 23) | - | - | - | - | - | 1.73 | - | - | 1.73 |
| Issue of Bonus shares | (13.14) | - | (26.17) | (1.25) | - | - | - | - | (40.56) |
| Transfer to Special Economic Zone Reinvestment Reserve | - | - | - | - | 22.19 | - | (22.19) | - | - |
| Transfer from Special Economic Zone Reinvestment Reserve | - | - | - | - | (22.19) | - | 22.19 | - | - |
| **Balance as at March 31, 2023** | **-** | **23.16** | **58.37** | **1.24** | **-** | **1.73** | **853.35** | **0.91** | **938.76** |



# Standalone Statement of Changes in Equity

(Amount in ₹ crore)

| | Reserves and Surplus | | | | | | | Items of Other comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | Securities Premium | Securities Premium identified separately for consolidation adjustment | General reserve | Capital Redemption Reserve | Special Economic Zone Reinvestment Reserve | Share options outstanding account | Retained earnings | Exchange differences on translating the financial statements of a foreign operation | Total Other Equity |
| **Balance as at April 1, 2023** | **-** | **23.16** | **58.37** | **1.24** | **-** | **1.73** | **853.35** | **0.91** | **938.76** |
| Profit for the year | - | - | - | - | - | - | 687.39 | - | 687.39 |
| Other comprehensive income / (loss) for the year (net of tax) | - | - | - | - | - | - | (6.67) | (0.12) | (6.79) |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **-** | **-** | **680.72** | **(0.12)** | **680.60** |
| Dividend paid (₹ 12.30 per share) | - | - | - | - | - | - | (498.97) | - | (498.97) |
| Employee stock compensation expense (refer note 23) | - | - | - | - | - | 3.54 | - | - | 3.54 |
| **Balance as at March 31, 2024** | **-** | **23.16** | **58.37** | **1.24** | **-** | **5.27** | **1,035.10** | **0.79** | **1,123.93** |

(Loss) of (₹ 6.67) crore as at March 31, 2024 ((₹ 9.74) crore as at March 31, 2023) on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings.

**See accompanying notes forming integral part of the Standalone financial statements** 1-37

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W -100022

**Swapnil Dakshindas**
Partner
Membership No: 113896

Mumbai: May 03, 2024

**For and on behalf of the Board**

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024

# Notes forming part of Standalone Financial Statements

## Company overview and Material Accounting Policies

### 1. Company overview

TATA Technologies Limited ("TTL or the Company") was incorporated on August 22, 1994 as a Private Limited Company in the name of Core Software Systems Private Limited. The name of the Company was subsequently changed to Tata Technologies (India) Limited. On February 8, 2001, the Company changed its name from Tata Technologies (India) Limited to Tata Technologies Limited. The Company is headquartered in Pune, India. The Company has six offices located at Mumbai, Lucknow, Jamshedpur, Bangalore, Gurugram and a branch office located in Japan that enables it to provide high quality, cost-effective services to clients.

The Company is the subsidiary of Tata Motors Limited (which is the Holding Company).

### 2. Summary of Material Accounting Policies

#### 2.1 Basis of Preparation

**(i) Statement of compliance**

These financial statements comprise the Standalone Balance Sheet as at March 31, 2024 and March 31, 2023; the related Standalone Statement of Profit and Loss (including Other Comprehensive Income) for the year ended, the Standalone Statement of Changes in Equity, and the Standalone Statement of Cash Flows for the year ended March 31, 2024 and March 31, 2023 and the Material accounting policies (together referred to as 'financial statements').

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

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and other accounting principles generally accepted in India.

These financial statements were approved for issue in accordance with the resolution of the Board of Directors on May 03, 2024.

These financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

**(ii) Historical cost convention**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for the following:

- certain financial assets and liabilities which are measured at fair value or amortised cost;
- defined benefit plans and
- share-based payments

**(iii) Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

**(iv) Use of estimates**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

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

**Critical accounting estimates:**

**(a) Useful lives of Property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting







# Notes forming part of Standalone Financial Statements

period. This reassessment may result in change in depreciation expense in future periods.

**(b) Income Taxes**

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

**(c) Deferred Taxes**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carryforwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period is reduced.

**(d) Expected credit losses on financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

**(e) Revenue recognition and contract assets (to the extent of projects where revenue is recognized on percentage completion method)**

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

**(f) Defined benefit plans and compensated absences**

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(g) Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances

# Notes forming part of Standalone Financial Statements

that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

## 2.2 Foreign currency transaction and translation

(i) **Functional and presentation currency:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) **Transactions and balances**

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are re-instated into the functional currency at exchange rates at the balance sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(iii) **Foreign operations**

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the Balance Sheet
- Income and expense items are translated at the average exchange rates for the respective months (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions)
- All resulting exchange differences are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity. When a foreign operation is disposed of, the relevant amount recognized in FCTR is transferred to the statement of income as part of the profit or loss on disposal.

## 2.3 Revenue recognition

The Company earns revenue primarily from providing Engineering, Research and Development (ER&D) services, Digital Enterprise Solutions (DES) services, solutions for education business and Product Lifecycle Management (PLM) services and products.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material contracts is recognized and measured by units delivered and efforts expended.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognized using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation.







Notes forming part of Standalone Financial Statements

- Revenue from the sale of internally developed software and third-party is recognized upfront at the point in time when the software is delivered to the customer. In cases where implementation and / or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognized over time on a POC method.
- Revenue from the sale of third party manufactured products / hardware is recognized at the point in time when control is transferred to the customer.
- The Company is also in business of solutions for education business and in business of supply of third-party software. In such cases, revenue for supply of such third-party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Invoices are usually payable based on the credit terms agreed with customers which vary up to 90 days.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues.

In accordance with Ind AS 37, the Company recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements.

The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the

# Notes forming part of Standalone Financial Statements

performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- Contract fulfilment costs are generally expensed as incurred except where they meet the criteria for capitalization. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

## 2.4 Property, plant and equipment

(i) **Recognition and measurement:**

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

Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized 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.

The carrying amount of any component accounted for as a separate asset is derecognised when discarded/scrapped. All other repairs and maintenance costs are charged to profit and loss in the reporting period in which they occur.

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) **Depreciation:**

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method considering the nature, estimated usage, operating conditions, past history of replacement and anticipated technological changes. Taking into account these factors, the Company has 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.





# Notes forming part of Standalone Financial Statements

The estimated useful lives of assets are as follows:

| Type of Asset | Useful life |
|---|---|
| Lease hold improvements | Lower of Lease period or estimated useful life |
| Buildings | 15 to 25 years |
| Plant and machinery | 1 to 21 years |
| Computer equipment's | 1 to 4 years |
| Vehicles | 3 to 11 years |
| Furniture & fixtures | 1 to 21 years |
| Software | 1 to 4 years |

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end with the effect of any changes in the estimate accounted for on a prospective basis.

## 2.5 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the month in which they are available for use. Amortization methods and useful lives are reviewed periodically at each financial year end.

Internally generated intangible asset arising from development activity is recognised at cost on demonstration of its technical feasibility, the intention and ability of the Company to complete, use or sell it, only if, it is probable that the asset would generate future economic benefit and the expenditure attributable to the said assets during its development can be measured reliably.

Software not exceeding ₹ 25,000 is charged off to the statement of profit and loss.

## 2.6 Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits and
- the availability of adequate resources to complete the development.

## 2.7 Financial instruments

(a) **Financial assets:**

(i) **Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either though other comprehensive income, or through profit and loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics.

For investments in debt instruments, this will depend on business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(ii) **Initial recognition:**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

# Notes forming part of Standalone Financial Statements

(iii) Measurement:

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

**Cash and cash equivalents:**

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks (three months or less from the date of acquisition). For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks (three months or less from the date of acquisition), net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

**Investment in subsidiaries:**

The Company has accounted for its investment in subsidiaries at cost less impairment.

Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income (FVOCI):**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

**Financial assets at fair value through profit or loss (FVTPL):**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Impairment of financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(v) Derecognition of financial assets:

The Company derecognizes a financial asset when

- the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109.







# Notes forming part of Standalone Financial Statements

- retains contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to extent of continuing involvement in the financial asset."

## 2.8 Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at amortised cost:**

Borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iv) Derivative Financial Instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

## 2.9 Impairment – Non Financial Assets

Intangible assets, Property, Plant and Equipment and Right to Use Assets

## Notes forming part of Standalone Financial Statements

## Notes forming part of Standalone Financial Statements

At each balance sheet date, the Company assesses whether there is any indication that any Property, Plant and Equipment, Intangible Assets with finite lives and Right to use Assets 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.

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 it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the income statement.

As at March 31, 2024, none of the Company's property, plant and equipment, intangible assets and right to use assets were considered impaired.

### 2.10 Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are determined at present value based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

### 2.11 Earnings per equity share:

Basic earnings per share is computed by dividing net income by the weighted average number of shares outstanding during the financial year adjusted for treasury shares held. Diluted earnings per share is computed using the weighted average number of shares outstanding during the year adjusted for treasury shares held and dilutive potential shares, except where the result would be anti-dilutive.

### 2.12 Inventories:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories is ascertained on a first in first out basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

### 2.13 Taxation

Income tax comprises current and deferred taxes. Income tax expense is recognized in the income statement except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss, or where they arise from the initial accounting for business combination.

(i) Current income tax:

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the year. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the year. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

(ii) Deferred income tax:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

(iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Company will pay normal income tax in the future.

Employee benefits:

(i) Post-employment benefit plans:

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as an expense during the year when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The

# Notes forming part of Standalone Financial Statements

Notes forming part of Standalone Financial Statements

present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

The Company has the following employee benefit plans:

a. **Provident fund**

In accordance with Indian law, Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both, the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company has no further obligations under this scheme beyond its periodic contributions.

b. **Superannuation**

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

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

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the year of plan amendment.

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.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Company contribute up to 15% of the eligible employees' basic salary to the trust every year. Such contributions are recognized as an expense when incurred. The Company has no further obligation beyond this contribution.

c. **Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts. The Company account for the liability for gratuity benefits payable in the future based on an estimated basis for the financial year end and on an independent actuarial valuation under Projected Unit Cost method as on the Balance Sheet date.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the year in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the year of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

d. **Bhavishya Kalyan Yojana (BKY)**

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees of the Company. The benefits of the plan include pension in certain 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 basic salary drawn at the time of death or accident or a specified amount, whichever is greater. The Company account for the liability for BKY benefits payable in the future based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method as on the Balance Sheet date.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

The Company has replaced its employee benefit scheme BKY with Group Term Life Insurance (GTL) policy with effect from November 2019. Accordingly, with effect from December 2019, the Company has continued to carry obligation under this scheme based on actuarial valuation for those beneficiaries having claims under this scheme before the date of discontinuation.

e. **Post-retirement medicare scheme**

Under this unfunded scheme, employees of the Company receive medical benefits

# Notes forming part of Standalone Financial Statements

# Notes forming part of Standalone Financial Statements

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. The Company account for the liability for post-retirement medical scheme based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method at the financial year end.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

The Company has curtailed its Post-retirement Medicare scheme which is an unfunded defined benefit plan to exclude all employees who will retire after December 31, 2020. Accordingly, with effect from January 2021, the carrying value of liability has been recognised based on an independent actuarial valuation under Projected Unit Cost method for those beneficiaries having claims under this scheme before the date of discontinuation.

(ii) 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 number of days of unutilized leave at each balance sheet date based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method at the financial year end.

### 2.14 Share based payments

Share-based compensation benefits are provided to the employees via the Share based long term incentive scheme 2022 ("SLTI 2022").

#### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

### 2.15 Dividends

Dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors as per Ind AS 10.

### 2.16 Leases

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. Company as a lessee The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

#### Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the

## Notes forming part of Standalone Financial Statements

Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

**Company as a lessor**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

**Sub lease**

At the inception of the sub lease contract, the Company classifies the sub lease as a finance lease or an operating lease based on criteria in Ind AS 116 Lease.

The sub lease, which is classified as an operating lease, the lease Liability and Right to Use of the head lease is not derecognised. The lease income which would be received from the sub lease over the lease term is recognised as other income in the Statement of Profit or Loss Account.

The sub lease, which is classified as a finance lease, the lease liability of the head lease is not derecognised, instead the Right to Use asset of the head lease is derecognised and net investment in sub lease is recognised. The interest income received on the Net Investment in sub lease is recognised in Statement of Profit or Loss Account over the lease term.

### 2.17 Cost recognition

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

### 2.18 Exceptional items

The Company considers exceptional items to be those which derive from events or transactions which are significant for separate disclosure by virtue of their size or incidence in order for the user to obtain a proper understanding of the Company's financial performance. These items include, but are not limited to, acquisition costs, impairment charges, restructuring costs and profits and losses on disposal of subsidiaries and other one-off items which meet this definition. To provide a better understanding of the underlying results of the year, exceptional items are reported separately in the Statement of Profit and Loss.





## Notes forming part of Standalone Financial Statements

### 2.19 Adoption of new accounting principles

Deferred tax related to assets and liabilities arising from a single transaction (amendments to Ind AS 12 –Income Taxes). The amendments clarified that lease transactions give rise to equal and offsetting temporary differences and financial statements should reflect the future tax impacts of these transactions through recognizing deferred tax. The Company has adopted this amendment effective April 1, 2023. The Company previously accounted for deferred tax on leases on a net basis. Following the amendments, the Company has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-to-use assets. The adoption did not have any impact on Company's Standalone financial statements as balances qualify for offset under paragraph 74 of Ind AS 12.

### 2.20 Recent Indian Accounting Standards (Ind AS) and Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

# Notes forming part of Standalone Financial Statements

## 3 Property, Plant and Equipment

(Amount in ₹ crore)

| | Owned Assets | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Buildings | Plant and equipment | Office equipments | Computers | Furniture and fixtures | Vehicles | Leasehold Improvements | Total |
| **Gross carrying value as at April 1, 2022** | 17.79 | 21.83 | 6.06 | 141.95 | 10.92 | 1.40 | 13.82 | 213.77 |
| Additions | 0.07 | 4.42 | 0.77 | 29.93 | 0.04 | - | - | 35.23 |
| Disposals | (0.06) | (0.27) | (0.02) | (0.66) | (0.65) | - | - | (1.66) |
| **Gross carrying value as at March 31, 2023** | **17.80** | **25.98** | **6.81** | **171.22** | **10.31** | **1.40** | **13.82** | **247.34** |
| **Accumulated depreciation as at April 1, 2022** | 8.80 | 14.28 | 5.05 | 89.82 | 7.07 | 1.40 | 10.50 | 136.92 |
| Depreciation for the year | 1.25 | 2.17 | 0.40 | 23.09 | 0.75 | - | 0.76 | 28.42 |
| Disposals | (0.06) | (0.20) | (0.02) | (0.51) | (0.59) | - | - | (1.38) |
| **Accumulated depreciation as of March 31, 2023** | **9.99** | **16.25** | **5.43** | **112.40** | **7.23** | **1.40** | **11.26** | **163.96** |
| **Net carrying value as at March 31, 2023** | **7.81** | **9.73** | **1.38** | **58.82** | **3.08** | **-** | **2.56** | **83.38** |
| **Gross carrying value as at April 1, 2023** | **17.80** | **25.98** | **6.81** | **171.22** | **10.31** | **1.40** | **13.82** | **247.34** |
| Additions | 0.38 | 1.59 | 1.33 | 38.49 | 0.39 | 0.32 | 0.07 | 42.57 |
| Disposals | - | (0.03) | (0.05) | (18.67) | - | (0.15) | - | (18.90) |
| **Gross carrying value as at March 31, 2024** | **18.18** | **27.54** | **8.09** | **191.04** | **10.70** | **1.57** | **13.89** | **271.01** |
| **Accumulated depreciation as at April 1, 2023** | **9.99** | **16.25** | **5.43** | **112.40** | **7.23** | **1.40** | **11.26** | **163.96** |
| Depreciation for the year | 1.32 | 2.50 | 0.59 | 28.13 | 0.64 | 0.03 | 0.35 | 33.56 |
| Disposals | - | (0.02) | (0.05) | (18.64) | - | (0.15) | - | (18.86) |
| **Accumulated depreciation as at March 31, 2024** | **11.31** | **18.73** | **5.97** | **121.89** | **7.87** | **1.28** | **11.61** | **178.66** |
| **Net carrying value as at March 31, 2024** | **6.87** | **8.81** | **2.12** | **69.15** | **2.83** | **0.29** | **2.28** | **92.35** |

(i) Contractual obligations: The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 3.11 crore as at March 31, 2024 (March 31, 2023: ₹ 13.55 crore).

(ii) Ageing schedule of Capital Work in Progress (CWIP) as at March 31, 2024

(Amount in ₹ crore)

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |





# Notes forming part of Standalone Financial Statements

(iii) Ageing schedule of Capital Work in Progress (CWIP) as at March 31, 2023

(Amount in ₹ crore)

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 2.65 | - | - | - | 2.65 |
| Projects temporarily suspended | - | - | - | - | - |

## 4 Right-to-use-asset

(Amount in ₹ crore)

| | Commercial Premises | Land | Residential Premises | Vehicles | Total |
|---|---|---|---|---|---|
| **Gross carrying value as at April 1, 2022** | **112.05** | **3.30** | **0.46** | **4.79** | **120.60** |
| Additions | 6.04 | - | 0.27 | 1.40 | 7.71 |
| Disposals | - | - | - | (1.11) | (1.11) |
| Other adjustments | 0.15 | - | - | - | 0.15 |
| **Gross carrying value as at March 31, 2023** | **118.24** | **3.30** | **0.73** | **5.08** | **127.35** |
| **Accumulated depreciation as at April 1, 2022** | **32.86** | **0.12** | **0.44** | **2.70** | **36.12** |
| Depreciation for the year | 16.27 | 0.04 | 0.09 | 1.07 | 17.47 |
| Disposal | - | - | - | (1.08) | (1.08) |
| **Accumulated depreciation as at March 31, 2023** | **49.13** | **0.16** | **0.53** | **2.69** | **52.51** |
| **Net carrying value as at March 31, 2023** | **69.11** | **3.14** | **0.20** | **2.39** | **74.84** |
| **Gross carrying value as at April 1, 2023** | **118.24** | **3.30** | **0.73** | **5.08** | **127.35** |
| Additions | 11.21 | - | - | 2.96 | 14.17 |
| Disposals | (0.61) | - | - | (2.04) | (2.65) |
| Other adjustments | (0.41) | - | - | - | (0.41) |
| **Gross carrying value as at March 31, 2024** | **128.43** | **3.30** | **0.73** | **6.00** | **138.46** |
| **Accumulated depreciation as at April 1, 2023** | **49.13** | **0.16** | **0.53** | **2.69** | **52.51** |
| Depreciation for the year | 17.79 | 0.04 | 0.09 | 1.24 | 19.16 |
| Disposals | (0.61) | - | - | (1.88) | (2.49) |
| **Accumulated depreciation as at March 31, 2024** | **66.31** | **0.20** | **0.62** | **2.05** | **69.18** |
| **Net carrying value as at March 31, 2024** | **62.12** | **3.10** | **0.11** | **3.95** | **69.28** |

# Notes forming part of Standalone Financial Statements

## 5 Intangible assets

(Other than internally generated)

(Amount in ₹ crore)

| | Software Licenses | Total |
|---|---|---|
| **Gross carrying value as at April 1, 2022** | **135.09** | **135.09** |
| Additions | 12.53 | 12.53 |
| Disposals | - | - |
| **Gross carrying value as at March 31, 2023** | **147.62** | **147.62** |
| **Accumulated amortisation as at April 1, 2022** | **112.49** | **112.49** |
| Amortization for the year | 15.28 | 15.28 |
| Accumulated amortisation on disposals | - | - |
| **Accumulated amortisation as of March 31, 2023** | **127.77** | **127.77** |
| **Net carrying value as at March 31, 2023** | **19.85** | **19.85** |
| **Gross carrying value as at April 1, 2023** | **147.62** | **147.62** |
| Additions | 41.00 | 41.00 |
| Disposals | (0.01) | (0.01) |
| **Gross carrying value as at March 31, 2024** | **188.61** | **188.61** |
| **Accumulated amortisation as at April 1, 2023** | **127.77** | **127.77** |
| Amortization for the year | 13.46 | 13.46 |
| Accumulated amortisation on disposals | - | - |
| **Accumulated depreciation as at March 31, 2024** | **141.23** | **141.23** |
| **Net carrying value as at March 31, 2024** | **47.38** | **47.38** |

### (i) Intangibles under development

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Balance at the beginning of the year | 0.10 | - |
| Additions during the year | 0.08 | 0.26 |
| Capitalized during the year | (0.18) | (0.16) |
| **Balance at the end of the year** | **-** | **0.10** |

(ii) Contractual obligation: The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 3.22 crore as at March 31, 2024 (March 31, 2023: ₹ 7.31 crore).

(iii) Ageing schedule of Intangible assets under development as at March 31, 2024

(Amount in ₹ crore)

| Particulars | Amount in intangible assets under development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | - | | - | - | - |
| Projects temporarily suspended | - | | - | - | - |





# Notes forming part of Standalone Financial Statements

(iv) Ageing schedule of Intangible assets under development as at March 31, 2023

(Amount in ₹ crore)

| Particulars | Amount in intangible assets under development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 0.10 | | - | - | - |
| Projects temporarily suspended | - | | - | - | - |

## 6 Investments In subsidiaries

Unquoted:

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| **(i) Investments in Equity of subsidiaries- carried at cost** | | | | |
| (a) Tata Technologies Inc.- (3.75% Holding) | 150,000 | 15.57 | 150,000 | 15.57 |
| (b) Tata Technologies Pte Ltd, Singapore, a 100% subsidiary company | 86,463,759 | 203.34 | 86,463,759 | 203.34 |
| **Total Aggregate Unquoted Investments** | | **218.91** | | **218.91** |
| (ii) Aggregate book value of unquoted investments | | 218.91 | | 218.91 |
| Aggregate value of impairment | | - | | - |

## 7 Investments

(Amount in ₹ crore)

| | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| **CURRENT** | | | | |
| **Quoted Investments:** | | | | |
| **i) Investment carried at Fair value through Profit and Loss (FVTPL)** | | | | |
| **Investments in Mutual Funds** | | | | |
| SBI Premier Liquid Fund - DIRECT Growth | - | - | 8,525 | 3.00 |
| Aditya Birla Sun Life Liquid Fund - Growth-Direct | 95,256 | 3.71 | - | - |
| Nippon India Money Market Fund - Direct Plan - Growth | 26,533 | 10.03 | - | - |
| Kotak Liquid Fund Direct Plan Growth | - | - | 18,162 | 8.26 |
| ICICI Prudential Money Market Fund - Direct Plan - Growth | 1,205,462 | 42.10 | - | - |
| Tata Money Market Fund Direct Plan | 95,600 | 41.75 | - | - |
| HDFC Money Market Fund - Direct Plan - Growth | 81,956 | 43.44 | - | - |
| UTI Liquid Cash Plan - Regular Plan - Growth | - | - | 4,114 | 1.52 |
| UTI Liquid Cash Plan - Direct Plan - Growth | 23,544 | 9.32 | 5,429 | 2.00 |
| Aditya Birla Sun Life Overnight Fund | - | - | 24,747 | 3.00 |
| Axis Overnight Fund Direct Growth | - | - | 67,489 | 8.00 |
| SBI Overnight Fund Direct Growth | - | - | 10,963 | 4.00 |
| **Total Investment carried at Fair value through Profit and Loss (FVTPL)** | | **150.35** | | **29.78** |
| **Total Current Investments** | | **150.35** | | **29.78** |
| Aggregate book value of quoted investments | | 150.35 | | 29.78 |
| Aggregate market value of quoted investments | | 150.35 | | 29.78 |
| Aggregate book value of unquoted investments | | - | | - |
| Aggregate book value of impairment | | - | | - |

# Notes forming part of Standalone Financial Statements

## 8 Loans

(Amount in ₹ crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **CURRENT** | | |
| **(Unsecured, considered good)** | | |
| (a) Loans to related parties (Also refer note 31 (ii)) | | |
| - Inter corporate deposits | 222.00 | 484.75 |
| (b) Inter corporate deposits palced with financial institution (Refer note 8 (i)) | 25.00 | - |
| (c) Loans and advances to employees | 1.06 | 1.46 |
| Less: Allowance for doubtful receivable | (0.46) | (0.46) |
| | **247.60** | **485.75** |

(i) Inter-corporate deposits yield fixed interest rate and are placed with financial institutions, who are authorized to accept and use such inter-corporate deposits as per regulations applicable to them.

**Disclosure of the loan granted which are repayable on demand**

(Amount in ₹ crore)

| Type of borrowers | Amount of loan or advance in the nature of loan outstanding | Percentage to the total loans and advances in the nature of loans (including current and non-current) | Amount of loan or advance in the nature of loan outstanding | Percentage to the total loans and advances in the nature of loans (including current and non-current) |
|---|---|---|---|---|
| | March 31, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2023 |
| Promoter | 222.00 | 89.88% | 484.75 | 100.00% |
| Directors | - | - | - | - |
| Key Managerial Personnel ("KMP") | - | - | - | - |
| Related Parties | - | - | - | - |

The above intercompany deposits are in compliance with the Companies Act and have been given for business purpose. The rate of interest on the intercorporate deposits is 7.25% to 7.30% as on March 31, 2024 (5% to 7.05% as on March 31, 2023).

## 9 Other bank balances

(Amount in ₹ crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **CURRENT** | | |
| (a) Earmarked balance with banks (Refer Note (i) below) | 67.40 | 1.19 |
| **Total** | **67.40** | **1.19** |

**Note:**

(i) Earmarked balance pertain to:

- Unclaimed dividend
- Amounts withheld from IPO proceeds, which would be paid to the selling shareholders. (Also refer note 18 and note 36 (c)).
- funds received in Escrow account from one of the customer





# Notes forming part of Standalone Financial Statements

## 10 Other Financial Assets

(Amount in ₹ crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **NON-CURRENT** | | |
| **(Unsecured, considered good)** | | |
| (a) Deposits pledged/lien with banks (Refer Note (i) below) | 0.06 | 0.06 |
| (b) Security deposits | 15.39 | 11.40 |
| **Total** | **15.45** | **11.46** |
| Notes: | | |
| (i) Deposits have been kept with bank as security for bank guarantee. | | |
| **CURRENT** | | |
| **(Unsecured, considered good)** | | |
| (a) Interest accrued on deposits and investments | 0.47 | - |
| (b) Derivative carried at fair value through profit & loss account | 1.04 | - |
| (c) Receivable from related parties for reimbursement of expenses (Also refer note 31 (ii)) | 5.39 | 8.46 |
| (d) Security deposits | 3.09 | - |
| (e) Other receivables* | - | 29.45 |
| **Total** | **9.99** | **37.91** |

*Previous year balance is inclusive of expenses incurred in relation to IPO that were recoverable by the Company from the selling shareholders and same have been recovered. (Also refer note 31 (ii) and note 36 (c)).

## 11 (i) Income tax assets/(liabilities)

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Income Tax Assets (Net) | 40.61 | 30.52 |
| Income Tax Liabilities (Net) | 13.55 | 18.27 |
| **Net current income tax assets/(liabilities)** | **27.06** | **12.25** |

## 11 (ii) Movement in income tax assets/(liabilities)

The gross movement in income tax assets/(liabilities) for the year ended March 31, 2024 and year ended March 31, 2023 is as follows:

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Net current income tax assets /(liabilities) at beginning | 12.25 | 14.87 |
| Income tax paid (net) | 136.45 | 93.18 |
| Current income tax expense | (121.64) | (95.80) |
| **Net current income tax assets /(liabilities) at the end** | **27.06** | **12.25** |

# Notes forming part of Standalone Financial Statements

## 11 (iii) Deferred tax assets (net)

(Amount in ₹ crore)

| Significant components and movement of deferred tax assets and liabilities for the year ended March 31, 2024: | As at April 1, 2023 | Recognized in the statement of profit or loss | Recognized in/ reclassified from other comprehensive income | As at March 31, 2024 |
|---|---|---|---|---|
| **Deferred tax assets:** | | | | |
| Provisions and allowances for doubtful receivables and others | 9.55 | (2.39) | - | 7.16 |
| Compensated absences and retirement benefits | 26.96 | (1.50) | - | 25.46 |
| Remeasurement of post employment benefits obligations | 11.28 | - | (2.18) | 9.10 |
| Lease liability | 31.98 | (11.40) | - | 20.58 |
| Others | (0.31) | 0.31 | - | - |
| **Total deferred tax assets** | **79.46** | **(14.98)** | **(2.18)** | **62.30** |
| **Deferred tax liabilities:** | | | | |
| Right to use asset | 25.55 | (9.27) | - | 16.28 |
| Gain/(Loss) on Change in Fair Value of Investments | - | 0.96 | - | 0.96 |
| Property, plant and equipment and intangible assets | (0.92) | 3.34 | - | 2.42 |
| Derivative financial instruments | (0.13) | 0.39 | - | 0.26 |
| **Total deferred tax liabilities** | **24.50** | **(4.58)** | **-** | **19.92** |
| **Net Deferred tax assets/(liabilities)** | **54.96** | **(10.40)** | **(2.18)** | **42.38** |

(Amount in ₹ crore)

| Significant components of deferred tax assets and liabilities for the year ended March 31, 2023: | As at April 1, 2022 | Recognized in the statement of profit and loss | Recognized in/ reclassified from other comprehensive income | As at March 31, 2023 |
|---|---|---|---|---|
| **Deferred tax assets:** | | | | |
| Provisions and allowances for doubtful receivables and others | 10.98 | (1.43) | - | 9.55 |
| Compensated absences and retirement benefits | 19.24 | 7.72 | - | 26.96 |
| Remeasurement of post employment benefits obligations | 6.04 | - | 5.24 | 11.28 |
| Derivative financial instruments | - | 0.13 | - | 0.13 |
| Lease liability | 23.07 | 8.91 | - | 31.98 |
| Property, plant and equipment and intangible assets | 0.93 | (0.01) | - | 0.92 |
| **Total deferred tax assets** | **60.26** | **15.32** | **5.24** | **80.82** |
| **Deferred tax liabilities:** | | | | |
| Right to use asset | 17.81 | 7.74 | - | 25.55 |
| Gain/(Loss) on Change in Fair Value of Investments | 0.09 | (0.09) | - | - |
| Others | 0.32 | (0.01) | - | 0.31 |
| **Total deferred tax liabilities** | **18.22** | **7.64** | **-** | **25.86** |
| **Net Deferred tax assets/(liabilities)** | **42.04** | **7.68** | **5.24** | **54.96** |





# Notes forming part of Standalone Financial Statements

**Note:**
In the Income Tax Act, 1961, the Government of India added a new section 115BAA (the "New Tax Regime") on September 20, 2019 through the Taxation Laws (Amendment) Act 2019. This section gave domestic companies the option to pay income taxes at the lower rate (25.17%, inclusive of surcharge and cess) subject to the rules/ conditions outlined in the said section. The company evaluated the underlying assumptions in lights of the business reality and made the decision to choose the new tax regime, which took effect from Financial year 2023-24. The effect of this change had been recognised in tax expense for the year ended March 31, 2024 on effective tax basis. This had resulted in an increase in deferred tax expense of ₹ 12.22 crore for the year ended March 31, 2024 on account of remeasurement of deferred tax assets.

## 12 Other Assets

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **NON-CURRENT** | | |
| **(Unsecured, considered good)** | | |
| (a) Capital advances | 0.01 | - |
| (b) Prepaid expenses | 118.12 | 78.37 |
| (c) Deposits with government authorities | 1.29 | 1.28 |
| | **119.42** | **79.65** |
| **CURRENT** | | |
| **(Unsecured, considered good)** | | |
| (a) Advances to suppliers and contractors | 84.38 | 90.29 |
| (b) Prepaid expenses | 63.56 | 55.22 |
| (c) Balances with government authorities | 177.23 | 166.74 |
| (d) Contract Assets | 964.96 | 659.44 |
| (e) Deposits with government authorities | 0.07 | 0.06 |
| | **1,290.20** | **971.75** |

## 13 Trade Receivables

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **CURRENT** | | |
| **(Unsecured unless otherwise stated)** | | |
| Trade receivables considered good | 385.46 | 373.21 |
| Less: Allowance for doubtful trade receivable | 27.92 | 26.79 |
| | **357.54** | **346.42** |

Above balance of Trade receivable include balances with related parties (Also refer Note 31 (ii))

# Notes forming part of Standalone Financial Statements

### Trade receivable ageing schedule as at March 31, 2024

(Amount in ₹ crore)

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months – 1 year | 1 – 2 years | 2 – 3 years | More than 3 years | Total |
| Undisputed Trade receivable – Considered good | 217.06 | 106.08 | 18.90 | 4.44 | 22.26 | 16.72 | 385.46 |
| Disputed Trade receivable – Considered good | – | – | – | – | – | – | – |
| Gross trade receivables | – | – | – | – | – | – | 385.46 |
| Less: Allowance for doubtful trade receivable | – | – | – | – | – | – | (27.92) |
| Trade receivables - billed | – | – | – | – | – | – | 357.54 |
| Unbilled receivables | 98.64 | – | – | – | – | – | 98.64 |
| Trade receivables - billed and unbilled | – | – | – | – | – | – | 456.18 |

### Trade receivable ageing schedule as at March 31, 2023

(Amount in ₹ crore)

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months – 1 year | 1 – 2 years | 2 – 3 years | More than 3 years | Total |
| Undisputed Trade receivable – Considered good | 189.70 | 129.95 | 9.62 | 24.54 | 5.48 | 13.92 | 373.21 |
| Disputed Trade receivable – Considered good | – | – | – | – | – | – | – |
| Gross trade receivables | – | – | – | – | – | – | 373.21 |
| Less: Allowance for doubtful trade receivable | – | – | – | – | – | – | (26.79) |
| Trade receivables - billed | – | – | – | – | – | – | 346.42 |
| Unbilled receivables | 80.21 | – | – | – | – | – | 80.21 |
| Trade receivables - billed and unbilled | – | – | – | – | – | – | 426.63 |

## 14 Cash and Cash Equivalents

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (a) Balances with banks: | | |
| – Current account | 19.79 | 42.05 |
| – Deposits with original maturity of less than three months | 39.00 | - |
| (b) Cheques, drafts on hand/funds in transit | 3.81 | 26.65 |
| | **62.60** | **68.70** |





# Notes forming part of Standalone Financial Statements

## 15 Equity Share Capital

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **(a) Authorised:** | | |
| (i) 1,750,000,000 equity shares of ₹ 2/- each (as at March 31, 2023: 1,750,000,000 equity shares of ₹ 2/- each) | 350.00 | 350.00 |
| (ii) 700,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each (as at March 31, 2023: 700,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each) | 0.70 | 0.70 |
| | **350.70** | **350.70** |
| **(b) Issued, Subscribed and Fully paid up capital:** | | |
| 405,668,530 equity shares of ₹ 2/- each (as at March 31, 2023: 405,668,530 equity shares of ₹ 2/- each) | 81.13 | 81.13 |
| | **81.13** | **81.13** |

### Note on Buy-back of Shares

The Board of Directors of the Company, at its meeting held on February 11, 2022 had approved a proposal to buyback upto 1,240,122 equity shares of the Company for an aggregate amount not exceeding ₹ 245.79 crore representing 2.97% of the total paid up equity share capital at ₹ 1,982 per equity share, which was approved by the shareholders by means of a special resolution through a postal ballot dated March 18, 2022.

A Letter of Offer was sent to all eligible shareholders holding shares as on the record date i.e. March 21, 2022. The offer period i.e. the period for tendering the equity shares for buyback was March 26, 2022 to April 09, 2022. The verification of the applications was completed by the Registrar to the Buyback on April 11, 2022 and payments made to equity shareholders during April 13, 2022 to April 26, 2022. The unaccepted equity shares were returned to eligible equity shareholders on April 13, 2022. Pursuant to the Letter of Offer, the Company had recorded a payable of ₹ 295.90 crore (including provision for tax on buy-back of ₹ 50.11 crore) as at March 31, 2022 as Other financial and current liability.

Capital redemption reserve was created to the extent of nominal value of share capital extinguished of ₹ 1.24 crore in the year ended March 31, 2023.

The Company paid an amount of ₹ 79.48 crore to Tata Capital Growth fund I, Associate of Group company, on April 13, 2022 and ₹ 158.96 crore to Alpha TC Holdings Pte. Ltd., towards the consideration for buy-back of its equity shares on April 25, 2022.

### Note on share split and bonus of Shares

The Company has increased the authorised share capital from existing 60,000,000 equity shares to 1,75,00,00,000 equity shares of ₹ 2 each, which was approved by the shareholders by means of a special resolution through a postal ballot dated January 14, 2023.

The Board of Directors of the Company, at its meeting held on December 12, 2022 had approved the sub division of the existing authorised share capital of the company from 60,000,000 equity shares of ₹ 10 each into 300,000,000 equity shares of ₹ 2 each, which was approved by the shareholders by means of a special resolution through a postal ballot dated January 14, 2023. The record date for the share split is January 16, 2023. The company had allotted 162,267,412 weighted average number of equity shares of ₹ 2 each effective January 16, 2023.

# Notes forming part of Standalone Financial Statements

Post sub division of the existing authorised share capital of the Company, the Board of Directors at its meeting held on December 12, 2022 had approved the bonus issue of one new equity share for every one share held on record date, which was approved by the shareholders by means of an ordinary resolution through a postal ballot dated January 14, 2023. The record date for the bonus issue is January 16, 2023. The sum of ₹ 40.56 crore by capitalisation of profits transferred from security premium amounting to ₹ 13.14 crore and capital redemption reserve amounting to ₹ 1.25 crore and general reserve amounting to ₹ 26.17 crore. The company had allotted 202,834,265 weighted average number of equity shares of ₹ 2 each by way of bonus issue to its shareholders in ratio of 1:1 effective January 16, 2023.

The company had allotted bonus shares of 151,503,000 equity shares to Tata Motors Limited (Promoter and Parent company), 4,059,960 equity shares to Tata Motors Finance Limited (Fellow Subsidiary) and 7,361,250 equity shares & 14,722,505 equity shares to Tata Capital Growth fund I and Alpha TC Holdings Pte. Ltd. respectively (Associate of Group company).

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

| Particulars | No. of Shares | Amount in ₹ crore |
|---|---|---|
| **Equity shares** | | |
| Number of shares as at April 1, 2022 | 41,806,975 | 41.81 |
| Less: Shares extinguished on buy-back (Refer above note on buy-back of shares) | (1,240,122) | (1.24) |
| **Number of shares before split and bonus** | **40,566,853** | **40.57** |
| Number of shares after split* | 202,834,265 | 40.57 |
| Add: Shares issued on account of bonus (Refer above note on share split and bonus of Shares) | 202,834,265 | 40.56 |
| Number of shares as at March 31, 2023 | **405,668,530** | **81.13** |

* Number of shares have been sub divided into 5 shares of ₹ 2 each during the year.

| Particulars | No of shares | Amount in ₹ crore |
|---|---|---|
| **Equity shares** | | |
| Number of shares as at April 1, 2023 | 405,668,530 | 81.13 |
| **Number of shares as at March 31, 2024** | **405,668,530** | **81.13** |

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

(i) Ordinary Shares

The Company has only one class of shares having par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share and in the event of liquidation, has rights proportionate to their shareholdings over the residual assets after paying out all the liabilities.

(e) **Shares in the Company held by each shareholder holding more than 5% shares (including shares held by the Holding Company, it's subsidiaries and associates)**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| **Equity Shares** | | | | |
| (a) Tata Motors Limited (Holding Company) | 216,569,816 | 53.39 | 303,006,000 | 74.69 |
| (b) Alpha TC Holdings Pte Ltd. | 19,728,157 | 4.86 | 29,445,010 | 7.26 |
| (c) TPG Rise Climate Sf Pte. Ltd. | 36,509,794 | 9.00 | - | - |
| | **272,807,767** | **67.25** | **332,451,010** | **81.95** |





# Notes forming part of Standalone Financial Statements

(f) **Shares held by promoter**

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

| Promoter name | As at March 31, 2024 | | As at March 31, 2023 | | % change during the year |
|---|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding | |
| **Equity Shares** | | | | | |
| (a) Tata Motors Limited | 216,569,816 | 53.39 | 303,006,000 | 74.69 | (21.30) |

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

(i) The Company has not issued any shares without payment being received in cash.

(ii) The Company has issued bonus shares.

202,834,265 equity shares of ₹ 2 each as fully paid bonus shares by capitalisation of profits transferred from security premium amounting to ₹ 13.14 crore and capital redemption reserve amounting to ₹ 1.25 crore and general reserve amounting to ₹ 26.17 crore, pursuant to an ordinary resolution passed after taking the consent of shareholders through postal ballot.

(iii) **Equity shares extinguished on buy-back**

1,246,665 equity shares of ₹ 10 each were extinguished on buy-back by the company pursuant to a Letter of Offer made to all eligible shareholders of the company at ₹ 748 per equity share. The equity shares bought back were extinguished on March 6, 2020.

1,240,122 equity shares of ₹ 10 each were extinguished on buy-back by the company pursuant to a Letter of Offer made to all eligible shareholders of the company at ₹ 1,982 per equity share. The equity shares bought back were extinguished on April 20, 2022.

## 16 (i) Other Equity:

(Amount in ₹ crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Securities Premium | - | - |
| Securities Premium identified seperately for consolidation adjustment | 23.16 | 23.16 |
| Capital Redemption Reserve | 1.24 | 1.24 |
| General reserve | 58.37 | 58.37 |
| Share options outstanding account | 5.27 | 1.73 |
| Special Economic Zone Reinvestment Reserve | - | - |
| Retained earnings | 1,035.10 | 853.35 |
| Items of other comprehensive income | 0.79 | 0.91 |
| | **1,123.93** | **938.76** |

# Notes forming part of Standalone Financial Statements

## 16 (ii) Movement in other equity

(Amount in ₹ crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Securities premium** | | |
| Balance at the beginning of the year | - | 13.16 |
| Add: Buy-back of equity shares (adjusted with paid up equity share capital) | - | 1.24 |
| Less: Transfer to Capital Redemption Reserve | - | (1.24) |
| Less: Expenditure incurred on buy-back of equity shares | - | (0.02) |
| Less: Issue of Bonus shares | - | (13.14) |
| **Balance at the end of the year** | **-** | **-** |
| **Securities Premium identified seperately for consolidation adjustment** | | |
| Balance at the beginning of the year | 23.16 | 23.16 |
| **Balance at the end of the year** | **23.16** | **23.16** |
| **Capital redemption reserve** | | |
| Balance at the beginning of the year | 1.24 | 1.25 |
| Add: Transferred from Securities Premium | - | 1.24 |
| Less: Issue of Bonus shares | - | (1.25) |
| **Balance at the end of the year** | **1.24** | **1.24** |
| **General reserve** | | |
| Balance at the beginning of the year | 58.37 | 84.54 |
| Less: Dividend paid | - | - |
| Less: Issue of Bonus shares | - | (26.17) |
| **Balance at the end of the year** | **58.37** | **58.37** |
| **Retained earnings** | | |
| Balance at the beginning of the year | 853.35 | 619.06 |
| Add: Profit for the year | 687.39 | 244.03 |
| Less: Remeasurements of post employment benefits obligations (net of tax effect) | (6.67) | (9.74) |
| Less: Dividend paid | (498.97) | - |
| Less: Transfer to Special Economic Zone Reinvestment Reserve | - | (22.19) |
| Add: Transferred from Special Economic Zone Reinvestment Reserve | - | 22.19 |
| **Balance at the end of the year** | **1,035.10** | **853.35** |
| **Special Economic Zone Reinvestment Reserve** | | |
| Balance at the beginning of the year | - | - |
| Add: Transferred from retained earnings | - | 22.19 |
| Less: Transferred to retained earnings | - | (22.19) |
| **Balance at the end of the year** | **-** | **-** |
| **Share options oustanding account** | | |
| Balance as at the beginning of the year | 1.73 | - |
| Add: Employee stock compensation expense | 3.54 | 1.73 |
| **Balance as at the end of the year** | **5.27** | **1.73** |
| **Other Components of Equity:** | | |
| Balance at the beginning of the year | 0.91 | 0.98 |
| Foreign Currency Translation Reserve | (0.12) | (0.07) |
| **Balance at the end of the year** | **0.79** | **0.91** |





# Notes forming part of Standalone Financial Statements

**Notes:**

(i) **Securities premium account**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(ii) **Securities Premium identified seperately for consolidation adjustment**

During 2010, based on the approval of Shareholders of the Company at the Extra-Ordinary General Meeting held on March 5, 2010 and the Order of the Honourable High Court of Judicature at Mumbai dated April 16, 2010, the Company had utilized balance in the securities premium account to the tune of ₹ 46.66 crore towards one time charges/cost (including change in accounting policy for provision for doubtful debts) incurred by the Company and its subsidiary companies. The amounts relating to the Company amounting to ₹ 17.32 crore had been adjusted to the Securities Premium Account. An amount of ₹ 29.34 crore equivalent to the total amount of adjustments relating to the subsidiaries had been identified and segregated from the balance in the Securities Premium Account for adjustment on consolidation. Of this total adjustment made ₹ 1.58 crore and ₹ 16.58 crore relates to provision for doubtful debts of the Company and its subsidiary companies respectively on account of change in accounting policy with regard to provision for doubtful debts.

Consequently, such excess provisions for doubtful debts on account of the said collections have been written back to the Securities Premium Account. The subsidiary companies have realized from doubtful debts upto March 31, 2021 ₹ 6.18 crore. Accordingly the said amount has been transferred from the Securities Premium identified seperately for consolidated adjustment to Securities Premium Account and the balance amount of ₹ 23.16 crore (March 31, 2023 ₹ 23.16 crore) relating to the subsidiaries is continued to be disclosed separately as securities premium account for adjustment on consolidation.

(iii) **Capital redemption reserve**

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The Company has transferred the amount to Capital redemption reserve from Securities Premium.

(iv) **General reserve**

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

(v) **Share options oustanding account**

The Share options outstanding account is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to the general reserve on account of stock options not exercised by employees.

(vi) **Special Economic Zone Reinvestment Reserve**

The Special Economic Zone (SEZ) re-investment reserve is created out of the profit of eligible SEZ unit in terms of the provisions of section 10AA(1)(ii) of the Income-tax Act, 1961. The reserve will be utilised by the Company for acquiring new assets for the purpose of its business as per the terms of section 10AA(2) of Income-tax Act, 1961.

(vii) **Retained earnings**

Retained earnings comprises of the Company's undistributed earnings after taxes.

# Notes forming part of Standalone Financial Statements

## 17 Trade Payables

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| CURRENT | | |
| (a) Total outstanding dues of micro enterprises and small enterprises* | 28.42 | 107.17 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 217.91 | 274.43 |
| | **246.33** | **381.60** |

* Note:

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.

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (a) Principal amount and the interest due and remaining unpaid | 28.42 | 107.17 |
| (b) Amounts due but unpaid as at March 31, - Principal | - | - |
| (c) Principal amount paid after appointed date during the year | 0.25 | 0.42 |
| (d) Interest remaining due and payable for earlier years | 0.09 | 0.09 |
| (e) Amount of interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year | - | - |
| (f) Amount of interest accrued and unpaid | 0.09 | 0.09 |

### Trade payable ageing schedule as at March 31, 2024

(Amount in ₹ crore)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) Micro enterprises and small enterprises | 28.41 | - | 0.01 | - | - | 28.42 |
| (ii) Other than micro enterprises and small enterprises | 94.70 | 36.65 | 0.35 | 0.84 | 1.27 | 133.81 |
| (iii) Disputed dues - Micro enterprises and small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - Other than micro enterprises and small enterprises | - | - | - | - | - | - |
| | **123.11** | **36.65** | **0.36** | **0.84** | **1.27** | **162.23** |
| Accurred expenses | | | | | | 84.10 |
| **Total** | | | | | | **246.33** |

# Notes forming part of Standalone Financial Statements

### Trade payable ageing schedule as at March 31, 2023

(Amount in ₹ crore)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) Micro enterprises and small enterprises | 107.12 | 0.05 | - | - | - | 107.17 |
| (ii) Other than micro enterprises and small enterprises | 197.93 | 5.78 | 1.04 | 0.58 | 2.13 | 207.46 |
| (iii) Disputed dues - Micro enterprises and small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - Other than micro enterprises and small enterprises | - | - | - | - | - | - |
| | **305.05** | **5.83** | **1.04** | **0.58** | **2.13** | **314.63** |
| Accurred expenses | | | | | | 66.97 |
| **Total** | | | | | | **381.60** |

## 18 Other Financial Liabilities

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| NON-CURRENT | | |
| (a) Dues payable to employees | 0.78 | 0.54 |
| | **0.78** | **0.54** |
| CURRENT | | |
| (a) Capital creditors | 5.39 | 2.98 |
| (b) Unpaid dividends | 1.42 | 1.19 |
| (c) Dues payable to employees | 2.19 | 0.03 |
| (d) Payable to selling shareholders (Also refer note 31 (ii) and note 36 (c)) | 19.01 | - |
| (e) Fair value of foreign exchange derivative liabilities - Foreign currency forward cover | - | 0.38 |
| | **28.01** | **4.58** |

## 19 Provisions

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| NON-CURRENT | | |
| (a) Provision for employee benefits | 28.06 | 22.78 |
| | **28.06** | **22.78** |
| CURRENT | | |
| (a) Provision for employee benefits | 21.23 | 27.45 |
| | **21.23** | **27.45** |

# Notes forming part of Standalone Financial Statements

## 20 Other Current Liabilities

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (a) Statutory remittances (withholding taxes, Provident Fund, GST, etc.) | 37.05 | 30.32 |
| (b) Advance and Progress payments | 1,164.35 | 912.65 |
| (c) Unearned revenue | 103.67 | 94.20 |
| | 1,305.07 | 1,037.17 |

## 21 Revenue From Operations

(Amount in ₹ crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Sale of services | 1,918.31 | 1,555.01 |
| (b) Sale of technology solutions (Refer note below) | 809.79 | 556.96 |
| (c) Other operating revenue | 3.99 | 0.31 |
| | 2,732.09 | 2,112.28 |

**Note:**

Technology Solutions includes Company's revenue from academia upskilling and reskilling solutions and value added reselling of software applications and solutions.

## 21 (i) Revenue disaggregation by Vertical business units is as follows:

(Amount in ₹ crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Service | 1,917.89 | 1,554.85 |
| (b) Technology Solutions (Refer note below) | 814.20 | 557.43 |
| | 2,732.09 | 2,112.28 |

**Note:**

Technology solution segment includes revenue from services pertaining to product business amounting to ₹ 0.42 crore (March 31, 2023: ₹ 0.16 crore).

## 21 (ii) Changes in Contract assets are as follows:

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Balance at the beginning year** | **659.44** | **456.92** |
| Revenue recognised during the year | 1,158.03 | 884.57 |
| Invoices rasied during the year | (852.51) | (682.05) |
| Translation exchange difference | - | - |
| **Balance at the end year** | **964.96** | **659.44** |





# Notes forming part of Standalone Financial Statements

## 21 (iii) Changes in unearned and deferred revenue and advance from customers are as follows:

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Balance at the beginning of the year** | **1,006.85** | **718.01** |
| Revenue recognised that was included in unearned and deferred revenue at the beginning the year | (434.95) | (318.92) |
| Increase due to invoicing during the period, excluding amounts recognised as revenue and increase in advances received during the year | 696.12 | 607.76 |
| Translation exchange difference | - | - |
| **Balance at the end of the year** | **1,268.02** | **1,006.85** |

## 21 (iv) Reconciliation of revenue recognized with the contracted price is as follows:

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Contracted price | 2,732.09 | 2,112.28 |
| Reductions towards variable consideration components | - | - |
| Revenue recognised | 2,732.09 | 2,112.28 |

The reduction towards variable consideration comprise of service level credits.

**21 (v)** The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 741.41 crore (March 31, 2023: ₹ 788.01 crore) and is expected to be recognised as revenue in the next period.

## 22 Other Income (Net)

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **(a) Interest Income** | | |
| (i) Interest income-others | 26.98 | 27.25 |
| **(b) Dividend income on investments** | | |
| (i) Dividend income on investments | 362.36 | - |
| **(c) Other gains/(losses)** | | |
| (i) Change in fair value of investments measured at FVTPL - mutual fund units (net) | 3.81 | 0.02 |
| (ii) Change in fair value of derivatives measured at FVTPL (net) | 1.41 | (0.38) |
| **(d) Other non-operating income** | | |
| (i) Foreign currency gain/(loss) (net) | 4.09 | 8.61 |
| (ii) Profit on sale of investments measured at FVTPL - mutual fund units (net) | 2.61 | 0.65 |
| (iii) Other non-operating income | 1.97 | 0.52 |
| (iv) Lease income (Refer Note (i) below) | 1.77 | 1.56 |
| | 405.00 | 38.23 |

# Notes forming part of Standalone Financial Statements

Note:

(i) Maturity analysis of undiscounted lease payments to be received under opearting lease:

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Due in 1st Year | 1.80 | 1.30 |
| Due in 2nd Year | - | - |
| Due in 3rd to 5th Year | - | - |
| Due after 5th Year | - | - |
| | **1.80** | **1.30** |

## 23 Employee Benefits Expense

(Amount in ₹ crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Salaries and wages | 1,155.85 | 902.50 |
| (b) Contribution to provident and other funds | 62.79 | 48.80 |
| (c) Share-based payments to employees (Refer note 34) | 2.36 | 1.06 |
| (d) Staff welfare expenses | 36.18 | 30.19 |
| | **1,257.18** | **982.55** |

## 24 Finance Costs

(Amount in ₹ crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Interest on lease liabilities | 6.98 | 7.65 |
| (b) Other Interest cost | 4.65 | 4.01 |
| | **11.63** | **11.66** |

## 25 Depreciation and Amortization Expense

(Amount in ₹ crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Depreciation on Property, Plant and Equipment | 33.56 | 28.42 |
| (b) Depreciation on Right-to-use-asset | 19.16 | 17.47 |
| (c) Amortisation of Other Intangible assets | 13.46 | 15.28 |
| | **66.18** | **61.17** |

# Notes forming part of Standalone Financial Statements

## 26 Other Expenses

(Amount in ₹ crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Rent (Also refer note 26 (iii) below) | 1.34 | 3.23 |
| (b) Repairs & maintenance | 10.68 | 8.60 |
| (c) Office expenses | 16.65 | 15.82 |
| (d) Travelling & conveyance | 26.48 | 21.05 |
| (e) Power, fuel & Water charges | 8.39 | 7.76 |
| (f) Auditors remuneration (Also refer note 26 (i) below) | 0.71 | 0.75 |
| (g) Staff recruitment, training and seminar expenses | 13.13 | 22.64 |
| (h) Software & AMC charges | 130.11 | 122.81 |
| (i) Professional fees | 6.27 | 13.53 |
| (j) Communication expenses | 13.06 | 10.56 |
| (k) Allowance for doubtful trade receivable & advances | 1.12 | (4.09) |
| (l) Bad debts written off | - | 3.72 |
| (m) Corporate social responsibility (Also refer note 26 (ii) below) | 5.75 | 5.55 |
| (n) Miscellaneous expenses | 4.79 | 7.25 |
| | **238.48** | **239.18** |

## 26 (i) Payment to auditors

(Amount in ₹ crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) For statutory audit, including quarterly audits | 0.53 | 0.53 |
| (b) For Tax audit | 0.07 | 0.07 |
| (c) For other attest services | 0.06 | 0.13 |
| (d) For reimbursement of expenses | 0.05 | 0.02 |
| **Total** | **0.71** | **0.75** |

The above audit fees excludes ₹ 0.62 crore (March 31, 2023 - ₹ 1.69 crore) towards fees paid/payable to be made to the auditors on account of initial public offering of equity shares as these expenses would be recovered from selling shareholders.

## 26 (ii) Corporate social responsibility expenditure

(Amount in ₹ crore)

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| 1 | Gross amount required to be spent | 5.75 | 5.55 |
| | **Total** | **5.75** | **5.55** |
| 2 | Amount approved by the board/committee | 5.75 | 5.55 |
| | Amount spent during the year on | | |
| | (a) Construction/ acquisition of any asset | - | - |
| 3 | (b) On purposes other than (a) above | 5.75 | 5.55 |
| 4 | Shortfall at the end of the year | - | - |
| 5 | Total of previous year shortfall | - | - |
| 6 | Reason for shortfall | Not applicable | Not applicable |
| | | **5.75** | **5.55** |

# Notes forming part of Standalone Financial Statements

(Amount in ₹ crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| 6 Nature of CSR activities | STEM (Science-Technology-Engineering-Mathematics) Education program, Skills and Employability Strengthening, and Education via empowerment | STEM (Science-Technology-Engineering-Mathematics) Education program, Employability enhancement program and Women empowerment program |

Movement in provision for corporate social responsibility expenditure

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening balance of the provision | - | 1.00 |
| Add: addition during the year | - | - |
| Less: Utilised during the year | - | (1.00) |
| Closing balance of the provision | - | - |

The Company has not entered into related party transaction for corporate social expenditure for the year ended March 31, 2024 and March 31, 2023.

## 26 (iii) Rent

(Amount in ₹ crore)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Expenses related to short-term leases | 1.13 | 1.34 |
| (b) Expenses related to low-value assets, excluding short-term leases of low-value assets | 0.21 | 1.89 |
| **Total** | **1.34** | **3.23** |

## 27 Earning per Share

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| (a) Profit attributable to equity shareholders | ₹ crore | 687.39 | 244.03 |
| (b) The weighted average number of ordinary equity shares outstanding during the year | Nos. | 405,668,530 | 405,736,482 |
| (c) The nominal value per ordinary Share | ₹ | 2.00 | 2.00 |
| (d) Earnings Per Share (Basic) | ₹ | 16.94 | 6.01 |
| (e) The weighted average number of ordinary equity shares outstanding during the year | Nos. | 405,668,530 | 405,736,482 |
| (f) Add: Adjustment for Employee Stock Options | Nos. | 614,532 | 159,148 |
| (g) The weighted average number of equity shares outstanding for diluted EPS | Nos. | 406,283,062 | 405,895,630 |
| (h) Earnings Per Shares (Diluted) | ₹ | 16.92 | 6.01 |





# Notes forming part of Standalone Financial Statements

## 28 (a) Contingent Liabilities

(Amount in ₹ crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (a) Bonus related to retrospective year (Also refer note (i)) | 7.82 | 7.82 |
| (b) Income Tax demands disputed in appeals (Also refer note (ii)) | 2.01 | 2.01 |
| (c) Service Tax demands disputed in appeals (Also refer note (iii)) | 18.43 | 17.65 |

**Notes:**

(i) Statutory bonus at the revised rates pertaining to year retrospective to the notification dated on 01.01.2016 (i.e. from 01.04.2014 to 31.12.2015) was not provided pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts. During November 2016, considering the industry practices, the management after internal deliberations decided to and has paid the incremental bonus covering the fiscal year of the said notification i.e. from 01.04.2015 to 31.12.2015 aggregating to ₹ 5.55 crore, which has been presented as exceptional item in the financials for the year ended 31.03.2017. The incremental bonus for the FY 2014-15 is continued as contingent liability pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts.

(ii) The Company has ongoing disputes with Income Tax Authorities relating to tax treatment of certain items. These mainly include disallowed expenses for Corporate tax, the tax treatment of certain expenses claimed by the Company as deductions and the computation of certain allowances.

(iii) Service Tax Department had raised demand amounting to ₹ 5.11 crore (for the period April 08 to September 08 - ₹ 1.57 crore and for the period October 08 to September 09 - ₹ 3.54 crore) for delay in filing the prescribed declaration for availing cenvat credit. Aggrieved by the order, company had preferred an appeal with CESTAT. The appeal was decided in favour of the company during January 2016. Subsequently service tax department filed an appeal with High Court in 2017. The case being question of law, the High Court admitted the appeal in December 2018. Considering the merit of the case, confirmation of demand is likely to be remote, hence contingent liability has been disclosed to the tune of ₹ 18.43 crore (March 31, 2023: ₹ 17.65 crore) consisting of demand of ₹ 5.11 crore and interest and penalty of ₹ 13.32 crore (March 31, 2023: ₹ 12.54 crore).

(iv) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on the receipt of the judgements/decisions pending with various forums/authorities.

(v) The Company does not expect any reimbursements in respect of the above contingent liabilities.

**28 (b)** 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. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable and consequently no financial effect has been provided for in the financial statements. The Company has given effect on a prospective basis, from the date of the SC order.

# Notes forming part of Standalone Financial Statements

## 29 Segment Reporting

Where a financial report contains both consolidated financial statements and separate financial statements of the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.

## 30 Employee benefit plans

The Company's contribution to defined contribution plan for each reporting year ended has been recognised in the statement of Profit and Loss as follows:

### 30.1 Defined contribution plans

(Amount in ₹ crore)

| | March 31, 2024 | March 31, 2023 |
|---|---|---|
| Contribution to provident fund | 41.65 | 32.23 |
| Contribution to superannuation fund | 7.04 | 6.30 |
| | **48.69** | **38.53** |

### 30.2 Defined benefit plans

**Defined benefits plans / long term compensated absences:**

The principal assumptions used for the purposes of the actuarial valuations were as follows:

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY)(Unfunded) | |
|---|---|---|---|---|
| | Valuation as at | | Valuation as at | |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Discount rate(s) | 7.00% | 7.20% | 7.00% | 7.20% |
| Expected rate(s) of salary increase | 8%-9% | 7%-10% | N/A | N/A |
| Medical inflation rate | - | - | - | - |
| Withdrawal rate: | | | | |
| Age | | | | |
| 20 - 34 years | 15% | 17% | N.A. | N.A. |
| 35 - 40 years | 9% | 9% | N.A. | N.A. |
| 41 - 50 years | 5% | 6% | N.A. | N.A. |
| 51 - 60 years | 5% | 5% | N.A. | N.A. |

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Valuation as at | | Valuation as at | |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Discount rate(s) | 7.00% | 7.10% | 7.00% | 7.30% |
| Expected rate(s) of salary increase | - | - | - | - |
| Medical inflation rate | - | - | 7.00% | 6.00% |
| Withdrawal rate: | | | | |
| Age | | | | |
| 20 - 34 years | 15% | 17% | N.A. | N.A. |
| 35 - 40 years | 9% | 9% | N.A. | N.A. |
| 41 - 50 years | 5% | 6% | N.A. | N.A. |
| 51 - 60 years | 5% | 5% | N.A. | N.A. |






# Notes forming part of Standalone Financial Statements


**Amounts recognised in standalone statement of profit and loss in respect of these defined benefit plans are as follows:**

(Amount in ₹ crore)

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY)(Unfunded) | |
|---|---|---|---|---|
| | Year ended | | Year ended | |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| **Service cost:** | | | | |
| Current service cost | 13.25 | 9.57 | - | - |
| Past service cost and (gain)/loss from settlements | - | - | - | - |
| Net interest expense | 0.85 | 0.70 | 0.14 | 0.15 |
| Components of defined benefit costs recognised in profit or loss | **14.10** | **10.27** | **0.14** | **0.15** |
| **Remeasurement on the net defined benefit liability:** | | | | |
| Return on plan assets (excluding amounts included in net interest expense) | (1.72) | 2.03 | - | - |
| Actuarial (gains) / losses arising from changes in demographic assumptions. | 1.06 | (0.20) | - | - |
| Actuarial (gains) / losses arising from changes in financial assumptions | 5.30 | 0.61 | 0.02 | (0.01) |
| Actuarial (gains) / losses arising from experience adjustments | 0.14 | 13.00 | (0.14) | (0.05) |
| **Others** | - | - | - | - |
| Components of defined benefit costs recognised in other comprehensive income | 4.78 | 15.44 | (0.12) | (0.06) |
| **Total** | **18.88** | **25.71** | **0.02** | **0.09** |

(Amount in ₹ crore)

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Year ended | | Year ended | |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| **Service cost:** | | | | |
| Current service cost | 0.04 | 0.05 | - | - |
| Past service cost and (gain)/loss from settlements | - | - | (0.49) | - |
| Net interest expense | - | - | 0.13 | 0.17 |
| Components of defined benefit costs recognised in profit or loss | **0.04** | **0.05** | **(0.36)** | **0.17** |
| **Remeasurement on the net defined benefit liability:** | | | | |
| Return on plan assets (excluding amounts included in net interest expense) | (0.04) | 0.06 | - | - |
| Actuarial (gains) / losses arising from changes in demographic assumptions. | - | - | - | - |
| Actuarial (gains) / losses arising from changes in financial assumptions | - | - | 0.09 | (0.31) |
| Actuarial (gains) / losses arising from experience adjustments | (0.01) | (0.08) | (0.26) | (0.09) |
| **Others** | 0.05 | 0.02 | - | - |
| Components of defined benefit costs recognised in other comprehensive income | - | - | (0.17) | (0.40) |
| **Total** | **0.04** | **0.05** | **(0.53)** | **(0.23)** |

# Notes forming part of Standalone Financial Statements

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the standalone statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income/(loss).

The amount included in the standalone balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | As at March 31, 2024 Amount in ₹ crore | As at March 31, 2023 Amount in ₹ crore | As at March 31, 2024 Amount in ₹ crore | As at March 31, 2023 Amount in ₹ crore |
| Present value of funded defined benefit obligation | (115.73) | (95.32) | (1.83) | (2.03) |
| Fair value of plan assets | 97.73 | 70.91 | - | - |
| Effect of asset ceiling | - | - | - | - |
| **Funded status** | **(18.00)** | **(24.41)** | **(1.83)** | **(2.03)** |
| **Net liability arising from defined benefit obligation** | **(18.00)** | **(24.41)** | **(1.83)** | **(2.03)** |

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | As at March 31, 2024 Amount in ₹ crore | As at March 31, 2023 Amount in ₹ crore | As at March 31, 2024 Amount in ₹ crore | As at March 31, 2023 Amount in ₹ crore |
| Present value of funded defined benefit obligation | (2.07) | (2.35) | (1.03) | (1.91) |
| Fair value of plan assets | 2.48 | 2.71 | - | - |
| Effect of asset ceiling | (0.41) | (0.36) | - | - |
| **Funded status** | **-** | **-** | **(1.03)** | **(1.91)** |
| **Net liability arising from defined benefit obligation** | **-** | **-** | **(1.03)** | **(1.91)** |

Movements in the present value of the defined benefit obligation are as follows:

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ crore | Year Ended March 31, 2023 Amount in ₹ crore | Year Ended March 31, 2024 Amount in ₹ crore | Year Ended March 31, 2023 Amount in ₹ crore |
| Opening defined benefit obligation | 95.32 | 76.12 | 2.03 | 2.16 |
| Current service cost | 13.25 | 9.57 | 0.14 | 0.15 |
| Interest cost | 6.65 | 5.09 | - | - |
| Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions | 1.06 | (0.20) | - | - |
| Actuarial gains and losses arising from changes in financial assumptions | 5.30 | 0.61 | 0.02 | (0.01) |
| Actuarial gains and losses arising from experience adjustments | 0.14 | 13.00 | (0.14) | (0.05) |
| Transfer in/(out) (Net) | 0.94 | - | - | - |
| Past service cost, including losses/(gains) on curtailments | - | - | - | - |
| Benefits paid | (6.93) | (8.87) | (0.22) | (0.22) |
| **Closing defined benefit obligation** | **115.73** | **95.32** | **1.83** | **2.03** |

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ crore | Year Ended March 31, 2023 Amount in ₹ crore | Year Ended March 31, 2024 Amount in ₹ crore | Year Ended March 31, 2023 Amount in ₹ crore |
| Opening defined benefit obligation | 2.35 | 2.87 | 1.91 | 2.51 |
| Current service cost | 0.04 | 0.05 | - | - |
| Interest cost | 0.15 | 0.17 | 0.13 | 0.17 |
| Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions | - | - | - | - |
| Actuarial gains and losses arising from changes in financial assumptions | - | - | 0.09 | (0.31) |
| Actuarial gains and losses arising from experience adjustments | (0.01) | (0.08) | (0.26) | (0.09) |
| Transfer in/(out) (Net) | - | - | - | - |
| Past service cost, including losses/(gains) on curtailments | - | - | (0.49) | - |
| Benefits paid | (0.46) | (0.66) | (0.35) | (0.37) |
| **Closing defined benefit obligation** | **2.07** | **2.35** | **1.03** | **1.91** |

Reconciliation of the fair value of the plan assets are as follows:

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ crore | Year Ended March 31, 2023 Amount in ₹ crore | Year Ended March 31, 2024 Amount in ₹ crore | Year Ended March 31, 2023 Amount in ₹ crore |
| Opening fair value of plan assets | 70.91 | 55.10 | - | - |
| Interest income | 5.80 | 4.39 | - | - |
| Remeasurement gain/(loss): Return on plan assets (excluding amounts included in net interest expense) | 1.72 | (2.03) | - | - |
| Contributions from the employer | 25.29 | 22.32 | 0.22 | 0.22 |
| Benefits paid | (6.93) | (8.87) | (0.22) | (0.22) |
| Transfer in/(out) (Net) | 0.94 | - | - | - |
| **Closing fair value of plan assets** | **97.73** | **70.91** | **-** | **-** |

# Notes forming part of Standalone Financial Statements

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Year Ended March 31, 2024 Amount in ₹ crore | Year Ended March 31, 2023 Amount in ₹ crore | Year Ended March 31, 2024 Amount in ₹ crore | Year Ended March 31, 2023 Amount in ₹ crore |
| Opening fair value of plan assets | 2.71 | 3.22 | - | - |
| Interest income | 0.15 | 0.16 | - | - |
| Remeasurement gain/(loss): Return on plan assets (excluding amounts included in net interest expense) | 0.04 | (0.06) | - | - |
| Contributions from the employer | 0.04 | 0.05 | 0.35 | 0.37 |
| Benefits paid | (0.46) | (0.66) | (0.35) | (0.37) |
| Transfer in/(out) (Net) | - | - | - | - |
| **Closing fair value of plan assets** | **2.48** | **2.71** | **-** | **-** |

The major categories of plan assets as percentage of total plan assets:

| | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| Debt securities | **100.00%** | 100.00% | **N/A** | N/A |

| | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| Debt securities | **100.00%** | 100.00% | **N/A** | N/A |

Not Applicable (N/A)

### Sentivity Analysis

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 | Gratuity (Funded) | | Bhavishya Kalyan Yojana (BKY) (Unfunded) | |
|---|---|---|---|---|
| | Discount Rate | Salary Escalation Rate | Discount Rate | Salary Escalation Rate |
| **Change in Assumption** | | | | |
| Increase by 1% | 8.00% | Defined Above | 8.00% | Defined Above |
| Decrease by 1% | 6.00% | Defined Above | 6.00% | Defined Above |
| **Impact on defined benefit obligation** | | | | |
| Increase by 1% | (10.88) | 9.91 | (0.11) | N.A. |
| Decrease by 1% | 10.70 | (10.38) | 0.12 | N.A. |
| **Impact on service cost and interest cost** | | | | |
| Increase by 1% | (4.32) | 4.88 | 0.01 | N.A. |
| Decrease by 1% | 4.78 | (4.30) | (0.01) | N.A. |





Notes forming part of Standalone Financial Statements

| Assumption | Superannuation (Partly Funded) | | Post Retirement Medicare Scheme (Unfunded) | |
|---|---|---|---|---|
| | Discount Rate | Salary Escalation Rate | Discount Rate | Salary Escalation Rate |
| **Change in Assumption** | | | | |
| Increase by 1% | 8.00% | Defined Above | 8.00% | 8.00% |
| Decrease by 1% | 6.00% | Defined Above | 6.00% | 6.00% |
| **Impact on defined benefit obligation** | | | | |
| Increase by 1% | - | N.A. | (0.07) | 0.08 |
| Decrease by 1% | - | N.A. | 0.08 | (0.07) |
| **Impact on service cost and interest cost** | | | | |
| Increase by 1% | (0.04) | N.A. | - | - |
| Decrease by 1% | (0.04) | N.A. | - | - |

Maturity profile of defined benefit obligation:

(Amount in ₹ crore)

| | Gratuity (Funded) | Bhavishya Kalyan Yojana (BKY) (Unfunded) | Superannuation (Partly Funded) | Post Retirement Medicare Scheme (Unfunded) |
|---|---|---|---|---|
| Within 1 Year | 7.74 | 0.21 | 0.14 | 0.07 |
| 1-2 years | 9.28 | 0.21 | - | 0.07 |
| 2-3 years | 9.12 | 0.21 | - | 0.07 |
| 3-4 years | 12.05 | 0.21 | 0.05 | 0.07 |
| 4-5 years | 14.80 | 0.21 | - | 0.07 |
| 5-10 years | 98.69 | 0.75 | 0.03 | 0.34 |

### Employee benefit plans

The plans typically expose the company to the actuarial risks such as: investments risk, interest risks, longevity risk and salary risk.

| | |
|---|---|
| Investment risk | The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting Year on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting Year on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments. |
| Interest risk | A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments. |
| Longevity risk | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability. |
| Salary risk | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. |

No other post-retirement benefits are provided to these employees.

In respect of the plan in India, the actuarial valuation of the plan assets and the present value of the defined benefit obligation are carried out for March 31, 2024 by Willis Towers Watson, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, are measured using the projected unit credit method on a proportionate basis.

The fair value of plan assets are majorly balance mix of investments in government securities and other debt instruments. The Trust activities are managed by mix of professional employees representing management and employees.

# Notes forming part of Standalone Financial Statements

30.3 Long term compensated absences:

The principal assumptions used for the purposes of the actuarial valuations were as follows:

| | Compensated Absence (Unfunded) | |
|---|---|---|
| | Valuation as at | |
| | March 31, 2024 | March 31, 2023 |
| Discount rate(s) | 7.00% | 7.20% |
| Expected rate(s) of salary increase | 8%-9% | 7%-10% |
| Withdrawal rate: | | |
| Age | | |
| 20 - 34 years | 15% | 17% |
| 35 - 40 years | 9% | 9% |
| 41 - 50 years | 5% | 6% |
| 51 - 60 years | 5% | 5% |

Amounts recognised in standalone statement of profit and loss in respect of these long term compensated absences are as follows:

| | Year Ended March 31, 2024 Amount in ₹ crore | Year Ended March 31, 2023 Amount in ₹ crore |
|---|---|---|
| **Service cost:** | | |
| Current service cost | 4.38 | 2.90 |
| Actuarial (gains) / losses (net) | 5.82 | 6.94 |
| Net interest expense | 1.39 | 0.97 |
| **Total** | **11.59** | **10.81** |

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the standalone statement of profit and loss.

The amount included in the standalone balance sheet arising from the entity's obligation in respect of its long term compensated absences is as follows:

| | Compensated Absence-Domestic Plans (Unfunded) | |
|---|---|---|
| | As at | |
| | March 31, 2024 Amount in ₹ crore | March 31, 2023 Amount in ₹ crore |
| Present value of funded long term compensated absences | (28.43) | (21.88) |
| **Net closing liability for long term compensated absences** | **(28.43)** | **(21.88)** |





# Notes forming part of Standalone Financial Statements

Movements in the present value of the long term compensated absences are as follows:

(Amount in ₹ crore)

| | Compensated Absence-Domestic Plans (Unfunded) | |
|---|---|---|
| | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
| Opening balance | 21.88 | 16.34 |
| Current service cost | 4.38 | 2.90 |
| Interest cost | 1.39 | 0.97 |
| Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions | 5.82 | 6.94 |
| Acquisition / Business Combination / Divestiture | 0.06 | - |
| Benefits paid | (5.10) | (5.27) |
| **Closing balance** | **28.43** | **21.88** |

Maturity profile of long term compensated absences:

(Amount in ₹ crore)

| | |
|---|---|
| Within 1 Year | 3.05 |
| 1-2 years | 3.41 |
| 2-3 years | 3.52 |
| 3-4 years | 3.65 |
| 4-5 years | 3.75 |
| 5-10 years | 18.16 |

## 31 Related Party Disclosures for the year ended March 31, 2024

The Company's principal related parties consist of its holding company Tata Motors Limited, holding companies subsidiaries, associates & joint ventures, Company's own subsidiaries, affiliates and key managerial personnel. The company's material related party transactions and outstanding balances are with related parties with whom the company routinely enter into transactions 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.

### i) Related party and their relationship

| | | | |
|---|---|---|---|
| 1 | Parent Company | | Tata Motors Limited |
| 2 | Direct Subsidiary | | Tata Technologies Pte. Limited |
| 3 | Indirect Subsidiaries | 1 | Tata Technologies (Thailand) Limited |
| | | 2 | INCAT International Plc. |
| | | 3 | Tata Technologies Europe Limited |
| | | 4 | Tata Technologies GmbH |
| | | 5 | Tata Technologies Inc. |
| | | 6 | Tata Technologies de Mexico, S.A. de C.V. (under liquidation) |
| | | 7 | Cambric Limited |
| | | 8 | Tata Technologies SRL Romania |
| | | 9 | Tata Manufacturing Technologies (Shanghai) Co. Limited |
| | | 10 | Tata Technologies Nordics AB |
| | | 11 | Tata Technologies Limited Employees Stock Option Trust |
| | | 12 | Incat International Limited ESOP 2000 |

# Notes forming part of Standalone Financial Statements

| | | | |
|---|---|---|---|
| 4 | List of fellow subsidaries, associates and joint ventures, with whom transactions have taken place during the year | 1 | TML Business Services Limited |
| | | 2 | Tata Motors Body Solutions Limited |
| | | 3 | PT Tata Motors Indonesia |
| | | 4 | Jaguar Land Rover India Limited |
| | | 5 | Tata Motors Finance Limited (Name changed from Tata Motors Finance Solutions Limited with effect from October 26, 2023) |
| | | 6 | Tata Motors Passenger Vehicles Limited |
| | | 7 | TML CV Mobility Solutions Limited |
| | | 8 | Tata Passenger Electric Mobility Limited |
| | | 9 | TML Smart City Mobility Solutions Limited |
| | | 10 | TML Smart City Mobility Solutions (J&K) Private Limited |
| | | 11 | Agratas Energy Storage Solutions Private Limited |
| | | 12 | Tata Elxsi Limited |
| | | 13 | Tata Consultancy Services Limited |
| | | 14 | Tata AutoComp Systems Limited |
| | | 15 | Tata Sons Private Limited |
| | | 16 | Tata AutoComp GY Batteries Private Limited |
| | | 17 | TACO Air International Thermal Systems Private Limited (Formerly known as - Air International TTR Thermal Systems Private Limited) |
| | | 18 | Tata Motors (SA) (Proprietary) Limited |
| | | 19 | Fiat India Automobiles Private Limited |
| | | 20 | Tata Hitachi Construction Machinery Company Private Limited |
| | | 21 | Tata Capital Growth Fund I |
| | | 22 | Tata Advanced Systems Limited |
| | | 23 | Tata Autocomp Hendrickson Suspensions Private Limited |
| | | 24 | Innovative Retail Concepts Private Limited |
| | | 25 | Voltas Limited |
| | | 26 | Titan Company Limited |
| | | 27 | TM Automotive Seating Systems Private Limited |
| | | 28 | TACO Prestolite Electric Private Limited |
| | | 29 | Tata AutoComp Gotion Green Energy Solutions Private Limited |
| | | 30 | Tata Digital Private Limited |
| | | 31 | Tata Toyo Radiator Limited |
| | | 32 | Tata Steel Limited |
| | | 33 | Tata Communications Limited |
| | | 34 | Tata Teleservices Limited |
| | | 35 | Tata Capital Housing Finance Limited |
| | | 36 | Tata Cleantech Capital Limited |
| | | 37 | Tata AIG General Insurance Company Limited |
| | | 38 | The Indian Hotels Company Limited |
| | | 39 | The Tata Power Company Limited |
| | | 40 | Tata Ficosa Automotive Systems Private Limited |
| | | 41 | Tata AIA Life Insurance Company Limited |
| | | 42 | Tata Capital Limited |
| | | 43 | Infiniti Retail Limited |
| | | 44 | Tata International West Asia DMCC |
| | | 45 | Tata Chemicals Limited |
| | | 46 | Air India Limited |
| | | 47 | Tata Capital Financial Services Limited |
| | | 48 | Automotive Stampings and Assemblies Limited |
| 5 | Post employment benefit plans | 1 | Tata Technologies (India) Limited Gratuity Fund |
| | | 2 | Tata Technologies (India) Limited Superannuation Fund |
| | | 3 | Tata Technologies (India) Limited Provident Fund |





# Notes forming part of Standalone Financial Statements

### ii) List of Key Management Personnel ("KMP")

| | |
|---|---|
| Mr. Ajoyendra Mukherjee | Chairman, Independent Director |
| Mr. S. Ramadorai (upto February 21, 2023) | Chairman |
| Ms. Usha Sangwan (w.e.f October 21, 2022) | Independent Director, Non- Excecutive Director |
| Mr. Nagaraj Ijari (w.e.f March 01, 2023) | Independent Director, Non- Excecutive Director |
| Ms. Aarthi Sivanandh (w.e.f June 11, 2022) | Independent Director, Non- Excecutive Director |
| Mr. PB Balaji | Non- Excecutive Director |
| Mr. Shailesh Chandra (w.e.f March 01, 2023) | Non- Excecutive Director |
| Mr. Warren Harris | CEO & Managing Director |
| Ms. Savitha Balachandran | Chief Financial Officer |
| Mr. Vikrant Gandhe | Company Secretary |

## 31 (ii) Transactions with related parties for the year ended March 31, 2024

(Amount in ₹ crore)

| Particulars | Tata Motors Limited | Fellow subsidiaries of Tata Motors Limited | Subsidiaries of the Company | Associates and joint venture of Tata Motors Limited | Key Management Personnel | Total |
|---|---|---|---|---|---|---|
| Purchase of products | - | - | 2.06 | 5.65 | - | 7.71 |
| Sale of products | 43.21 | 52.16 | 0.09 | 39.43 | - | 134.89 |
| Services received | 3.16 | 0.33 | 19.04 | 16.19 | - | 38.72 |
| Services rendered | 469.72 | 390.57 | 858.23 | 68.40 | - | 1,786.92 |
| Finance placed (including loans, equity & ICD) | 1,796.25 | - | - | - | - | 1,796.25 |
| Finance received back (including loans, equity & ICD) | 2,059.00 | - | - | - | - | 2,059.00 |
| Dividend paid | 372.70 | 9.99 | - | 18.11 | 4.92 | 405.72 |
| Interest received | 22.23 | - | - | - | - | 22.23 |
| Remuneration | - | - | - | - | 9.78 | 9.78 |
| Expenditure recovered from selling shareholders | 79.33 | - | - | 8.33 | - | 87.66 |
| Bad debts written off and allowance for doubtful trade receivables (net) (reversal)/charge | 0.21 | 0.16 | - | 0.51 | - | 0.88 |
| Amount receivable (Including unbilled receivables) | 107.62 | 115.55 | 198.35 | 39.52 | - | 461.04 |
| Provision for amount receivable | 2.04 | 0.77 | - | 0.60 | - | 3.41 |
| Amount payable (Including unearned revenue) | 4.02 | 8.88 | 29.31 | 4.74 | - | 46.95 |
| Payable to selling shareholders | 14.48 | - | - | 1.52 | - | 16.00 |
| Amount receivable (in respect of advances, loans, Equity, ICD, Bonds) | 222.00 | - | - | - | - | 222.00 |
| Dividend recevied | - | - | 362.36 | - | - | 362.36 |
| Commission | - | - | - | - | 0.88 | 0.88 |
| Sitting fees | - | - | - | - | 0.26 | 0.26 |

# Notes forming part of Standalone Financial Statements

Disclosure of material transactions:

Purchase of Goods:
Tata Steel Limited: ₹ 5.25 crore
Tata Technologies Inc.: ₹ 2.06 crore

Services rendered:
Tata Motors Passenger Vehicles Limited: ₹ 289.40 crore
Tata Technologies Europe Limited: ₹ 463.01 crore
Tata Technologies Inc.: ₹ 275.04 crore

Services received:
Tata Technologies Inc.: ₹ 6.34 crore
Tata Technologies Europe Limited ₹ 10.87 crore
Tata Communications Limited: ₹ 8.06 crore

Sale of products:
Tata Passenger Electric Mobility Limited: ₹ 28.51 crore
Tata Motors Passenger Vehicles Limited: ₹ 22.82 crore

Accounts receivable:
Tata Motors Passenger Vehicles Limited: ₹ 85.24 crore
Tata Technologies Europe Limited: ₹ 89.52 crore

Accounts payable:
Tata Technologies Europe Limited: ₹ 16.14 crore
Tata Passenger Electric Mobility Limited: ₹ 6.42 crore
Tata Technologies Inc.: ₹ 8.43 crore

(Amount in ₹ crore)

| Consideration of key management personnel* | Year ended March 31, 2024 |
|---|---|
| Short term benefits | 10.45 |
| Post employment benefits | 0.13 |
| Share-based payments | 1.10 |
| **Total** | **11.68** |

*Includes provision for encashable leave and gratuity for certain key management personnels on estimate basis as a separate actuarial valuation is not available.





# Notes forming part of Standalone Financial Statements

## 31 (ii) Transactions with related parties for the year ended March 31, 2023

(Amount in ₹ crore)

| Particulars | Tata Motors Limited | Fellow subsidiaries of Tata Motors Limited | Subsidiaries of the Company | Associates and joint venture of Tata Motors Limited | Key Management Personnel | Total |
|---|---|---|---|---|---|---|
| Purchase of products | - | - | 0.01 | 0.11 | - | 0.12 |
| Purchase of property plant and equipments | - | - | 0.10 | - | - | 0.10 |
| Sale of products | 37.11 | 44.79 | 0.08 | 19.04 | - | 101.02 |
| Services received | 2.28 | 0.17 | 11.30 | 38.40 | - | 52.15 |
| Services rendered | 403.55 | 238.35 | 782.51 | 53.13 | - | 1,477.54 |
| Finance placed (including loans, equity & ICD) | 1,839.50 | - | - | - | - | 1,839.50 |
| Finance received back (including loans, equity & ICD) | 1,397.25 | - | - | - | - | 1,397.25 |
| Interest received | 25.46 | - | - | - | - | 25.46 |
| Remuneration | - | - | - | - | 7.27 | 7.27 |
| Bad debts written off and allowance for doubtful trade receivables (net) (reversal)/ charge | (0.60) | 0.54 | - | 0.05 | - | (0.01) |
| Amount receivable (Including unbilled receivables) | 62.30 | 82.20 | 291.57 | 25.29 | - | 461.36 |
| Provision for amount receivable | 1.83 | 0.61 | - | 0.09 | - | 2.53 |
| Amount payable (Including unearned revenue) | 0.94 | 2.03 | 33.73 | 9.04 | - | 45.74 |
| Amount receivable (in respect of advances, loans, Equity, ICD, Bonds) | 484.75 | - | - | - | - | 484.75 |
| Commission | - | - | - | - | 0.83 | 0.83 |
| Sitting fees | - | - | - | - | 0.23 | 0.23 |

Disclosure of material transactions:

Purchase of Goods:
Tata Technologies Inc.: ₹ 0.01 crore
Tata Elxsi Limited: ₹ 0.04 crore
Tata AutoComp Systems Limited: ₹ 0.06 crore

Purchase of Property, plant and Equipment:
Tata Technologies Nordics AB: ₹ 0.10 crore

Services rendered:
Tata Motors Passenger Vehicles Limited: ₹ 224.01 crore
Tata Technologies Europe Limited: ₹ 411.74 crore
Tata Technologies Inc.: ₹ 239.98 crore

Services received:
Tata Technologies Inc.: ₹ 7.78 crore
Tata Communications Limited: ₹ 6.34 crore
Tata Sons Limited: ₹ 5.80 crore
Tata Consultancy Services Limited: ₹ 15.86 crore

# Notes forming part of Standalone Financial Statements

Sale of Goods:
Tata Elxsi Limited: ₹ 10.96 crore
Tata Motors Passenger Vehicles Limited: ₹ 35.05 crore

Accounts receivable:
Tata Motors Passenger Vehicles Limited: ₹ 69.71 crore
Tata Technologies Europe Limited ₹ 154.18 crore

Accounts payable:
Tata Technologies Pte Ltd.: ₹ 5.73 crore
Tata Technologies Europe Limited: ₹ 18.32 crore
Tata Technologies Inc.: ₹ 8.46 crore

(Amount in ₹ crore)

| Consideration of key management personnel* | Year ended March 31, 2023 |
|---|---|
| Short term benefits | 7.72 |
| Post employment benefits | 0.13 |
| Share-based payments | 0.44 |
| **Total** | **8.29** |

*Includes provision for encashable leave and gratuity for certain key management personnels on estimate basis as a separate actuarial valuation is not available.

## 32 Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non- assessable and non-deductible items. It also explains significant estimates made in relation to Company's tax positions.

(i)

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Income tax expense** | | |
| **Current Tax** | | |
| Current tax on profits for the year | 121.64 | 95.80 |
| **Total current tax expense** | **121.64** | **95.80** |
| **Deferred tax** | | |
| Decrease / (increase) in deferred tax assets | 14.98 | (15.32) |
| (Decrease) / increase in deferred tax liabilities | (4.58) | 7.64 |
| **Total deferred tax expense / (benefit)** | **10.40** | **(7.68)** |
| **Income tax expense** | **132.04** | **88.12** |





# Notes forming part of Standalone Financial Statements

### (ii) Reconciliation of tax expense and the accounting profit multiplied by statutory tax rate in India:

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Profit before taxes | 819.43 | 332.15 |
| Enacted income tax rate in India | 25.17% | 34.94% |
| **Computed expected tax expenses** | 206.23 | 116.07 |
| Income taxed at higher/(lower) rates | - | (31.37) |
| Effect of income exempt from tax | (91.20) | - |
| Effect of non deductible expenses | 2.57 | 2.81 |
| Effect of change in tax rate (Refer note below) | 12.22 | - |
| Others | 2.22 | 0.61 |
| **Total tax expense** | **132.04** | **88.12** |

**Note:**

In the Income Tax Act, 1961, the Government of India added a new section 115BAA (the "New Tax Regime") on September 20, 2019 through the Taxation Laws (Amendment) Act 2019. This section gave domestic companies the option to pay income taxes at the lower rate (25.17%, inclusive of surcharge and cess) subject to the rules/ conditions outlined in the said section. The company evaluated the underlying assumptions in lights of the business reality and made the decision to choose the new tax regime, which took effect from Financial year 2023-24. The effect of this change had been recognised in tax expense for the year ended March 31, 2024 on effective tax basis. This had resulted in an increase in deferred tax expense of ₹ 12.22 crore for the year ended March 31, 2024 on account of remeasurement of deferred tax assets.

### (iii) Amounts recognised in OCI

(Amount in ₹ crore)

| | For the year ended March 31, 2024 Deferred tax | For the year ended March 31, 2023 Deferred tax |
|---|---|---|
| Income tax relating to items that will not be reclassified to profit and loss | (2.18) | 5.24 |
| **Total** | **(2.18)** | **5.24** |

### (iv) Tax losses

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Unused capital losses on which no deferred tax asset has been recognised | - | 1.26 |
| Potential tax benefit @23.296% (@ 23.296% for March 31, 2023) | - | 0.29 |

Capital losses pertain to A.Y. 2015 - 2016 ₹ Nil crore (A.Y. 2015 - 2016 ₹ 1.26 crore for March 31, 2023). Deferred tax asset was not recognised on unused capital losses since there was lack of reasonable certainty of taxable capital profits to utilize this deferred tax asset. The losses can be carried forward for a period of 8 years as per local tax regulations.

(v) **Changes in tax rate** – The applicable Indian statutory tax rate for the financial year 2023-24 is 25.17% and financial year 2022-23 is 34.94%.

# Notes forming part of Standalone Financial Statements

## 33 Capital Management

### (a) Risk Management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

As there is no debt in Company, hence the debt ratio is not applicable.

No changes were made in the objectives, policies or processes for managing capital of the Company during the current year and previous year.

### (b) Dividends

(Amount in ₹ crore)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **(i) Equity shares** | | |
| Final dividend declared during the year aggregating ₹ 12.30 (₹ Nil for the year ended March 31, 2023) per fully paid equity share. (Refer Note 36 (d)) | 498.97 | - |

## 34 Employee Stock Option Plan (ESOP)

### Share based long term incentive scheme 2022 (SLTI 2022)

On July 01, 2022, pursuant to approval by shareholders in Annual General Meeting, the board has been authorised to introduce, offer, issue and provide share based incentives to eligible employees of the company and its subsidiaries under Share based long term incentive scheme 2022 (SLTI 2022). Further the SLTI 2022 was ratified by the shareholders through special resolution through postal ballot on March 15, 2024. The maximum number of shares under plan shall not exceed 2,800,000 equity shares. The options would vest on achievement of defined performance parameters as determined by Nomination and Remuneration committee. The performance parameters are based on operating performance metrics of the company as decided by Nomination and Remuneration committee. Each of the performance parameters will be distinct for the purpose of calculation of the quantity of the shares to vest based on performance. The instruments generally vests within three years from grant date. Each option carries with a right to purchase one equity share of the Parent Company at exercise price determined by Nomination and Remuneration committee at the time of grant.

The summary of grants during the year ended March 31, 2024 and year ended March 31, 2023 is as follows:

| | SLTI 2022 | |
|---|---|---|
| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| **Equity settled plans** | | |
| Class A SLTI 2022 | 133,397 | 395,800 |
| Class B SLTI 2022 | - | 447,970 |
| | **133,397** | **843,770** |

The fair value of the option is estimated on the date of grant using Black- Scholes-Merton model with following assumptions.







# Notes forming part of Standalone Financial Statements

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free interest rate. The expected volatility is computed based on average annualised price volatility of comparable companies for the period of 2.64 years (March 31, 2023: 3.11 years).

The fair value of the equity settled award is estimated on date of grant with following assumptions:

| Particulars | SLTI 2022 Tranche II | | SLTI 2022 Tranche I | |
|---|---|---|---|---|
| | Class A | Class B | Class A | Class B |
| Weighted average price of equity shares (₹) | 1,032.00 | - | 189.95 | 189.95 |
| Exercise price (₹) | 2.00 | - | 2.00 | 189.95 |
| Expected volatility (%) | 40.10 | - | 48.80 | 48.80 |
| Expected life of the option (years) | 2.64 | - | 3.11 | 3.11 |
| Expected dividend (%) | 0.97 | - | 1.47 | 1.47 |
| Risk free interest rate (%) | 6.97 | - | 6.92 | 6.92 |
| Weighted average fair value as on grant date (₹) | 1,004.40 | - | 180.64 | 70.77 |

The movement in the SLTI 2022 plan for equity settled share based payment transactions during the year ended March 31, 2024 and year ended March 31, 2023 is as follows:

| Particulars | For the year ended March 31, 2024 | | | |
|---|---|---|---|---|
| | Class A | | Class B | |
| | Shares | Weighted average exercise price (₹) | Shares | Weighted average exercise price (₹) |
| Outstanding at the beginning of the year | 388,790 | 2.00 | 447,970 | 189.95 |
| Granted during the year | 133,397 | - | - | - |
| Exercised during the year | - | - | - | - |
| Forfeited during the year | 41,530 | - | 89,160 | - |
| Expired during the year | - | - | - | - |
| Outstanding at the end of the year | 480,657 | 2.00 | 358,810 | 189.95 |
| Exercisable at the end of the year | - | - | - | - |

| Particulars | For the year ended March 31, 2023 | | | |
|---|---|---|---|---|
| | Class A | | Class B | |
| | Shares | Weighted average exercise price (₹) | Shares | Weighted average exercise price (₹) |
| Outstanding at the beginning of the year | - | - | - | - |
| Granted during the year | 395,800 | 2.00 | 447,970 | 189.95 |
| Exercised during the year | - | - | - | - |
| Forfeited during the year | 7,010 | - | - | - |
| Expired during the year | - | - | - | - |
| Outstanding at the end of the year | 388,790 | 2.00 | 447,970 | 189.95 |
| Exercisable at the end of the year | - | - | - | - |

# Notes forming part of Standalone Financial Statements

The summary of the information about equity settled ESOPs outstanding as on March 31, 2024 and March 31, 2023 is as follows:

| Particulars | For the year ended March 31, 2024 | | For the year ended March 31, 2023 | |
|---|---|---|---|---|
| | SLTI 2022 Tranche I | | SLTI 2022 Tranche I | |
| | Class A | Class B | Class A | Class B |
| Weighted average Exercise price (₹) | 2.00 | 189.95 | 2.00 | 189.95 |
| Number of options | 480,657 | 358,810 | 388,790 | 447,970 |
| Weighted average remaining contractual life (year) | 1.50 | 1.50 | 2.00 | 2.00 |

| Particulars | For the year ended March 31, 2024 | | For the year ended March 31, 2023 | |
|---|---|---|---|---|
| | SLTI 2022 Tranche II | | SLTI 2022 Tranche II | |
| | Class A | Class B | Class A | Class B |
| Weighted average Exercise price (₹) | 2.00 | - | - | - |
| Number of options | 133,397 | - | - | - |
| Weighted average remaining contractual life (year) | 2.00 | - | - | - |

The employee stock compensation cost under SLTI 2022 has been computed by reference to the fair value of share options granted and amortised over the vesting year. For the year ended March 31, 2024, the company has accounted for employee stock compensation cost (equity settled) amounting to ₹ 2.36 crore (March 31, 2023: ₹ 1.06 crore). (Refer note 23 Employee Benefit Expense). The Company has recharged the amount of ₹ 1.18 crore for the year ended March 31, 2024 (March 31, 2023: ₹ 0.67 crore) to subsidaries on account of the employee stock compensation cost for eligible employees of the subsidaries.

### 35.1 Categories of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in ₹ crore)

| | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|---|---|---|---|---|---|
| | FVTPL | Derivative instruments not in hedging relationship | Amortised cost | FVTPL | Derivative instruments not in hedging relationship | Amortised cost |
| **Financial assets** | | | | | | |
| Investments: | | | | | | |
| - mutual funds | 150.35 | - | - | 29.78 | - | - |
| Security deposits | - | - | 18.48 | - | - | 11.40 |
| Loans to financial institution- Inter-corporate deposits | - | - | 25.00 | - | - | - |
| Loans to related parties- Inter-corporate deposits | - | - | 222.00 | - | - | 484.75 |
| Derivative carried at fair value through profit & loss account | | 1.04 | - | - | - | - |
| Unbilled receivables | - | - | 98.64 | - | - | 80.21 |
| Trade receivables | - | - | 357.54 | - | - | 346.42 |
| Cash and cash equivalents | - | - | 62.60 | - | - | 68.70 |
| Other bank balances | - | - | 67.40 | - | - | 1.19 |
| Others | - | - | 6.52 | - | - | 38.97 |
| **Total financial assets** | **150.35** | **1.04** | **858.18** | **29.78** | **-** | **1,031.64** |
| Financial liabilities | | | | | | |
| Lease Liabilities | - | - | 82.01 | - | - | 85.75 |
| Trade payables | - | - | 246.33 | - | - | 381.60 |
| Payable to selling shareholders | - | - | 19.01 | - | - | - |
| Others | - | - | 9.78 | - | 0.38 | 4.74 |
| **Total financial liabilities** | **-** | **-** | **357.13** | **-** | **0.38** | **472.09** |





# Notes forming part of Standalone Financial Statements

(Amount in ₹ crore)

### 35.2(a) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(Amount in ₹ crore)

| Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2024 | Total | Fair value measurement at end of reporting period using | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| **Financial Assets** | | | | |
| Investments in Mutual Funds | 150.35 | 150.35 | - | - |
| Account | 1.04 | - | 1.04 | - |
| **Financial Liablities** | | | | |
| Fair value of foreign exchange derivative liabilities | - | - | - | - |

(Amount in ₹ crore)

| Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2023 | Total | Fair value measurement at end of reporting period using | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| **Financial Assets** | | | | |
| Investments in Mutual Funds | 29.78 | 29.78 | - | - |
| Derivative carried at fair value through profit & loss account | - | - | - | - |
| **Financial Liablities** | | | | |
| Fair value of foreign exchange derivative liabilities | 0.38 | - | 0.38 | - |

# Notes forming part of Standalone Financial Statements

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price.

**Level 2:** Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

## 35.2(b) Valuation technique used to determine fair value

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above tables:

1. Investments in mutual funds: The fair value is derived based on the closing Net Asset value published by the respective mutual fund houses.
2. Derivative instruments: The fair value is derived based valued using the forward pricing valuation technique, using present value calculations.

**35.2(c)** As per Ind AS 107 "Financial Instrument:Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

1. Trade receivables
2. Cash and Cash Equivalent
3. Other Bank Balances
4. Loans
5. Trade payables
6. Other financial liabilities
7. Other financial assets
8. Lease liabilities

## 35.3 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.





# Notes forming part of Standalone Financial Statements

## 35.4 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.

## 35.5 Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, 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, Great Britain Pounds, Euro and Swedish Krona, against the respective functional currencies of Tata Technologies Limited and its subsidiaries.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments.

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.

**Derivative instruments outstanding as at March 31, 2024 & March 31, 2023 are as follows:**

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The information on derivative instruments is as follows:

| Particulars | As At | Currency | Notional amount of outstanding contracts in Foreign currency in crore | Notional amount of outstanding contracts in ₹ crore | Fair value (gain)/ loss of outstanding contracts in ₹ crore |
|---|---|---|---|---|---|
| Forward Exchange contracts | March 31, 2024 | GBP | GBP 0.82 | 86.12 | (0.96) |
| | | USD | USD 2.40 | 200.17 | (0.08) |
| | **Total** | | | **286.29** | **(1.04)** |
| | March 31, 2023 | GBP | GBP 0.50 | 50.82 | 0.36 |
| | | USD | USD 0.20 | 16.44 | 0.02 |
| | **Total** | | | **67.26** | **0.38** |

**Foreign exchange currency exposures not covered by derivative instruments are as follows:**

(Amount in ₹ crore)

| Particulars | Currency | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|---|
| | | Amount in Foreign Currency | Equivalent amount in INR | Amount in Foreign Currency | Equivalent amount in INR |
| **Financials Assets:** | | | | | |
| Trade Receivables & Unbilled Revenue | EUR | 0.28 | 25.27 | 0.19 | 17.32 |
| | CAD | 0.01 | 0.61 | 0.01 | 0.51 |
| | GBP | 0.60 | 62.71 | 0.94 | 95.07 |
| | THB | 7.00 | 16.00 | 5.27 | 12.71 |
| | USD | 0.44 | 36.67 | 0.97 | 79.53 |
| | ZAR | 0.04 | 0.16 | 0.02 | 0.09 |
| | CNY | 0.05 | 0.53 | 0.65 | 7.81 |

## Notes forming part of Standalone Financial Statements

(Amount in ₹ crore)

| Particulars | Currency | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|---|
| | | Amount in Foreign Currency | Equivalent amount in INR | Amount in Foreign Currency | Equivalent amount in INR |
| | SGD | 0.00 | 0.30 | 0.02 | 0.94 |
| | SEK | 3.73 | 29.14 | 2.51 | 19.88 |
| | CHF | 0.01 | 0.68 | 0.01 | 0.78 |
| **Total** | | | **172.07** | | **234.64** |
| **Financials Liabilities:** | | | | | |
| Trade Payables | EUR | 0.01 | 0.86 | 0.02 | 1.77 |
| | GBP | 0.02 | 1.63 | 0.01 | 1.15 |
| | THB | - | - | 0.03 | 0.07 |
| | USD | 0.03 | 2.45 | 0.18 | 15.10 |
| | SEK | 0.02 | 0.12 | 0.03 | 0.28 |
| | CNY | - | - | - | - |
| | SGD | - | - | 0.00 | 0.02 |
| | VND | 0.46 | - | 0.46 | - |
| **Total** | | | **5.06** | | **18.39** |

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in increase/decrease in the Company's net income before tax by approximately ₹ 17.21 crore as at March 31, 2024 (March 31, 2023: ₹ 23.46 crore) and ₹ 0.51 crore as at March 31, 2024 (March 31, 2023: ₹ 1.84 crore) for financial assets and financial liabilities respectively.

### 35.6 Interest rate risk

The Company's investments are primarily in fixed rate interest bearing deposits/debentures and long term growth mutual funds. Hence, the Company is not significantly exposed to interest rate risk.

### 35.7 Credit risk management

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 of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, cash and cash equivalents, bank deposits and other financial assets. Tata Motors Limited, is the largest customer of the Company (Refer note 31 (ii)).

(Amount in ₹ crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Movement in the allowance on trade receivable** | | |
| Balance at the beginning of the year | 26.79 | 31.08 |
| Movement in allowance on trade receivables | 1.13 | (4.24) |
| Exchange fluctuation | - | (0.05) |
| **Balance at the end of the year** | **27.92** | **26.79** |





## Notes forming part of Standalone Financial Statements

### 35.8 Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. 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 also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2024 and March 31, 2023:

(Amount in ₹ crore)

| Financial liabilities | As at March 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Due in 1st Year | Due in 2nd Year | Due in 3rd to 5th Year | Due after 5th Year | Total contractual cash flows |
| **Non-derivative financial liabilities** | | | | | |
| (a) Trade payables | 246.33 | - | - | - | **246.33** |
| (b) Lease liabilities | 28.81 | 21.64 | 39.05 | 9.63 | **99.13** |
| (c) Other financial liabilities | 28.01 | 0.78 | - | - | **28.79** |
| **Derivative financial liabilities** | - | - | - | - | **-** |
| **Total** | **303.15** | **22.42** | **39.05** | **9.63** | **374.25** |

(Amount in ₹ crore)

| Financial liabilities | As at March 31, 2023 | | | | |
|---|---|---|---|---|---|
| | Due in 1st Year | Due in 2nd Year | Due in 3rd to 5th Year | Due after 5th Year | Total contractual cash flows |
| **Non-derivative financial liabilities** | | | | | |
| (a) Trade payables | 381.60 | - | - | - | **381.60** |
| (b) Lease liabilities | 23.39 | 24.34 | 41.35 | 18.40 | **107.48** |
| (c) Other financial liabilities | 4.58 | 0.54 | - | - | **5.12** |
| **Derivative financial liabilities** | 0.38 | - | - | - | **0.38** |
| **Total** | **409.95** | **24.88** | **41.35** | **18.40** | **494.58** |

**36** **(a)** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

# Notes forming part of Standalone Financial Statements

## 36 (b) Key Financial Ratios

| Particulars | Numerator | Denominator | As at March 31, 2024 | As at March 31, 2023 | % Variance | Reason for the variance for any change in the ratio by more than 25% as compared to the preceding year |
|---|---|---|---|---|---|---|
| Current ratio (in times) | Total current assets | Total current liabilities | 1.40 | 1.36 | 3% | - |
| Debt Equity ratio (in times) | Debt consists of Lease liabilities | Total equity | 0.07 | 0.08 | -19% | - |
| Debt Service coverage ratio (in times) | Earning for Debt service = Net profit after tax + Non cash operating expenses + Interest + Other non cash adjustments | Debt consists of Lease liabilities | 9.31 | 3.69 | 152% | Debt service coverage ratio has improved on account of increase in current period profit as compared to previous period majorly on account of receipt of dividend from subsidiary company |
| Return on equity (in %) | Profit for the period | Average total equity | 61.79% | 27.06% | 128% | Return on equity has improved on account of increase in profits as compared to previous period majorly on account of receipt of dividend from subsidiary company |
| Trade receivable turnover ratio (in times) | Revenue from operations | Average trade receivables | 6.19 | 5.53 | 12% | - |
| Trade payable turnover ratio (in times) | Purchase of technology solutions + outsourcing & consultancy charges + Other expenses | Average trade payables | 3.13 | 3.00 | 4% | - |
| Net capital turnover ratio (in times) | Revenue from operations | Working capital (i.e. Total current assets less Total current liabilities) | 4.22 | 3.95 | 7% | - |
| Net profit ratio (in %) | Profit for the period | Revenue from operations | 25% | 12% | 118% | Increase in profit on account of receipt of dividend from subsidiary company has resulted in an increase in the ratio |





# Notes forming part of Standalone Financial Statements

| Particulars | Numerator | Denominator | As at March 31, 2024 | As at March 31, 2023 | % Variance | Reason for the variance for any change in the ratio by more than 25% as compared to the preceding year |
|---|---|---|---|---|---|---|
| Return on Capital employed (in %) | Profit before tax and finance cost | Capital employed = Net worth + Lease liabilities + Deferred tax liabilities | 65% | 31% | 108% | Return on capital employed has improved on account of increase in profits as compared to previous period majorly on account of receipt of dividend from subsidiary company |
| Return on Investment (in %) | Income generated from invested funds | Average invested funds in treasury Investments | 7.64% | 5.15% | 48% | Increase in ratio has resulted on account of increase in interest rate on ICD's kept with Holding Company and profit realised on sale of mutual funds |

## 36 (c) Initial Public Offer

The Company was incorporated on August 22, 1994 and in September/October 2023, the Selling Shareholders of the Company made an offer for sale of 60,850,278 equity shares aggregating to ₹ 3,042.54 crore. The equity shares of the Company got listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on November 30, 2023. The Company has not received any proceeds from the Offer and all such proceeds (net of any Offer related expenses which are borne by Selling Shareholders) have gone to the Selling Shareholders. The Offer has been authorised by resolution of Board of Directors at their meeting held on December 12, 2022. Further, the Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to the resolution dated October 24, 2023 and November 02, 2023.

## 36 (d) Dividends

During the year, the Company has paid a final dividend of ₹ 12.30 per share in respect of the year ended March 31, 2023 which was proposed by the Board of Directors on May 05, 2023, and was subsequently approved by the shareholders at the Annual General Meeting, held on July 27, 2023, which has resulted in a cash outflow of ₹ 498.97 crore.

Dividends are declared based on profits available for the distribution. On May 03, 2024, the Board of Directors have proposed a final dividend of ₹ 8.40 per share and a one-time special dividend of ₹ 1.65 per share in respect of the year ended March 31, 2024. The total proposed dividend for the year ended March 31, 2024, that is the final dividend and one-time special dividend amounts to ₹ 10.05 per share, subject to approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 407.70 crore.

# Notes forming part of Standalone Financial Statements

## 36 (e) Additional regulatory information required by Schedule III

(i) **Details of benami property held**

No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) **Wilful defaulter**

The Company is not declared wilful defaulter by any bank or financial Institution or government or any government authority.

(iii) **Borrowings secured against current assets**

The Company does not have any borrowings from banks and financial institutions that are secured against current assets during the period.

(iv) **Relationship with struck off companies**

The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(v) **Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vi) **Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial period/year.

(vii) **Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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

The Company has not received any fund from any person(s) or entity(ies), 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





# Notes forming part of Standalone Financial Statements

(viii) **Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous period/year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) **Details of crypto currency or virtual currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial period/year.

(x) **Valuation of PPE, intangible asset and investment property**

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year.

(xi) **Title deeds of immovable properties not held in name of the company**

The title deeds of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.

(xii) **Registration of charges or satisfaction with Registrar of Companies (ROC)**

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

(xiii) **Utilisation of borrowings availed from bank and financial institutions**

The Company does not have any borrowings from banks and financial institutions as at the balance sheet date.

## 36 (f) Subsequent events

The Company has evaluated all events or transactions that occurred between reporting date March 31, 2024 and May 03, 2024, the date the financial statements were authorised for issue by the Board of Directors.

**37** Previous period's figures have been regrouped / reclassified wherever necessary to correspond with current period's classification / disclosure.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

**Swapnil Dakshindas**
Partner
Membership No: 113896

Mumbai: May 03, 2024

**For and on behalf of the Board**

**Ajoyendra Mukherjee**
Chairman
DIN: 00350269

**Warren Harris**
Managing Director
DIN: 02098548

**Savitha Balachandran**
Chief Financial Officer

**Vikrant Gandhe**
Company Secretary
Membership No: FCS 4757

Mumbai: May 03, 2024

**TATA TECHNOLOGIES**

**Tata Technologies Limited**

Registered Office: Plot No. 25, Rajiv Gandhi Infotech Park, Hinjawadi, Pune 411 057

## ECS REQUEST FORM

Dear Sir,

Re: Recording Bank details for payment of dividend

I, the first/sole holder, have read your letter/s and other communication, received from Tata Technologies Limited regarding the captioned subject.

The details of my bank account are given in the form appended below, to which you may electronically credit the payments due to me. I hereby declare that the particulars given below are correct & complete and also undertake to inform any subsequent changes therein. I am also enclosing a photocopy of blank canceled cheque of my bank account.

..........................................................................

(Signature of the first named holder)

1 Ref. Folio No. ..........................................................................

2. Name: ..........................................................................

3. Particulars of the Bank: ..........................................................................

a. Name of the Bank ..........................................................................

b. Branch Address ..........................................................................

c. 9-digit MICR Code No: | | | | | | | | | | | | | | |

d. IFSC Code: | | | | | | | | | | | | | | |

Account Type: (Please tick) Saving ☐ Current ☐ Cash Credit ☐

e. CBS A/c No.: | | | | | | | | | | | | | | |

f. Email address: .......................................... Telephone no: ..........................................

(Please attach a photocopy of your bank cancelled cheque)

TATA TECHNOLOGIES TATA

## Tata Technologies safe harbor clause

This release may include opinions and assumptions about future performance which could be considered forward-looking statements. Forward-looking statements intrinsically cover several risks and uncertainties, which may lead to a material difference between actual results and the statements themselves. Such statements comprise the company's current visibility on market movements, client discussions, and related factors. Tata Technologies Limited does not assume an obligation to update or revise any forward-looking statements.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