TATA

BSE Limited
First Floor, New Trading Ring
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai 400 001

Listing Compliance Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051

June 11, 2022
Sc no - 16816

Dear Sirs,

Sub: Integrated Annual Report for the Financial Year 2021-22 and Notice convening the 77th Annual General Meeting

In further reference to our letter sc no.16776 dated May 12, 2022, we wish to inform you that 77th Annual General Meeting ("AGM") of the Company will be held on **Monday, July 4, 2022** at **3:00 p.m. (IST)** via two-way Video Conference / Other Audio-Visual Means.

Pursuant to Regulations 30, 34 and 53 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company for the Financial Year 2021-22 along with the Notice of the 77th Annual General Meeting. The same is also being sent through electronic mode today to all those Members whose e-mail addresses are registered with the Company / Depository Participant(s) / Registrar and Transfer Agent.

The Integrated Annual Report for the financial year 2021-22 along with Notice of the 77th AGM is also available on the Company's website at www.tatamotors.com.

This is for your information and records.

Yours faithfully,
Tata Motors Limited

Maloy Kumar Gupta
Company Secretary

Encl: As attached

TATA MOTORS

77th Integrated Annual Report 2021-22

Tata Motors Group

Performance snapshot FY22

Global key highlights	***Strong presence in India*** Domestic market share
10,86,734 Vehicles sold (includes CJLR)	**44.9%** Commercial vehicles
₹2,78,454 crore Revenues	**12.1%** Passenger vehicles
₹24,148 crore Investment spending	**87%** Electric vehicles
73,608 Employees	

Value shared

₹1,910 crore
Taxes paid

₹23.69 crore
Spend on community outreach in India

₹30,809 crore
Spend on employee benefit expenses

₹15,339 crore
Spend on Research & Development

Future ready

Future ready Tata Motors has chosen sustainable mobility as the new paradigm. With a clearly defined strategy it has drawn holistic progression maps for each of its businesses.

Building on the fundamental strengths of engineering and innovation, power trains were made more efficient and architectural platforms modularized, resulting in lower volume breakeven in every business. Significant improvements in customer service and overall experience were enabled by the commitment to ensure continuing profitability of channel partners. With a thrust on digital, introduction of an agile and future-fit culture and a pivotal shift in approach - from being product focused to becoming human and technology centric, Tata Motors has taken a giant leap forward in connecting the aspirations of its stakeholders by defining the future of mobility.

125+ *countries*

Part of the Tata group founded by Jamsetji Tata in 1868, Tata Motors is among the world's leading manufacturers of automobiles. We believe in 'Connecting Aspirations', by offering innovative mobility solutions that are in line with customers' aspirations.

About the report

The 77th Integrated Annual Report 2021-22 of Tata Motors Limited outlines its financial and non-financial performance. The report narrates in detail how Tata Motors has shown strong resilience across all business verticals in challenging times and how it is gearing up to becoming Future Ready. A slew of product launches and new segment demand has expanded our customer base. We have also completed the formation of Tata Motors Passenger Vehicles Limited and Tata Passenger Electric Mobility Limited marking the start of new chapter in Tata Motors' history.

Scope and boundary

The Integrated Annual Report 2021-22 covers the performance of Tata Motors Group, for the period starting from April 1, 2021 to March 31, 2022. It aims to provide a holistic view on our ability to create long-term value through our value-creation model, strategy and environmental, social and governance (ESG) focus. Moreover, certain sections of the Report include KPIs (financial and production) and Sustainability Review (Environment and Social) for Tata Motors domestic operations and Jaguar Land Rover.

Reporting standards and frameworks

The Integrated Report has been prepared as per the principles and guidance provided by the International Integrated Reporting Council (IIRC)'s <IR> framework. The content of the Integrated Report is also in accordance with the Global Reporting Initiative (GRI) standards. The financial and statutory information has been presented as per the requirements of the Companies Act, 2013 and the rules made thereunder, the Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India.

Materiality

The Integrated Report includes information that is material to our stakeholders and our value-creation abilities. We have also presented information on how we strategically approach these material issues. The material issues are reviewed by the Group management.

Assurance

Assurance on financial statements has been provided by independent auditors BSR & Co. LLP. Assurance for non-financial data for India operations of Tata Motors have been assured by DNV Business Assurance India Private Limited, India. DNV has provided assurance for the non-financial data including those contained in the following sections of the report: Key Performance Highlights, Value Creation Model, Stakeholder Engagement, Materiality Assessment, Risk Management, Governance, and Sustainability Review (Environment and Social).

The assurance has been given against the Report's adherence to the International <IR> Framework of the IIRC and the GRI's Sustainability Reporting Standards. The assurance report issued by DNV Business Assurance India Private Limited, India, is available on our website www.tatamotors.com.

Board's responsibility statement

Our Board acknowledges the accountability for the integrity and completeness of this report and its contents. We have also ensured collective responsibility for the preparation and presentation of this report in accordance with the International Integrated Reporting Council (IIRC) - <IR> Framework.

Cautionary Statement

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

Other Details (performance measures)

EBITDA is defined to include the product development expenses charged to P&L, revaluation of current assets and liabilities and realised FX and commodity hedges but excludes the revaluation of foreign currency debt, MTM on FX and commodity hedges, other income (except government grant) as well as exceptional items

EBIT is defined as reported EBITDA plus profit from equity accounted investee less depreciation and amortisation.

Auto Free Cash Flow is defined as cash flow from operating activities less payment for property, plant and equipment and intangible assets add proceeds from sale of property, plant and equipment, less interest paid add interest received, add dividend from equity accounted investees core auto and less investment in equity accounted investees of core auto entities and less cash flow of TMF Group i.e., financing business.

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For further information, log on to www.tatamotors.com

Contributing to

Our Capitals

Financial Capital

It includes the funds that have been used to manufacture products and offer services.

Manufactured Capital

It is the products we create within our own operations and the supporting infrastructure that enables it.

Intellectual Capital

It is our ability to leverage organisational knowledge-based intangibles such as intellectual property and build our knowledge capital to open up new frontiers.

Human Capital

It includes the competencies, capabilities, experience, and motivation of our people to innovate and implement our organisation's strategy.

Social & Relationship Capital

It includes the institutions, communities, stakeholders and our interaction, collaboration with them to enhance community well-being.

Natural Capital

It is the renewable and non-renewable environmental resources that provide goods and services that support our business.

About Tata Motors

Tata Motors Limited is one of India's leading automobile manufacturing companies with an extensive range of integrated, smart and e-mobility solutions in its portfolio.

Company Profile

Bringing new-age mobility within reach

The US$ 37-billion Tata Motors Group is a leading global automobile manufacturer with many offerings across commercial, passenger and electric vehicles. We focus on engineering and tech-enabled automotive solutions to bring the future of mobility closer. The Company is pioneering India's Electric Vehicle transition and enjoys considerable advantage in one of the fastest growing automotive markets in the world.*

Tata Motors Limited

Tata Motors is India's largest selling commercial vehicle manufacturer and is amongst the top three in the passenger vehicles market. Our operations span across India, the UK, South Korea and South Africa with network of 86 subsidiaries, 10 associate companies, 4 joint ventures and 2 joint operations as on March 31, 2022.

Mission

We innovate mobility solutions with passion to enhance the quality of life

Vision

By FY24, we aim to become the most aspirational Indian automotive brand, consistently winning, by:

- Delivering superior financial returns
- Driving sustainable mobility solutions
- Exceeding customer expectations, and
- Creating a highly engaged work force

* Based on FY22 revenues

Values

Integrity

Teamwork

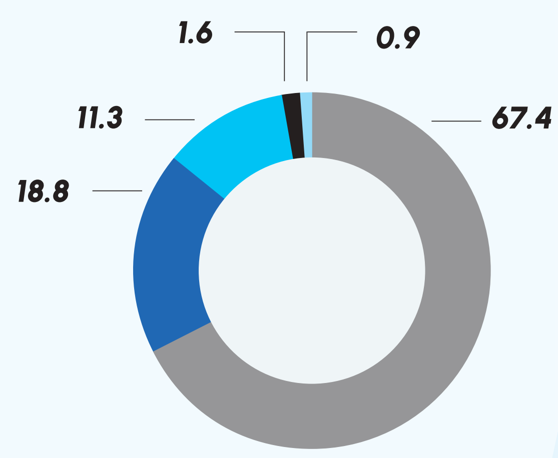
Accountability

Customer focus

Speed

Excellence

Revenue mix for FY22 (%)



- Jaguar Land Rover
- Tata Commercial Vehicles
- Tata Passenger Vehicles
- Vehicle Financing
- Others

Jaguar Land Rover

Jaguar Land Rover is a global automotive manufacturer of distinct British brands, Jaguar and Land Rover. Jaguar Land Rover is reimagining these brands in a world of modern luxury by design, with sustainability and quality at their heart. Through this strategy, Jaguar Land Rover aims to become the creator of the world's most desirable luxury vehicles and services, for the most discerning of customers.

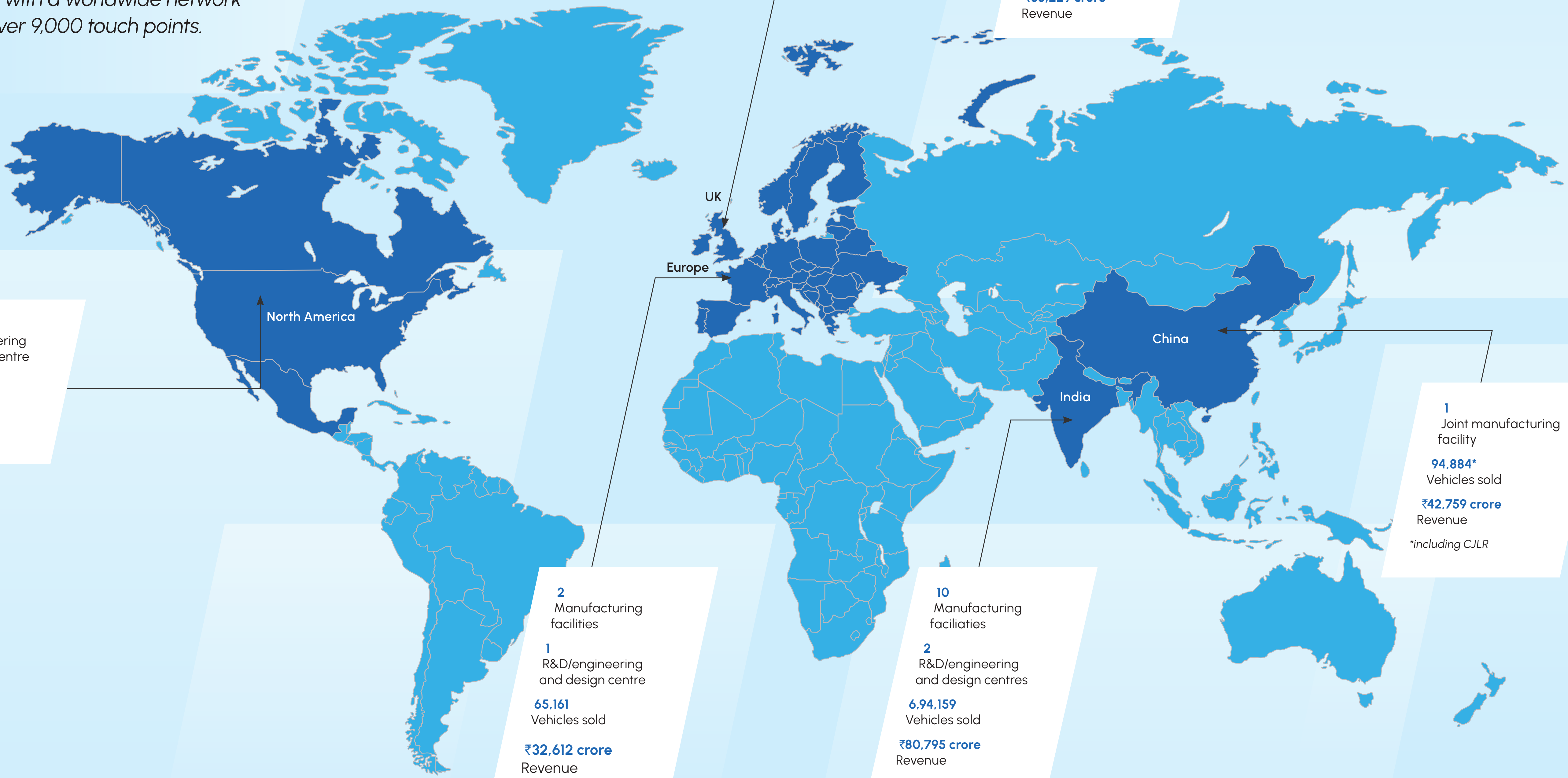
Tata Motors Finance

Tata Motors Finance Limited (TMFL) and Tata Motors Finance Solutions Limited (TMFSL) are Non-Banking Financial Companies (NBFCs). They are the subsidiaries of TMF Holdings Limited (TMFHL). TMFHL is a 100% subsidiary of Tata Motors and a Core Investment Company (CIC). TMFL facilitates new vehicle financing. TMFSL undertakes the dealer/vendor financing business and the used vehicle refinance/repurchase business.

Our presence

Global footprint, localised value

Tata Motors Group is present in over 125 countries, with a worldwide network comprising over 9,000 touch points.



UK

5
Manufacturing facilities

3
R&D/engineering and design centres

57,193
Vehicles sold

₹33,229 crore
Revenue

North America

1
R&D/engineering and design centre

79,350
Vehicles sold

₹45,513 crore
Revenue

Europe

2
Manufacturing facilities

1
R&D/engineering and design centre

65,161
Vehicles sold

₹32,612 crore
Revenue

India

10
Manufacturing faciliaties

2
R&D/engineering and design centres

6,94,159
Vehicles sold

₹80,795 crore
Revenue

China

1
Joint manufacturing facility

94,884*
Vehicles sold

₹42,759 crore
Revenue

*including CJLR

Product Portfolio

Product innovation accelerating growth

Our wide range of product offerings extend across Commercial Vehicles and Passenger Vehicles. In FY22, we stepped up on our product launches with exciting variants that focused on sustainable mobility solutions. Among these, the notable product launches include Tata 407 CNG, ACE petrol DX, ACE EV, Tata Punch, New Tigor EV, Nexon EV Max, New RR and New RR sport.

Tata Motors Limited

CV product range

M&HCV

Signa

Signa range of Medium & Heavy commercial trucks offers Trust and Reliability, adding sizeable value to customers' business with a safe, comfortable, aesthetically enhanced and value-for-money solution.

Prima

Prima is the premium Tipper and Tractor range of Trucks for transportation of heavy loads, goods and construction materials. The brand offers pride, prestige and prosperity for owners and significantly accelerates their business growth while maximising returns.

ILCV

Ultra

Tata Ultra T.6 is India's first International-standard Sleek Cabin, measuring 1900mm in width and is designed and developed for Indian roads, redefining the transportation industry.

Tata 407

Backed by a strong 35-year legacy on the roads of India. It is also available with the CNG option.

SCV & PICKUP

Intra

Meeting the demanding and ever-evolving requirements of the SCV industry. Tata INTRA promises to deliver superior performance, increased payload capacity, high fuel efficiency and durability

Ace

Tata Ace has grown into being the most successful Indian commercial vehicle of all times over last 16 years. Now available in all powertrain variants – viz. petrol, diesel, CNG and EV.

Yodha

Available in both, single cab and crew cabin variants with 4x2 and 4x4 drive options, and with varied payload options of 1200 kg, 1500 kg and 1700 kg, the Yodha Pickup range is built to seamlessly fit across multiple applications.

BUSES AND VANS

Magic Ambulance

The compact dimensions of the vehicle enables easy maneuverability on Indian roads, resulting in speedy movement of patients requiring emergency care, thereby saving lives. It is designed to provide sufficient space, safety and comfort.

Winger

Offering cargo and passenger mobility solutions, a perfect combination of ruggedness, comfort, safety and style, characterised by high levels of performance and low operating cost.

Star Bus

Offers excellent seating comfort with wider seats, armrest, mobile chargers, more leg space, reclining seats, improved suspension and reduced NVH (Noise, Vibration & Harshness), making it convenient and comfortable for its passengers. It is available in all powertrain options.

Ultra EV

The Range of Electric Buses come in 12 m and 9 m configuration designed for urban transportation needs. With zero-emission offers cleaner mass mobility solution.

Product Portfolio

PV product range

Tiago

Tiago is the safest car in its segment. Premium exterior and exciting interiors makes it one of the coolest hatch in the market

Tigor

Tigor boasts stylish coupe design, luxurious sedan stance and spacious cabin. It is available in 3 powertrain options: Petrol, CNG and EV

Altroz

Laser-cut sharpness, athletic stance and sleek profile defines the exterior of Altroz. On the interiors, Altroz amazes with modern, intelligent and tastefully crafted interiors

Punch

Tata Punch is a power packed sub-compact SUV, with bold and stunning design, premium and spacious interiors. Tata Punch offers the agility of a hatchback and all key capabilities of a true SUV

Nexon

With next level design, Next Level performance, safety, technology and comfort Nexon is the highest selling SUV in India

Harrier

Harrier, engineered on the Omega Arc which is derived on Land Rover's legendary platform, is a perfect combination of stunning design and performance

Safari

The all-new Safari, in its new avatar, is a potent combination of power and elegant sophistication and has evolved to satisfy the new-age SUV customers

EV product range

Tigor EV

An electric sedan for personal segment consumers, now with an extended range of 306 km, certified by ARAI

Xpres-T EV

Suitable for fleets, exceptionally low TCO, optimal battery size with fast charging

Nexon EV

Best-in-class pickup and speed, connected mobility with 35 connected car features offering certified range up to 312 kms

Nexon EV Max

Equipped with a 40.5 kWh lithium-ion battery pack, the Nexon EV Max offers 33% higher battery capacity, delivering ARAI certified range of 437 km, which ensures uninterrupted inter-city travel

Jaguar Land Rover

Jaguar

Jaguar F-PACE

Comes with an assertive new exterior, beautifully crafted all-new interior, latest generation Pivi Pro infotainment

Type: ICE, PHEV, MHEV

Jaguar E-PACE

Jaguar's first compact SUV is a unique combination of looks, agility and dynamic driving

Type: ICE, PHEV

Jaguar I-PACE

Jaguar's first all-electric performance SUV. Spacious, beautifully detailed and with technology seamlessly integrated, offering range up to 470km (292 miles) WLTP cycle

Type: BEV

Jaguar F-TYPE

New F-TYPE is the definitive Jaguar sports car and continues to set the benchmark for design purity, driver engagement and reward, and a truly visceral driving experience

Type: ICE

Jaguar XE

XE is a dynamic, exciting newcomer. It's also our most advanced, efficient and refined compact sports saloon ever. With five models, find your blend of performance and luxury

Type: MHEV, ICE

Jaguar XF

XF's assertive design stands out from the crowd. An unrivalled combination of comfort, refinement and performance – XF is a dynamic luxury business saloon

Type: MHEV, ICE

Land Rover

The New Range Rover

The New Range Rover leads by example with breath-taking modernity, peerless refinement and leading Land Rover capability

Type: MHEV, PHEV, ICE

The New Range Rover Sport

With dynamic design and exclusive details, the New Range Rover Sport redefines sporting luxury. Delivering dynamic sporting performance and refinement for those who go above and beyond

Type: MHEV, PHEV, ICE

Range Rover Velar

The dramatic, versatile Range Rover. Velar leads the way in progressive design with confidence, individuality and elegance

Type: MHEV, PHEV, ICE

Range Rover Evoque

The compact urban Range Rover for the city and beyond. Its coupé-like silhouette and modern luxury interior make a statement anywhere

Type: MHEV, PHEV, ICE

New Discovery

The versatile full-size SUV with space and practicality. It's ready for adventures with up to seven people

Type: MHEV, ICE

Discovery Sport

A versatile compact SUV that ensures a confident drive on or off-road

Type: MHEV, PHEV, ICE

Defender

The most capable Land Rover. Featuring our toughest materials yet and tested to its very limits, Defender is designed for optimum durability

Type: MHEV, PHEV, ICE

Performance Review

Our resilient performance during challenging times, robust demand and order book, and growing traction in emerging segments have paved the way for exciting times ahead.

Chairman's Message

Emerging stronger

Tata Motors Group is now operating as three independent business units of Commercial Vehicles, Passenger Vehicles and Jaguar Land Rover, offering differentiated value propositions to their different customer segments whilst leveraging backend and corporate synergies where possible.

Mr. N Chandrasekaran
Chairman and Non-executive Director

Dear Shareholders,

It is my privilege to write to you to present the Annual Report for FY22. I hope this letter finds you in good health.

Recent history has been relentless with the global pandemic, military conflict, growing inequality, supply chain shortages and more. Decades of experience has been squeezed into two dizzying years. Businesses have had to cope with this unprecedented sequence of events with speed and agility. While these changes have had a serious impact on businesses and communities, they have also accelerated some important trends for the future viz. i) Energy transition – irreversible move to green mobility, ii) Supply Chain Transition – rebalancing of supply chains to become resilient, iii) Digital transition – Artificial Intelligence and Machine Learning becoming mainstream and iv) Talent transition – coming of age of the Talent Cloud – a diverse, inclusive, global talent pool that can be accessed remotely.

FY22 was a busy year for your Company as it navigated these challenges to successfully strengthen the fundamentals of the business. Global wholesales increased by 20% to 1,086,734 vehicles and revenues stood at ₹278,454 crore, 11.5% higher as compared to FY21. EBIT margin stood at 0.7%, 190 bps lower as compared to FY21 due to impact of commodity inflation and semiconductor shortages, although we saw a sequential recovery.

Free cash flow (automotive) in the year was negative at ₹9,472 crore (as compared to positive ₹5,317 crore in FY21), primarily due to adverse working capital. The business showed strong sequential recovery with positive free cash flow (automotive) of ₹11,916 crore in H2 of FY22.

Despite the margins being impacted by supply chain issues and runaway commodity inflation, our India business ended with strong free cash flows of ₹1,879 crore. We are committed to restoring the profitability of this business as it returns to competitive growth and inflation stabilises.

Tata Motors Group is now operating as three independent business units of Commercial Vehicles, Passenger Vehicles and Jaguar Land Rover, offering differentiated value propositions to their different customer segments whilst leveraging backend and corporate synergies where possible. This has made Tata Motors lean, nimble and customer centric. Each of these businesses are self-sustaining which gives me the confidence that we will get to near zero net automotive debt by FY24.

Commercial Vehicles: In Commercial Vehicles, our offerings of smart, future ready mobility solutions with the lowest TCO (Total Cost of Ownership) have been well received. We launched over 80 new products and 120 variants across segments, to cater to the evolving needs of seamless cargo and people transport across sub segments and applications. We gained domestic market share in all segments vs FY21 – M&HCV to 58.2% (+10 bps), ILCV to 49.0% (+310 bps), Buses and Vans to 44.8% (+420 bps) and turned around SCV to 39.1% (+160 bps), to record a consolidated 44.9% (+250 bps). The Commercial Vehicles segment volumes grew by 37% in FY22, revenues grew by 58%, while EBIT margins improved by modest 130 bps, affected by the sharp commodity inflation.

Passenger and Electric Vehicles: The Passenger Vehicles segment was once again the standout performer during the year. Preference for our 'New Forever' range of vehicles continues to rise and we introduced over 25 new products and variants to lead in the fastest growing market segments. Our "Reimagine PV" strategy to rejuvenate the front-end sales system, dealership network and customer experience, is delivering excellent results. PV recorded its highest ever domestic annual sales of 3,70,354 units in FY22. Overall domestic market share increased to 12.1% (+390 bps vs FY21) and further to 13.4% in Q4 FY22. The Passenger Vehicles segment grew volumes by 67%, revenues by 90% and EBIT margins improved by 750 bps with positive free cash flows in FY22. In Electric Vehicles, new records were set every quarter to register the highest ever annual EV sales of 19,105 units in FY22 (up 353% vs FY21) with penetrations touching 7.4% by Q4 FY22.

During FY22, we operationalised two subsidiaries: Tata Motors Passenger Vehicles Ltd to focus on passenger vehicles powered by IC engines and Tata Passenger Electric Mobility Limited to focus on accelerating the passenger EV business and its enabling ecosystem. We entered into a definitive agreement with TPG Rise Climate for them to invest ₹7,500 crore ($1.0B) in the passenger EV business to secure a 11% - 15% shareholding in this business.

Jaguar Land Rover: Jaguar Land Rover has embarked on the "Reimagine" journey to embrace an "electric future" and transform into a digitally-savvy, modern luxury business delivering strong financial results.

During the year, we saw the successful global launch of the award-winning New Range Rover, while customer deliveries of the Land Rover Defender continued across 94 markets, with 107,208 units sold by the end of FY22.

The global shortage of semiconductors had a disproportionately adverse impact on Jaguar Land Rover's production and sales compared to our competitors. Even though we took various steps to address the issue, the situation continues to remain challenging. This is a key issue facing Jaguar Land Rover and we are working assiduously to address the same during FY23. This should aid a gradual recovery in performance through the year.

The Company delivered a resilient performance during the year despite a fall in revenues by reducing its breakeven to 320,000 units. While production and sales remained significantly constrained, the business continued to see strong demand for its products, with global retail orders at record levels thanks to strong demand for Defender and New Range Rover.

Revenue fell 7% to £18.3 billion, whilst the Company's EBIT margins fell to negative 0.4 %, with lower volumes impacting working capital in the first half of the financial year resulting in a free cash outflow of £1.2 billion. Retail sales declined 14% for the year.

Looking beyond the near-term challenges outlined above, Jaguar Land Rover is in a strong position with a portfolio of attractive premium luxury products, a healthy customer order bank, low break-evens, and the right future ready strategy to support its distinctive and renowned British brands in a rapidly changing legislative and commercial landscape.

Sustainability: Our roadmap to Net Zero

The shift to sustainable mobility is irreversible and the Tata Motors Group will be amongst the leaders of green mobility globally as we target Net Zero emissions (Scope 1, 2 and 3) by 2039 for Jaguar Land Rover 2040 for PVs and 2045 for CV and actions are already underway to deliver the same.

Jaguar Land Rover: The Jaguar brand will become fully electric by 2025 and Land Rover shall have 6 BEVs by 2026. 60% of Jaguar Land Rover's volumes will be pure BEV vehicles by 2030.

Passenger Vehicles: In India, EV penetration in our portfolio is likely to increase further to 25% in 5 years from 7.4% as of Q4 FY22. By 2025 Tata Motors will have 10 EVs. The unveil of the long range "Nexon EV Max", showcase of "CURVV" Electric SUV concept and the unveil of the "AVINYA" concept, a pure EV based on GEN3 architecture, show the exciting possibilities ahead of us.

Commercial Vehicles: We launched ACE EV, the last mile connectivity vehicle that garnered 39,000 orders on the day of the launch from marquee e-commerce customers.

"Tata UniEVerse": As a Tata Group, we will proactively set up the charging infrastructure across the country. The Group is also actively exploring partnerships in battery cell manufacturing in India and Europe to secure our EV supply chain.

In summary: Tata Motors is taking concerted actions to be future ready and create a virtuous cycle of growth and returns for our shareholders. I would like to welcome you on this journey. While the near-term outlook is fluid with multiple challenges that I outlined above, the business is taking the right actions to navigate them, and I am confident that we will emerge stronger.

I would like to take this opportunity to thank all our employees for their immense contributions in these trying times. I would also like to thank you shareholders for your continued trust and support.

Best regards,
N Chandrasekaran

Tata Motors ED's Message

We are future-ready

Being the industry leader, Tata Motors spearheaded the CV growth to gain a higher market share in each of the four segments-M&HCV, I&LCV, SCV & Buses. While the domestic CV industry grew by 26%, Tata Motors CV domestic sales grew by 33%, gaining 250 bps market share vs last year.

Mr. Girish Wagh
Executive Director

Dear Shareholders,

I hope this letter finds you in good health.

FY22 was a turnaround year for the Indian Commercial Vehicle (CV) industry, which had been significantly impacted for the past few years due to the COVID-19 pandemic, changes in regulatory norms, liquidity crunch and GDP slow down. All these had reduced CV volumes by as much as 50% from its peak of FY19 over the last two fiscals.

The promising signs of growth in FY22 were, hence, welcome, especially as they were broad-based and supported by a set of strong fundamentals with a steady recovery in the economy, rising industrial and mining activity, higher infrastructure spending, buoyancy in e-commerce, resilient agriculture, reopening of offices and schools as well as marked improvements in consumer sentiment.

Being the industry leader, Tata Motors spearheaded the CV growth to gain a higher market share in each of the four segments-M&HCV, I&LCV, SCV & Buses. While the domestic CV industry grew by 26%, Tata Motors CV domestic sales grew by 33%, gaining 250 bps market share vs last year. This is the result of focused turnaround efforts over the last few years, towards strengthening the fundamentals–superior products, revamped sales and service capabilities, agile operations, a resilient supply chain and performance culture with a capable and engaged employee base.

In FY22, the pandemic resurgence and the global shortage of semiconductors posed multiple challenges. Proactive adoption of a holistic 'Business Agility Plan' enabled the business to protect the interests of the customers, dealers, and suppliers. To manage semiconductor shortages, our teams focused on developing innovative alternatives, validating, and implementing them in record time to minimise the impact on production. Agility and flexibility have been two clear themes that helped us grow ahead of the industry.

To fulfil the growing demand for more efficient and greener mobility solutions, we introduced 80+ new models and 120+ variants for passenger and cargo transportation catering to varied duty cycles and special applications. It is heartening to see that the new BSVI range of products are leading the market by delivering best-in-class operating economics, superior comfort and convenience, and enhanced connectivity.

The CV business added 130+ sales and 370+ service touchpoints across the country to serve its customers better. With the introduction of smaller format sales and service outlets (SCV micro dealers, and container workshops) and digitally-enabled feet-on-street (Tata Gramin Mitra and Local Mechanics) the Company is sharpening its rural outreach.

The CV electrification journey started with intracity public transport, encouraged by the Government's push via the FAME incentives. Today, Tata Motors has established a countrywide presence with more than 645 EV buses running across 9 cities, with a cumulative running of more than 36 Mn kms. The recent launch of the Tata Ace EV marks a huge leap forward in e-cargo transportation. Going ahead, we are working with a clear roadmap of migration towards green mobility across prioritised segments in a phased manner.

The CV business has also taken small yet significant steps to develop capability in smart-city e-mobility via a pay-per-use model, where we own, operate, maintain e-buses. Tata Motors is already operating over 400 buses under this model, with more than 95% uptime, a favourable operating cost structure for STUs and a superior travel experience for the commuters. To enable flawless execution, Tata Motors is carving out a separate subsidiary "TML Smart City Mobility Solutions Ltd." which will help us build competitive advantage to tap into the significant growth potential in this area.

The thrust on digitalisation gained pace on both frontend and operations. The connected vehicle platform, Fleet Edge now has more than 200K connected vehicles serving 85K+ customers. With E-Dukaan, we created an online marketplace for spare parts. And, through the E-guru mobile application we made information sharing and lead-management simpler for the front-end sales staff. Implementation of Industry 4.0 has been initiated across manufacturing locations.

The greatest asset of a company is its people, and therefore Tata Motors' human resource strategy has been centred on talent, capability and culture. People policies and practices have been revisited to hire, retain and engage the best talent; we are investing to enhance capability of workforce across levels in domains related to 'Connected, Electric, Shared and Safe' (CESS), which are shaping auto industry. We, at Tata Motors, have also co-created the culture credo 'More When One' which embodies our resolve to Be Bold, Own It, Solve Together and Be Empathetic in everything we do

Joining the global efforts to address climate change, Tata Motors has outlined its sustainability strategy and a definitive action plan towards Net Zero. E-mobility and usage of 100% renewable energy will be the initial key steps towards carbon footprint reduction.

> Given the global challenge of 'Climate change', as responsible corporates, Tata Motors has outlined its Sustainability strategy and a definitive action plan towards Net Zero. E-mobility and usage of 100% renewable energy will be the initial key steps towards carbon footprint reduction

Development of Registered Vehicle Scrapping Facilities through a franchise model is being initiated to support Government's intent and overall objectives of circular economy.

In FY22, unprecedented commodity inflation impacted the CV business margins. Our teams have responded to this challenge by accelerating and intensifying cost reduction efforts, reviewing every cost element and taking pricing actions, towards profitability improvement. Improving profitability is an important priority.

With most macro indicators turning positive, the road ahead looks promising despite near term challenges of fuel price inflation, increased interest rates and commodity inflation that would need to be navigated. However, Tata Motors is well prepared for it, and I am confident that the business will continue to strengthen and be future-ready in line with its strategy to "Win Decisively".

I take this opportunity to acknowledge the contributions of the team members, channel partners and supplier partners. Their achievements, collectively and individually, amidst tough times make me proud. I also take this opportunity to thank you for your continuing interest, commitment and support to Tata Motors.

Best regards,
Girish Wagh

TMPV and TPEM MD's Message

A record-breaking year

FY22 has been a record-breaking year for Tata Motors' PV and EV business. This was achieved despite the challenging external environment.

Mr. Shailesh Chandra
Managing Director - TMPV & TPEM

Dear Shareholders,

FY22 has been yet another challenging year for the Passenger Vehicle industry. Returning to the growth track in FY22 after two years of decline, the industry wholesale grew by just 13% vis-à-vis FY21 and retails remained flat vis-à-vis FY21. Post the strong recovery in Q4 FY21, growth was impacted in Q1 FY22 owing to the second wave of COVID. Q2 onwards, demand recovered, however semiconductor unavailability, sharp rise in commodity prices, geopolitical tensions restricted the industry from unleashing the full growth potential.

At Tata Motors, FY22 has been a record-breaking year for the PV and EV business. This was achieved despite the challenging external environment. The business staged a strong delivery for the second consecutive year and posted an industry beating growth of more than 65%. The PV and EV business was able to achieve life time high on key metrices of volumes, revenue, EBITDA and FCF.

Excellent response received for our "New Forever" range has been the backbone of our success. All the products have performed equally well to help business achieve market beating growth. Business achieved multiple milestones such as surpassing highest ever yearly sales, becoming the # number 1 SUV brand in H2 with Nexon being crowned as the highest sold SUV for the year, establishing leadership in High SUV segment with Harrier and Safari and establishing Punch as a successful 10,000 units per month brand.

In the Cars segment, the portfolio was strengthened with a unique value proposition of having multiple powertrain options–Petrol, CNG for Tiago and Petrol, CNG and Electric for Tigor. On the back of such a comprehensive range of options, Tigor sales are at the highest ever in its history, since 5 years of its launch.

EV business continues to grow by leaps and bounds and has consolidated the market position with a market share of 87% in FY22. On the back of strong product line up and increasing demand from both personal and fleet segments, EV sales volumes have increased by more than 350% to 19,105 units vis-à-vis FY21.

While products have been at the centre of our growth, several other measures were undertaken to unlock the growth potential. Focused, digital-led global and hyperlocal marketing initiatives were undertaken to improve the share of voice which resulted in NPS score improvement from 28 to 35 between FY20 and FY22. Health of channel partners was improved with a mix of policy changes, meticulous demand supply coordination and disciplined working capital management. As a result, almost 100% of the channel partners are now profitable. In addition, network optimisation exercise ensured presence in key markets and in high demand zones. Concrete actions to improve customer experience resulted in significant improvement in sales and service complaints per thousand vehicles (CPTV) scores. Improvement in product quality has been one of the focus areas for last two years. Owing to continued thrust on improvement of in-house and supplier quality with new initiatives such as 'L1-L2-L3' level actions in value chain, 'Built in Quality', "Project Samrpit", the product quality measures of 3MIS, 6MIS and 12MIS (Month in Service) have improved significantly.

Expeditious ramping up of supply to meet the demand has been the key differentiator for the business over last two years. Business faced multiple headwinds which include shortage of electronic components owing to semiconductor shortage, steep rise in prices of commodities such as steel and precious metal, intermittent halting of supplier operations in multiple COVID-19 waves and higher absenteeism owing to COVID-19 infection. Not only did we overcome these challenges but we also completed the huge task of capacity expansion across all our manufacturing sites to support the massive work done on the demand creation side. In addition, strong cost reduction effort through an institutionalised process allowed business to increase the contribution margin in a phase where commodity prices increased significantly. All these efforts have been recognised by the industry as we received the 'Best Manufacturer of the Year' in the top industry awards.

The sheer commitment of the team to "make it happen, come what may" has enabled the business to scale newer heights.

As we return to normalcy, the industry is projected to grow and might reach closer or even surpass the peak that was achieved. Tata Motors' team is focused on further strengthening its market position, competitiveness, and brand position in the market. We have clearly defined key thrust areas to continue the growth momentum. The first of these includes, driving superior customer experience through "Reimagining2.0" initiatives across front end. While our effort in the past year has helped us in reducing complaints per thousand vehicles and turnaround time, we continue to strive to improve. Second is readying the Company for future competitiveness. This would include new product technologies, electrification, digital transformation and architecture innovations that enable us to leapfrog. Third is expanding our capacities to meet the rising demand. We are operating at a utilisation levels which are highest in the last decade; however, we need to reduce operational wastes, enhance productivity and stabilise our operations for consistency and quality. We also need to enhance our capacities to fully leverage the strong demand generation as we expand our portfolio in electric vehicles and new models in ICE. Fourth is to continue focus on profitability enhancement and cash generation actions. This has been driven in the Company as a key culture change for the past few years and we shall strengthen this even further. Finally, and most importantly, we are committed to building a safe working environment for all our employees.

> As we come back to normalcy, Industry is projected to grow and might reach closer or even surpass the peak that was achieved. Tata Motors' team is focused on further strengthening its market position, competitiveness, and brand position in the market

We are geared up for the exciting future ahead. The opportunity is NOW and on behalf of the team, I assure you that both your companies, TMPV and TPEM will scale newer heights in the years to come.

Best regards,
Shailesh Chandra

Jaguar Land Rover CEO's Message

Reimagining sustainable future

FY22 has been a year of foundational delivery against our 'Reimagine' strategy - our roadmap to accelerate our transformation into a Modern Luxury business, with its supporting transformation plan, 'Refocus'. We are ready to do more and go faster.

Mr. Thierry Bolloré
Non-executive Director

Dear Shareholders,

FY22 has been a year of foundational delivery against our 'Reimagine' strategy - our roadmap to accelerate our transformation into a Modern Luxury business, with its supporting transformation plan, 'Refocus'. We are ready to do more and go faster.

This progress has been achieved in extraordinary circumstances, with our operations disrupted by the ongoing effects of COVID-19 restrictions as well as the industry-wide global semiconductor supply shortage.

While the situation is gradually improving, and we can build more of the cars our customers are waiting for, the repercussions on our results in FY22 are clear.

We are monitoring the Ukraine/Russia conflict very closely. We have witnessed a rapidly developing humanitarian crisis in Ukraine and its neighbouring countries. Our primary concern remains for the wellbeing of our workforce, as well as those within our extended network. I have been profoundly humbled by the compassionate response of colleagues across our business, both directly helping individual families and supporting the ongoing work of the International Federation of Red Cross and Red Crescent Societies.

Despite the uncertain environment, I have been tremendously encouraged by our achievements of the past 12 months.

We revealed two exceptional new models: New Range Rover and most recently, the New Range Rover Sport. Both embody modern luxury and have been loved by our customers around the world.

By the end of March 2022, we had received more than 45,500 customer orders for the New Range Rover. Alongside sustained, significant demand for the Land Rover Defender, this made a record order book during the year, and of course we expect demand to remain very strong.

And as we work relentlessly on Jaguar's renaissance as an all-electric Modern Luxury brand from 2025, I can assure you that we are absolutely on track.

Throughout FY22, we increased our capability as an agile, fully data-driven, digital business with the creation of InDigital, a key pillar of our Refocus transformation programme. Our 250 specialists focusing on analytics, data science, data engineering and automation have already supported initiatives that have delivered a return of over £300 million value to our business this fiscal year.

By the end of March 2022, we had received more than 45,500 customer orders for the New Range Rover. Alongside sustained, significant demand for the Land Rover Defender, this made a record order book during the year, and of course we expect demand to remain very strong

Refocus also drives our quality transformation, to realise benchmark levels of customer satisfaction. We have seen positive impacts across all our key quality metrics, reflected in improving positions for our brands and products in key customer surveys.

New leadership appointments have strengthened our executive team as we push to bring to life more of our vision, sooner.

François Dossa, appointed to the role of Executive Director, Strategy & Sustainability, will build our capabilities in sustainability, new mobility services and digitalisation, creating new opportunities in connectivity and clean mobility, establishing control points on the new value chain and driving our strategy towards technology leadership.

Lennard Hoornik joined as Chief Commercial Officer, to head all our brand and product marketing and go-to-market strategy.

Thomas Müller, our new Executive Director of Product Engineering, brings invaluable insight in agile principles, advanced driver assistance systems and autonomous driving.

Reimagine also sees us collaborating with leaders in their fields. I was delighted to announce a partnership with NVIDIA - the world leader in artificial intelligence, computing, connected car services, and automated and autonomous driving systems. Together, we can accelerate our in-vehicle software strategy, delivering Modern Luxury experiences and enabling a true leapfrog in automotive technology.

As we transform our business, at pace and amid intense external pressures, I am deeply proud of the resilience, energy and unity of our people.

Thanks to their commitment, as well as to our growing ecosystem both within and beyond the Tata Group, we have the ingredients to reimagine Jaguar Land Rover and realise its unique potential.

Best regards,
Thierry Bolloré

Key performance highlights

Consolidating for future growth

FY22 was characterised by strong demand across all the business segments. External headwinds in the form of semiconductor supply shortages and commodity inflation impacted margins. With demand remaining strong, and as these headwinds ease, the business is poised for strong rebound.

Consolidated Operational and Financial Metrics

Sales volume *(wholesale) (including CJLR) (in units)*

20.4% y-o-y growth

FY22	**10,86,734**
FY21	9,02,648
FY20	10,06,173

Jaguar Land Rover volumes reduced by 16% in FY22 on account of supply chain issues, whereas volumes for CV and PV business grew by 37% and 67% against the backdrop of recovery of CV industry volumes and strong demand for products.

Revenue *(₹ crore)*

11.5% y-o-y growth

FY22	**2,78,454**
FY21	2,49,795
FY20	2,61,068

Revenue growth lower compared to volume growth on account of lower Jaguar Land Rover volumes. Overall, strong product mix and price increases continued to support growth.

EBITDA margin *(%)*

260 bps

FY22	**9.6**
FY21	12.2
FY20	8.5

Downward trend due to lower volumes in Jaguar Land Rover business and impact of commodity inflation in CV business, although showing sequential improvement quarter-on-quarter during the course of FY22.

Free Cash flow *(automotive- post interest) (₹ crore)*

FY22	**(9,472)**
FY21	5,317
FY20	(12,676)

Free cash flow was negative in FY22 on account of adverse working capital of ₹9,650 crore due to lower production at Jaguar Land Rover. The business showed strong sequential recovery with positive free cash flow (automotive) of ₹11,916 crore in the second-half of the year.

Net auto debt *(including leases) (₹ crore)*

FY22	**48,679**
FY21	40,876
FY20	48,282

Net auto debt increased by ₹7,803 crore primarily on account of working capital impact of ₹9,650 crore. This is expected to reverse as Jaguar Land Rover volumes start picking up.

Key factors improving FY22 performance

Highest ever sales in history of PV business, improved mix and pricing for CV business, favourable mix and VME for Jaguar Land Rover.

Key factors affecting FY22 performance

Semiconductor supply shortages, commodity inflation and higher costs primarily on account of lower capitalisation at Jaguar Land Rover.

Consolidated Non-Financial Metrics

● Tata Motors ● JLR

Specific GHG (Scope 1 + 2) emissions (tCO_2e/vehicle) - Tata Motors

16.9%

FY22	0.49
FY21	0.59
FY20	0.69

Operational energy consumption (MWh)

30.6% 0.14%

	Tata Motors	JLR
FY22	7,19,553	1,133,506
FY21	5,50,899	1,135,049
FY20	6,67,221	1,358,225

Scope 1 emissions (tCO_2e)

30.8% 2.2%

	Tata Motors	JLR
FY22	54,793	118,503
FY21	41,882	121,149
FY20	60,533	148,753

Scope 2 emissions (tCO_2e)

24.4% 12.70%

	Tata Motors	JLR
FY22	3,02,511	117,939
FY21	2,43,125	135,098
FY20	2,66,200	157,316

Jaguar Land Rover Includes purchased gas, electricity and steam

Optimising energy consumption in operations through selection of energy efficient technology and equipment, driving energy conservation in a planned and budgeted manner and mitigating Scope 2 GHG emissions through adoption of renewable power. Jaguar Land Rover has committed to approved science-based targets as part of its carbon reduction strategy and is working to reduce absolute emissions by leveraging advanced technologies.

Water withdrawal (m^3)

11.0% 24.1%

	Tata Motors	JLR
FY22	44,29,504	1,658,929
FY21	39,91,290	1,336,479
FY20	52,32,284	1,720,965

Optimising consumption through monitoring, eliminating losses and process optimisation. Offset fresh water by effluent re-cycling and rainwater harvesting and facilitating ground water re-charge within and outside plants.

Operational waste (MT)

26.9% 8.6%

	Tata Motors	JLR
FY22	1,38,876	30,008
FY21	1,89,967	27,638
FY20	1,13,899	37,043

Manufacturing facilities follow the waste management hierarchy of elimination, reduction, re-use, re-cycle, energy recovery and safe disposal.

Patents granted (Nos.)

29.1% 29.8%

	Tata Motors	JLR
FY22	56	455
FY21	79	648
FY20	178	695

Jaguar Land Rover driving 'Patent-500' targeting an increase in patent filings to 500 per year by FY25.

Ratio of female employees to total employees (%)

100 bps 81 bps

	Tata Motors	JLR
FY22	6.5	18.3
FY21	5.5	17.49
FY20	5.8	16.5

Focused action on Inclusion & Diversity pillars across manufacturing, R&D, and support functions.

Lives impacted through CSR initiatives (Nos.) - Tata Motors

4.4%

FY22	7,91,298
FY21	7,58,053
FY20	7,63,600

Implemented CSR programmes pan India and established horizontal linkages to bring in synergy and technology to upscale engagement and effectiveness.

Consolidating for future growth

We are now sharply focused on building future capabilities for transformation to clean mobility.

Commercial Vehicles

Delivered strong turnaround performance

- CV business delivered Industry leading volume growth.
- Improved market share by +250 bps while also gaining across all four segments.
- Consistently continued to grow Spare and Service penetration.

Products

- Continued to enhance competitiveness of products and introduced 80+ products, 120 variants in FY22.

Future ready

- Enhanced our sales and service reach further with 130+ sales and 370+ service touchpoints, respectively.
- Expedited digitalisation journey: Upgrade Fleet Edge, connected vehicle platform. Launched E-Dukaan, online spare e-marketplace.
- Strengthened play in EV buses through an own maintain and operate model offered at a per-km rate.

Tata Daewoo CVs

- Successful deployment of turnaround initiatives delivering positive PBT for last 6 quarters.
- Delivered +84.4% volume growth in FY22 vs FY21, driven by share gain in MHCV and product range expansion into LCVs.

Awards and recognition

- Won Apollo CV manufacturer of the year for 4th consecutive year. Other awards won include:
  - Apollo CV awards 2022 - Man of the year - Mr. Girish Wagh.
  - Apollo CV awards 2022 - Pick up of the year - Yodha 4X4.
- Tata Motors also won the CII Customer Obsession Apex award for 4th consecutive year.
- Tata Motors E-Dukaan Won the Golden Peacock Award 2021 in the category Innovative Product/ Service.

Passenger Vehicles

PV subsidiarisation

- PV business subsidiarisation completed and Tata Motors Passenger Vehicles Limited (TMPV) became operational from January 1, 2022.
- Subsidiarisation of the PV business enables the realisation of its full potential with mutually beneficial strategic alliances and better access to products, architectures, powertrains, new-age technologies and capital.

Product launches

Stepped up NEW FOREVER portfolio in FY22

- Launched Tata Punch, sub-compact SUV with bold and stunning design, premium and spacious interiors.
- Introduced advanced iCNG technology in Tiago and Tigor.
- Launched Altroz DCA, offering seamless drive experience to customers.
- Launched exciting variants including dark range of vehicles, Kaziranga range of SUV's, Tiago NRG and Safari Gold.

Strong turnaround

- Passenger vehicles witnessed highest annual sales and revenue since its inception.
- Strong market share improvement, ending with market share of 13.4% in Q4 FY22.
- Strong improvement in margins and business delivered positive EBIT margin in Q4 FY22, way ahead of our targets.

Awards and recognition

- Received more than 20 awards and accolades during FY22.
- Manufacturer of the year award at Auto Car and Car India awards.
- Won several awards at Car and Bike awards including, Entry car of the year, Best innovation campaign, Manufacturer of the year, Viewers' choice EV of the year and Design of the year.
- Mr. Shailesh Chandra won various awards, including -
  - 'Man of the Year' by Autocar Professional
  - 'Automobile CEO of the Year' by Top Gear
  - 'Business Leader of the Year' by Car and Bike
- Mr. Shailesh Chandra is also nominated for the prestigious 'World Car Person of the Year 2022'.

Electric Vehicles

Formation of TPEM and fund raise

- Tata Passenger Electric Mobility Limited (TPEM) was incorporated with a focus to channelise the future investments into electric vehicles, dedicated BEV platforms, advanced automotive technologies and catalyse investments in charging infrastructure and battery technologies. Announced investment targets in excess of $2B (₹ >16KCr) over next 5 years.
- Fund raise by TPG Rise Climate along with co-investors for ₹7,500 crore in compulsory convertible instruments to secure between 11% to 15% stake translating to an equity valuation of up to $9.1 bn. First tranche of ₹3,750 crore received.

Product launches

Expanded our product portfolio in FY22. Launched new Tigor EV with an extended range of 306 kms. Launched Xpres-T EV with two range options: 162km and 213km to meet the requirement of fleet consumers. Recently launched Nexon EV Max, with 33% higher battery capacity and ARAI certified range of 437 kms.

Future concepts

- Showcased our Electric SUV Concept – CURVV. A GEN 2 EV, conceptualised to offer practicality and elegance, whilst exuding dynamism and unmatched road presence.
- Unveiled the AVINYA Concept – an expression of the Company's vision of a pure electric vehicle, based on GEN 3 architecture.

Strengthening the lead

Our annual EV sales touched 19,105 units, a growth of 353% vs FY21. Improved our market share in EV segment to 87% in FY22, while Q4 FY22 market share stood at 94%.

Awards and recognition

- Tata Nexon EV won Readers Electric Vehicle of the Year Award at ThrustZone.com Automotive Awards.
- Tigor EV won award at various forum, including Car & bike awards, Flywheel awards, Motoroctane Awards, etc.

Jaguar Land Rover

Product launches

- In FY22, Jaguar Land Rover introduced the New Range Rover, as the embodiment of modern luxury, with breath-taking modernity to its exterior and a highly sophisticated, reductive interior with an intuitive approach to relevant technology.
- Recently, launched Range Rover Sport - the third generation of Land Rover's luxury performance SUV is the most desirable, technologically advanced and capable yet, mixing an imposing road presence with instinctive driving responses using the most advanced combination of chassis technologies ever fitted to a Land Rover.

Strong demand

Despite sales being impacted due to semiconductor issues, we witnessed strong growth in our order bank and cancellations were negligible. Our order bank grew through the year to reach 168,471 units as on March 31, 2022 including 45,584 orders for the New Range Rover and 40,618 for Defender.

Reimagine strategy and moving towards sustainability

- Year of foundational delivery, against our 'Reimagine' strategy.
- The new product launches embody philosophy that will be embedded across our products and our customer experience.
- Refocus programme continues to deliver value, achieving £1.5 billion of savings in the year, beating target of £1.0 billion.
- We have defined and committed to CO_2e reduction targets by 2030, which have been validated by the Science Based Targets initiative (SBTi), aligning the business to the 1.5-degree celsius emissions reduction set out by the Paris Agreement.

Strategic alliances

- Formed a multi-year strategic partnership with NVIDIA, the leader in artificial intelligence (AI) and computing, to jointly develop and deliver next-generation automated driving systems along with AI-enabled services and experiences for its customers.
- Partnered exclusively with BNP Paribas, to broaden competitive automotive financing with new, innovative services across nine European markets.

Awards and recognition

- Jaguar Land Rover took 1 st place in the J.D. Power US APEAL study and was most improved in the recent J.D. Power US Initial Quality Study.
- Land Rover defender won World Car design of the year award at World Car Awards in April 2021.
- Won 3 awards at What Car? Awards in January 2022 - What Car? Car of the Year (2022): Reader Award, Best Large Off-Roader, Best Interior
- Jaguar I-Pace won 'Best New Car' award at Auto Trader Awards in May 2021.

BUSINESS SEGMENTS

This section represents the details provided on consolidated segment level. The operating segment comprise of automotive segment and others.

In automotive segment, details have been presented for entities basis four reportable sub-segments as below

Tata Motors Group Automotive Segment

Tata Commercial Vehicles (Tata CV)
Includes Tata Motors & subsidiaries TDCV, TDSC, TMML, TMSA, PTTMI and Joint operation TCL

Tata Passenger Vehicles (Tata PV)*
Includes TMPV, TPEM, TMETC, Trilix and Joint Operation FIAPL

Jaguar Land Rover

Vehicle Financing
(Tata Motors Finance)

**The volumes and financial highlights of PV segment also includes EV business. A separate section has also been provided on EV business to capture specific elements.*

Tata Commercial Vehicles

Leadership through innovation and customer-centricity

FY22 was a turnaround year for Indian Commercial Vehicle industry after hiatus of two years, when it was deeply impacted by successive disruptions.

Our comprehensive 'Business Agility Plan' helped us navigate the key demand and supply challenges including supply chain issues and COVID-19 related disruptions. CV business delivered industry-leading performance, gained market share across all segments, improved sales and service penetration, achieved industry leading revenue growth and strengthened performance on key customer facing metrics (brand NPS, customer satisfaction, dealer satisfaction).

18.8%

Percentage share of consolidated revenues

Financial Metrics

Sales volume
(in units)

37.4% y-o-y growth

FY22	**3,67,490**
FY21	2,67,513
FY20	3,47,587

Revenue
(₹ crore)

57.9% y-o-y growth

FY22	**52,287**
FY21	33,104
FY20	36,329

EBIDTA
(%)

50 bps y-o-y growth

FY22	**3.7**
FY21	4.2
FY20	3.6

EBIT
(%)

130 bps y-o-y growth

FY22	**0.4**
FY21	(0.9)
FY20	(1.0)

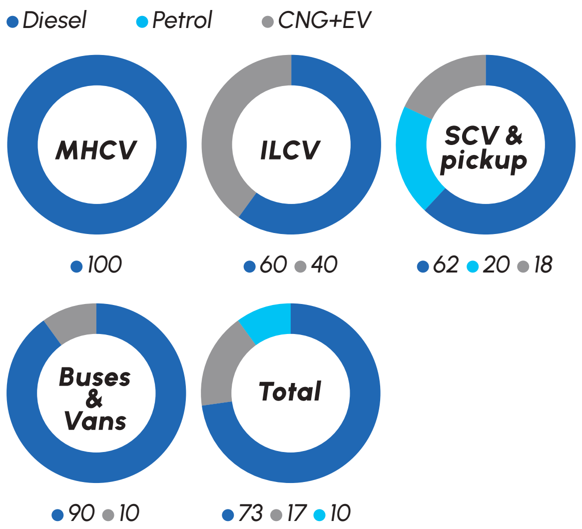
Domestic Market share

250 + bps vs FY21

FY22	**44.9**
FY21	42.4
FY20	43.0

Powertrain Mix (FY22)

(%)



Reviewing FY22

The Company has seen a spirited rebound in sales after two straight years of falling demand and revenues. The comprehensive reopening of the economy and the unfurling of pent-up demand has led to strong volume growth in the MHCV segment. Tata Commercial Vehicles closed FY22 with its highest quarterly revenue since Q4 FY19 and grew market shares in all segments. The SCV space witnessed very consistent growth with increasing demand for last mile connectivity. The business recorded a vigorous 37% volumes growth and 58% revenue growth, with the new launches and range extensions bringing even greater buying choice to consumers. The higher revenue growth was driven by improved product mix, better realisations and pricing actions taken to mitigate the impact of commodity inflation. However, profitability remained under pressure as severe commodity inflation dented the margins. Operating leverage from higher revenues drove near breakeven EBIT margin in FY22.

21 new CVs unveiled across all segments in one day

Extensive and comprehensive range of 21 new products and variants. Designed and engineered to cater to the evolving needs of cargo and people transport across segments and applications, these state-of-the-art vehicles further enhance Tata Motors' established 'Power of 6' benefit proposition to address specific usage and applications while delivering higher productivity and lower total cost of ownership (TCO).

7 MHCV

New vehicles unveiled offering superior features for richer performance on varied duty cycles and lowest TCO

- Signa 5530.S
- Signa 4623.S
- Signa 4625.S ESC
- Signa 4221.T
- Signa 4021.S
- Signa 3118.T
- Prima 2830.K RMC

5 ILCV

New vehicles unveiled for e-commerce servicing, designed for better maneuverability and faster turnaround

- Ultra T.18 SL
- 407G
- 709G CNG
- LPT 510
- Ultra T.6

4 SCV & Pickup

New vehicles unveiled to improve last-mile delivery efficiency and reduce operational cost

- Winger Cargo
- Ace Petrol CX cab chassis
- Ace Gold Diesel+
- Intra V30 High deck

5 Buses & Vans

New vehicles unveiled for enhanced comfort and convenience of passengers

- Winger 15S
- Starbus 4/12 LE
- Starbus 2200
- Cityride Prime
- Magna coach

Operating context

Challenges faced

Volatility due to COVID uncertainties

Uncertainty due to surge in cases of COVID-19 Delta and Omicron waves led to volatile demand and impacted sequential recovery. The authorities increasingly tightened and re-deployed mobility restriction to curb the spread. Increasing infection rate also posed challenges on front line to keep up the pace of activations as well as maintaining continuity of operations on back end. While the Delta wave had a significant impact on the entire CV demand in Q1 FY22. With increased vaccinations and lower severity of Omicron wave, the third wave had limited impact.

Response

We activated our business agility plans and switched back to fortnightly production planning cycle to better manage the volatility in demand in these situations. Production was advanced towards 1st half of the month in anticipation of continued surge of cases. To mitigate any loss of traction, we deployed efficient conversion focused digital plan for lead generation, harnessing reach and engagement, through investment in search, programmatic display advertising and lead harvesting from affiliate side. The focus of digital plan is on enquiry generation, efficient conversion, and going to the warm prospects through intelligent placement of online advertisement. Field teams focused on prioritizing conversion of carryover pipeline through daily total quality pipeline monitoring and follow up.

Linkage to Risk managed and capital impacted

Operational Risk

Capitals Impacted:

Case study

Our BS VI success story

Our approach of taking 'Every regulatory change as an opportunity to enhance value to customer and increase competitiveness' helped us establish superiority of our BS VI range. Our BS VI range goes beyond mere regulatory compliance and delivers enhanced value proposition for customers, either by improving total cost of ownership (TCO), or increasing the revenue earning potential, or upgraded connectivity features. We had unveiled the entire range of BS VI trucks, buses and powertrains at Auto Expo 2020, and we adopted the right technological choice using SCR technology.

Our BS VI range is being well-accepted in the market, with leadership on TCO, comfort & convenience and connectivity. Our increasing market share and repeat purchases are a testimony of this. We are committed to maintaining this lead, on a continued basis, and also look for innovation opportunities to create segment defining and disruptive products, in a proactive manner.

Likewise, we are looking at the BS VI Phase II (Real Driving Emissions - RDE) regulations as an opportunity to enhance and upgrade the product portfolio with technologies and features that delight our customers.

Challenges faced

Erosion in margin due to inflation in commodity prices

Commodity prices were volatile in FY22. Our Commercial Vehicles business was severely impacted by the inflation in steel, which constitutes a significant component of our raw materials.

Response

The commodity price increase, especially steel and precious metals, necessitated the Company to pass on a part of it through an increase in price of its products. Tata Motors Commercial Vehicle business has taken a price increase of ~2% every quarter in FY22; the increase varies based on the model and the variant of the vehicles. The Company has further strived to minimise the increase in the price by absorbing a certain portion of the cost at various levels of manufacturing. Tata Motors continues the efforts to deliver the lowest total cost of ownership for its customers and fleet owners. We have also deployed a comprehensive margin improvement plan across all the levers to ensure that we get back to the desired levels.

Linkage to Risk Managed and Capital impacted

Operational Risk

Capitals Impacted:

Challenges faced

Supply chain disruptions

Shortage of semiconductor supplies and sudden increase in CNG demand has impacted production ramp-up and fulfilment.

Response

A systematic approach was undertaken to reduce, re-stack, regroup, reuse, remix or repurpose the electronic components to manage the shortage, followed by daily monitoring and de-risking the identified reduced parts list with levers such as direct engagement with IC suppliers and strategic inventory buildup. We debottlenecked supplies of CNG cylinders with alternate source, and rationalised the size of cylinders in the product range. We are also closely monitoring fuel system equipments and ECUs in SCVS and ILCVs to ramp up production. We continue our actions on debottlenecking, specifically in two areas, semiconductors for engine control units, and CNG components because of the increase in CNG demand.

Linkage to Risk Managed and Capital impacted

Operational Risk

Capitals Impacted:

Capitals

Financial | Manufactured | Intellectual | Human | Social and relationship | Natural

Strategic Review

Win Decisively in CV

Looking beyond the short-term challenges, we continue to focus on the megatrends impacting the CV industry. The aim is to strengthen our leadership position, leveraging new growth areas in product and services.

Our strategic actions are aligned to leverage the emerging opportunities and to counter the potential threats. The future focal points include

- Strengthening the core business
- Driving efficiency for financial fitness
- Expanding into new growth opportunities

Products

Accentuating our commitment towards the evolving logistics industry and the needs of our customers across various segments, we, at Tata Motors, continue to enhance our comprehensive range of commercial cargo and passenger transport vehicles. Our approach has been to consider every regulatory change as a value enhancement opportunity for the customers and thus, improve competitiveness. The BS VI range was designed, developed and delivered in alignment with this approach of "beyond compliance". Further, the focus continues on delivering best-in-class operating economics, superior comfort and convenience and enhanced connectivity across our range.

In FY22, we have introduced more than 80 new products and 120 variants, including the simultaneous launch of 21 products on a single day in Oct 2021. The launches in FY22, included introduction of new CNG variants, gasoline (Bi-fuel), and extended range variants of existing products. The development efforts with LNG and bio-diesel formulation also continued. Going ahead, we will continue to invest on strengthening our current portfolio and work on customised EV product and ecosystem solutions to drive EV adoption across prioritised segments and use cases. We bagged the Fuel Cell Electric Vehicle (FECV) Bus order from IOCL which is under execution.

Market development and customer experience

We continue with our focus on delivering enhanced value to our customers by bringing innovative solutions and enhancing customer satisfaction.

- **Go to Market Excellence:** We have moved forward on our agenda of revamping our frontend sales process and continued to leverage the overall GTME process and worked to institutionalise and digitalise it for better customer acquisition and stakeholder engagement.
- **Sampoorna Seva 2.0:** We continue to reinforce Sampoorna Seva 2.0, our bouquet of value-added added services to provide customer comfort and convenience. Delivering 'Peace of mind' for the end customers, with enhanced productivity and earnings.
- **Value Added Service offerings:** We introduced industry-first Uptime Guarantee and Fuel Economy management program and increased service penetration while establishing new benchmarks.
- **Network:** We continued to enhance our sales and service reach further and added 130+ new sales and 370+ new service touchpoints, respectively. The key differentiator has been the introduction of smaller touchpoint formats which are helping Tata Motors gain better market penetration, faster customer reach and improved turnaround time. These formats include micro dealerships, container workshops and mobile service vans. We also introduced 'Tata Guru Authorised Workshops/ Mechanics', by identifying and training high-performance individuals to create more options and convenience for customers, and better employability and business prospects for mechanics with deeper rural penetration for Tata Motors.

Driving efficiencies

We continue to work on optimising our input costs through sustained efficiency improvement actions across our value chain. We have been working to institutionalise cost reduction across the organisation, maturing towards cost leadership. Our cost optimisation efforts are pivoted to customer value addition, while we critically review each cost element for potential optimisation opportunity. As we continue on this journey with a systematic value management approach, we remain focused to sustain the cost reduction benefits and maintain breakeven point at lower levels. We have embarked upon two transformational initiatives, namely, Modularity and More for less, to achieve world-class levels of performance in New Product Introduction and VMTs (Vehicle Module teams) have been formed to institutionalise these initiatives. We have also deployed a comprehensive margin improvement plan across all the levers to ensure that we get back to the desired margin levels.

Expand into new growth opportunities

- **Digitalisation:** We will continue to aggressively pursue digitalisation across the value chain. We are improving the end-to-end customer journey for improved experience with Fleet Edge, connected vehicle platform, E-Dukaan, Bandhu, E-Guru applications and Industry 4.0. practices. We are committed to move steadily and with agility in this area.
- **Non-Vehicle and International businesses** continue to be clear priority.
- We Strengthened play in EV buses through **own, maintain and operate model** offered at a per-km rate. Operationalised 250+ electric buses in FY22. Cumulatively, operating 400 e-buses under this vertical(340 BEST and 60 AJL). Additional 100 buses at DTC (Delhi) being deployed.

Dealer profitability

>98%

Cash-positive dealers

New business update

Electric Mobiilty

- Operationalised 250+ electric buses in FY22, Cumulative 645+ e-buses running on Indian roads with cumulative coverage of more than 35 million kms.
- FCEV Bus order from IOCL under execution.
- Forayed into cargo E-mobility with launch of ACE EV. Announced signing of MOU for ~39,000 units with marquee e-commerce customers.

Green mass-mobility solution

- Strengthened play in EV buses through own, maintain and operate model offered at a per-km rate
- Separate business vertical created to enable flawless execution, build competitive advantage and tap significant growth potential
- Currently, operating 400 e-buses under this vertical. Expect significant ramp up in the coming years
- Appropriate business model and financial structuring being worked upon.

Digital

- Fleet edge - Platform upgraded in FY22 with enhanced features (Trip planning and expense management.
- >200K connected vehicles and 85K+ customers with 75% monthly active users
- Launched E-Dukaan, online spare parts marketplace. Revenues of over ₹100 crore . clocked in FY22

Case study

Accelerating digital journey

The rising concerns about safety during the pandemic led to an inevitable need of digital contactless technologies to continue business operations. Tata Motors quickly adapted its processes to facilitate this critical emerging need of its customers and channel partners and deployed focused and agile digitalisation interventions across the value chain. Online Sales platform was launched to enable customers browse, select, and book a vehicle from the comfort and safety of their home/workplace. Tata Motors also increased focus on digital campaigns to facilitate the customers to have quick access to product/service information with limited field intervention by channel workforce. Furthermore, the Company also reinforced and leveraged digitalised front-end sales processes through Go-To Market Excellence, wherein the front-end sales teams were equipped with eGuru app on mobiles and tablets. This has enabled frontline salesforce to better plan and manage stakeholder interactions in a systematic manner, and streamline demand generation activity through digital enablement even during the pandemic.

New digital initiatives undertaken during the year also includes upgraded Fleet Edge, the connected vehicle platform, underpinned by data analytics, and specifically aimed at improving customers' business operations through trip management, expense management, and maintenance planning and spares inventory management. The connected vehicle platform and Fleet Edge have paved the way to understand consumer behaviour, load capacity and create opportunities for data monetisation. Currently over 180K connected Tata CVs are running on Indian roads with these truly upgraded connectivity features.

Furthermore, Tata Motors also launched E-Dukaan, an online marketplace for spare parts to enable contactless, hassle-free and transparent ordering of spare parts by customers.

Spares and service penetration has almost doubled in last 4 years

Brand NPS sustained at 68, 11 points improvement over 4 years

Financial Targets

Double-digit EBITDA

Strong positive FCF

Long-term CAPEX at 3-4% of revenue

Outlook

The CV industry is poised for further growth on the back of increased activity in road construction, mining and improved infrastructure spending. The supply situation continues to show gradual improvement. Despite uncertainties, business sentiments continue to be positive with increasing fleet utilisation levels and freight rates. Sharp commodity inflation, however, continues to remain a challenge. The Company will continue to step-up its investments in products and new business models to deliver customer value while ensuring profitable growth. Despite near-term supply challenges and inflation concerns, the business aims to deliver strong margins recovery and profitability in FY23.

Used Vehicles business has seen 66% overall growth, 11X over the last 4 years

Spectacular sales validates our product and segment innovation strategy

This year was marked by several headwinds including COVID-19, semi-conductor crisis and commodity inflation. Despite the multiple challenges, we set several new records for the Passenger Vehicles business. Focused actions to improve comprehensiveness of our portfolio driven by New Forever philosophy, expeditious ramping up of capacities, micromarket actions, strong network management to improve reach and profitability, and thrust on significantly improving customer experience led us to post highest ever annual sales and establish ourselves as a formidable player amongst the top 3 in the industry with a double digit market share of 12.1%.

Financial Metrics

Sales volume
(in units)

67.1% y-o-y growth

FY22	**3,72,157**
FY21	2,22,638
FY20	1,37,924

Revenue
(₹ crore)

89.8% y-o-y growth

FY22	**31,515**
FY21	16,606
FY20	10,482

EBITDA
(%)

330 bps improvement

FY22	**5.3**
FY21	2.0
FY20	(10.6)

EBIT
(%)

750 bps improvement

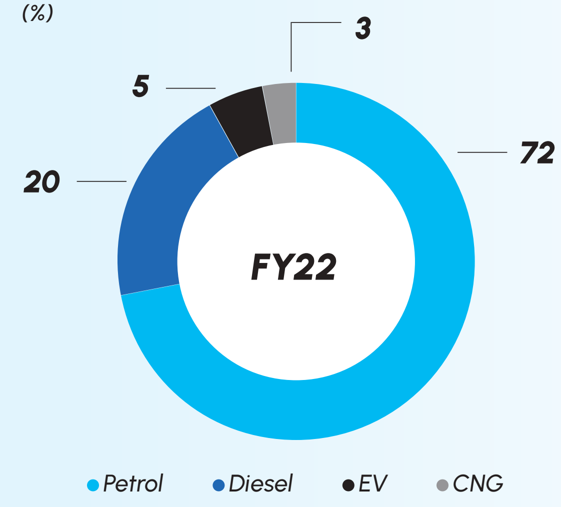
FY22	**(2.0)**
FY21	(9.5)
FY20	(27.2)

Market share
(%)

390 bps improvement

FY22	**12.1**
FY21	8.2
FY20	4.8

Powertrain mix
(%)



Operational highlights

3 CARS

4 SUVs

Vehicle portfolio

11.3% Percentage share of consolidated revenues

Reviewing FY22

PV business delivered a consistent and strong performance leading to the highest quarterly and annual sales in Tata Motors' history. The business witnessed strong revenues of ₹31,515 crore in FY22 (+ 90% y-o-y as compared to ₹16,606 crore in FY21. Robust demand for New Forever range and agile actions taken on the supply side drove volumes growth. Strong profitability was driven by improved product mix, improved realisations, and operating leverage owing to higher volumes. While increase in commodity prices impacted margins, price hikes taken, in line with the PV industry, mitigated the impact to some extent. Profitability improved significantly with positive EBIT achieved in Q4 FY22 and strong 750 bps EBIT improvement for FY22. The PV business was also free cash flow positive in FY22.

Case study

iCNG technology

In order to cater to the increasing demand for both economical personal mobility as well as greener, emission friendly mobility, we launched the advanced iCNG technology for our brands – Tiago and Tigor.

The new Tiago iCNG and Tigor iCNG are powered by the Revotron 1.2L BS VI engine which produces maximum power of 73PS – the highest for any CNG car in this segment. The iCNG cars comes in with best-in-class technology and features, programmed to deliver optimum performance and seamless shifting of fuel modes from petrol to CNG and vice versa, providing a no-compromise experience for their customers. With a single advance ECU, auto switchover between fuels, direct start in CNG (segment first), faster refueling and a digital instrument cluster, the Tiago and the Tigor iCNG have been designed mindfully to provide utmost comfort and convenience to their owners.

Operating context

Challenges faced

Supply chain issues

During early stages of global COVID-19 lockdown and auto plant shutdown, automotive suppliers abruptly cut the demand forecast for electronic components. More than expected increase in demand, post relaxation of lockdown restrictions, led to shortage of semiconductors for automotive players, globally. Fire at Renesas and extreme weather conditions in Texas further deteriorated supplies. In addition, pandemic-induced lockdowns necessitated work from home arrangements which led to unprecedented increase in the demand for white goods, especially consumer electronics. Shift towards 5G technology in some parts of the world further increased the demand for semiconductors. These factors have led to a shift in capacity allocation from auto sector to consumer durable goods.

Various actions were triggered to ensure availability of semiconductors with set of intermediate and systemic actions.

Immediate mitigation actions:

- Pursue and ensure fair allocation of semiconductors.
- Firm schedules for 12 months on monthly rolling basis – for chip manufacturer projections provided for 24 months
- Open market sourcing/spot buying
- Alternate architecture development to optimise the usage of critical chips by redesigning

Medium long-term mitigation actions:

- Leveraging analytics identify of potential supply risk and proactive mitigations
- Alternate/dual sourcing strategy under work
- Create and build buffer stocks for other critical aggregates

While our Passenger Vehicles business was impacted as a result of semiconductor shortage, prompt actions enabled us to manage the crisis better and despite these challenges, we were able to grow our volumes by 67% in FY22, against industry average increase of 13%.

Operational Risk

Capitals Impacted:

Challenges faced

Commodity inflation

Prices of commodity items such as steel, nonferrous metals, precious metals, rubber and petroleum products have generally risen in the recent years and more sharply in the recent past due to recent geopolitical conflicts. They may continue to rise significantly over the near term and in the future.

Resolution

We have been running a structured cost reduction journey for past few years to improve profitability and mitigate the risk of commodity price inflation. In FY22, we have completed highest ever 1200+ VAVE idea generation workshops with engagement of 1300+ participants across the organisation and implemented 630 cost reduction projects. The commercial teams leveraged the volume growth and achieved highest ever cost reduction accrual. The Value Analysis and Value Engineering (VAVE) efforts were rejuvenated through VAVE 2.0 approach, diving into finding new opportunities through system level interface, product attribute and cost balancing and decision making framework for long-term structural cost improvements. The new opportunities will help in the cost reduction journey forward.

Operational Risk

Capitals Impacted:

Capitals

Financial	Manufactured	Intellectual	Human	Social and relationship	Natural

Case study

#1 SUV in India

Globally, and even in India, there has been an increase in trend towards SUVs. SUVs have become ideal choice for consumers because of

Higher ground clearance required for bad/not so good road conditions

Ability to better navigate unexpected heavy rains and water logging

More interior space preferred by families for enjoyable group journeys

Accessible price points and newer sub-segments Example, Punch Sub-Compact SUV now starts at ₹5.65 Lacs

Design of SUVs has also evolved ; thus, making it even more **aspirational, convenient, and easier to drive and own**.

One of the key aspects of PV turnaround strategy was catering to the evolving demand of SUVs. From being a modest player in SUV segment, we have stepped up the game and emerged as #1 SUV player in a short time span.

We started off this journey with our flagship product Nexon. Strong and safe SUV brand, Nexon is the first GNCAP 5-star rated car in India, appreciated for its striking design, superior ride quality and handling characteristics, spirited performance and comfort. From modest start of 4,000 units monthly sale on average, volumes have since increased and now over 10,000 Nexon vehicles are sold each month in FY22, and it has become the highest selling SUV in India

Harrier and Safari together, for the first time in the market, have brought in the legendary pedigree and advanced vehicle architecture of Land Rover, offering an unparalleled experience to our customers. Harrier and Safari together command a market share of 35.8% of the High SUV segment in FY22. Punch, an entry level SUV launched this year has gained strong demand with on average 10,000 vehicles sold each month since beginning.

SUVs accounted for a modest 26% of total passenger vehicle sales in FY18, since then this has been ever increasing with its share touching 61% in FY22. Average monthly sales of SUVs increased from ~10,000 vehicles in Q1 FY22 to ~28,000 vehicles in Q4 FY22.

Strategic Review

Win Sustainably in PV

Reimagining front end 2.0

The strategy to enhance sales through targeting micro-markets has worked well. We registered 99% sales improvement in 22 micro-markets in FY22 as compared to FY21. On overall level, we registered 74% growth pan India.

We added 277 sales outlets in FY22 to increase sales with 1183 sales outlets at the end the year. 100% of our dealers are now profitable vis-à-vis 12% in FY20. We also expanded our service network, adding 100 workshops in FY22, taking total service touchpoints to 705. With continued thrust on customer service improvement, our NPS improved to 35 in FY22 from 30 in FY21.

The "Reimagine PV" strategy to rejuvenate front-end sales and the retailer network as well as customer engagement, has delivered excellent results. We launched Reimagining front end 2.0 with milestones to further strengthen front-end activities.

Sales enhancement

We continued the thrust on sales enhancement and identified high TIV urban micro-markets and rural areas through nuanced actions. In addition, we will strengthen Tata Motors Assured Business to increase presence in used car business.

Network

We will continue to expand sales and service network across India to improve reach and to ensure strong presence in high TIV markets. In addition, we will upgrade entire network as per "New Retail Identity" to provide uniform experience to consumers across the country.

Customer experience

We will continue to enhance sales and service processes, adopt new technology and digital means and strengthen customer experience organisation to provide delightful sales and service experience to our consumers.

Manufacturing

We significantly ramped up our capacities and took actions to mitigate supply side challenges. Our volumes grew by 67%, as compared to industry growth of 13%, despite being affected by semiconductor shortages. Average monthly sales increased from 28,000 vehicles in Q4 FY21 to 41,000 vehicles in Q4 FY22.

We will further focus on capacity enhancement to unlock future growth potential by debottlenecking existing facilities, improving asset utilisation and enhancing capacity to cater to ever-increasing demand.

Product portfolio strategy

We significantly stepped up product launches in FY22.

We launched Tata Punch in October 2021, an entry-level SUV with GNCAP 5-star adult safety rating. The Punch reinforces the four core pillars that define all Tata SUVs-stunning design, versatile and engaging performance, roomy and spacious interiors, and absolute safety. Since its launch, Tata Punch has recorded average volumes of 10,000 per month.

Rising fuel prices coupled with preference for green mobility has led to significant demand in CNG vehicles. Addressing this key market, we introduced advanced iCNG technology in Tiago and Tigor. The CNG variants have strong demand and penetration was around 9% of our portfolio in Q4 FY22. CNG penetration in Tiago and Tigor stands at 46% in Q4 FY22.

Other exciting variants launched include Altroz DCA, Kaziranga Edition of SUVs, #Darkrange of SUVs, Tiago NRG, and Safari Gold.

We will maintain the current portfolio, invest for improving competitiveness and comprehensiveness and introduce differentiated offering within key growth segments in phased manner.

Financial health

On the back of strong volumes recovery, positive product mix, tight control on fixed cost and VME, and exponential growth in non-vernacular business, Passenger Vehicles business recorded positive EBIT margin in Q4 FY22 and strong 750 bps improvement in EBIT margins in FY22, well ahead of our targets. In addition, the business also became free cash flow positive in FY22.

We will further step-up the investments to cater to ever increasing demand and continue focus on new products and technologies. We will continue to maintain fiscal prudence and drive a self-sustaining business. We will also ensure ecosystem viability by monitoring and taking necessary actions wherever necessary for ensuring dealer and supplier financial health.

Financial Targets

High single-digit EBITDA margin in the next 2 years

Positive FCF

Long-term CAPEX at 5-6% of revenue

Outlook

In Passenger Vehicles, the Company will continue to drive strong sales performance whilst improving profitability and managing supply bottlenecks. The business is expected to deliver strong improvement in margins and profitability in FY23. The business will continue to step-up new product launches and enhance capacities to cater to increasing demand. Despite significant step-up in investments, the PV business is expected to remain self-sustaining.

Redefining the EV space for the Indian consumer

Tata Motors entry into the EV segment was driven by a desire to provide no-compromise solutions to the customer and to create deeper segmentation through fully-loaded portfolio diversity. Since then, we have been at the forefront of India's push towards green mobility.

Revenue mix

Every 4th
Tigor sold is an EV

Every 6th
Nexon sold is an EV

Operational highlights

Sales volume
(in units)

353 y-o-y growth%

FY22	19,105
FY21	4,218
FY20	1,325

Market share
(%)

1600 Bps Growth

FY22	87
FY21	71
FY20	47

Public charging

FY22	2,000
FY21	450
FY20	170

EV penetration
(%)

FY22	5
FY21	2
FY20	1

Cities present

FY22	75
FY21	51
FY20	22

No. of dealerships

FY22	143
FY21	97
FY20	43

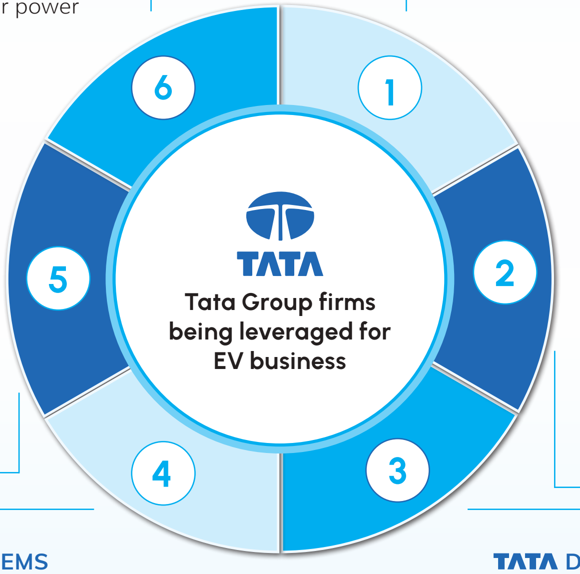
Reviewing FY22

Tata Motors has been the front runner in the EV segment in India. During FY22, we strengthened our position in the EV segment, driven by new product launches, strong acceptance and positive word-of-mouth from existing customers, offering exciting fleet-mobility solutions, strengthening sales and service network, delivering comprehensive home and public charging solutions and enhancing supplies expeditiously.

EV sales continued to witness a rapid growth in demand on the back of strong acceptance of Nexon EV and Tigor EV. Our annual EV sales touched 19,105 units, a growth of 353% vs FY21. Quarterly sales of EV were highest at 9,095 units, a growth of 432% vs Q4FY21 and EV sales for March 2022 was also the highest at 3,357 units, a growth of 377% vs March 2021.

Tata UniEVerse

Through Tata UniEVerse, we have synchronised efforts to develop a holistic e-mobility ecosystem to accelerate the adoption of EVs in India. Powered by Tata UniEVerse, consumers have access to a suite of e-mobility offerings including charging solutions, innovative retail experiences and easy financing options.



TATA POWER
- India's leading player in the EV charging space
- Home charging installation support in all cities to support Tata Motors EV customers
- ~ 2000 public chargers established, providing charging solutions based on solar power

TATA CHEMICALS LIMITED
- Cell development and local manufacturing
- Technical partner for evaluating establishment of Lithium-ion cell manufacturing plan
- Operation for pilot plant for Li-ion battery recycling

TATA CONSULTANCY SERVICES
TATA ELXSI
- Partners for driving advanced research and product design especially with respect to ADAS systems and connected car tech
- EVs are expected to get more sophisticated in future, requiring dedicated design teams

TATA DIGITAL
- Tata Digital as partner for building integrated digital platform across Tata companies to drive user experience and enable cross-selling of Tata Motors EV products

TATA AUTOCOMP SYSTEMS
- Collaborated and completed localising EV powertrain components in-line with phased manufacturing plan
- In addition, all our models have also qualified for 50% domestic value addition requirement specified by the government in order to avail incentives going forward
- Operation of battery assembly plant for Nexon & Tigor

TATA MOTOR FINANCE
- Structured solutions for fleet buyers to drive EV adoption including subscription and leasing
- Support in designing innovative financing solutions at attractive pricing by incorporating residual value financing

Operating context

Challenges faced

Addressing customer apprehension

One of the key challenges in addition to and an extension of ecosystem limitation has been the customer anxiety over limitation of drive range of EVs and myths related to safety.

Response

Created strong awareness campaign to bust myths related to safety, durability, charging and range anxiety.

Tata Motors introduced its state-of-art technology brand – ZIPTRON, which has been designed in-house while utilising our global engineering network. This technology delivers a thrilling driving experience to our customers aspiring to go-green. Rigorously tested across 1 million kms, ZIPTRON technology is well-proven advanced and reliable.
It embodies distinctive characteristics: efficient high voltage system, zippy performance, long range, fast charging capability, battery with warranty of 8 years, and adherence to IP67 standard.

#TheUltimateElectricDrive campaign, showcased the drive Nexon EV from Manali to Leh, which is one the toughest terrains in India, covering six high-altitude Himalayan passes, with unpaved roads and steep gradients, with limited charging infrastructure and under extreme weather conditions. This showcased that the Nexon EV is capable of high performance and is able to charge effortlessly.

This was followed by a series of product testing videos named #TheUltimateElectricTest, subjecting the Nexon EV to extreme weather, gradient, water immersion and performance conditions to bust all myths about the robustness of EVs.

The increase in demand and positive word-of-mouth from existing customers is strong testimony to this.

$1 billion

Fund raise in TPEM for 11-15% stake valuing it upto $9.1 billion through TPG deal

$2 billion

Planned investment spending over next 5 years

Challenges faced

Product competitiveness and quality

The auto industry is characterised by new technologies, distribution models, methods of transportation and disruptive technologies. The customer is becoming increasingly aware and wants vehicles which meet the latest trends and has the most advanced technologies.

Response

The Nexon EV was launched with ARAI certified range of 312 kms on a single charge, an efficient high voltage system, fast charging capability, extended battery life and class-leading safety features. It also comes with Z Connect – which offers 35 advanced connected car features that will electrify the drive experience with seamless connection. We continued to increase our competitiveness by launching new products in FY22 with the launch of New Tigor EV sedan with a range of 306 kms and Nexon EV Max with an extended range of 437 kms.

We will step up the investments in EV business. The recently launched CURVV and AVINYA concepts are a testimony of the future. We are gearing up to build on early mover advantage and being future-ready.

Operational Risk

Capitals Impacted:

Strategic Risk

Capitals Impacted:

Capitals

Financial	Manufactured	Intellectual	Human	Social and relationship	Natural

Stepping up the game–with new investments

Tata Motors entered into a binding agreement with TPG Rise Climate whereby TPG Rise Climate along with co-investors shall invest ₹7,500 crore in compulsory convertible instruments to secure between 11%-15% stake translating to an equity valuation of up to $9.1 bn.

Accordingly, a separate subsidiary Tata Passenger Electric Mobility Limited (TPEM) was incorporated.

TPEM shall leverage all existing investments and capabilities of Tata Motors Ltd and will channelise the future investments into electric vehicles, dedicated BEV platforms, advanced automotive technologies and catalyse investments in charging infrastructure and battery technologies. Over the next 5 years, this Company will create a portfolio of 10 EVs and in association with Tata Power Ltd, catalyse the creation of a widespread charging infrastructure to facilitate rapid EV adoption in India. The first round of infusion for a sum of ₹3,750 crore was completed in March 2022.

TPEM shall invest in excess of $2 bn over the next 5 years in products, platforms, drivetrains dedicated EV manufacturing, charging infrastructure and advanced technologies.

Strategic Review

Win Proactively in EV

Product

In FY22, we launched exciting products to cater to consumer demand in the form of Tigor EV and Nexon EV with extended range and Xpres-T EV for fleet segment.

We will continue to leverage product success and expand portfolio, providing India specific offerings with different body styles and driving ranges.

We also endeavour to complete phased transition from conversion to multi-energy modular platform to a pure EV platform in next few years.

Sales and marketing

We scaled up our market coverage and increased our presence to 75 cities and 143 dealerships in FY22.

The existing micro-market strategy has worked well to drive the penetration and created pan India demand. As we scale up, we will start to expand beyond the existing micro-markets for a wider presence. We will continue to focus on states where there is high demand, driven by aggressive EV policies and benefits. Through innovative campaigns, digital tools, experience centres and service network, we will continue brand building for creating awareness, driving aspirations and enhancing customer experience.

Capacity Building

We will enhance our capacities to meet increasing demand and accelerate EV penetration and drive deeper localisation of Tier 1 and Tier 2 components.

We will strive to constantly evolve and build a centre of competence in new technology areas.

Ecosystem Solutions

Over the last two years, through Tata UniEVerse, we have progressed well in establishing public charging network and home charging solution for our customers. In addition, we have fulfilled localisation requirements laid down in the Phased Manufacturing plan notified by Government.

We will further expand Tata uniEVerse to offer holistic ecosystem solutions to customers. Efforts are underway to operationalise plan for battery reuse, recycle and repurpose. We will further expand our footprint of public charging solutions to drive mass adoption. Through Tata Motors Finance, we will continue to offer innovative financing solutions for retail and fleet customers.

Case study

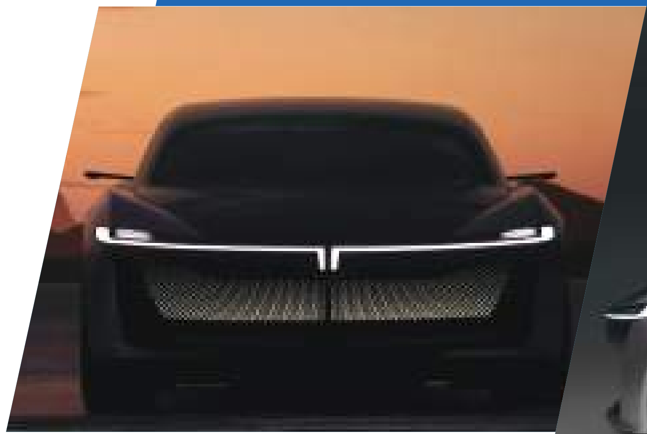
CURVV

Defining a new era of SUV design, Tata Motors recently showcased its Electric SUV Concept – CURVV. Conceptualised to offer practicality and elegance, all whilst exuding dynamism and unmatched road presence, the Concept CURVV is Tata Motors' rendition of the modern SUV typology. Expected to storm the market within the next two years, this concept will introduce India to a unique, edgy and sporty coupe body style which in the past has only been prevalent in the high end luxury segment. The Concept CURVV in its production ready avatar will first enter the market as an extension of the Company's ever-evolving Electric Vehicle (EV) portfolio which will subsequently be followed by its Internal Combustion Engine (ICE) counterpart.

With a robust SUV DNA at its core, and a plethora of new age materials, features and interfaces, we are confident that this Coupe Concept will redefine mainstream SUV design. Furthermore, with CURVV, we now enter the Generation 2 EV architecture which will further enhance the adoption of EVs in India by overcoming the current barriers. With this new architecture, we will strengthen the key pillars of Range, Performance and Technology, while retaining Safety and Reliability as hygiene offerings.

Outlook

Tata Passenger Electric Mobility (TPEM) will be investing proactively to step-up EV penetration with several exciting new launches on the anvil. Accelerating adoption with the creation of a strong EV ecosystem that drives deeper localisation, remains our priority. Government of India has placed an ambitious target of 30% EV penetration by FY30 and is supporting the transition in several ways. TPEM aspires to leapfrog ahead on the strength of its superior product portfolio, greater operational economies, affordable price-value propositions and supportive sales and charging infrastructure.



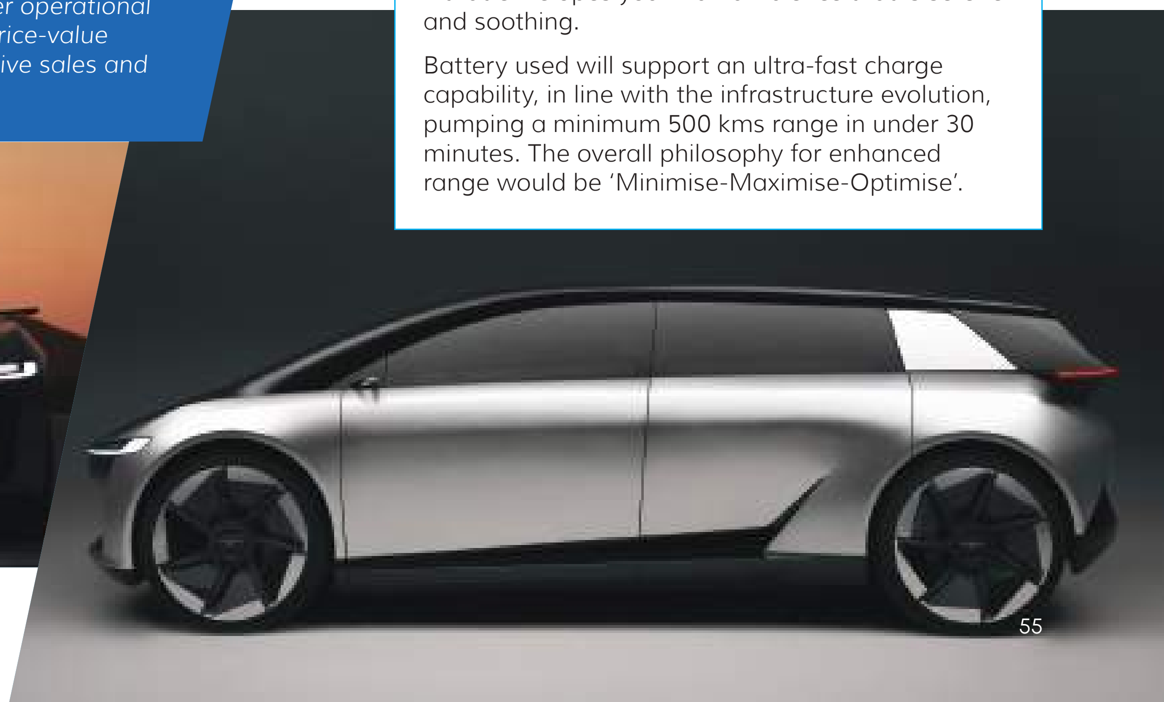
Case study

AVINYA

Taking a giant stride towards the next generation of electric vehicles, TPEM, recently made a smashing debut with the global unveil of the AVINYA Concept – an expression of the Company's vision of a pure electric vehicle, based on its GEN 3 architecture. The AVINYA Concept introduces a new typology of mobility that offers or exudes enormous roominess and comfort, not restricted by traditional segmentation. It comes packed with new age technology, software and Artificial Intelligence that work in the background to deliver wellness and tranquillity during transit. Providing an extremely premium yet simple and calming customer experience, this concept will be fairly accessible to a majority of customers of fast growing, high volume segments of today. With this, TPEM is all set to unleash a new breed of EVs that will redefine the automobile space. This path breaking EV will be introduced to the market by 2025.

The AVINYA Concept focuses on a human-centric design and promises a sensory journey of its own. From the skydome that enhances the overall sense of space and natural light to the functional console-inspired steering wheel, to the voice activated systems for a deeper interface for all its passengers, to the sustainable materials being used, that communicate the ethos of the product and finally the finishing touch of the aroma diffuser – that envelopes you in an ambience that is serene and soothing.

Battery used will support an ultra-fast charge capability, in line with the infrastructure evolution, pumping a minimum 500 kms range in under 30 minutes. The overall philosophy for enhanced range would be 'Minimise-Maximise-Optimise'.



Rethinking luxury mobility in a sustainable way

The renaissance of the iconic Jaguar and Land Rover brands is underway. The New Range Rover launched this year reflects the intuitive approach we will take to integrating technology as BEV adoption picks up.

Our Reimagine strategy is strengthened by our Refocus programme which is reshaping operations, driving efficiencies through key functions and ramping up on profitability. Set against a canvas of true sustainability, Jaguar Land Rover will become a more agile creator of the world's most desirable luxury vehicles and services for the most discerning of customers.

Operational highlights

67.4%
Share of consolidated revenue

6
Jaguar
7
Land Rover
Vehicle portfolio

Financial Metrics

Sales volume
(in units)
(wholesale) (Including CJLR)

15.8% y-o-y growth

FY22	**347,650**
FY21	412,911
FY20	525,402

Revenue
(£ million)

7.2% y-o-y growth

FY22	**18,320**
FY21	19,731
FY20	22,984

Free cash flow
(post interest) (£ million)

FY22	**(1,156)**
FY21	185
FY20	(759)

EBITDA
(%)

250 bps

FY22	**10.3**
FY21	12.8
FY20	8.9

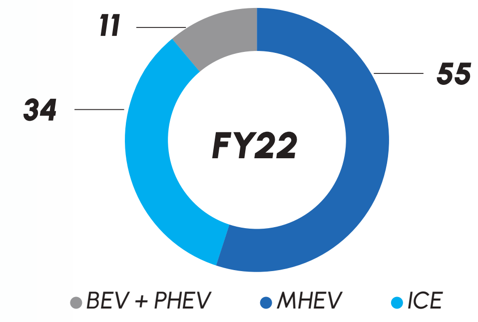
EBIT
(%)

300 bps

FY22	**(0.4)**
FY21	2.6
FY20	0.1

Retail sales mix (by volume)

(%)



Operating context

Ukraine/Russia conflict

Our primary focus throughout the unfolding conflict in Ukraine has been the wellbeing of our workforce, as well as those in our extended network. The Ukraine conflict has so far only had a limited impact on production volume as a result of active management of our parts supply chain. While we have a relatively small number of parts and commodities that are sourced from the affected countries, it is too early to say how future commodity supply and pricing could be impacted. New vehicle sales into Russia have been paused since the end of February 2022.

Response

Colleagues based at our Nitra manufacturing facility in Slovakia have provided border transportation and temporary accommodation to the families of our Ukrainian colleagues, as well as helping them integrate into the local community. In addition, we have mobilised a fleet of vehicles to the International Federation of Red Cross and Red Crescent Societies. Sales volumes in the final quarter of FY22 were not materially impacted by the conflict, with Russia and Ukraine historically accounting for less than 2.5% of global sales. While new vehicle sales into Russia have been paused since the end of February, strong demand from customers in other markets can more than offset this volume.

Reviewing FY22

Full year performance in FY22 was significantly impacted by the constraint on production and sales resulting from the global chip shortage. Revenue was £18.3 billion, down 7% from the prior year, with a pre-tax loss of £412 million before the £ (43)m Q4 exceptional charge, compared to a PBT of £662 million before exceptional items in FY21. The impact on working capital of the reduced volumes in the first half of the financial year resulted in a free cash outflow of £1.16 billion for FY22. The working capital outflow is expected to be recovered over time as volumes gradually increase.

Strong demand for New Range Rover helped order book to new record at more than 168,000 units (New Range Rover 46, 000 units and Defender 41,000 units.

The Refocus transformation programme delivered £1.5 billion of value in the year, beating £1 billion target.

Operational Risk

Capitals Impacted:

Semiconductors and other supply constraints

Supply constraints, particularly semiconductors, restricted our ability to produce as many vehicles as we planned in FY22. These supply chain challenges limited our capacity to build cars in line with customer demand and our wholesale volumes for the year were 294,182, down 15.4% compared to the prior year. The shortage of semiconductors is likely to continue in the coming year with gradual improvement throughout FY23.

Response

In response to these challenges, we focused production on higher margin products and established new processes to closely monitor our supply chain. Looking further ahead, we have engaged in strategic discussions with key component suppliers and chip producers to secure long-term supply agreements for future product programmes, to increase our resilience.

Operational Risk

Capitals Impacted:

Capitals

Financial	Manufactured	Intellectual	Human	Social and relationship	Natural

Global inflation

Inflationary pressures have been increasing, with aluminium prices rising 61% during the fiscal year, while we also saw high volatility in gas prices across Europe in the fourth quarter. This will impact our business, as some prices we pay our suppliers are directly indexed to market rates, leading to increased material costs which could reduce our profit margin. This increasing inflationary pressure could also flow through to consumer inflation expectations and drive a response from central banks in the coming year, which could impact the pace of future economic growth.

Response

In the short term, we have a level of protection from immediate commodity price increases through our commodity hedging programme. We also monitor the impact of changes in material costs on our margins and may look to adjust sales prices if we cannot avoid passing cost increases to our consumers.

Operational Risk

Capitals Impacted:

Capitals					
Financial	Manufactured	Intellectual	Human	Social and relationship	Natural

Our Strategy

Our reimagine strategy drives our single and clear vision: to become the creator of the world's most desirable luxury vehicles and services, for the most discerning of customers.

This roadmap for the future of Jaguar Land Rover puts quality and sustainability at the centre of everything we do, directed by the simplification of our processes and the rapid electrification of our vehicles, while creating unique customer experiences and a positive societal impact.

As we redefine modern luxury, and with the worldwide customer appetite for electric vehicles, we are accelerating our Reimagine transformation into a business that will deliver double-digit EBIT margins within five years and achieve net zero carbon through our entire value-chain including our products, supply chain and operations, by 2039.

Modern Luxury

In 2021, we introduced the New Range Rover, as the embodiment of modern luxury, with breath-taking modernity to its exterior and a highly sophisticated, reductive interior with an intuitive approach to relevant technology.

The New Range Rover embodies a philosophy that will be embedded across our products and our customer experiences, acting as a key differentiator for Jaguar and Land Rover, as part of their transformation into modern luxury brands.

At the centre of this is sustainability, in our vehicles and across the value chain, which we will achieve through electrification; decarbonising our supply chain, manufacturing and non-manufacturing operations; closed-loop circularity; and in close attention to the provenance of materials we select.

An Electrifying, Sustainable Future

We believe in the modern luxury of pure-electric propulsion that is near-silent, efficient and sustainable.

The New Range Rover introduces plug-in hybrid electric propulsion with a segment-leading official electric-only range of over 100 kms.

From 2024, a pure-electric New Range Rover will join the family.

Over the next four years, Land Rover will welcome six all-electric variants across two architectures – our flexible Modular Longitudinal Architecture (MLA) and Electric Modular Architecture (EMA). This will help us to meet unprecedented policy shifts and an exponential rise in customer demand towards electric vehicles across our key markets.

As adoption increases, we expect 60% of global Land Rover sales to be pure-electric by 2030.

As we accelerate Land Rover's electrification, the renaissance of Jaguar has also been moving at pace.

Over the past 12 months, our Future Jaguar team have determined to develop our own bespoke pure-electric architecture for Jaguar.

Alongside its product transformation, Jaguar is also creating a strong digital culture, efficiently integrating technologies and analytics, to allow the team to design a more rewarding emotional engagement between the brand and the customer.

We are truly excited about the renaissance of Jaguar.

Our ambition to become net zero carbon by 2039 throughout our entire value chain requires a transformation in the way we design, engineer, supply and manufacture our products. To secure our pathway towards this ambition, we have defined and committed to CO2e reduction targets by 2030, which have been validated by the Science Based Targets initiative (SBTi), aligning the business to the 1.5-degree celsius emissions reduction set out by the Paris Agreement.

True Digital Leader

Connectivity is a key attribute of modern luxury. Through our Reimagine strategy and Refocus programme, we are creating a step-change in connected experiences for customers and accelerating our transformation into a digital leader in the automotive industry.

We will continue to drive forward connectivity in and with our vehicles, based on our truly market-leading capability today.

Through remote diagnostics and software-over-the-air updates, we can already predict, diagnose and update all major vehicle systems.

To date, we have completed more than 3 million updates on customer vehicles and through our Electric Vehicle Architecture, we can monitor nearly 17,000 data points to continually enhance our customer experiences.

For example, in early 2022, we provided 200,000 customer vehicles, fitted with our advanced Pivi Pro infotainment system, an over-the-air upgrade featuring Amazon Alexa voice AI capability and Wireless Apple Car Play.

We believe this ability for owners to add services and experiences to their connected vehicles will create entirely new value for our business.

Collaborating for a connected future

Such a strong platform for connected services also allows us to reimagine new vehicle features. Collaboration and knowledge-sharing with industry leaders in connected services, data and software development is a cornerstone of our strategy.

We have formed a multi-year strategic partnership with NVIDIA, the leader in artificial intelligence and computing, to jointly develop and deliver next-generation automated driving systems, plus AI-enabled services and experiences for our customers.

From 2025, new Jaguar and Land Rover vehicles will be built on the NVIDIA DRIVE™ software-defined platform – delivering a wide spectrum of active safety, automated driving and parking systems, as well as AI features inside the vehicle.

Together, we will redefine how our customers connect to, and enjoy their vehicles, throughout their ownership, driving new opportunities and business models for us and our partners.

We will continue to strive for strategic partnerships to drive innovation and sustainability in line with our Reimagine strategy.

Reimagining finance for customers

Through our transformation programme, Refocus, we are also forging strategic partnerships to enhance our purchase experience.

We have partnered exclusively with BNP Paribas, to broaden competitive automotive financing with new, innovative services across nine European markets.

Our ambition is to provide our retail partner network and our customers with an expanded range of financing solutions and insurance products by early 2023.

Redefining our purpose

Our company purpose sets why we want and choose to exist: 'live the exceptional with soul'. Through our Reimagine strategy, we are changing to become the 'proud creators of modern luxury', guided by a creator's code - a set of co-created behaviours: customer love, unity, integrity, growth and impact.

Along the way, the positive impact of sustainability and diversity and inclusion will enable us to better understand and serve our customers, fuel our innovation, and engage and inspire our people.

Together, we are shaping a culture of unity, belonging, inclusion and respect, while implementing progressive policies, benefits and support, and engaging with our people to accelerate our progress.

Focused on the future

With Reimagine, we are transforming our business and our two unique brands, with a value-creation approach; delivering modern luxury experiences, quality and profit.

We will deliver a new benchmark in environmental, societal and community impact for a luxury business, creating the world's most desirable luxury vehicles, against a canvas of true sustainability.

We are transforming into an agile, fully data-driven, digital company, through our Refocus plan. Our commitment to agile ways of working is streamlining our operations and returning value to our business.

Together, we are realising our goals, steadfast in our ambition to be one of the most profitable luxury manufacturers in the world.

Refocus

Our refocus transformation programme is the engine room powering our reimagine strategy.

1	2	3	4	5	6
QUALITY	PROGRAMME DELIVERY & PERFORMANCE	DELIVERED COST PER CAR	END-TO-END SUPPLY CHAIN	CUSTOMER & MARKET PERFORMANCE	CHINA
Reduced warranty spend	Efficient programme delivery	Reduction in vehicle cost	Faster vehicle delivery times	Increased profitable market share	Increased profitable market share

7 AGILE ORGANISATION & CULTURE
Agile Organisation, Leadership, Capability, Culture

8 DIGITAL
Using data and technology to power the transformation

9 RESPONSIBLE SPEND
Sustaining the cost improvements

10 SUSTAINABILITY
Building a regenerative ecosystem

Refocus has created significant change within our business and culture over the past year, improving key quality metrics, laying the foundations of an agile, data-driven, digital business, and delivering over £1.5 billion of value during FY22.

Refocus will drive further profitability in our business, as we aim to realise £2.5 billion of value within three years.

The programme contains five priorities focused on improving our operations and transforming our business. These are: improved customer satisfaction, time to market, workforce experience, CO2e reduction and profitable growth.

These priorities are established in ten separate pillars - six operational pillars and four enabling pillars. During this fiscal year, we added our tenth pillar, Sustainability.

Driving profitable change

Our **Quality** pillar has implemented new processes and governance to improve quality issues and warranty spend, resulting in an improvement to our customer satisfaction, and reducing warranty spend to £608 per vehicle.

In **Programme Delivery & Performance**, we have trained more than 4,000 of our people in agile ways of working, reducing product delivery times and time to market. An Agile Hub has been established, facilitating team training and coaching, as well as redefining the company purpose in the mindset of modern luxury.

In **Delivered Cost Per Car**, we have continued to build on the successful cost reduction initiatives of our Ignite programme – now extended to 2025 – achieving £1,600 average per car saving, without compromising quality.

We have also created a new **Supply Chain** function within our business, focusing on digitisation as well as building resilience and sustainability within our operations. This work has included our semiconductor crisis response.

Together, **Customer & Market Performance (Pillar 5)**, which revolutionises our customer journey, and **China (Pillar 6)** have contributed over £800 million of value through measures including newly digitised ordering for retailers, renewal services for customers and profit and mix optimisations.

Digital transformation

InDigital was launched in April in 2021 as part of our Refocus plan. In just the past year, it has developed into a digital centre of excellence, at the heart of Refocus, with 250 specialists focusing on analytics, data science, data engineering and intelligent automation.

Through a digital revolution in smart tools and processes we supported initiatives that have delivered over £300 million value to our business in FY22, supporting and providing solutions as diverse as supply chain visibility to mitigate the semiconductor crisis; databased failure mode prediction; new and improved customer offerings and customer journey digitisation; and automation across the business for greater efficiency.

Responsible spend

Responsible Spend continues from the successful Charge+ programme. We have remodelled our approach to spend and investment, updating our purchasing processes, improving cost and time saving allowing our teams to focus on adding value.

Sustainability at our heart

Through FY22, we brought into Refocus a dedicated **Sustainability** pillar to execute our environmental sustainability strategy - Regenerate.

Regenerate comprises eight distinct focus areas, redefining the way we design, engineer, manufacture and even sell products and services.

Pillar 10 acts as the operational engine to implement this sustainability transformation through climate and circular actions across the company, powered by the adoption of agile methodology.

The transformation of our business through Sustainability is supported by key executive appointments.

François Dossa was appointed to the role of Executive Director, Strategy & Sustainability, in June 2021 and Rossella Cardone became Director, Sustainability in January 2022.

Outlook

Our Refocus programme will help use mitigate impact of inflationary pressures and we expect the global semiconductor shortage to gradually improve in FY23. While the COVID-19 lockdowns in China as well as the new Range Rover Sport model changeover are expected to limit volume improvements in Q1 of FY23, we expect volumes to improve progressively thereafter, and we target to achieve a 5% EBIT margin and £1bn+ positive free cash flow in FY23.

Our medium- and longer-term financial targets under the Reimagine strategy, underpinned by the Refocus transformation programme, remain unchanged, including improving EBIT margins to 10% or more by FY26 and improving cash flow to achieve near zero net debt in FY24.

Tata Motors Finance

Proactively providing creative solutions to customers while minimising portfolio risk

AUM
(₹ in crore)

5.6% growth

FY22	**45,220**
FY21	42,810
FY20	36,882

CV market share
(%)

600 bps

FY22	**27**
FY21	33
FY20	31

PBT
(₹ in crore)

62% Y-o-Y

FY22	**101**
FY21	266
FY20	149

ROE (pre-tax)
(%)

710 bps

FY22	**2.1**
FY21	9.2
FY20	8.0

GNPA
(%)

380 bps

FY22	**8.8**
FY21	5.0
FY20	5.3

NNPA
(%)

180 bps

FY22	**5.4**
FY21	3.6
FY20	4.6

Performance overview

During FY22, Disbursals grew y-o-y by 23.5% to ₹16,797 crore on the back of uptick in CV sales. The continued stress in MSME portfolio impacted GNPA during most part of FY22. However, strong collections in Q4 (100.2%) led to GNPA reducing from 10.4% in Q3 to 8.8% in Q4.

Tata Motors Finance continued its asset-light journey and completed ~₹6,300 crores of assignment and co-sourcing during the year. Tata Motors Finance also focused on cost reduction measures and its cost to income ratio remained low at 33% (39% in FY21).

Operating environment

Meeting regulatory norms

The NBFC sector is witnessing a slew of regulatory changes over past few years, especially post ILFS crisis. The RBI, on October 22, 2021, revised the regulatory framework for NBFCs. These guidelines shall be effective from October 1, 2022. While the detailed provisions are to be notified, TMF Group is likely to fall in upper NBFC category and regulations would broadly cover following aspects- the regulations broadly cover following aspects – Common Equity Tier I capital at 9% within Tier I capital; Board approved policy on Internal Capital Adequacy Assessment Process, leveraging requirement to ensure that growth is supported by adequate capital, holding differential provisioning towards different classes of standard assets, mandatory listing within three years.

The RBI, to strengthen the supervisory tools applicable to NBFCs, has put in place Prompt Corrective Action (PCA) Framework, from April 1, 2022. The RBI has prescribed risk threshold with indicators mainly being capital ratios in terms of CRAR and Tier 1 ratio and asset solvency ratio in terms of net non-performing assets. RBI has also prescribed mandatory and discretionary actions for all of the risk threshold, stricter action being for higher risk threshold. Mandatory actions include various restrictions like on dividend distribution/ remittance of profits, on branch expansions, on capital expenditures and on variable operating expenses. Discretionary action includes special supervisory actions related to strategy, governance, capital, various type of risk, business, operation and profitability.

Tata Motors Finance group has been compliant with the new RBI Prompt Correction Action (PCA) norms and its liquidity and capital adequacy ratios are comfortable. Tata Motors Finance is also taking steps to reduce GNPA/NNPA aggressively and recalibrate its collection strategy and organisation to embrace new norms.

Focus areas FY23

- Maintain ~30% market share
- Expand NIMs: Increase Used Vehicles lending and fee-based income streams
- Accelerate digital transformation of the business; Create digitally-enabled ROA accretive new income streams
- Target near double-digit ROEs

Value Creation

The desire to create long-lasting value inspires all that we do. It gets manifested in our responsible use of resources, our focus on exceeding customer and employee expectations, and in creating gains for our investors and shareholders.

Value Creation Model

How our business model creates value

At Tata Motors, we strive to create value through our business model by innovating sustainable mobility solutions to enhance the quality of life.

Inputs

Financial Capital

Our financial resources come from various providers of capital – shareholders, bond issuers, banks, and the financial markets. We optimally deploy these resources to create value and drive growth.

Tata Motors Consolidated

- **₹44,561** crore equity capital incl. reserves
- **₹24,148** crore investment spending
- **₹48,679** crore net automotive debt

Manufactured Capital

We continuously focus on operational excellence, benchmark performance, continuous innovation, and improvement in automotive manufacturing processes. This supports our strong and sustainable growth.

Tata Motors

- **10** manufacturing facilities
- **2** R&D/engineering and design centres

JLR

- **12** manufacturing and engineering facilities
- **7** technology hubs

Intellectual Capital

As a customer-centric organisation, we embrace technological development, innovations and focus on collaboration to deliver world-class products.

Tata Motors

- **9** design applications filed
- **125** patent applications filed

JLR

- **311** foreign design applications filed
- **176** foreign patents filed

Human Capital

As an innovation-driven business, we focus on creating culture of diversity and safety and endeavour to attract the best talent and bringing life to our strategy.

Tata Motors

- **52,351** total employees
- **25,588** permanent employees
- **26,763** temporary employees
- **3,526** employees in Research & Development

JLR

- **4,517** permanent management cadre employees
- **29,340** non-management staff such as unionised hourly workers
- **1,868** contractual/ temporary staff including casual workers

Social and Relationship Capital

We built long-standing relationships with employees, suppliers, dealers, customers, end users and uplift the communities where we operate to maintain and strengthen our licence to operate.

- **₹23.69** crore spent on CSR
- **28,558** hours volunteered by employees

Natural Capital

We are proactively working towards enhancing our positive impact on the natural environment. As a resource-intensive business, we focus on climate change, energy efficiency, water conservation, and waste management.

Tata Motors

- **1.20** GJ/vehicle specific direct energy consumed
- **2.34** GJ/vehicle specific indirect energy consumed
- **3.54** GJ/vehicle specific total energy consumed
- **44,29,504** m^3 water withdrawal

JLR

- **1,133,506** MWh energy consumed
- **1,658,929** m^3 water consumed

Our Vision

By FY24, we will become the most aspirational Indian auto brand, consistently winning, by

- delivering superior financial returns
- driving sustainable mobility solutions
- exceeding customer expectations, and
- creating a highly engaged work force

Our Values

Integrity | Accountability | Excellence | Team work | Customer focus | Speed

Value chain

Innovation and Technology → Design and Engineering → Strategic Sourcing → Manufacturing Operations → Logistics → Financial Services → Global Sales Network → Customer Service Network → Mobility Service → Innovation and Technology

Business segments

- ***Cars and Sport Utility Vehicles***
- ***Truck and Buses***
- ***Defence***

Outputs | Outcomes

Tata Motors Consolidated

- **₹278,454** crore revenue
- **9.6%** EBITDA margin
- **0.7%** EBIT margin
- **₹ (9,472)** crore auto free cash flow

SDGs Impacted: 8, 9

Tata Motors

- **745,478** units produced (including cars produced at FIAPL Joint operating facility)

JLR

- **3,33,581** units produced

SDGs Impacted: 9, 11, 12, 13

Tata Motors

- **21** design applications granted (**15** Indian Design Grant, **6** Foreign design grant)
- **56** patents granted (**53** Indian Grant, **3** Foreign Grant)

JLR

- **146** designs approved (registered or granted)
- **455** patents granted

SDGs Impacted: 9

Tata Motors

- **6.5%** female in total workforce
- **8.9%** total Employee Turnover rate
- **6.7%** voluntary employee turnover rate
- **0.23** LTIFR

JLR

- **18.3%** female in total workforce
- **0.02** per 200,000 hours LTIFR

SDGs Impacted: 3, 5, 8, 10

- **7,91,298** lives impacted through CSR initiatives

SDGs Impacted: 2, 3, 4, 8, 10, 11, 15, 17

Tata Motors

- **54,793** tCO_2e Scope **1** emissions
- **3,02,511** tCO_2e Scope **2** emissions
- **0.075** tCO_2e/vehicle specific Scope 1 emissions
- **0.414** tCO_2e/vehicle specific Scope 2 emissions
- **12.8%** share of Renewable Energy in total energy consumed

JLR

- **118,503** tCO_2e Scope 1 emissions
- **117,939** tCO_2e Scope 2 emissions
- **41%** share of Renewable Energy in total energy consumed

SDGs Impacted: 6, 7, 11, 12, 13, 15

Building relationships for symbiotic growth

Stakeholder engagement is at the heart of our business model. Investors, employees, customers, regulators, communities, suppliers, dealers, media and academic institutions are our key stakeholders. We continuously engage with them to understand and resolve their concerns through effective stakeholder management framework.

Key details of our stakeholder engagement mechanism and outcomes have been provided below.

Investors & Shareholders

Why are they important?
- They have financial stake in the Company and play a major and vital role in the success and growth of Company.

Key issues in FY22
- Timely business updates and updates on material events, enhancing level of disclosures, compliances.

Engagement Platforms
- Investor meets, investor calls, press releases and mail updates, email support for investor queries.

Response to Key issues
- For material events and quarterly results, updates are given and separate investor calls held (e.g. for semiconductor crisis & TPG Rise Climate investment event, separate investor call was held.) All compliances, grievances are addressed in a time-bound manner.

Employees

Why are they important?
- They are key assets driving our culture of innovation and growth.

Key issues in FY22
- Build strong employee engagement, Recognition and Rewards, building strong organisational culture, leadership development, cess capability, union engagement.

Engagement Platforms
- Team touch point, skip level meetings, quarterly town hall, accolades – rewards & recognition platform, culture survey and pulse survey, round table with senior leadership, ask me anything forums, self-directed teams.

Response to Key issues
- Transparent job postings through Career Xplore – IJP program, Exposure opportunities through GEMS program, Accolades – launch of Rewards & Recognition program, Inner Circle – leadership development program, Driving culture of self-directed teams at shop floor, focused efforts on Industry 4.0 and CESS initiatives.

Customers

Why are they important?
- Engage with customers for ensuring satisfaction and retention.

Key issues in FY22
- Product and service related issues

Engagement Platforms
- Customer meets, feedback calls, home visits.

Response to Key issues
- Resolution of issues raised by customers, proactive actions on product quality improvement, dealer manpower training

Regulators/Government

Why are they important?
- Impact of policies/regulations introduced by the Govt.
- Emerging situations in business environment.

Key issues in FY22
- Obtaining permissions /licenses / clarifications/ waivers /business development approvals/vendor and logistical support /recoveries as per group requirement.

Engagement Platforms
- Strategic representation and meetings with govt agencies.
- Representation through trade bodies.

Response to Key issues
- Issues are resolved through regular interactions, representations, and discussions with the key stakeholders.

Communities

Why are they important?
- Improving the quality of life for our dependent and neighbouring communities.
- Acting as a responsible corporate citizen, managing relationships, brand building and developing trust.
- Enhancing business-connect.
- Promoting inclusive and equitable development.

Engagement Platforms
- Awareness building through people-friendly engagement tools like street plays and folk songs.
- Community meetings matching the routines and availability of the beneficiaries.
- Recognition and felicitation through interaction with the board members, senior leadership.
- Emergency/Disaster relief activities. Example, COVID-19 relief
- Celebration and participation in local community events.

Key issues in FY22
- Malnutrition and other health issues.
- Education-related: Addressing gaps in learning levels; skilling; increasing employability, even for school dropouts.
- Spreading environmental awareness and facilitating plantation.
- Providing disaster relief.

Response to Key issues
Issue-focused programmes being run:
- Health: Aarogya
- Education: Vidyadhanam
- Skilling: Kaushalya
- Environment: Vasundhara
- Affirmative Action: Aadhar and Employee Volunteering

Suppliers/service providers

Why are they important?
- Expedite and optimise time to market for new products by leveraging supplier technologies across Tata Motors products.
- Ensure seamless supplies for ongoing production by creating adequate capacities.
- Spare part supplies across product lifecycle requirements.

Key issues in FY22
- Plant restart and capacity ramp up post lockdown due to the COVID-19 pandemic.
- Additional demand fulfilment for semiconductors due to global demand supply deficit.
- Commodity price inflation.

Engagement Platforms
- Early vendor involvement in product design and development.
- Structured engagement through annual supplier conference, zonal meets and supplier council meets.
- Periodic interactions to drive ongoing product improvements.
- Supplier technology days to understand and align supplier technologies that can be deployed in Tata Motors products.

Response to Key issues
- Working capital management by introducing various bill marketing schemes.
- Direct engagement with semiconductor suppliers to improve allocation of chips. Specify alternate available chipsets.
- Drive cost optimisation through VAVE, strategic engagements with key raw material suppliers and others.

Dealers & service centres

Why are they important?
- Market share improvement.
- Improve and enhance customer experience.

Key issues in FY22
- (PV) product complaints, customer experience consistency, digitalisation opportunities.
- (CV) Ordering complexity and turnaround time, reduction in inventory cost, timely settlement of claims, timely support from insurance surveyors.

Engagement Platforms
- Dealer meetings, visits, audits, dealer council, joint programmes & sustainability initiatives.

Response to Key issues
- (PV) Rapid Response Teams for product complaint resolution, sustained actions & monitoring through proactive intervention.
- (CV) Introduction of Digi-VOR (Vehicle Off Road) system for faster VOR ordering and supply, implementation of TOPS (Transformation Of Parts Supplies) for accurate order requirement.

Experts/Academic and Research Institutions

Why are they important?
- Intellectual partnerships to undertake research and development of products and technology.
- Need to up-skill and re-skill employees.
- Endorsement, certification and validation of new interventions.

Key issues in FY22
- Legacy of process and protocol of collaborating institutions.
- Ensuring technical alignment with customer requirement and regulatory needs.

Engagement Platforms
- Collaborative need based engagements on mutually beneficial projects.
- Case-based meetings.

Response to Key issues
- Efforts to simplify processes and protocols.
- Engagement to improve sharpness and practicality of project outputs.
- Participation in academic events and sharing business context.

Media

Why are they important?
- Media is a channel through which we can inform, persuade and enlighten our stakeholders about the brand.
- They are considered as a credible source for brand advocacy.
- Brings in third-party / non-biased endorsement, helps enlist stakeholders' trust.

Key issues in FY22
- Need for regular internal and external communication to amplify key identified themes/storylines.

Engagement Platforms
- Media Interviews, press releases, authored articles, participation in industry forums as guest speaker, engaging creatives/posts on social media.

Response to Key issues
- Accelerated participation in industry stories.
- Press releases issued for key milestones.
- Leveraged topical days to publish engaging content on the identified theme.
- Contributed articles on key topics.
- Participated in forums/webinars.

Materiality assessment

Mapping our priorities

Materiality assessment helps to define the environmental, social and governance (ESG) areas that matter the most to our business and our stakeholders. We engage with internal and external stakeholders and identify material issues that impact our ability to create value.

Tata Motors carried out a detailed materiality assessment in FY21 and we continue to focus on those areas of strategic importance.

1. ESG topics relevant to Tata Motors were identified by mapping disclosure requirements of various ESG frameworks and Tata Motors ESG rating.
2. Curated questionnaires based on selected ESG topics designed and communicated with identified stakeholder groups and Tata Motors leadership team.
3. Stakeholders scored each topic on its impact on our business and sustainability and its importance to stakeholder groups.
4. Stakeholder responses were mapped on a priority scale of High-Medium-Low to identify key material topics.
5. Review of identified key material topics by Tata Motors senior management.

Tata Motors material topics

Environment

High Significance	Medium Significance	Low Significance
• Adoption of Clean Technology • Vehicle Life Cycle Analysis • Greenhouse Gas Emissions • Energy Management	• Value Chain Environment Management • Water & Effluents • Fleet Fuel Economy • Air Emissions • Vehicle Use Phase Emissions • Environmental Management Systems • Waste Management	• Biodiversity • Material Management

UN SDGs : 6, 7, 11, 12, 13, 15

Capitals impacted : Manufactured, Intellectual, Natural

Social

High Significance	Medium Significance	Low Significance
• Customer Health & Safety • Occupational Health & Safety	• Labour practices • Employment & Welfare • Human Capital Development • Socio-economic Impacts • Automotive Cyber Security • Community Welfare	• Marketing & Labelling • Supplier Social Assessment • Public Policy • Freedom of Association & Collective Bargaining

UN SDGs : 2, 3, 4, 5, 8, 10, 11, 15, 17

Capitals impacted : Human, Social and relationship, Intellectual

Governance

High Significance	Medium Significance	Low Significance
• Ethical Business Conduct • Governance • Stakeholder Centricity	• Research & Development • Tax • Economic Performance	

UN SDGs : 8, 9, 11, 16, 17

Capitals impacted : Financial, Intellectual, Social and relationship

Capitals

Financial | Manufactured | Intellectual | Human | Social and relationship | Natural

Risk management

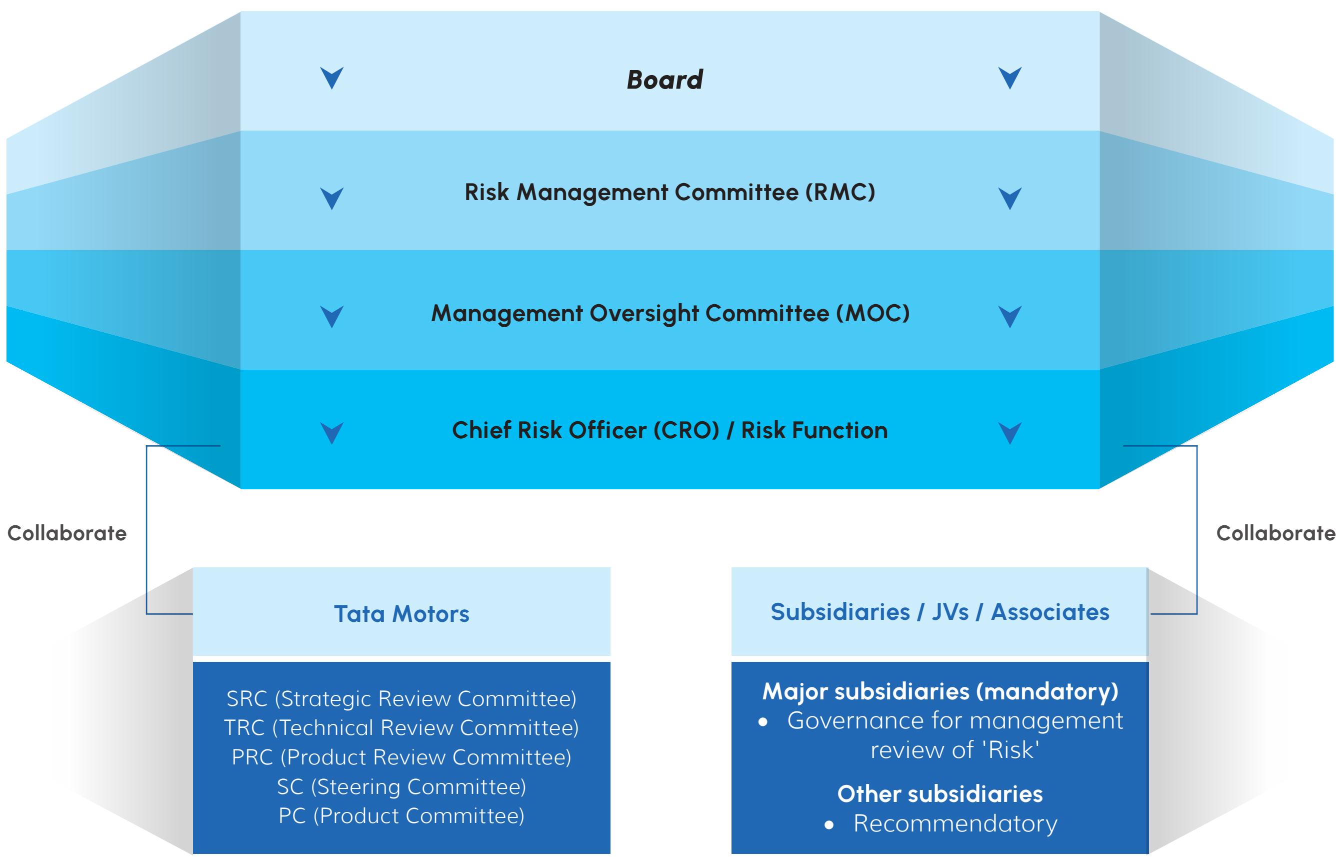
Steering a steady course through dynamic risk evaluation

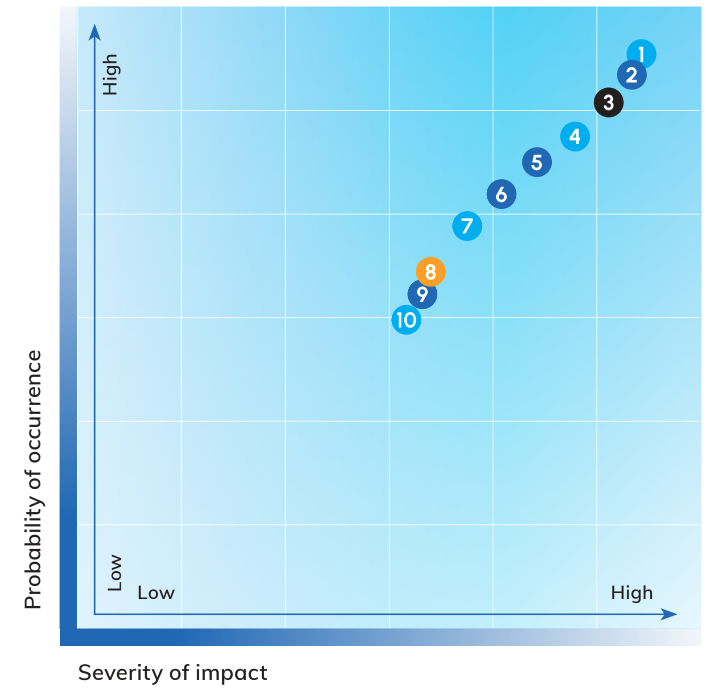
At Tata Motors, we monitor the external environment to capitalise on emerging opportunities and proactively undertake measures to mitigate associated risks. We have established a robust risk governance framework that not only evaluates the nature of risks, but also dynamically assesses their likelihood and significance on our value creation abilities.

Our Enterprise Risk Management Framework

At Tata Motors, we have a strong enterprise risk management framework for identifying, assessing, managing, and monitoring principal risks that could affect our business.

Governance Framework





Operational : 1, 4, 7, 10

Strategic : 2, 5, 6, 9

Financial : 3

Legal & Compliance : 8

Operational	Strategic	Financial	Legal & Compliance
1 Supply chain disruptions & commodity inflation	2 Global economic and geopolitical environment, COVID-19 pandemic and manufacturing operations	3 Growth strategy and competitive business efficiency	8 Environmental regulations and compliance
4 Distribution channels, retailer network and customer service delivery	5 Brand Positioning, innovation and rapid technology change		
7 IT Systems and Security	6 Jaguar Land Rover electrification transformation		
10 Human Capital	9 Climate change		

Risk management

Principal risks	Description	Consequences	Mitigations and opportunities
1 **Supply chain disruptions & commodity inflation**	Our ability to supply components to our manufacturing operations at the required time is of paramount importance in achieving production schedules and meeting consumer demand. We are also witnessing disruptions on account of recent COVID-19 lockdowns in China. Recently commodity prices, especially precious metals have experienced significant volatility. Steel, which is a principle component for commercial vehicles, has witnessed exponential price increases.	Supply chain disruptions, if not managed, could have an adverse effect on production volume, revenue and profitability, customer satisfaction and reputation. In addition to the disruption caused by the pandemic, associated supply constraints of semiconductors have impacted many industries including automotive. As the transition to electrified vehicles continues the skills, processes and technologies required to ensure continuity of supply will change, so securing these supply chains is business critical. Raw materials comprise almost 65% of our total costs. If we are unable to find substitutes for such raw materials or pass price increases on to customers by raising prices, or to safeguard the supply of scarce raw materials, our vehicle production, business and results from operations could be materially affected.	An effective supply chain risk management framework enables early, proactive, engagement with our suppliers to identify and mitigate potential disruptions. A key component of Jaguar Land Rover's Refocus Transformation programme focuses specifically on the resilience of its supply chain and the efficiency of launching its models to market. We work closely with our suppliers to define inventory maintenance norms, build safety stocks, explore localisation and alternative sources, among others. We have taken several initiatives to mitigate semiconductor crisis, including by engaging with suppliers and chip manufacturers, optimising chips, deploy altering designs and using premium freight services to replenish the inventories, among others. We continue to maintain and develop strong partnerships with key strategic suppliers, including for electrification to ensure a stable future supply of components. We have been taking steps to find substitutes, protect volatility by way of hedging and taking price increases in a calibrated way to somehow mitigate the impact of price rise.
2 **Global economic and geopolitical environment, COVID-19 pandemic and manufacturing operations**	We are exposed to changes in the global economic and geopolitical environment, as well as other external factors including but not limited to trade tensions, protectionism, wars, terrorism, natural disasters, humanitarian challenges and pandemics that may adversely impact our business. Manufacturing operations are at the heart of our value chain, and any losses to scheduled production will have a detrimental effect on both financial performance, customer delivery and satisfaction. The COVID-19 pandemic and Brexit have increased our production continuity risk exposure.	We rely on certain key markets, including the United Kingdom, China, North America, India and continental Europe, from which we derive a substantial portion of our revenues. A decline in demand for our vehicles in these major markets may significantly impair our business, financial condition and results of operations. Our international presence and global sales profile means that our business could be significantly impacted by in the external environment, globally or locally. Our global supply chain could also be negatively affected by disruption caused by external factors in the future. As a result, our business could be adversely affected through lower sales in each region. Any disruptions to our manufacturing operations and losses in vehicle production could results.	We continue to closely monitor, and risk assess global developments, implementing mitigation plans as necessary and we continue to maintain a balanced sales profile across our key sales regions. Our diverse global customer base gives us the flexibility to react to regional changes in demand by adjusting our sales mix into other markets while we may adjust product features or content should we face supply challenges in the future. Manufacturing works closely with the Purchasing and Supply Chain functions to monitor and manage suppliers that pose part supply risks to production. Data analytics tools and integrated S&OP tools have been set up to monitor volatile demand and managing inventories efficiently. Multiple response measures have been implemented to ensure our sites are COVID-19 safe working environments. There has been extensive engagement with labour unions and several steps and welfare measures have been taken to ensure safety and well-being of employees.

Principal risks	Description	Consequences	Mitigations and opportunities
3 **Growth strategy and competitive business efficiency**	Delivering on our business and strategic objectives, including electrification transformation for Jaguar Land Rover and sustaining the turnaround journey and achieving a structural transformation is key to realising our planned future profitability and cash generation through return on our investments.	If our business is unable to compete effectively on cost we may experience lower than expected returns on our future investments which may make us unable to deliver on our financial objectives in the future. This may limit our ability to reduce net debt in the future as planned which could reduce our ability to raise new debt and invest further in new products in the future. We are also expanding our growth in domestic business with a focus on large scale fleet under pay-per-use model. Such large contracts come with execution risks. If we are unable to comply with various terms of agreement or fulfill the necessary specifications and timelines, it would adversely damage our reputation and also significantly impact our financial performance and results of operations.	Jaguar Land Rover Reimagine strategy delivers three platforms which includes a pure BEV for the Jaguar brand, a native BEV for EMA and a flex for MLA, enabling an acceleration of its electrification transformation and its journey towards net zero carbon emissions target in 2039. Jaguar Land Rover has launched Refocus programme to support the delivery of its Reimagine objectives. This operational transformation programme includes focus on ensuring timley new product delivery to market, and management of the cost base of the business while also ensuring that we maximise profitability on our sales. We maintain strong liquidity in the business to ensure that we can navigate any funding challenges may arise in the future. Appropriate business model / financial structuring is being worked upon to address risks for execution of large scale contracts, including contracts entered according to pay-per-use model.
4 **Distribution channels, retailer network and customer service delivery**	Every customer must receive a seamless and consistent hassle-free experience. Customers must be delighted at every step. Our retailer partners reflect our brand strategy and vision, and must effectively communicate our values, with trained and capable representatives, to continue to successfully appeal to new and existing customers, and driving high customer satisfaction and retention, both for Sales and Services.	Inconsistent customer experience impacts the satisfaction and retention of existing customers, and the attraction of new customers. Failure to deliver an exceptional sales and service experience through on-line and physical retailer channels will lead to a weakening in our competitive positioning, potentially impacting our business and financial performance as a result. We may be compelled to invest newer evolving distribution models such as D2C, and we need to constantly evolve and meet consumer preferences and new market trends.	Significant steps have been taken to improve dealer profitability and financial health. Online channels have been simplified to enhance the customer online experience. Retailer systems and tools have been enhanced, supporting retailer sales, service and technician representatives to deliver a seamless and consistent hassle-free customer experience, increasing our Sales and Service customer satisfaction. Furthermore, other several other initiatives have been undertaken in past years for hassle free sales and improved after sales experience (e.g., SOTA - Software Over the Air and FOTA and Features Over The Air services now in development), Fleet Edge, Sampoorna Seva, Uptime guarantee.

Capitals

Financial	Manufactured	Intellectual	Human	Social and relationship	Natural

Principal risks	Description	Consequences	Mitigations and opportunities
5 **Brand positioning, innovation and rapid technology change**	Brand positioning is becoming increasingly challenging in a dynamic automotive market with more intense competition from existing OEMs and new disruptive entrants, particularly the electric vehicle segment. Our future success depends on our ability to stay attuned to evolving automotive trends and to satisfy changing customer demands by offering innovative products in a timely manner and maintaining product competitiveness and quality.	Our potential inability to successfully position, maintain and articulate the strength of our brands as well as failing to develop new products and technologies that meet customer preferences, or not being able to sufficiently invest in brand building, could impact demand for our products. Delays in the launch of technologically intensive products, or the relative obsolescence of existing technology in our products could impact sales as customers may choose to purchase products from competitors and/or the sale of our products could be prohibited in certain markets.	Our approach of taking 'Every regulatory change as an opportunity to enhance value to customer and increase competitiveness' helped us establish superiority of our BSVI range with improvement in market share. Passenger vehicles business has witnessed significant turnaround and perception change in past 2 years. We have stepped up product launches, sustainable mobility solutions, new business avenues and have been front-runners in EV's in India. Under the Reimagine strategy both of Jaguar Land Rover brands continue its Modern Luxury vision to support its brand position in the market, with Jaguar relaunching as an all-electric brand from 2025 targeting a more premium segment of the market. As part of the Reimagine strategy Jaguar Land Rover is increasing collaboration and partnerships both within the Tata Group and with external organisations in a number of areas to ensure we can meet our customer expectations.
6 **JLR's electrification transformation**	Jaguar Land Rover electrification transformation is fundamental to its Reimagine strategy and sustainable future. It's vitally important to ensure that the product, business and service related aspects are cohesive, timely and relevant in the dynamic external environment.	Potential inability to ensure a robust and effective transition towards electrification, could result in non-compliance with environmental regulations, an uncompetitive product portfolio and a deterioration in financial performance	Jaguar Land Rover Reimagine strategy will deliver three platforms, including a pure BEV for the Jaguar brand, a native BEV for EMA and a flex platform for MLA, enabling an acceleration of its electrification transformation and its journey towards net zero carbon emissions target in 2039. Strategic options for its battery requirements, services and software have been evaluated and are in the process of being integrated into delivery plans.
7 **IT Systems and Security**	We are a global enterprise with an enviable reputation and are undergoing radical transformation. As technology is increasingly central to our business, safeguarding our information assets, ensuring privacy and reducing human risk are paramount. Like other organisations, we are operating in a perilous cyber climate, making it a constant target for cyber-crime. We strive to reduce information cyber security risks and continue to deliver great experiences for our customers and value for our shareholders.	Successful cyber-attacks could cause significant business disruption to us, affecting our ability to deliver products and services for our customers. In extreme situations this could affect the personal safety of our customers and colleagues. Regulatory and statutory requirements are increasing, and failure to meet these obligations, such as privacy and data protection law, could result in enforcement action, fines, reputational and financial damage.	Information risk and cyber security are managed strategically, through a cohesive programme of initiatives, to improve risk and maturity of cyber capabilities. Jaguar Land Rover significant investment is driving measurable improvements in cyber defence and other core security capabilities (e.g., security ecosystem, supply chain security, risk governance and cultural change).

Principal risks	Description	Consequences	Mitigations and opportunities
8 **Environmental regulations and compliance**	We are subject to a continually evolving regulatory landscape with its associated laws, regulations and policies that have an influence on our products and operations.	We may face reputational damage, which could materially impact our brands and sales, if we fail to maintain the mandated environmental compliances.	Robust mechanism for ensuring proactive compliance and continual compliance evaluation. Culture of compliance is embedded by educating employees and creating systems that ensure compliance requirements are met on a continuous and proactive basis.
9 **Climate Change**	Climate Change poses acute and chronic physical risks to our operations and our value chain. Climate Change also poses transition risks to our business which include technological advances in products and evolving market and policy landscape changes.	Extreme weather events may disrupt supply chain and our operations adversely affecting our ability to fulfil demand. Evolving customer choices leading to increased demand for low-carbon vehicles. Policy direction requiring us to adopt low carbon manufacturing. Carbon pricing mandates may potentially enhance transition risk.	Simulate climate change physical risks, baseline and develop long-term transition roadmap. Transition to low-carbon products in a planned and systematic manner across passenger and commercial vehicles. Build resilience into the value chain and integrate low-carbon agenda into business strategy.
10 **Human Capital**	Our business requires an engaged workforce with core capabilities in new and emerging skill areas and a collaborative, innovative and inclusive culture for our transformation to be successful. The safety, wellbeing and engagement of our employees is paramount and needs to be maintained in the face of a challenging external environment and through the transformation of our organisation.	If we fail to attract, retain, engage and develop a diverse workforce with critical skills and capabilities our ability to deliver innovative products and services will be constrained and we will be prevented from deploying the agility and speed of delivery that is essential within the dynamic automotive industry.	A key aspect of our strategy is to develop an agile, capable organisation and culture through changes to ways of working, significant ACES upskilling, and the introduction of a new business purpose and supporting behaviours. Our four culture pillars for Tata Motors-be bold, owning it, solving together, being empathetic focus on these aspects. Leveraging the digital capability and solutions through In Digital, as part of Jaguar Land Rover refocus program enables a more efficient, focused and productive workforce. Our diversity and inclusion strategy will make the most of the uniting power of our differences and the unique qualities that each of our workforce brings.

Capitals

Financial	Manufactured	Intellectual	Human	Social and relationship	Natural

Achieving business performance with integrity

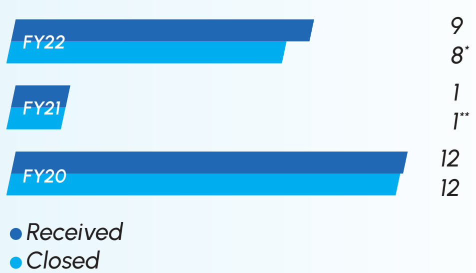
The Tata lineage of ethical and transparent governance practices characterises Tata Motors and our corporate governance philosophy upholds the highest standards of professionalism and integrity. Our Board of Directors command a wealth of experience and are mandated to act with complete independence and impartiality in the best interests of the company and its stakeholders. They set the strategic direction and help us to navigate the complexities of the external world.

Code of Conduct

The Tata Code of Conduct is based on five foundational values of Unity, Integrity, Responsibility, Pioneering and Excellence, which reflect the essence of what the Tata brand embodies. The Tata Code of Conduct applies across all Tata Group companies and our stakeholder groups covering employees, customers, the communities that we operate in, our value chain partners, our business associates and financial stakeholders and the governments of the countries that we operate in.

The Board of Directors are also responsible for ensuring that the Company's direct business activities and those of its value-chain partners remain in compliance with the letter and spirit of the Tata Code of Conduct and any other affiliated norms that are observed within the Company.

Sexual harassment cases
(nos.)



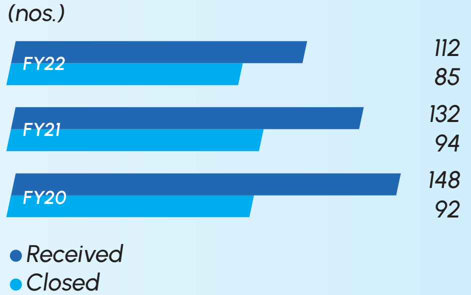
*Complaint raised on March 9, 2022 is open and enquiry is going on.
**Withdrawn by complainant, therefore closed.

Enhancing Board efficacy

Key skills, expertise and diversity that the Board carries

Our Board comprises qualified members who bring in relevant skills, competence and expertise that help to guide and shape the Company's competitive position and strategic way forward. The mix of skills available with the Board are very diverse and range across entrepreneurial and leadership oriented, engineering and technology, finance, global business, as well as well-entrenched experience in the automobile industry and in leading mergers and acquisitions. There is great diversity also in terms of age, years of experience within the organisation and gender, and this enriches their insights.

Whistle-blower cases
(nos.)



Guiding the value-creation process

The Board guides and oversees our value-creation process. The principal areas it focuses on are:

- Directing, supervising and controlling the performance of the Company
- Reviewing whether the Company is progressing as per strategic plans
- Monitoring the responsibilities delegated to Board Committees, to ensure proper and effective governance and to control of the Company's activities
- Establishing and closely monitoring the risk management process of the organisation
- Closely monitoring the financial, as well as the non-financial or ESG performance aspects of the Company

Evaluation of effectiveness

In keeping with the global best practices for maintaining robust internal controls and governance standards, our Board of Directors are also subject to evaluation and the criteria that are used for evaluating their performance are explained below:

- Composition and structure
- Effectiveness of Board meetings, processes, information flow and coordination with executive management
- Individually, Directors are evaluated as per their:
  - Contribution to the Board and Board Committee meetings
  - Preparation on the issues to be discussed
  - Both number of meetings attended as well as, the nature of their contributions in these meetings

Committees & meetings

Board	Audit Committee	Nomination & Remuneration Committee	Stakeholder's Relationship Committee
90% Attendance	100% Attendance	100% Attendance	100% Attendance
9 Members	4 Members	3 Members	3 Members
8 Meetings	7 Meetings	5 Meetings	3 Meetings

Corporate Social Responsibility Committee	Risk Management Committee	Safety, Health and Sustainability	Allotment Committee
100% Attendance	100% Attendance	100% Attendance	100% Attendance
4 Members	4 Members	3 Members	4 Members
3 Meetings	3 Meetings	3 Meetings	3 Meetings

Mr. Ratan N Tata
Chairman Emeritus

Board of Directors – Tata Motors Limited

Mr. N Chandrasekaran
Non-Executive Director and Chairman
○

Mr. Om Prakash Bhatt
Non-Executive, Independent Director
© ○ ©

Ms. Hanne Sorensen
Non-Executive, Independent Director
○ ○ © ○ ©

Ms. Vedika Bhandarkar
Non-Executive, Independent Director
© ○ ©

Mr. Mitsuhiko Yamashita
Non-Executive, Non-Independent Director
○ ○

Mr. Kosaraju V Chowdary
Non-Executive, Independent Director
○ ○

Mr. Al-Noor Ramji
Non-Executive, Independent Director

Mr. Thierry Bolloré
Non-Executive Director

Mr. Girish Wagh
Executive Director
○ ○ ○ ○

Committees ○ Audit ○ Nomination and Remuneration ○ Stakeholders' Relationship ○ Corporate Social Responsibility ○ Risk Management* ○ Safety, Health and Sustainability

© Chairperson ○ Member

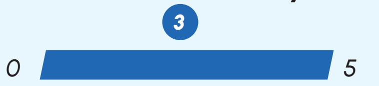
*Note: Group Chief Financial Officer, Mr. P B Balaji is a member of the Risk Management Committee as well.
Mr. M Yamashita attends as an Invitee, Audit Committee Meetings held for considering of Financial Statements.

Please visit www.tatamotors.com/about-us/leadership/ for the detailed profiles of the Board members.

Average age of Directors on the Board (years)

Average Tenure on the Board (years)

Average tenure of Independent Directors on the Board (years)



Tata Motors Limited

Mr. N Chandrasekaran
Mr. Om Prakash Bhatt
Ms. Hanne Sorensen
Ms. Vedika Bhandarkar
Mr. Mitsuhiko Yamashita
Mr. Kosaraju V Chowdary
Mr. Al-Noor Ramji
Mr. Thierry Bolloré
Mr. Girish Wagh

Jaguar Land Rover Automotive PLC

Mr. N Chandrasekaran
Mr. Thierry Bolloré
Mr. P B Balaji
Mr. Nasser Munjee
Mr. Charles Nichols
Mr. Al-Noor Ramji
Mr. Andrew M. Robb
Ms. Hanne Sorensen
Sir Ralf D Speth

Members common to both the Boards

Mr. N Chandrasekaran
Mr. Thierry Bolloré
Ms. Hanne Sorensen
Mr. Al-Noor Ramji

Board Committees and their responsibilities

The **Audit Committee** reviews quarterly/annual financial statements, adequacy of internal control systems, internal audit reports and ensure independence of auditors.

The **Nomination and Remuneration Committee** provides various recommendations to the Board including the set up and composition of the Board and its Committees, the Remuneration Policy, HR Policies and culture.

The **Stakeholders' Relationship Committee** reviews statutory compliances and services relating to security holders, dividend payments and performance of Registrar and Transfer Agents.

The **Corporate Social Responsibility Committee** formulates and recommends the CSR policy to the Board and monitors CSR budget, activities and expenditure.

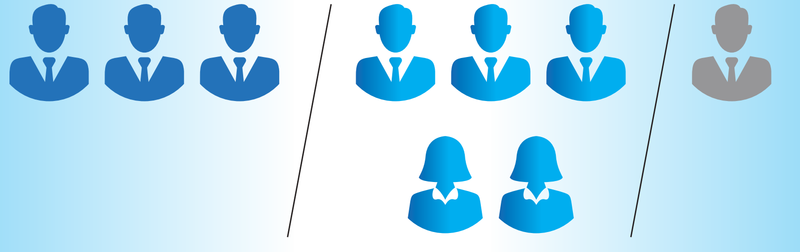
The **Risk Management Committee** assists the Board in overseeing the risk management process, controls, risk tolerance, mitigation and reviewing the Company's risk governance.

The **Safety, Health and Sustainability Committee** reviews the Company's performance on SHS aspects, including ESG and oversees the implementation of relevant policies and strategies.

Gender-wise breakup of Directors

● Male ● Female

Profile of Board of Directors



● Non-executive Directors ● Independent Directors ● Executive Directors

Sustainability Review

We integrate sustainability into our products, operations and work processes to create value and contribute to sustainable development.

Safeguarding nature for posterity, producing responsibly

Tata Motors has been investing in sustainable mobility for safety, emission reduction and environmentally-sustainable materials as a priority, going far beyond compliance. We are leading the way, for over several decades, as a benchmark corporation with a community conscience.

Building on this leadership position and on the backdrop of the global focus on Climate Change, natural resource conservation and biodiversity loss, we have re-examined the Sustainability Agenda on how to elevate our Sustainability Ambition to Global leadership levels and align, translate and integrate them into our entire value chain.

We have articulated our sustainability and climate change policies that address key climate change issues related to products, processes and services, and are committed to reducing the greenhouse gas emissions throughout the lifecycle of our products. Greenhouse gas emissions from our manufacturing operations are generated from combustion of fossil fuels and power consumption. In line with our Climate Change Policy, we are consciously working towards mitigating these emissions by improving energy.

Jaguar Land Rover's Reimagine strategy sets out the roadmap towards a sustainability-rich future of modern luxury, unique customer experiences, and positive societal impact. Central to this strategy is the electrification of both the Land Rover and Jaguar brands, which envisages electric vehicles as the mainstream product line-up within a progressively zero-carbon value chain. Jaguar Land Rover's transformational product strategy is aligned with its future business vision. Over the next five years, Land Rover will welcome six all electric variants, across two architectures – the flexible Modular Longitudinal Architecture (MLA) and the Electric Modular Architecture (EMA). From 2024, a pure-electric Range Rover will join the family. Given the accelerated EV push for Jaguar Land Rover a well-defined roadmap is already in place.

Jaguar Land Rover: Our Reimagine strategy will accelerate integration of Sustainability into all aspects of business.

Using the Science Based Targets initiative (SBTi) as the reference and validation framework, we have committed to approved science-based targets as part of our carbon reduction strategy. This will see us reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions by 46% by FY30 from a FY20 base year. We also commit to reduce Scope 3 GHG emissions from purchased goods and services and use of sold products by 54% per car by FY30 from a FY20 base year. These targets are consistent with reductions required to keep warming to 1.5°C above pre-industrial levels.

Tata Motors – Energy and GHG emissions

Our endeavour is to decouple our operational growth from GHG emissions thereby reducing energy costs and mitigating GHG emissions. Energy efficiency of our processes and increased renewable energy use are our major drivers to reduce GHG emissions from our manufacturing operations.

Energy consumption (GJ)

32.3% 29.8%

	Direct energy	In-direct energy	Total
FY22	8,79,239	17,11,152	**25,90,391**
FY21	6,64,746	13,18,489	**19,83,235**
FY20	9,14,947	14,87,049	**24,01,996**

Direct energy In-direct energy

Specific GHG (Scope 1+2) emissions (tCO_2e/vehicle)

16.9%

FY22	**0.49**
FY21	0.59
FY20	0.69

In FY22, Tata Motors generated/ sourced 92.39 million kWh of renewable electricity for its manufacturing operations, which is 19.4% of the total power consumption leading to avoidance of 72,992 tCO_2e avoidance.

Key interventions undertaken to reduce emissions during the year

We are a signatory to RE100 - a global collaborative initiative of influential businesses committed to use of 100% renewable power. Our approach includes investment in captive wind power as well as power purchase agreements with renewable energy producers and in-house generation through rooftop solar power to increase the percentage of renewable energy utilised.

Share of renewable power in total power consumption
(%)

60 bps

FY22	**19.4**
FY21	20.0
FY20	21.4

Renewable power
(million kWh)

26.0%

FY22	**92.39**
FY21	73.33
FY20	88.43

Total on-site renewable power installations (MWp)

89.1%

FY22	**34.31**
FY21	18.14
FY20	16.04

Read more 126

Energy conservation (ENCON) projects have been implemented at all Tata Motors plants and offices in a planned and budgeted manner. These ENCON efforts in FY22 have resulted in energy savings of 59,766 GJ (37,944 GJ from power + 21,822 GJ from fuel), with 9,664 tCO2e of emissions avoided.

Scope 3 emissions (tCO_2e)

65,364
Purchased goods and services[1]

13,711
Employee commuting[2]

71,53,468
Use of sold products[7]

7,253
Franchises (Tata Motors downstream value chain) [4]

2,580
Waste generated in operations[3]

2,124
Business travel

1,051
Upstream Leased Assets[5]

21,441
Upstream transportation and distribution[6]

86,438
Fuel and energy related activities

[1] Purchased Goods & Services: Based on engagement with 108 suppliers in FY22

[2] Employee Commuting: Emissions from Company buses.

[3] Waste generated in operations: Includes emissions from composting of biodegradable waste, incineration & landfill of hazardous waste.

[4] Franchises: Based on engagement with 73 Channel partners in FY22

[5] Upstream leased assets: Emissions from Company offices (rented)

[6] Upstream transportation & distribution: Based on engagement with 108 suppliers in FY22

[7] Use of sold products: Emissions from PVs

Jaguar Land Rover – Energy and GHG emissions

Jaguar Land Rover continues to purchase 100% renewable-backed electricity for all its core UK operations. Over the last year, we have focused relentlessly on reducing non-essential energy use; on improving transparency in usage data and on capturing the real-time consumption information. Measures like changes made to air handling units and shutdown processes and equipment replacement have significantly enhanced process efficiencies. All our emissions-related data is compiled in accordance with the Greenhouse Gas Protocol for Corporate Accounting and Reporting.

Case study

Creating landmarks in green manufacturing: India's largest solar carport

India's largest grid-synchronised, 6.2 MWp solar carport setup created at Car Plant Chikhali, Pune. Covering 30,000 square meters, this carport will not only generate green power, but will also provide covered parking for finished cars in the plant.

Operational energy consumption (MWh)

▼ 0.14%

FY22	**1,133,506**
FY21	1,135,049
FY20	1,358,225

Operational carbon emissions (tCO_2e) (Location based)

▼ 2.2% ▼ 12.7%

	Scope 1	Scope 2	Total
FY22	118,503	117,939	**236, 442**
FY21	121,149	135,098	**256,246**
FY20	148,753	157,316	**306,070**

- *Scope 1 covers direct emissions from owned or controlled sources*
- *Scope 2 covers indirect emissions from the generation of purchased electricity and steam*

Note:
–Energy data includes purchased gas, electricity and steam
–50% of China JV data due to financial control
–Sites in scope Solihull, Halewood, Castle Bromwich, Engine Manufacturing Centre, Gaydon, Whitley, Nitra, Brazil, CJLR (50% data due to financial ownership)

Water conservation

Tata Motors acknowledges the significance of water as a shared and scarce resource. We are committed to use water efficiently by maximising effluent recycling and re-use at all our manufacturing plants and minimising leakage and wastage. We have created water bodies within our manufacturing premises using storm water run-off and groundwater recharge wherever feasible.

Process water consumption is optimised by technological interventions and employee engagement through Kaizen events. These efforts reduce dependence on fresh water sources minimising the risk. We also take conscious efforts to replenish water through groundwater recharge structures in communities where we operate.

In FY22, Company conserved a total of 9.24 lakh m3 of water through recycling effluent and rainwater harvesting, which is 19.7% of total water consumption.

We at Jaguar Land Rover, know the importance of water security to our business, suppliers and communities – we all rely on good-quality fresh water. We are striving to reduce our total potable water withdrawal by focusing on how much water comes into our operations and using it more efficiently.

Case study

Water stewardship by Pantnagar and Lucknow

Our manufacturing Plants located in Pantnagar and Lucknow are model examples of water stewardship. Both Plants recycle treated effluent for reuse in the process. Both Plants championed efficient water use and conservation awareness among village communities and recharged more than they consumed in the entire year through scientifically designed groundwater recharge structures within and outside Plant premises. Projects were undertaken throughout the year to reduce fresh water abstraction by maximising recycling and minimising leakages.

Tata Motors – Water withdrawal intensity (m^3 / vehicle)

▼ 27.3%

FY22	6.06
FY21	8.33
FY20	11.05

JLR – Operational water consumption (m^3)

▲ 24.1%

FY22	1,658,929
FY21	1,336,479
FY20	1,720,965

Note:
- Water data includes mains water & borehole consumption
- 50% of China JV data due to financial control
- Sites in scope Solihull, Halewood, Castle Bromwich, Engine Manufacturing Centre, Gaydon, Whitley, Nitra, Brazil, CJLR (50% data due to financial ownership)

Waste management

Waste management forms a critical part of Tata Motors operational eco-efficiency. In FY22, we sustained efforts across Plants to divert hazardous waste from landfill/incineration and derive value from the same. Several Plants divert hazardous wastes for energy recovery through co-processing at cement Plants. We will continue this initiative to ultimately achieve 'Zero Waste to Landfill' status for all its manufacturing operations

Waste reduction initiatives are identified and implemented by employees via Kaizens across our manufacturing plants.

Tata Motors – Operational waste disposed (MT)

▼ 26.9%

	Hazardous waste	Non-hazardous waste	Total
FY22	6,058	1,32,818	1,38,876
FY21	4,209	1,85,758	1,89,967
FY20	4,897	1,09,002	1,13,899

- Hazardous waste
- Non-hazardous waste

Waste management lies at the core of Jaguar Land Rover's sustainable operations lever. This strategic priority is well integrated into every aspect of our plants' operations and business processes as we follow the principles of circular economy and resource efficiency.

JLR – Operational waste generated (MT)

▲ 8.6%

	Hazardous waste	Non-hazardous waste	Total
FY22	8,860	21,148	30,008
FY21	6,376	21,262	27,638
FY20	8,583	28,460	37,043

- Hazardous waste
- Non-hazardous waste

Note:
- Waste data excludes metal and construction waste
- 50% of China JV data due to financial control
- Sites in scope Solihull, Halewood, Castle Bromwich, Engine Manufacturing Centre, Gaydon, Whitley, Nitra, Brazil, CJLR (50% data due to financial ownership)

Tata Motors – Circular economy and recourse efficiency

Circular economy decouples economic activity from the consumption of finite resources. As a responsible automotive company, Tata Motors is working continuously to meet existing and upcoming environmental regulations by using new technologies and taking voluntary initiatives. Some of the pioneering compliance processes that we have initiated are:

- Continuously focusing on new initiatives to track and upgrade our sustainability and environmental performance. These include our efforts to eliminate the hazardous material, PoP (Persistent Organic Pollutants) and paints from polymeric parts of our products
- The first Indian OEM to become a member of IMDS (International Material Data System) and to publish vehicle level dismantling information in the public domain
- Our passenger vehicles are compliant with the Automotive Industry Standard (AIS) 129 regulations for End-of-Life Vehicles (ELVs)
- We have been certified by European Vehicle Certification Agency for various systems and processes followed for European ELV & RRR directives. We have an agreement in UK to take back and dispose our ELVs by an authorised and certified dismantler

Partnering to build India's sustainability infrastructure

The recent launch of India's vehicle scrapping policy has created a favourable environment for a viable circular economy that will help both supply and demand side forces.

Tata Motors has signed two Memorandums of Understanding with the State Governments of Gujarat and Maharashtra for the setting up of Registered Vehicle Scrapping Facility (RVSF) for end-of-life passenger and commercial vehicles. These RVSFs will be set up in association with a partner.

The move will have sustained benefits for the ecosystem stakeholders and the environment, lower import bill for scrap and crude oil, create job opportunities for MSMEs, with the possible upside in new vehicle sales for OEMs.

As the country's largest vehicle maker, we are contributing towards positive drivers that will accelerate the transition to sustainable mobility and a circular economy.

Case study

TATA Prolife for commercial vehicles: It's not just one life, it's a longer life

TATA Motors Prolife - a pioneering after-market product support strategy – provides commercial vehicle customers with reconditioned aggregates in exchange of old aggregates such as engines, clutch pressure plates, truck cabins, among others.

Remanufacturing of vehicular aggregates is followed by restoration of factory settings to operate at designed efficiency levels. In FY22, 21,149 engines were remanufactured.

JLR - Circular economy and resource efficiency

We know the value of the resources within our cars and our operations, and it is our goal to make sure we use those resources responsibly. We aim to not send any waste direct to landfills from our UK manufacturing and product development sites and we strive to reuse and recycle as much as possible, to retain the value of these resources within our business.

Our Materiality strategy ensures materials used in our vehicles are sustainable, traceable, respectful and without compromise, governed by seven guiding principles: Circularity, Health & Wellbeing, Lightweight, Performance, Provenance, Respectful, and Responsible. We have already pioneered innovative sustainable materials in Jaguar and Land Rover vehicles. Our Kvadrat interior with natural wool blend utilises 53 recycled plastic bottles and is 58% lighter than a leather equivalent.

Ultrafabrics PU, featured in the New Range Rover, is a responsible alternative to leather and represents a progressive approach to luxury materials. It offers all the tactile qualities of leather but is 30% lighter and generates only a quarter of the CO_2. Jaguar Land Rover's Colour and Materials team continue to explore new innovations in Materiality for future products, led by an ethos of aesthetics with ethics.

New Life for Batteries in Energy Storage

We are committed to re-deploying and re-using batteries from our electric vehicles and one significant use is in energy storage and demand management. We have partnered with Pramac to develop a portable zero-emission energy storage unit powered by second-life Jaguar I-PACE batteries.

The mobile off grid battery Energy Storage System (ESS) supplies zero-emission power where access to the main supply is limited or unavailable, with fulfilment capacities upto 125kWh. Reusing vehicle batteries will create new circular economy business models for Jaguar Land Rover in energy storage and beyond.

Hazardous Substances Commitment

Jaguar Land Rover's Restricted Substance Management Standard (STJLR.99.9999) ensures the phase out of restricted substances in line with both legal and company-specific requirements. Jaguar Land Rover prohibits the use of TDCP flame retardants from foams for new models due to its potential hazardous properties. These requirements are reviewed on an annual basis to ensure compliance remains up-to-date and is cascaded to suppliers through our engineering statement of work.

Compliance is verified via supplier declarations in IMDS (International Material Data System).

The environmental quality requirements for interior materials and components (STJLR.51.5229) covers substances emitted from materials. This includes thresholds for CMRs (Carcinogens, Mutagens, Reprotoxicants), STOT substances (Specific Target Organ Toxicity substances) and sensitisers, to minimise the exposure of these substances to vehicle occupants. Jaguar Land Rover's TUV Toxproof Certification Requirements for Interior Materials introduces restrictions for materials that come into prolonged contact with the skin. STJLR.51.5229 and TUV Toxproof (STJLR.51.5232) are verified via laboratory reports. These requirements are applicable to all new vehicle programmes, unless specified.

Assuring traceability through blockchain technology, to bring what is truly sustainable

As a part of Jaguar Land Rover's commitment of offering customers more sustainable and responsible material choices for their vehicle's interiors, we trialled the use of secure blockchain technology to ensure full transparency within a sustainable leather supply chain. For the first time in the world, we partnered with supply chain traceability provider Circulor, a leading UK leather manufacturer Bridge of Weir Leather Company and the University of Nottingham.

- A 'digital twin' of the raw material was created, allowing its progress to be tracked through the leather supply chain, both in the physical and digital form
- A combination of GPS data, biometrics and QR codes were used to digitally verify the movement of leather at every step of the process using blockchain technology

Social: People

Creating a workplace culture that promotes growth with empathy

Our people play a pivotal role in realising the Company's vision and business objectives, and help in building a better society.

We remain committed to empowering our people and offering them safe and healthy workspaces to work and grow in. Diversity, equity and fairplay are values that we uphold and exemplify through our ways of working.

As Tata Motors continues to reinvent itself in its journey to stay ahead, we ensure that we remain attractive for the best talent in the world and nurture and grow the exceptional talent we have. In FY22, Tata Motors launched an internal initiative to refresh the organisational culture to define the pillars and key leadership behaviours that best exemplify the culture.

52,351
Employee strength[1]

25,588
Permanent employees[2]

26,763
Temporary employees[3]

[1] Includes TML, Corp, ERC, TMPV and TPEM; Includes Blue Collar, Flexi Blue Collar (includes temporary, trainees and third party services), White Collar, and Flexi White Collar (includes fix term employees).

[2] Includes TML, Corp, ERC, TMPV and TPEM; Includes Blue Collar, and White Collar.

[3] Includes TML, Corp, ERC and TMPV; Includes Flexi Blue Collar, and Flexi White Collar. There were no temporary employees in TPEM as on March 31, 2022.

Jaguar Land Rover regards its people as its greatest assets and that is evidenced by the support provided to our employees and the communities that are a part of, both individually and through our collective efforts as a company.

We constantly strive to keep the best interests of our employees in mind, and in May 2021, when our employees returned to work in line with the scaling back of COVID-19 restrictions, we formally implemented a hybrid working model. Placed our trust in our people, we utilised technology to develop a comprehensive scheme that empowered employees with the flexibility to manage their working arrangements and their work location.

This mode has not only enabled greater productivity and efficiency, hybrid working also supports wellbeing, and gives employees more control, choice and flexibility over their working day. We are committed to remaining supportive towards our people, both through continued onsite COVID-19 testing and through the dedicated workspace booking app that helps them get the most from hybrid working arrangements.

4,517
Permanent management cadre employees

29,340
Non-management staff such as unionised hourly workmen

1,868
Contractual/temporary staff including casual workers

Note - Scope includes: Africa, Australia and New Zealand, Europe, UK, India, rest of Asia, Middle East, North America and South America

Tata Motors – Diversity and Inclusion

Tata Motors follows a no discrimination policy and fosters workspaces that promote diversity and equal opportunities. We have measures in place to ensure that our employees, potential hires, third-party support staff are not discriminated against, directly or indirectly, for their colour, nationality, gender, trade union membership, among others. We have a zero-tolerance policy towards any kind of harassment. Our Diversity Council, at apex and unit levels, is tasked with increasing gender diversity in the organisation through various initiatives and actions. The leadership reviews the progress of these initiatives and suggests corrective actions, when required.

Focused actions across the diversity and inclusion pillars

Communication and sensitisation
- 'Women in my Life' series – 22 stories shared
- 'Kavya Kabir' - creative interactive campaign to create awareness on conscious and unconscious biases
- 'She Inspires' and ID Catalyst award given by MD to 11 awardees
- Panel discussions, expert talks

Women development and career pathing
- 'Gear UP' Batch 2 – 24 women covered
- BU- and Plant level programmes for women development – eg. 'Diva Shines' covering 17 women

Women in high visibility projects
- Project EVE launched for High Performing + High Potential + High Aspirations women talent – 35 women covered
- Break through series: 'Take the Lead' and 'Leap Ahead' women development programmes

Work life integration
- Crèche facility for women working in the commercial and corporate divisions

Increased hiring of women
- Second shifts opened up for women
- Substantial increase in campus hires
- 338 women hired from campus over the last three years, reflecting a 30% increase in White Collar permanent women employees

Initiatives to create a conducive workplace for women

In addition to offering all eligible female employees the legally mandated 182 days of paid maternity leave, Tata Motors has put in place several initiatives to promote gender diversity.

Adoption leave: Paid leave up to three months to employees post child adoption.

Work-life balance: Flexible work hours, work from home or part-time work.

Celebrating motherhood: Crèche facilities allow new mothers to bring along their infants.

Sabbatical: To help fulfil personal or professional aspirations.

Second Career Inspiring Possibilities (SCIP): Enabling women with good work experience to find their way back after a career break.

Tata Motors regularly conducts following women development programmes and initiatives at group level.

Tata Mentors: structured development programmes that provide a cross company mentoring platform.

Pathways to success: Focuses on actively engaging women talent and enabling their career growth.

Reach Out: Development platform for senior women leaders by connecting with leaders and peers across a group of likeminded organisations.

CXO Workshops: One day workshops that focuses on sensitising senior leadership teams on the importance of Diversity Inclusion (D&I).

Power of Inclusive Management Workshops (POIM): Half day workshops that sensitise the middle management about D&I.

3,426 Female employees[1]

6.5% of female employees in total workforce

6.7% of women in all management positions[2]

[1] Data includes TML, Corp, ERC, TMPV and TPEM; Includes Blue Collar, Flexi Blue Collar, White Collar and Flexi White Collar employees.

[2] Includes women employees in Senior, Middle and Junior management roles.

JLR – Diversity and Inclusion

At Jaguar Land Rover we are committed to fostering a more diverse, inclusive and unified culture that is representative of our employees, our customers and society in which we live. We have identified three strategic pillars to achieve our goal, which will shape our global Diversity and Inclusion activities over the next five years. The manner of implementation across the globe will vary and will be driven by the needs of the countries where we operate.

Shape a culture of unity, belonging, inclusion and respect

Educate, communicate and measure inclusive behaviours regularly and systematically, improving the employee experience for all.

Implement progressive policies, practices, benefits and support

Review and improve practices and policies to remove barriers, enable inclusion and realise equity.

Engage our employees and experts to accelerate progress

Collaborate with our networks, colleagues and experts to create real, positive change.

As part of our strategy, by 2026 we aim to have:

- Globally, at least 30% of all senior leadership positions to be held by women, and we will aim at mirroring this representation across all levels of our business.
- In the UK, at least 15% of all senior leadership positions to be held by those from Black, Asian, and minority ethnic backgrounds, and we will aim at mirroring this representation across all levels of our business.
- A score of over 80% in our Inclusion Index, measuring the percentage of people who would recommend Jaguar Land Rover as an inclusive employer.

18.3% female employees in total workforce*

*Excludes contractual/temporary staff including casual workers.

Tata Motors - Training and Development

Our culture pillars and the leadership behaviours inspire us to learn and grow our professional and leadership capabilities. The learning calendar offers solutions that leverage different mediums of learning and relevant content aligned to industry trends such as CESS, Industry 4.0, and Digital. We partner with internal SMEs, academia and other institutions to curate these programmes for our employees.

Training details of management employees*

4,06,502
Person hours of training provided

36 Average training hours (Male)

49 Average training hours (Female):

*Includes senior, middle and junior management

Training details of non-management employees*

16,98,854
Person hours of training provided

33 Average training hours (Male)

44 Average training hours (Female):

*Includes blue collar, flexi-blue collar and flexi-white collar

Skill Development Initiatives

Through our skill development initiatives, we attempt to bridge the skilling and knowledge gap that emerges due to constant changes in the external environment. We also sponsor upskilling initiatives for the economically disadvantaged and train them on practices and technologies of relevance.

Earn & Learn Scheme

We have introduced the Earn & Learn Scheme, which offers a two to three year Diploma in Engineering under the National Employability Enhancement Mission (NEEM). We have tied up with NTTF (Nettur Technical Training Foundation) to provide openings to the economically disadvantaged whereby students who cannot afford higher education are sponsored for this course, and they are given the opportunity of working and earning with us, while they learn.

Digital Awareness (Industry 4.0)

Digital is today a foundational concept, reason why digital awareness programmes have been introduced for both engineers and technicians. These programmes will keep them updated on how newer technology can be leveraged to reduce waste, increase quality and productivity. The programme format includes an ideation approach and encourages the generation of ideas, at all levels, which are then captured by respective plant Digital Champions and taken to the Proof-of-Concept stage.

Tata Motors – Occupational health and safety

Tata Motors believes that the health and safety of its employees is a pivot of attaining business excellence. 25 Safety and Health Standards, five Safety Flagship programmes and six set of Guidelines on Safety forms a robust safety and health management system. All our manufacturing are ISO 45001 certified and comply with relevant legal requirements. To ensure progressive discipline in an objective way, Consequence Management System is in place. Standards & Procedures, Training & Capability Building, Safety Observation, Contractor Safety Management and Incident Investigation are at the core of our Safety strategy and are digitally administered through health and safety portals.

Safety Governance

Tata Motors has robust governance mechanism for safety, health, environment and sustainability where reviews are undertaken at multiple levels. The Safety, Health and Sustainability (SHS) Committee of Board is an apex review body, which reviews performances once in four months, followed by BU Head led SHE Council which reviews every month. Further reviews at factory level are taken by Apex Committee, various Sub-committees for Safety Standards and then the Factory Implementation Committees (FIC). Also for non-manufacturing areas, focused safety reviews are conducted at defined frequency at regional offices with the Customer Service and Warehouse teams.

Safety Initiatives

To help inculcate a best-in-class safety culture amongst our workers, we have taken up several initiatives last year, with the aim of mitigating hazards and reducing risks.

- **Critical to Safety Stations (CTS),** across our plant locations, helped us in having a focused approach towards stations having higher injury potential. Over last year, a total of 747 CTS stations were worked upon. This exercise placed special attention on risk mitigation, leading to 69% reduction in recordable cases at CTS stations over the year.
- **Safety Kaizen:** To facilitate a deep dive into the safety issues, 43 Safety Kaizens were held across locations on themes such as driving safety, PPE compliance, material handling etc.
- **Long Term Settlement:** Safety-linked payment system based on both Lead and Lag Safety Parameters introduced in two manufacturing locations for permanent workmen.
- **Safety Observations** A six step process is being implemented by 5,000+ White Collar Employee on a weekly basis which helps to identify safe and unsafe acts and situations and help increasing interactions/ coaching opportunity with shop floor employees.
- **Actions Employees Can Take:** For Blue Collar Employees, we have AECT programme (Actions Employee Can Take), in which workmen report unsafe acts and situations in their respective areas. These observations are assessed by supervisors and relevant corrective actions are implemented.

Safety Training

Training and awareness across organisation is considered as a key element of the Safety Strategy. Key managers are trained on Safety management aspects such as Safety Management Fundamentals, Incident Investigations, Contractor Safety Management, Actions Employees Can Take (AECT) etc. To sustain this drive, 500+ internal trainers from different functions are certified to deliver Safety trainings apart from the safety professionals. Video films have been made in local language for blue collar employees to have better understanding. Training e-modules to complement training efforts are developed. Safety is a part of the induction programme for all employees working in operations. AECT, SAM (Safety Action Meetings), TTT (Train the Trainer) for Incident investigation trainings and Safety observations, etc. are few methods to prepare people to impart training. On the Health & Safety management system ISO 45001, identified employees are trained as lead auditors and internal auditors. Job Qualification exercise ensures that every employee is qualified in a job before he/she actually performs it.

*Safety and Health Performance**

Training Manhours
(Higher the better)

33.6%

FY22	**5,71,360**
FY21	4,27,624
FY20	4,60,674
FY19	4,00,896
FY18	2,48,808
FY17	2,82,828

Safety Observation rounds
(Higher the better)

14%

FY22	**1,74,880**
FY21	1,53,408
FY20	2,14,569
FY19	2,11,354
FY18	1,49,843
FY17	1,34,333

Health Sessions
(Higher the better)

29.9%

FY22	**561**
FY21	432
FY20	474
FY19	401
FY18	273
FY17	213

** For TML's seven manufacturing plants in India*

20,963
HIRA digitised in Safety portal

Incidents Frequency Rate
(Lower the better)

30.2% 11.5%

	TRCFR	LTIFR
FY22	0.97	0.23
FY21	1.39	0.26
FY20	0.39	0.08
FY19	0.61	0.1
FY18	0.99	0.08
FY17	1.41	0.15

- *Total Recordable Case Frequency Rate (TRCFR)*
- *Loss Time Injury Frequency Rate (LTIFR)*

12.9
Health Index

11
Employees detected with serious heart disease during annual health check-up underwent preventive cardiac surgeries

Fatality

FY22	**3**
FY21	0
FY20	0
FY19	3
FY18	1
FY17	4

Health

The beginning of last year was marked by the emergence of the second wave of the COVID-19 virus in India. We analysed and predicted the high criticality of the new Delta variant and strengthened our initiatives to tackle the challenges efficiently. Initiatives were targeted not only at our employees and dependents but also for society as a whole. We supported our employees and dependents diagnosed with COVID-19 for hospitalisation, ambulance services, home care. Constant tracking of wellbeing of these employees was ensured and our Doctors were available round the clock with a hotline number to provide their expertise regarding any COVID-19 related concerns. Testing and medication was made available at home and at priority for our employees through tie-ups with various health care companies. COVID-19 not only costed physical wellbeing but had a lasting impact on the emotional wellbeing of many people. 'Employee Assistance Program' - a confidential, free of cost counselling service by qualified professional counsellors was launched in April 2020 by the Company. 301 employees and dependents availed counselling service through this helpline in FY22. Online sessions on emotional wellbeing were organised and 2,894 employees attended the sessions. Health stewards were appointed across Plant locations to ensure COVID-19 precautions are followed diligently.

Policies in Tata Motors have been updated to help employees continue working while keeping themselves and their families safe. Work from Home, travel, medical benefit policy are amongst the policies which are updated to face the pandemic effectively.

Tata Motors Jamshedpur hospital tied up with government administration for testing, vaccination and indoor hospitalisation of a local community. Dedicated COVID-19 treatment facility with 85 bed with ICU / HDU – High Dependency Unit facility and 80 COVID-19 beds with oxygen facility were made available for employees as well as local communities. During this period, 1,287 COVID-19 positive patients were admitted, out of which 45 required emergency surgeries. A total of 36,857 people suspected for COVID-19 were consulted and 12,500 COVID-19 tests were performed.

Vaccination was offered free of cost to employees, eligible dependents and around 72,985 beneficiaries availed this facility, achieving 99.7% vaccinations with both doses. Surveillance testing was carried out for asymptomatic employees and candidates reporting for recruitment to curb the spread of COVID-19. 76,964 such tests were conducted. In view of scarcity of blood during the pandemic blood donation camps were organised and 7,689 units were collected.

JLR – Occupational Health & Safety

Several JLR locations, including all our UK sites, hold the ISO 45001 certification, with plants at other locations working towards the new international standard. A Safety Management System (SMS) that reflects the standard and required legislative requirements is in place.

Safety policies outline Jaguar Land Rover's stance on safety at a high level, supported by additional documentation defining the specific standards for roles, responsibilities and compliance. A series of annual compliance statements outline key compliance requirements and the current status of action plans to close gaps.

A bi-monthly Legislative Compliance Committee evaluates environmental scanning and considers the impact of new legislation, enforcement agency priorities and internal monitoring activities and decides on the appropriate responses. Tools like Zero Harm Plans determine and track activities specific to local needs and the trends identified. The periodic progress on these plans is then monitored at local safety committees.

Incident Management and Business Continuity Plans are in place to manage emergency situations and Incident Management Teams determine the response to situations. Jaguar Land Rover sites have resources to respond to security, fire, medical and environmental incidents. Fire risk assessments are in place and periodically reviewed. Emergency evacuation drills are conducted annually. Regular Fire Safety reviews monitor compliance of onsite fire safety arrangements against the prescribed regulations.

Compliance mechanisms to ensure uncompromising safety standards

Audits are carried out at various levels to verify compliance against the requirements of the SMS. Performance data, of metrics such as Lost time Incidents, is reviewed by the Board of Directors and leadership via L1 and L2 scorecard reviews. Findings are fed back into tailored activities to drive continual improvements against previous performance.

Hazard Identification and Risk Assessment

Tools such as risk profiles provide an overview of the types and severity of risks posed by local activities. This allows prioritisation of resources and identification of areas of high potential risk. Local management teams conduct risk assessments that identify hazards and determine, implement and maintain appropriate control measures.

Protecting our People

Throughout our response to COVID-19, the health, wellbeing and safety of our people and partners has been our utmost priority. We were one of the first businesses and the largest in the UK, to introduce onsite COVID-19 testing. By April 2022, we had performed 1.68 million temperature tests, 100,000 lateral flow tests, and over 1,000 PCR tests onsite.

In Slovakia, our Nitra facility set up a testing centre for our employees and contractors and administered more than 40,000 tests. The Slovakian government acknowledged that Jaguar Land Rover's mass testing significantly contributed to managing a critical situation and protected the health of our employees, their families and communities. Beyond testing, we managed a vaccination programme and supplied masks and respirators to our employees and created a hub of wellbeing support to better disseminate information.

Safety performance

42,193
hours of Health & Safety training

0
Fatalities

595
total recordable cases

1.95
TRCFR*

7
LTIs

0.02
LTIFR*

** per 200,000 hours*

Sustainability is a fundamental part of our value chain

Both Tata Motors and Jaguar Land Rover have comprehensive sustainability guidelines that are applicable across our value chain. Our dealer and vendor partners are bound by our high standards of business ethics, human rights and care for the environment.

Tata Motors has put in place Supplier and Dealer Code of Conduct to ensure ethical and sustainable practices across the value chain. We continue to work with our suppliers through the Sustainable Supply Chain Initiative to ensure sustainable sourcing. Through this initiative the Company aims to create awareness on the subject and then partner with them for driving improvement. We have established 'Sustainability Guidelines for Suppliers' covering key topics like governance, legal compliance, TCoC, management system certification, transparency and reporting, occupational health and safety, labour and human rights. We further this initiative downstream by initiating the Dealers Sustainability Initiative in FY19. The Dealer Code of Conduct and the Dealer Sustainability Guidelines were developed to guide dealerships to improve their sustainability practices. In FY22, we continued to engage with suppliers and channel partners, to estimate their Greenhouse Gas (GHG) emissions for baselining.

Case study

Go Green Initiative

Since the last two years, Tata Motors has planted a sapling for every customer sales and first service touchpoint, amounting to nearly a million saplings as of end FY22. These fruit-bearing trees have been geo-tagged and will provide economic benefits to the landowners while contributing to climate change mitigation.

At Jaguar Land Rover all Purchasing Global Terms & Conditions (GT&Cs) reference the Jaguar Land Rover Supplier Sustainability Web Guide which is a detailed guide on Jaguar Land Rover's expectations relating to business ethics, environment, working conditions, health and safety, and responsible sourcing. The suppliers sign up to this guide through agreement of the GT&Cs.

Every new production purchasing supplier is assessed at a high level in relation to human rights as part of Supplier Diagnostic Tool process which forms part of the supplier sourcing process. For Branded Goods suppliers, it is undertaken through the Manufacturing Site Self-Assessment (MSSA) process. For incumbent suppliers, a risk-based approach is used to identify high risk suppliers. These suppliers are then required to complete the Jaguar Land Rover Slavery and Human Trafficking questionnaire (S&HT) and a desktop assessment undertaken on the responses. Furthermore, social audits are conducted on targeted incumbent suppliers based a further risk assessment.

The S&HT scope includes policies suppliers have, risk identification and assessment, trainings, supply chain policies and monitoring, audits and supply chain due diligence. The social audits are conducted in line with SA8000 requirements.

In understanding the provenance of material through our supply chain, we have partnered with blockchain technology firm Circulor, leading UK leather manufacturer Bridge of Weir Leather Company and the University of Nottingham, to prove the use of traceability technology in the leather supply chain.

Social: Community

Promoting inclusive and sustainable development

The organisation believes in building a society that is inclusive and supportive of the innate potential of its people.

Tata Motors – Community Engagement

We account for the needs of the community especially those from socially and economically backward groups, National priorities and UN Sustainable Development Goals - when developing our CSR policies and strategies. All CSR initiatives are harmonised pan-India through a Common Minimum Programme (CMP), while at the same time the Company has built agility and flexibility into its CSR initiatives via Location Specific Projects (LSP) which encourage 'holistic engagement' in the entire spectrum of the ecosystem.

Key programme Areas

Health

Aarogya
Health is Happiness

Education

Vidyadhanam
Knowledge is wealth

Employability

Kaushalya
Skill is power

Environment

Vasundhara
Nature is family

Guiding Principles

Harmonized CSR across locations
- Ensure Common Minimum Projects
- Enable Location Specific Projects

CSR spends % and recommended radial distance from business operations
- 70% within 20 kms
- 20% between 20 - 50 kms
- 10% beyond 50 kms

More from Less for More (MfLfM)
- Multi-stakeholder partnerships
- Leverage expertise, network, resources
- Frugal innovations and use of technology

Enhanced self-sustainability of CSR projects through
- Greater community ownership
- Participation

Explore CSR-business connect
- Sustainable and scaleable
- Harnessing potential of company's ecosystem

Arogya (Health):

Our community health initiative, Arogya focuses on addressing malnutrition in children aged between 0-6 years. Apart from providing supplementary diet and supplements, we enable behavioural changes in communities, especially among young mothers and parents through awareness sessions, antenatal and postnatal services. Added to these interventions are the curative health care services wherein the communities are serviced through diagnosis, administration of generic medicines and consultations. Access to safe drinking water is another concern that our initiative Amrutdhara aims to address. During FY22, 4,71,698 members benefited from our health programmes. In times of the COVID-19 pandemic distress, efforts were concentrated to strengthen the nation's resolve to fight against the virus. Therefore, to amalgamate government efforts for 100% vaccination, 11 vaccination vans were given to implementing partners to provide at-door vaccination to the unreached communities. Additionally, 80,101 people got vaccinated since December 2021.

Vasundhara (Environment):

Our initiatives to improve the environment included promotion of renewable resources, creation of carbon sinks through large scale sapling plantation, construction of water conservation structure and building awareness amongst the member communities. During the year, the Company planted 1,92,485 saplings of indigenous varieties and fosters to maintain the survival rate as high as 80%. Over the period under such initiatives, a few locations have phenomenally converted into micro-habitats of varied species of flora and fauna. The Company's environmental awareness programmes aim to sensitise young children towards conservation of our environment and were able to actively reach out to 70,394 persons.

Kaushalya (Employability):

Our Skill Development programme provides training to unemployed youth under three segments – auto trades, non-auto trades, and agriculture and allied activities. In auto trades, we leverage our domain expertise and business connect to impart training on driving and motor mechanics. On the completion of training, most of which are National Skills Development Corporation (NSDC) certified, they find ready employment either in Tata Motors' ecosystem or in the open market. Tata Motors CSR also engages with community based groups of women and farmers and help them earn supplementary income through designed agriculture and allied programmes. During FY22, the Company has trained 45,234 youth and farmers.

Vidyadhanam (Education):

Our targeted programmes include need-based rolling scholarships/financial support for economically disadvantaged students, organising support classes for difficult subjects, value-based life skills, and sports and other co-curricular activities. Leveraging infrastructure, technology and our innovation capabilities, we made these programmes easily accessible. An innovative partnerships have been worked out with Government schools-Jawahar Navodaya Vidyalaya (JNVs) for JEE and NEET aspirants. During FY22, 1,00,505 students benefited from the Company's education programme.

Rural Development Programmes and Governance:

Rural Development Programme aims at holistic development of a village through an integrated village development approach. The key element of this project is to leverage the resources from the government through convergence of government schemes in Pathardi, Shiroshi and Chauk gram panchayat in Jawahar block of Palghar district in Maharashtra, and Devadthal village of Ahemadabad district of Gujarat. 70% of the resources for village development have been committed by the government. During FY22, Tata Motors worked across six states in India, namely Jharkhand, Maharashtra, Gujarat, Karnataka, Uttar Pradesh and Uttarakhand to empower the respective neighbouring communities and also to strengthen the governance mechanism of the local institutions through these communities by ensuring last-mile awareness and service delivery of government welfare and financial schemes. Through these programmes, the Company has improved the quality of life of the 17,501 tribal community members.

A total of 7,91,298 people were benefitted through CSR programmes in FY22, with a spend of ₹23.69 crores

Affirmative Action:

Tata Motors has been at the fore front in implementing the group-wide initiative Tata Affirmative Action Programme (TAAP) - branded as 'Aadhar', aimed at ensuring equity for the economically and socially disadvantaged sections of society, i.e. Scheduled Castes and Scheduled Tribes (SC and ST), women and disabled persons. In FY22, Tata Motors was awarded the Jury Award for highest scoring company in Annual Assessment of Company's AA performance at Group level. The Company has committed 40% of the CSR resources both, financial and human (beneficiary), to these AA communities. Apart from ensuring a due share in the CSR interventions, a positive discrimination is practiced for these communities in the Company's employment and its value chain.

COVID-19 relief efforts:

Tata Motors supported COVID-19 relief efforts by providing assistance to over 1.5 lakh people including migrants, daily wage earners, those who were left stranded or forced to seek shelter in transit camps. Food, masks and sanitisers along with information kits on precautions to be taken for safety, health and hygiene, were arranged for thousands of truck drivers, the unsung frontline heroes who played a stellar role in ensuring that the wheels of nation kept running. Additionally, the Company donated ₹~7 crore towards COVID-19 relief in year FY21, 50% of which was contributed by the Company's employees and in FY22 another ₹6.3 crore was donated for supplementing the government efforts towards COVID vaccination drives.

Employee volunteering:

Tata Motors continues to nurture a vibrant culture of volunteering by its employees for social causes. A Volunteering Policy is being rolled out to further institutionalise the volunteering endeavour by company employees, their families as well as retirees. In FY22, 34% of employees volunteered for social causes devoting a total of 28,558 hours.

Formalising our CSR framework

CSR in India has very recently undergone a metamorphosis to acquire a legal mandatory character under 'The Companies Act, 2013 and associated Companies (CSR Policy) Rules 2014'. Whilst aligning to this new legal framework, Tata Motors has evolved its CSR framework comprising of five-year CSR Strategy and Roadmap, Policy, Guidelines and Annual Plan based on reflections and learnings. The Company's endeavour has been to strike a fine balance between CSR projects having a 'strategic business-CSR connect' (for leveraging company's and its ecosystem's core strengths and competencies) and 'doing the right thing' (addressing pressing needs of the local community and this may not necessarily have a business connect). To understand the relevance, utility and impact of its CSR projects, the Company has proactively and voluntarily adopted an evolving Impacts Assessment Framework known as Social Returns on Investment (SRoI). The institutionalisation of the SRoI framework across Tata Motors locations for key CSR projects has been undertaken in 2015 and 2016 resulting in five more CSR projects evaluated for SRoI.

Tata Motors ENABLE: a technology-driven effort to enhance educational possibilities

Tata Motors' Engineering and NEET Admission Bridge Accelerated Learning Engagement initiative (ENABLE) is an e-enabled learning programme that provides JEE/NEET coaching to 11th and 12th standard students from 477 Jawahar Navodaya Vidyalayas (JNVs) across the country.

This programme, conducted in partnership with Avanti Fellows was implemented in Puducherry, Mangalore and Palghar. A blended learning model was devised for in-house advanced coaching of meritorious students from 50+ JNVs in Kolhapur and Rajgir. Within a month of lockdown and school closure due to COVID 19, this coaching programme went fully online. From 2021 this programme evolved into a remote learning model, and has spread to in 477 JNVs across 26 States and eight UTs.

In FY22, of the students who took this coaching programme, 57% qualified JEE Mains, out of which 63% cleared JEE Advanced, of which 70% got admission into IITs, with the others qualifying for NIITs and other engineering institutes. 18% of the students supported by Tata Motors made it to a prestigious institute (as against a national average of 2%).

Through its latest studio learning online model, Tata Motors aims to coach 1 lakh students for JEE and NEET entrances by 2025, and enrol 30, 000 of them into institutes of higher learning. It hopes to continue reaping promising results, creating positive value in the community and cultivating a culture of equitable education.

Case study

Case Study: Sabir Alam overcomes odds to become an ISRO scientist

Sabir tended a deep-seated passion for science from his childhood. Sabir recounts, "With our limited means of earning, arranging for quality education that could help me move towards my dreams was very difficult for my father". Eager not to be deterred by such challenges, Sabir appeared for JNV entrance exams that offers free residential education to bright students. Upon securing admission to JNV, Sabir got to know about IIT – JEE coaching at Avanti in association with Tata Motors that grooms young minds to succeed in competitive examinations like IIT – JEE. Sabir recounts "Since our programme encouraged peer-to-peer learning, our classes were seldom boring. There was a free flow of ideas within the entire class, we often shared clever tricks that could be useful in solving problems with speed and accuracy." Sabir went on to gain admission in IIT Madras. Today Sabir works as a scientist at the Vikram Sarabhai Space Center of the Indian Space Research Organisation (ISRO) in Trivandrum.

Jaguar Land Rover – Community Engagement

Through every partnership, Jaguar Land Rover seek to make a positive contribution to people and communities around the world.

The Red Cross

Our partnership with the International Federation of the Red Cross and Red Crescent Societies has endured since 1954. Throughout this time, we have facilitated life-saving work through funding, vehicles and expertise.

Today, we work together helping people in disaster preparedness, from reaching remote communities with vaccination programmes, to help distribute tarpaulins for protection against monsoon floods.

During the COVID-19 pandemic, we supplied 267 vehicles to the Red Cross, which covered more than 500,000 miles helping people in crisis.

In addition, we have a fleet of vehicles supporting the International Federation of Red Cross Societies in their efforts to provide humanitarian aid to at-risk communities.

We are also a member of Disaster Relief Alliance, making sure that the Red Cross is ready to support people in the immediate aftermath of devastating crises around the world. Its Disaster Fund assisted six major responses, between April and September 2021.

Dream Fund

Cooperating with the China Soong Ching Ling Foundation (CSCLF), our Dream Fund is the first such activity in China's automotive industry dedicated to helping children and young people achieve their potential.

Over eight years, we have undertaken a host of initiatives to improve education quality for rural children, guided by the principle of "more equal access". Our Land Rover Never Stop Caring - Journey for Vision Programme has provided comprehensive healthcare and medical equipment in remote regions of China.

Volunteering for Education

Our sustained programme of education volunteering supports our position as the largest investor in automotive research and development in the UK, by reaching enthusiastic young people with enquiring minds and a commitment to push the boundaries.

Through virtual work experience, school visits and tailored programmes, we enthuse and inspire a future generation of talent, with the aim of overcoming the STEM skills shortage faced by the automotive industry.

This provides our employees with an opportunity to volunteer and share their experiences.

Notwithstanding the COVID-19 restrictions in FY21, 213 employee volunteers, including a core team of apprentices and graduates, provided 881 hours of time to develop the programme, which has so far reached 148 students.

Activities within the Community

Our team in Nitra, Slovakia established a partnership with Nitra Volunteering Centre in December 2021 and organised a collection for people in need during December.

Our manufacturing facility in Itatiaia, Rio de Janeiro joined forces with Instituto Toré for a one year community partnership supporting and implementing two significant social responsibility projects in their local area, aimed at delivering education and skills on conservation and sustainable food production.

In December 2021, employees from Jaguar Land Rover's UK sites came together to collect for local foodbanks, with the aim of supporting thousands of families who continued to struggle as a result of the COVID-19 pandemic.

The donation drive saw employees across the business support their local charities and communities, with more than 10,000 items such as tinned food and cereals donated to help local families in need, while employees also showed their support by donating just over £2,000 to an online collection fund.

Board's Report

TO THE MEMBERS OF TATA MOTORS LIMITED

The Directors are pleased to present herewith the Seventy Seventh Annual Report of Tata Motors Limited ('the Company') along with the Audited Financial Statements for the Financial Year ('FY') ended March 31, 2022.

FINANCIAL RESULTS

(₹ in crore)

PARTICULARS	Standalone*		Consolidated	
	FY 2022	FY 2021	FY 2022	FY 2021
Revenue from operations	47,263.68	30,175.03	2,78,453.62	2,49,794.75
Total expenditure	45,034.04	28,339.33	2,44,430.90	2,14,012.84
Other Income	659.91	419.99	3,053.63	2,643.19
Profit before interest, foreign exchange, depreciation, amortization, exceptional item and tax	2,889.55	2,255.69	37,076.35	38,425.10
Finance cost	2,121.73	2,110.83	9,326.31	8,097.17
Profit before depreciation, amortization, exceptional item, foreign exchange and tax	767.82	144.86	27,750.04	30,327.93
Depreciation, amortization and product development/ engineering expenses	2,354.47	2,079.42	34,045.19	28,773.34
Foreign exchange (gain)/loss (net)	136.81	32.62	78.68	(1,732.15)
Profit/(loss) before exceptional items and tax	(1,723.46)	(1,967.17)	(6,373.83)	3,286.74
Exceptional Items - (gain) / loss (net)	(83.41)	307.55	629.58	13,761.02
Profit/(loss) before tax	(1,640.05)	(2,274.72)	(7,003.41)	(10,474.28)
Tax expenses/ (credit) (net)	99.18	20.72	(4,231.29)	2,541.86
Profit/(loss) for the year from continuing operations	(1,739.23)	(2,295.44)	(11,234.70)	(13,016.14)
Profit/(loss) before tax for the year from discontinued operations	392.51	(37.85)	-	-
Tax expense/(credit) (net) of discontinued operations	44.14	62.15	-	-
Profit/(loss) after tax for the year from discontinued operations	348.37	(100.00)	-	-
Share of profit of joint venture and associates (net)	-	-	(74.06)	(378.96)
Profit/(loss) for the year	(1,390.86)	(2,395.44)	(11,308.76)	(13,395.10)
Other comprehensive income/(loss)	282.35	442.99	(455.19)	2,919.34
Total Other comprehensive income/(loss) for the year	(1,108.51)	(1,952.45)	(11,763.95)	(10,475.76)
Attributable to:				
Shareholders of the Company	-	-	(11,897.28)	(10,551.20)
Non-controlling interest	-	-	133.33	75.44

* Pursuant to a Scheme of Arrangement sanctioned by the Hon'ble National Company Law Tribunal ('NCLT') Mumbai Bench, the Passenger Vehicle ('PV') undertaking of the Company has been transferred to Tata Motors Passenger Vehicles Limited ('TMPVL'), as a going concern, on a slump sale basis, w.e.f. January 1, 2022. The financial results of PV undertaking along with joint operation Fiat India Automobiles Private Limited has been disclosed as discontinued operation for FY 2021-22 and FY 2020-21. It includes the Company's proportionate share of income and expenditure in its joint operations, namely, Tata Cummins Private Limited.

DIVIDEND

In view of losses for FY 2021-22, no dividend can be paid to the Members as per the provisions of the Companies Act, 2013 ('the Act') and the Rules framed thereunder.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Securites and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations], the Board of Directors of the Company had formulated a Dividend Distribution Policy ('the Policy'). The Policy is available on the Company's website URL: https://investors.tatamotors. com/pdf/dividend-distribution-policy.pdf

TRANSFER TO RESERVES

Due to losses in FY 2021-22, no amount has been transferred to Reserves. An amount of ₹493.30 crore was transferred from Debenture Redemption Reserve to Profit & Loss Account.

FINANCIAL PERFORMANCE AND STATE OF THE COMPANY'S AFFAIRS

Operating Results and Profits

Consolidated revenue from operations was ₹2,78,454 crore in FY 2021-22, which was 11.5% higher than the revenue of ₹2,49,795 crore in FY 2020-21.

The consolidated EBITDA margin was at 9.6% in FY 2021-22 as compared to 12.2% in FY 2020-21. EBIT margin stood at 0.7% in FY 2021-22 as compared to 2.6% for FY 2020-21. Loss for the period (including share of associates and joint ventures) stood at ₹11,309 crore in FY 2021-22 as compared to ₹13,395 crore in FY 2020-21.

The free cash flow (auto) was cash outflow of ₹9,472 crore in FY 2021-22 as compared to cash inflow of ₹5,317 crore in FY 2020-21.

Refer para on Operating Results in Management Discussion and Analysis Report ('MD&A') for additional details.

Standalone revenue from operations (including joint operations, excluding discontinued operations) of ₹47,264 crore in FY 2021-22, was 56.6% higher than the revenue of ₹30,175 crore in FY 2020-21. The loss before and after tax (including joint operations) for FY 2021-22 were at ₹1,248 crore and ₹1,391 crore, respectively as compared to the loss before and after tax (including joint operations) of ₹2,313 crore and ₹2,395 crore, respectively for FY 2020-21. The financial performance improved mainly due to increase in volumes, improved product mix and cost management offset partially by commodity inflation.

Jaguar Land Rover ('JLR'), (as per IFRS) recorded revenue of £18.3 billion in FY 2021-22 as compared to the revenue of £19.7 billion in FY 2020-21, down by 7.2%. Wholesales (excluding CJLR) declined by 15.4% year-on-year, primarily as a result of the global semiconductor shortage affecting all key regions except for overseas where wholesales grew 5.0% year-on-year. While full year financial results reflect the constrained sales volumes, the continuing reduction in JLRs breakeven point through revenue and cost management under the Refocus transformation programme enabled JLR to achieve positive margins and cash flow in the second half of the financial year. Loss before tax and exceptional items was (£412) million in FY 2021-22, as compared to the £662 million profit before tax and exceptional items in FY 2020-21, reflecting the constrained volumes as a result of the global shortage of semiconductors.

VEHICLE SALES AND MARKET SHARES

Tata Motors Group sales for the year stood at 10,33,904 vehicles, up by 23.4% as compared to FY 2020-21. Global sales of all Commercial Vehicles were at 3,67,565 vehicles, while sales of Passenger Vehicles were at 6,66,339 vehicles.

Refer para on Overview of Automotive Operations in MD&A for additional details.

Tata Motors (including TMPVL) recorded sales of 6,93,036 vehicles, a growth of 49.4% over FY 2020-21 and higher than the Indian Auto Industry increase of 15.4%. The Company's market share (calculated on wholesales) increased to 18.3% in FY 2021-22 from 14.1% in FY 2020-21.

Commercial Vehicles ('CV')

After a decline in FY 2019-20 and FY 2020-21, the CV industry volumes grew by 26% in FY 2021-22 over FY 2020-21, with gradual and consistent recovery in consumer sentiments. The Medium and Heavy Commercial Vehicle (M&HCV) and Intermediate and Light Commercial Vehicle (I&LCV) segments grew by ~50% and ~40%, respectively vs previous year, due to increased activity in road construction, mining and improved infrastructure spending by the Central and State Government, as also growth in e-commerce and agriculture. The growing logistics, e-commerce and FMCG sectors have been driving demand in the last-mile transportation segment leading to ~16% growth in Small Commercial Vehicle and Pick-up (SCV&PU) segment.

Business grew ahead of the industry at 33%, while also improving share across all 4 Product segments on back of superior product performance of Company's BSVI range, endorsed by customers and other stakeholders alike, slew of new launches, widest sales and service network and innovative digitalized lead generation and management techniques. In addition to managing the demand side challenges through accelerated digitalisation efforts and enhanced collaboration, the Company also managed the semi conductor and other supply chain constraints through its dynamic business agility plan.

The Net Promoter Score, continued to hold at strong levels at 68 and has increased by 11 points over the last 4 years, on the back of better product performance and enhanced overall customer experience. The business also continued to lead on key customer-facing metrics with more than 90% satisfaction level in both, post-sales and post-service feedback. The Company also won the CII Customer Obsession Apex award in FY 2021-22, making it the 4th consecutive year of being recognized for its efforts towards customer centricity in field service. Tata OK (Used vehicle business) business continued to grow stronger in FY 2021-22 and has seen a 10x increase in sales volumes and 4x increase in touchpoints over the previous 4 years.

Refer para on Commercial Vehicles in India in MD&A for additional details.

Passenger Vehicles ('PV')

Domestic PV industry witnessed a growth of 13% in FY 2021-22 as compared to FY 2020-21. Lockdown on account of second wave of Covid-19 negatively impacted industry in Q1 FY 2021-22, however volumes increased steadily from Q2 FY 2021-22. While, semiconductor unavailability restricted industry actors from unleashing potential demand, incremental growth has come on the back of increasing preference towards personal mobility, new launches and continued availability of financing options.

The Company registered a growth of 67% in FY 2021-22 *vis-à-vis* FY 2020-21 with a total volume of 3,70,354 units. The market share (calculated on wholesales) for FY 2021-22 was 12.1%, an increase of 390 basis points from FY 2020-21. For FY 2021-22, the business registered its highest ever annual wholesales. The growth has come on the back of phenomenal response received for the 'New Forever' range, new launches such as Punch, Tiago/Tigor CNG, Tigor EV etc., introduction of variants of existing models with aspirational features at accessible price points to expand the customer base, significant improvement in working capital availability, synchronization of daily retail, offtake and production, enabling fast cash rotation for channel partners and focused actions in identified micro-markets to achieve steep jump in market share and substantial efforts taken to improve sales and aftersales customer experience. In addition, expeditious ramping up of supplies by debottlenecking of capacities, sweating of in-house as well as supplier end assets, augmenting of supplier capacity, and agile and innovative actions taken to improve semi conductor availability supported the growth.

In October 2021, the Company launched India's first sub-compact SUV "PUNCH". Adopting a new age, human centric approach that goes beyond the conventional industry practice of trims, the PUNCH is designed and made available in 4 distinct personas- Pure, Adventure, Accomplished and Creative, to cater to the varied lifestyle of its customers. Punch has received a phenomenal response from the market. Within 6 months of its launch, Punch has crossed the milestone of 50,000 and is 8th highest sold SUV out of 45 models available in the segment. In January 2022, the Company introduced advanced CNG technology in Tiago and Tigor to offer delightful experience with incredible performance, a wide range of premium features, upmarket interiors and uncompromised safety. Both the models have received terrific response from the market, as a result CNG volumes have been increased to ~4,500 per month.

Refer para on Passenger Vehicles in India in MD&A for additional details.

Electric Vehicles ('EV')

EV industry continued on the growth trajectory in FY 2021-22 on the back of favourable policies from Centre and State Government, positive word of mouth through existing customers, increase in public charging infra availability and home charging awareness. During FY 2021-22, EV industry grew by 3.7x to ~22,000 units *vis-à-vis* ~5,900 sold in FY 2020-21. Fleet segment demand has been steadily increasing since Q3 FY 2022. Fleet segment grew 2.4x to cross 1000 units mark in FY 2021-22. Personal segment continues to grow stronger with 95% of the total sales in FY 2021-22.

EV business continued a journey on exponential growth path in FY 2021-22 and grew by 4.5x to sell 19,105 units of EVs *vis-à-vis* 4,218 sold in FY 2021. Growth in volume has come on the back of continued strong demand for Nexon EV, good response to Tigor EV (based on Ziptron technology) and enhancement of supplies. The growth had led to increase in penetration to 8% at exit in March 2022. Nexon EV's penetration in Nexon has increased to 16% in March 2022 from 8% in April 2021. Tigor EV's penetration has increased to 26% in March 2022 from 20% in August 2021 post launch.

Exports

CV exports for FY 2021-22 closed at 34,791 units, 71% above the previous fiscal year. Retails for FY 2021-22 closed at 31,604 units 31% above previous fiscal year, largely on account of market recovery across various markets; SAARC, MENA, Sub Saharan Africa (SSA) and ASEAN. FY 2021-22 saw many highlights, Nepal contributed to 9,253 units of shipment and 7,086 units of retails and increase in market share. Establishment of Local Assembly operations in Sri Lanka with 30 units assembled in FY 2021-22. SSA contributed to 6,599 units of shipment and 6,517 units of retail leading to gain market share.

PV exports for FY 2021-22 closed at 1,803 units, more than two times growth with respect to previous year, largely on account of market recovery and introduction of EV in Nepal and Bhutan. Retails for FY 2021-22 closed at 1,795 units, growth of 95% with respect to previous year. FY 2021-22 saw many highlights; Nepal contributed to 1,740 units of shipments and 1,668 units of retails, achieving 14.8% market share, 3rd Rank on retail and highest shipment in previous five years. Bhutan also clocked highest ever shipment in the history of the Company with 55 units and highest ever retail of 50 units for FY 2021-22.

Refer para on Tata Commercial Vehicles and Tata Passenger Vehicles - Exports in MD&A for additional details.

JAGUAR LAND ROVER ('JLR')

JLR retail sales were 3,76,381 vehicles in FY 2021-22, down 63,207 vehicles (14.4%) year-on-year. Retail sales were constrained by the industry-wide shortage of semi conductors and declined in all regions year-on-year, including the UK (-23.6%), North America (-17.6%), China (-13.9%), Europe (-9.1%) and Overseas (-2.8%). Furthermore, the global chip supply shortage impacted sales of every model in FY 2021-22, apart from the Land Rover Defender which retailed a total of 61,717 vehicles in FY 2021-22, though FY 2020-21 was not a full year for Defender as retails only started towards the end of the year. JLR wholesales (excluding the China joint venture) were 2,94,182 vehicles in FY 2021-22, down 15.4% compared to FY 2020-21.

Refer para on Tata and other brand vehicles in MD&A for additional details..

Some of the key highlights of FY 2021-22 were:

- Strong customer demand for products resulting in a record-breaking order book of 168,471 orders at the end of the year, including 45,584 for New Range Rover and 40,618 for Defender.
- Global launch of the award-winning New Range Rover, which embodies Modern Luxury by Design and has been loved by customers around the world.
- Throughout FY 2021-22, JLR increased its capability as an agile, fully data-driven, digital business with the creation of InDigital, a key pillar of our Refocus transformation programme.
- Reimagine sees JLR collaborating with leaders in their fields, and in February 2022, JLR announced its new partnership with NVIDIA. NVIDIA is the world leader in artificial intelligence computing, connected car services, and automated and autonomous driving systems. Together, this partnership can accelerate in-vehicle software strategy, delivering modern luxury experiences and enabling a true leapfrog in automotive technology.

Tata Daewoo Commercial Vehicle Company Limited ('TDCV')

The revenues for FY 2021-22 increased by 60.3% to KRW 880.74 billion as compared to KRW 549.33 billion in FY 2020-21. Overall sales increased by 84.4% to 9,454 units in FY 2021-22 from 5,127 units in FY 2020-21 thanks to product range expansion and recovery of domestic as well global market demand.

Refer para on Tata Commercial Vehicles and Tata Passenger Vehicles - Exports in MD&A for additional details.

TMF Holdings Limited ('TMFHL')

Consequent to the severity of Covid-19 second wave, economic activity as measured through mobility indicators nosedived in the first quarter resulting in a slow start to FY 2021-22. TMF Group Assets Under Management ('AUM') grew by 6% Y-o-Y to ₹45,220 crore, as against ₹42,810 crore in the previous year. CV market share dropped to 27% due to aggressive competition from banks in heavy commercial vehicle space. While Net Interest Margin Security ('NIMs') expanded from 4.5% to 5.2%, Gross Net-Performing Assets ('GNPA') provision coverage increased from 29% as of March 31, 2021 to 43% as of March 31, 2022. As a result, consolidated profit before tax for FY 2021-22 was ₹101 crore as against ₹266 crore in FY 2020-21.

Refer para on Tata and other brand vehicles - Vehicle Financing in MD&A for additional details.

SHARE CAPITAL

During the year, the Company issued and allotted 3,54,242 Ordinary shares of ₹2/- each, pursuant to exercise of stock options by the eligible participants of the Company and its subsidiary company, under the Tata Motors Limited Employees Stock Option Scheme 2018.

DEBENTURES

During the year, the Company has issued and allotted on private placement basis, rated, listed, unsecured, redeemable non-convertible Debentures aggregating ₹1,000 crore.

Refer para on Outstanding Securities of the Corporate Governance ('CG') Report for additional details.

FINANCE AND CREDIT RATING

Despite challenges caused by supply chain issues and intermittent Covid-19 related disruptions, the Group managed its finances prudently, meeting the business needs. The Company has maintained sufficient liquidity at all times to navigate the impact of external challenges. As at March 31, 2022, the Company's liquidity for domestic operations was ₹10,190 crore, whereas the liquidity at JLR was £6.4 bn (including unutilized credit facility of £2 bn).

While, the demand was strong and witnessed recovery, supply chain issues and commodity inflations had an impact on the profitability and debt. Despite these challenging times, the credit ratings of the Company underwent positive revisions.

During the year, Moody's upgraded the outlook to Stable from Negative and S&P upgraded the outlook to Stable and also gave a 2 notch upgrade in credit rating of the Company taking into consideration promoter group support.

Refer para on Credit Ratings in CG Report and Liquidity and Capital Resources in MD&A for additional details.

Material Changes and Commitment Affecting the Financial Position

No material changes are affecting the financial position of the Company, after the close of the FY 2021-22 till the date of this Report.

The impact of Covid-19 on the Company's financial statements has been given in Note 2(c) of the Notes to financial statements for the year ended March 31, 2022 and the Company's response to the situation arising from this pandemic has been explained in the Management Discussion and Analysis, which forms part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements of the Company and its subsidiaries for FY 2021-22 are prepared in compliance with the applicable provisions of the Act and as stipulated under Regulation 33 of the SEBI Listing Regulations 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 forms part of this Annual Report.

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

Further, pursuant to the provisions of Section 136 of the Act, the Company will make available the said financial statements of the subsidiary companies upon a request by any Member of the Company. These financial statements of the Company and the subsidiary companies will also be available for inspection to the Members through electronic mode. The Members desiring financial statements of the Company, Consolidated financial statements along with other relevant documents and the financial statements of the subsidary companies, may send their request in writing to the Company at inv_rel@tatamotors.com and the same would also be available on the Company's website URL: https://www.tatamotors.com/investors/annual-reports/

SUBSIDIARY, JOINT ARRANGEMENTS AND ASSOCIATE COMPANIES

The Company has 86 subsidiaries (14 direct and 72 indirect), 10 associate companies, 4 joint ventures and 2 joint operations as at March 31, 2022, as disclosed in the accounts.

During FY2021-22, the following changes have taken place in subsidiary / associates / joint venture companies:

- TML Distribution Company Limited merged with TML Business Services Limited w.e.f April 1, 2021 (Appointed date).
- Inchcape JLR Europe Limited was incorporated on August 31, 2020 and it became associate of the Company w.e.f April 30, 2021.
- TML CV Mobility Solutions Limited was incorporated on June 7, 2021, as a wholly owned subsidiary of the Company.
- Shareholding in Tata Marcopolo Motors Limited increased from 51% to 61.86% w.e.f November 15, 2021.
- Tata Passenger Electric Mobility Limited ('TPEML') was incorporated on December 21, 2021, as a wholly owned subsidiary of the Company.

- Tata Motors Passenger Vehicles Limited (name changed from TML Business Analytics Services Limited w.e.f September 17, 2021) ceased to be subsidiary of TML Business Services Limited and became the direct subsidiary of Tata Motors Limited w.e.f. January 1, 2022.
- Tata Motors European Technical Centre PLC, ceased to be direct subsidiary of Tata Motors Limited and became a wholly owned subsidiary of TMPVL on March 10, 2022 and thereafter became a wholly owned subsidiary TPEML w.e.f March 28, 2022.
- INCAT GmbH which was under liquidation w.e.f. January 25, 2017, was revived and its name was changed to Tata Technologies GmbH w.e.f March 30, 2022.
- Spark 44 Group comprising of Spark 44 (JV) Limited and it's 16 subsidiaries was sold on March 31, 2022.

Transfer of Passenger Vehicles Undertaking to TML Business Analytics Services Limited: During the year, the NCLT, had vide its order dated August 24, 2021 sanctioned the Scheme of Arrangement between the Company and TML Business Analytics Services Limited ('TMLBASL') (presently known as Tata Motors Passenger Vehicles Limited) and their respective shareholders under Section 230-232 of the Act, ('Scheme'), for transfer of the Company's Passenger Vehicles Business Undertaking to TMLBASL. As per the Scheme, the Board of Directors of the Company and TMLBASL made the Scheme effective from January 1, 2022.

Incorporation of TPEML: The Company incorporated a wholly owned subsidiary TPEML on December 21, 2021 with an initial equity investment of ₹700 crore to undertake its passenger electric mobility business.

Keeping in view of the capital requirements required to fund the technology, research and development needs of the EV business, the Company and TPG RISE Climate TopGun Pte Ltd. ('TPG'), executed a shareholder agreement on November 16, 2021 for an investment of ₹7,500 crore in compulsory convertible instruments to secure between 11% to 15% stake in TPEML. The first tranche amounting ₹3,750 crore was subscribed by TPG on March 30, 2022.

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

The policy for determining material subsidiaries of the Company is available on the Company's website URL: https://investors.tatamotors. com/pdf/material.pdf

Refer para on Subsidiary Companies in CG Report for additional details.

RISK MANAGEMENT

The Risk Management Committee is constituted to frame, implement and monitor the risk management plan of the Company.

The Board takes responsibility for the overall process of risk management throughout the organisation. Through an Enterprise Risk Management programme, our business units and corporate functions address risks through an institutionalized approach aligned to our objectives. This is facilitated by corporate finance. The Business risk is managed through cross-functional involvement and communication across businesses. The results of the risk assessment are presented to the senior management.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY

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

Refer para on Internal Control Systems and their Adequacy in MD&A for additional details.

HUMAN RESOURCES

Refer para on Humarn Resources/Industrial Relations in MD&A for additional details.

Diversity and Inclusion

Diversity and Inclusion at workplace helps nurture innovation, by leveraging the variety of opinions and perspectives coming from employees with diverse age, gender and ethnicity. The Company has organized a series of sensitisation and awareness campaigns, to help create an open mind and culture to leverage on the differences. The network of Women@Work and the Diversity Council has widened to location councils as we move along the journey. Women development and mentoring programme have increased, with clear focus on nurturing their career journeys, to help the Company build a pipeline of women leaders in near future.

The Company employed 6.53% women employees in FY 2021-22 *vis- à-vis* 5.48% in FY 2020-21.

Prevention of Sexual Harassment

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment.

During FY 2021-22, the Company had received 9 complaints on sexual harassment, 8 of which have been substantiated and appropriate actions taken. The remaining 1 complaint was received during mid March and is being investigated. The Company organized over 300 awareness workshops across locations covering flexi and temp workforce, contractual staff, blue collar employees, new joiners etc. In addition, the Company rolled out an updated e–module for Prevention of Sexual Harassment ('PoSH') awareness for all permanent white collar employees as a mandatory program, which achieved 99% coverage. In order to ensure uniform understanding and larger coverage for the blue collar and contractual employees, an audio visual module is under construction, which is to be deployed in FY2022-23.

Tata Motors Limited - Performance Share Units/ Stock Options ('Schemes')

The Company has in force the following Schemes, which were framed under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('SBEB Regulations'):

- Tata Motors Limited Employees Stock Option Scheme 2018 ('TML ESOP Scheme 2018); and
- Tata Motors Limited Share-based Long Term Incentive Scheme 2021 ('TML SLTI Scheme 2021').

TML ESOP Scheme 2018

Pursuant to the approval of the Members obtained at the Annual General Meeting ('AGM') held on August 3, 2018, the Company adopted TML ESOP Scheme 2018 and was implemented the same in order to ring fence and incentivize key talent, for driving long term objectives of the Company and to ensure that employee payoffs match the long gestation period of certain key initiatives to drive ownership behavior and collaboration amongst employees of the Company. TML ESOP 2018 was implemented for grant of not exceeding 1,38,00,000 Stock Options in aggregate, at an Exercise price of ₹ 345 per share. The Options vest in eligible employees of the Company on achieving certain performance matrices. The Nomination and Remuneration Committee ('NRC') has been authorised to determine the said matrices, details terms and conditions relating to vesting including the proportion in which options granted would vest. Options granted under TML ESOP Scheme 2018 would vest within a maximum of 5 (five) years from the date of grant of options.

As of March 31, 2022, out of the 81,47,636 stock options so granted, 13,57,939 stock options have been vested, out of which 3,54,242 stock options have been exercised and the balance 8,15,233 stock options remain unexercised. Further, stock options of 46,77,862 remained unvested and 23,30,308 stock options had been treated as lapsed and forfeited.

During the year, pursuant to NCLT Order dated August 24, 2021, the Passenger Vehicle Undertaking of the Company has been transferred to TMPVL (subsidiary company), due to which employees of the Company have been transferred to TMPVL. Hence, during the year in order to extend the benefit to the employees transferred to TMPVL, the TML ESOP Scheme 2018 was modified to that extent.

In addition the NRC, based on the powers and authority vested as per the TML ESOP Scheme 2018, had modified certain clauses and also recommended certain amendments to the Scheme as per details contained in the Notice convening this AGM.

TML SLTI Scheme 2021

Pursuant to the approval of the Members at the last AGM held on July 30, 2021, the Company has adopted TML SLTI Scheme 2021. The TML SLTI Scheme comprises of two reward mechanism; (a) Performance Share Units ('PSUs'), and (b) Stock Options. The TML SLTI Scheme 2021 offers reward to the eligible employees of the Company and its subsidiary companies and offers competitve compensation, to attract and retain talent and to redefine the fixed and performance driven pay mix to drive a performance culture in the Company.

In terms of TML SLTI Scheme 2021,not exceeding (i) 75,00,000 PSUs, and (ii) 14,00,000 Options, are available for offer and grant by the Company to the eligible employees of the Company and that of its subsidiary companies. The eligible employees shall be granted Stock Options and /or PSUs, as determined by NRC. The PSUs and/or Options to vest in employees subject to continuing employment in the Company/ its Subsidiary/ Associate Company upon the Company achieving the performance matrices. The NRC would determine the said matrices / detailed terms and conditions relating to vesting including the proportion in which PSUs and/or Options granted would vest. All the PSUs and/or Options would vest with a maximum period of 3 (three) years subject to minimum vesting period of 1 (one) year.

During the year, the Company has granted 8,39,650 Stock Options and 9,64,539 PSUs. There were no PSUs/Option vested or any shares alloted during the year. During FY 2021-22, there has been no change in the TML SLTI Scheme 2021.

In compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI Regulations 2021') a certificate from the Secretarial Auditors confirming implementation of the above Schemes have been obtained.

The statutory disclosures as mandated under the Act and the SEBI Regulations 2021 are available on the Company's website URL: https://www.tatamotors.com/investors/ESOP/

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-1.**

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed 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 seperate 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 Members, excluding the aforesaid Annexure. The said Statement is also open for inspection by the Members through electronic mode. 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.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility Report (BRR) 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 URL: https://www.tatamotors.com/investors/annual-reports/

SAFETY & HEALTH – PERFORMANCE & INITIATIVES

Tata Motors has always held Safety and Health of its employees and stakeholders as a core part of it's business. In our endeavor to achieve safety culture, the Company undertook three initiatives in FY 2021-22, which helped in mitigating hazards and reducing risks. One of the initiatives was to identify Critical to Safety Stations ('CTS') across Company's plant locations, which resulted in having a focused approach towards stations having higher injury potential. In FY 2021-22, total 747 CTS stations were worked upon with risk mitigation as its main intent, leading to 39% lower incidents reported at CTS in FY 2021-22. Further, as an in-depth analysis to monitor safety issues across plants, 43 Safety Kaizens were carried out across locations with following parameters viz., Driving safety, PPE compliance, Material handling etc., and all 5 corporate sub-committees conducted elaborate exercise to identify gaps in safety management systems, resulting into a time bound plan.

The Company's safety performance was monitored and reviewed through ProActive Safety Index ('PSI2'). Focused training session on Root Cause Failure Analysis ('RCFA') to improve investigation quality, I-care to improve risk perception amongst employees, Felt Leadership to all managers, were amongst some of the other initiatives taken during FY 2021-22. Special Attention was given to impart training to new joinees to improve their risk perception. To motivate employees for their contribution towards Safety Excellence, Reward and Recognition program was initiated for Safety Observation and Incident Investigation by Sub-committee. Digital analytics is being leveraged for improved analysis and identifying area of focus.

In FY 2021-22, for Company's 7 Manufacturing Plants in India, Total Recordable Case Frequency Rate ('TRCFR') reduced by 31% to 0.97, against 1.39 reported in FY 2020-21. Lost Time Injury Frequency Rate ('LTIFR') in FY 2021-22 reduced by 12% to 0.23 compared to 0.26 in FY 2020-21. Measure of Proactive Safety performance, PSI2 was at 70% in FY 2021-22 compared to 79% in FY 2020-21, the lower performance resulted due to 3 fatalities in previous year.

The Company has robust governance mechanism for safety, health, environment and sustainability where reviews are undertaken at multiple levels. The Safety, Health and Sustainability (SHS) Committee of Board is an apex review body, which reviews performances once in 4 months, followed by Business Head led SHE Council which reviews every month. Further reviews at factory level are taken by Apex Committee, various Sub-committees for Safety Standards and then the Factory Implementation committees ('FIC'). Also, for Non-manufacturing areas, focused safety reviews happen at defined frequency at regional offices with Customer Service and Warehouse teams.

The beginning of previous year was marked by entry of Delta variant of Covid-19. With increased criticality of virus during second wave, our initiatives from beginning of pandemic were updated and strengthened. Initiatives were targeted not only at our employees and dependents, but also for society. Employees and dependents diagnosed with Covid-19 were supported for hospitalization, ambulance services, home care and convalescence. Constant tracking of well-being of these employees was ensured and Company's Doctors were available round the clock with a Hotline number to support with any Covid-19 related concerns. Testing and medication was made available at home and at priority for our employees through tie-ups with various health care companies. Covid-19 not only costed physical wellbeing but had a lasting impact on emotional wellbeing of many people. 'Employee Assistance Program' - a confidential, free of cost counselling service by qualified professional counsellors was launched in April 2020 by the Company. 301 employees and dependents availed counselling service through helpline in FY 2021-22. Online sessions on Emotional wellbeing were organized and 2,894 employees attended the sessions. Health stewards were appointed across plant locations to ensure Covid-19 precautions were followed diligently.

The Company's policies had been updated to help employees continue working while keeping themselves and their families safe. Work from Home, Travel, Medical benefits policy were amongst the policies which were updated to face the pandemic effectively.

The Company's hospital located at Jamshedpur has tied up with government administration for testing, vaccination and indoor hospitalization of local community. Dedicated Covid-19 treatment facilities with 85 Bed ICU facility and 80 Covid-19 beds with Oxygen facility were made available for Employees as well as local communities. During this period, 1,287 Covid-19 positive patients were admitted, out of which 45 required emergency surgeries. A total of 36,857 people suspected for Covid-19 were consulted and 12,500 Covid-19 tests were performed.

Vaccination was offered free of cost to employees, their eligible dependents and ~72,985 were benefitted. 76,964 surveillance tests were carried out for asymptomatic employees and candidates reporting for recruitment to curb the spread of Covid-19. In view of scarcity of blood during Covid-19, blood donation camps were organized and 7,689 units were collected.

Business continuity at manufacturing locations was ensured throughout year by stringent workplace norms to prevent infection, surveillance testing, 100% vaccination, zoning and staggered work timings.

ENERGY & ENVIRONMENT

The Company has always been conscious of the need to conserve energy in its manufacturing plants and to protect environment. Energy conservation is achieved through optimized consumption of power and fossil fuels and improvements in energy productivity through Energy Conservation (ENCON) projects, which contributes in reduction in operational costs and climate change mitigation through reduction in greenhouse gases. The Company is also signatory to RE100 - a collaborative, global initiative of influential businesses committed to 100% renewable electricity and is working towards increasing the amount of renewable energy generated in-house and procured from off-site sources.

In FY 2021-22 the said ENCON efforts contributed to energy savings of 59,766 GJ, avoided emission of 9,664 tCO_2e and cost savings of ₹9.38 crore to the Company. In FY 2021-22, the Company generated / sourced 92.39 million kWh of renewable electricity for its manufacturing operations, which amounts to 19.4% of the total power consumption as compared to 20% in FY 2020-21 and also contributed in avoidance of emission of 72,992 tCO_2e and financial saving of ₹27.37 crore. The Company generates renewable energy (RE) in-house through rooftop solar PV (photovoltaic), off-site captive wind farms and through procurement of off-site wind and solar power through “Power Purchase Agreements” (PPA’s). In FY 2021-22, the Company enhanced its in-house Roof-top Solar PV installation at Pune (total of 14.94 MWp), Jamshedpur (total of 6.3 MWp) and Pantnagar (total of 6 MWp).

In FY 2021-22, The Company conserved a total of 9.24 lakh m^3 of water through recycling effluent and rainwater harvesting, which is 19% of total water consumption as compared to 29% in FY 2020-21. In FY 2021-22, the Company sustained its efforts across Plants to divert hazardous waste from landfill / incineration and derive value from the same. Several Plants divert hazardous wastes for energy recovery through co-processing at cement Plants. The Company will continue this initiative to ultimately achieve ‘Zero Waste to Landfill’ status for all its manufacturing operations.

CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies (CSR Policy) Rules, 2014 are set out in **Annexure - 2** of this Report. The Policy is available on Company’s website at URL: https://investors.tatamotors.com/pdf/csr-policy.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read along with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure - 3.**

ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2021-22 is available on Company’s website at URL: https://www.tatamotors.com/investors/annual-reports/

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment / Re-appointment

As reported in the previous year, Mr Kosaraju V Chowdary (DIN: 08485334) was appointed as an Additional and Non-Executive Independent Director on the Board of the Company with effect from October 27, 2020 and Mr Thierry Bolloré (DIN: 08935293) and Mr Mitsuhiko Yamashita (DIN: 08871753) were appointed as an Additional and Non-Executive (Non Independent) Directors on the Board w.e.f October 27, 2020, liable to retire by rotation. Their appointment was approved by the Members at the 76th AGM held on July 30, 2021.

Also in the previous year, Mr Guenter Butschek’s (DIN: 07427375) term as Chief Executive Officer ('CEO') and Managing Director ('MD') of the Company was extended from February 15, 2021 to June 30, 2021 and Mr Girish Wagh (DIN: 03119361) was appointed as an Executive Director of the Company for a the period of 5 (five) years, i.e., from July 1, 2021 to June 30, 2026.

The Members at the AGM held on July 30, 2021 had approved the aforesaid appointment/re-appointment and payment of minimum remuneration in case of inadequacy of profit or no profit in any financial year.

At the forthcoming AGM approval of the Members will be sought to the following appointment:

- Mr Al-Noor Ramji (DIN: 00230865) as an Additional and Non-Executive (Independent) Director of the Company, not liable to retire by rotation, for a tenure of 5 (five) years w.e.f May 1, 2022, subject to approval of Members at this AGM. He shall hold office as an Additional Director upto the date of this AGM and is eligible for appointment as a Director.
- Mr Om Prakash Bhatt (DIN: 00548091) as a Non-Executive (Independent) Director of the Company, not liable to retire by rotation, for the second term i.e. from May 9, 2022 to March 7, 2026. He shall hold office as an Additional Director upto the date of this AGM and is eligible for appointment as a Director.
- Ms Hanne Sorensen (DIN: 08035439) as a Non-Executive (Independent) Director of the Company, not liable to retire by rotation, to hold office for the second term of 5 (five) years, i.e. from January 3, 2023 to January 2, 2028, subject to approval of Members at this AGM.

In accordance with provisions of the Act and the Articles of Association of the Company, Mr Mitsuhiko Yamashita, (DIN: 08871753), Non-Executive (Non-Independent) Director retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards on General Meeting ('SS-2') are given in the Notice of this AGM, forming part of the Annual Report.

Independent Directors

In terms of Section 149 of the Act and SEBI Listing Regulations, Mr Om Prakash Bhatt, Ms Hanne Sorensen, Ms Vedika Bhandarkar, Mr Kosaraju Chowdary and Mr Al-Noor Ramji are the Independent Directors of the Company as on date of this report.

All Independent Directors of the Company have given 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 alongwith Rules framed thereunder, Regulation 16(1)(b) of SEBI Listing Regulations and have complied with the Code of Conduct of the Company as applicable to the Board of directors and Senior Managers. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Company has received confirmation from all the Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

Key Managerial Personnel

In terms of Section 203 of the Act, the Key Managerial Personnel ('KMPs') of the Company during FY 2021-22 are:

- Mr Guenter Butschek, (DIN:07427375) CEO and MD (upto June 30, 2021)
- Mr Girish Wagh, Executive Director (with effect from July 1, 2021)
- Mr Pathamadai Balachandran Balaji, Group Chief Financial Officer
- Mr Hoshang K Sethna, Company Secretary (upto August 31, 2021)
- Mr Maloy Kumar Gupta, Company Secretary (with effect from September 1, 2021)

The Board places on record its appreciation for Mr Butschek and Mr Sethna for their invaluable contribution and guidance provided to the Company during their tenure.

CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the SEBI Listing Regulations, Report on Corporate Governance alongwith the certificate from a Practicing Company Secretary certifying compliance with conditions of Corporate Governance, is annexed to this Annual Report.

MEETINGS OF THE BOARD

During the year, the Board of Directors met 8 times, i.e., on May 18, 2021; June 23, 2021; July 26, 2021; September 15, 2021; October 12, 2021; November 1, 2021; January 31, 2022 and March 7, 2022. For details, please refer to the Report on Corporate Governance, which forms a part of this Annual Report.

COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Safety, Health and Sustainability Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Annual Report. Further, during the year under review, all recommendations made by the various committees have been accepted by the Board.

BOARD EVALUATION

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provisions of the Act and the SEBI Listing Regulations.

The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The Chairman of the Board had one-on-one meetings with the Independent directors and the Chairman of NRC had one-on-one meetings with the Executive and Non-Executive, Non-Independent directors. These Meetings were intended to obtain Directors' inputs on effectiveness of the Board/Committee processes.

The Board and the NRC reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent directors, performance of Non-Independent Directors and the Board as a whole was evaluated. Additionally, they also evaluated the Chairman of the Board, taking into account the views of Executive and Non-executive Directors in the aforesaid meeting. The Board also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The above evaluations were then discussed in the Board meeting and performance evaluation of Independent directors was done by the entire Board, excluding the Independent Director being evaluated.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Refer para on Familarisation Programme in the Report on Corporate Governance for additional details.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's Policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been briefly disclosed hereunder and in the Report on Corporate Governance, which is part of this Annual Report.

Selection and procedure for nomination and appointment of Directors

The NRC is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a director's appointment or re- appointment is required. The NRC reviews and vets the profiles of potential candidates *vis-à-vis* the required competencies, undertakes due diligence and meeting potential candidates, prior to making recommendations of their nomination to the Board.

Criteria for determining qualifications, positive attributes and independence of a Director

In terms of the provisions of Section 178(3) of the Act, and Regulation 19 of the SEBI Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- Positive Attributes - Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.
- Independence - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Directors affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the Remuneration Policy of the Company.

The said policy is also available on the Company's website URL: https:// investors.tatamotors.com/pdf/directors-appointment-remuneration.pdf

VIGIL MECHANISM

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Tata Code of Conduct ('TCoC'), any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the TCoC cannot be undermined.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. No person has been denied access to the Chairperson of the Audit Committee. In addition to the above, the employee also has an option to approach the Chief Ethics Counsellor ('CEC').

Details of the Vigil Mechanism and Whistle Blower Policy is available on the Company's website at URL: https://investors.tatamotors.com/pdf/whistle-blower-policy.pdf

AUDIT

Statutory Audit

M/s B S R & Co. LLP, (BSR) Chartered Accountants (ICAI Firm No. 101248W/ W–100022), were appointed as the Statutory Auditors of the Company for a tenure of 5 (five) years, to hold office from the conclusion of the 72nd AGM held on August 22, 2017 until the conclusion of the ensuing AGM. BSR's tenure of 5 (five) years as Statutory Auditors concludes at this ensuing AGM.

The Company has received confirmation from the Statutory Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Act and the firm satisfies the criteria specified in Section 141 of the Act read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company on the recommendation of the Audit Committee has re-appointed BSR as the Statutory Auditors of the Company pursuant to Section 139 of the Act for a second term 5 (five) years to hold office from the conclusion of the ensuing AGM till the conclusion of 82nd AGM of the Company to be held in the year 2027, subject to approval by the Members at the ensuing AGM.

The Board recommends to seek consent of its Members at the ensuing AGM on re-appointment of BSR as Statutory Auditors for tenure of 5 (five) years, to examine and audit the accounts of the Company during the said period.

The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers, which would be required to be dealt with in the Boards' Report.

Branch Audit

The resolution authorizing the Board of Directors to appoint Branch Auditors for the purpose of auditing the accounts maintained at the Branch offices of the Company abroad is being placed for approval of the Members in the Notice for this AGM.

Secretarial Audit

Pursuant to Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Parikh & Associates, (Registration No. P1988MH009800), a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for year ended March 31, 2022. The Report of the Secretarial Audit is annexed herewith as **Annexure - 4**. The said Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks and disclaimer.

Cost Audit

As per Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant. The Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the appointment of M/s Mani & Co., a firm of Cost Accountants in Practice (Registration No.000004) as the Cost Auditors of the Company to conduct cost audits for relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the year ending March 31, 2023. The records of the activities under Cost Audit is no longer prescribed for 'Motor Vehicles but applicable to certain parts and accessories thereof'. However, based on the recommendations of the Audit Committee, the Board has also approved the appointment of M/s Mani & Co. for submission of reports to the Company on cost records pertaining to these activities for the current financial year.

Further, pursuant to Scheme of Arrangement sanctioned by the NCLT, the Passenger Vehicle Undertaking of the Company has been transferred to TMPVL (subsidiary company), as a going concern, on a slump sale basis, w.e.f. January 1, 2022. Consequent to said transfer, the scope of cost audit has been reduced. Hence, the Board of Directors based on the recommendation of the Audit Committee , has approved reduced remuneration of ₹ 18,50,000 plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Cost Auditors for conducting cost audit of the Company for FY 2022-23. The resolution approving the above proposal is being placed for approval of the Members in the Notice of this AGM.

M/s Mani & Co. have, under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility and consent for appointment.

The cost accounts and records of the Company are duly prepared and maintained as required under Section 148(1) of Act.

OTHER DISCLOSURES

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during FY 2021-22 with related parties were on an arm's length basis and in the ordinary course of business. There were no material Related Party Transactions (RPTs) undertaken by the Company during the year that require Shareholders' approval under Regulation 23(4) of the SEBI Listing Regulations or Section 188 of the Act. The approval of the Audit Committee was sought for all RPTs. Certain transactions which were repetitive in nature were approved through omnibus route. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

Given that the Company does not have any RPTs to report pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2, the same is not provided. The details of RPTs during FY 2021-22, including transaction with 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 FY 2021-22, 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.

The Company formulated a policy on Related Party Transactions (RPTs) in accordance with the Act and the SEBI Listing Regulations including any amendments thereto for identifying, reviewing approving and monitoring of RPTs. The said policy has been revised in line with the amendment in SEBI Listing Regulations and the same is available on the Company's website URL: https:// investors.tatamotors.com/pdf/rpt-policy.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As per Section 186, the details of Loans, Guarantees or Investments made during FY 2021-22 are given below:

(₹ in crore)

Name of Companies	Nature of Transactions	Loans	Investments
TML CV Mobility Solutions Ltd.	Equity infusion		0.05
Tata Hispano Carrocera	Loan	4.04	-
Tata Motors European Technical Centre (TMETC)	Loan	51.74	-
Tata Hispano Carrocera	Equity investment	-	43.60
Tata Hispano Maghreb	Equity investment	-	8.13
Tata Marcopolo Motors Ltd.	Equity Infusion	-	75.00
Tata Motors Passenger Vehicles Ltd.	Equity shares received pursuant to Scheme of Demerger	-	9,417.00*
Tata Passenger Electric Mobility Ltd.	Equity investment	-	700.00

* Equity shares received in consideration for Transfer of the PV Undertaking of the Company as a going concern, on a slump sale basis as defined under Section 2(42C) of the Income-tax Act, 1961.

Note: Outstanding Loan as at March 31, 2021 and given during the year to subsidiaries were converted into investment of ₹92.32 crore in TMETC and ₹13.54 crore in Trilix srl.

During FY 2021-22, the Company has not given guarantee to any of its subsidiaries, joint ventures, associates companies and other body corporates and persons.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public during the year under review, and as such, no amount of principal or interest on deposits from public was outstanding as on the date of the balance sheet, except for unclaimed and unpaid deposits pertaining to previous years.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost, secretarial auditors and external agencies, including audit of internal controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021-22.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

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

c) 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;

d) they have prepared the annual accounts on a going concern basis;

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

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

Refer para on Internal Control Systems and their Adequacy of MD&A for additional details.

SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

INVESTOR EDUCATION AND PROTECTION FUND

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

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation. However, Members attention is drawn to the Statement on contingent liabilities and commitments in the notes forming part of the Financial Statements.

- No fraud has been reported by the Auditors to the Audit Committee or the Board.

- There has been no change in the nature of business of the Company.

ACKNOWLEDGEMENTS

The Directors regret the loss of life due to Covid -19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight the pandemic. The Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. The Directors would also like to thank the shareholders, employee unions, customers, dealers, suppliers, bankers, governments and all other business associates for their continuous support to the Company and their confidence in its management.

On behalf of the Board of Directors

N CHANDRASEKARAN
Chairman
DIN: 00121863
Mumbai, May 12, 2022

ANNEXURE – 1

Details of Remuneration of Directors, KMPs and Employees and comparatives

[Pursuant to Section 197(12) 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 2021-22:

Sr No.	Names	Designation	Ratio of remuneration to median remuneration@	% increase in the remuneration
I	Non-Executive Directors			
1	Mr N Chandrasekaran(1)	Chairman- Non Executive Director	-	-
2	Mr Om Prakash Bhatt	Independent Director	6.85	3.61
3	Ms Hanne Sorenson	Independent Director	6.44	5.69
4	Ms Vedika Bhandarkar	Independent Director	6.66	5.86
5	Mr Kosaraju Veerayya Chowdary(2)	Independent Director	5.99	*
6	Mr Mitsuhiko Yamashita (3)	Non-Executive & Non-Independent Director	5.92	*
7	Mr Thierry Bolloré(4)	Non-Executive & Non-Independent Director	-	-
II	Executive Directors			
8	Mr Guenter Butschek (5)	CEO and Managing Director	*	*
9	Mr Girish Wagh (6)	Executive Director	*	*
III	Key Managerial Personnel			
1	Mr P B Balaji	Chief Financial Officer	N.A	36.02**
2	Mr Maloy Kumar Gupta (7)	Company Secretary	N.A	*
3	Mr Hoshang Sethna (8)	Company Secretary	N.A	*

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

** Previous year remuneration excludes performance inventive which was voluntarily not accepted by Mr P B Balaji due to Covid-19 pandemic.

@ includes commission which is payable on obtaining shareholder's approval, being sought at the ensuing AGM.

Notes:

1) As a policy, Mr N Chandrasekaran, Chairman, has abstained from receiving commission from the Company and hence not stated.
2) Appointed as an Independent Director of the Company with effect from October 27, 2020.
3) Appointed as an Independent Director of the Company with effect from September 16, 2020, but underwent change in designation to Non Independent Non-Executive Director with effect from October 27, 2020.
4) Appointed as a Non-Executive & Non-Independent Director of the Company with effect from October 27, 2020. Mr Bolloré is not paid any remuneration or sitting fees for attending Board and Committee meetings of the Company in view of his role as Chief Executive Officer and Director of Jaguar Land Rover Automotive Plc.
5) Ceased to be a CEO and Managing Director of the Company with effect from June 30, 2021.
6) Appointed as an Executive Director of the Company with effect from July 1, 2021.
7) Appointed as Company Secretary with effect from Septermber 1, 2021.
8) Ceased to be Company Secretary with effect from August 31, 2021.

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

Employee Group	Median Remuneration (₹ in lakh)	Increase in the median remuneration (%)
White Collar	14.01	16.82
Blue Collar	7.99	6.23

The Median Remuneration of employees for the FY2021-22 is ₹ 9.22 lakh

2. The number of permanent employees on the rolls of Company as at March 31, 2022: 25,585

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

Employee group	**Average percentage increase / (decrease) in salaries for Fiscal FY 2021-22 (in %)**
All permanent (Blue Collar and White Collar)	10.10
White Collar	13.69
Blue collar	7.07
Executive Directors / Managerial Remuneration	
Mr Guenter Butschek	*
Mr Girish Wagh	*

* Since the remuneration to said Directors was paid only for the part of the previous year, the average percentage increase/decrease in salaries for FY 2022 is not comparable.

Note:

Salaries for blue collar includes only total fixed pay (as they are not given any performance linked bonus but have plant-wise wage revision at a set frequency). The annual variable/performance pay and the salary increment of managers is linked to the Company's performance in general and their individual performance for the relevant year is measured against major performance areas which are closely aligned to Company's objectives. The remuneration for white collar does not include Long Term Incentives.

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

The remuneration for MD/ED/KMP/rest of the employees is as per the remuneration policy of the Company.

On behalf of the Board of Directors

N CHANDRASEKARAN
Chairman
DIN: 00121863
Mumbai, May 12, 2022

ANNEXURE - 2

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline of the Company's CSR policy:

1. Overview:

(i) **Outline of CSR Policy:** As an integral part of our commitment to good corporate citizenship, we at Tata Motors believe in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long-term stakeholder value creation, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized; focused on *inter alia* the Scheduled Castes and Scheduled Tribes, and the society at large. In order to leverage the demographic dividend of our country, the Company's CSR efforts shall focus on Health, Education, Environment and Employability interventions for relevant target groups, ensuring diversity and giving preference to needy and deserving communities inhabiting rural and urban India. CSR at Tata Motors shall be underpinned by 'More from Less for More People' philosophy which implies striving to achieve greater impacts, outcomes and outputs of our CSR projects and programmes by judicious investment and utilization of financial and human resources, engaging in like-minded stakeholder partnerships for higher outreach benefitting more lives.

Weblink for Tata Motors India CSR Policy: https://investors.tatamotors.com/pdf/csr-policy.pdf

(ii) **CSR Projects:** All the CSR projects are undertaken under four major thrust areas and the Rural Development space termed as Integrated Village development Initiative, these are namely; 1. Aarogya (Health): Addressing child malnutrition; health awareness for females; preventive & curative health services and institutional strengthening, drinking water projects; 2. Vidyadhanam (Education): Scholarships; Special coaching classes for secondary school students; IIT-JEE & competitive exams coaching, school infrastructure improvement; co-curricular activities; financial aid to engg. students, 3. Kaushalya (Employability): Divers training – novice and refresher; ITI partnership & allied-auto trades; Motor Mechanic Vehicle (MMV); Training in retail, hospitality, white goods repair, agriculture & allied trades; 4. Vasundhara (Environment): Tree plantation, environmental awareness for school students. 5: Rural Development such as Integrated Village Development Programme (IVDP) in Gujarat and Maharashtra. In the year 2021-22, a total of 7.9 Lakh beneficiaries were covered through CSR programmes.

2. Composition of CSR Committee:

Sr. No.	Name of Directors	Designation / (Nature of Directorship)	Number of meetings of CSR Committee held during the year *	
			Held	attended
1	Mr. Om Prakash Bhatt	Chairman (Non-Executive Independent Director)	3	3
2	Ms. Vedika Bhandarkar	Member (Non-Executive Independent Director)	3	3
3	Mr. K V Chowdary	Member (Non-Executive Independent Director)	3	3
4	Mr. Girish Wagh (appointed w.e.f July 1, 2021)	Member (Executive Director)	2	2
5	Mr. Guenter Butschek (ceased w.e.f June 30, 2021)	Member (CEO & Managing Director)	1	1

* entitled to attend CSR committee meeting held during the year

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Weblink for Tata Motors India CSR Policy: https://investors.tatamotors.com/pdf/csr-policy.pdf

Weblink for Tata Motors CSR Projects: https://www.tatamotors.com/corporate-social-responsibility/#programmes

Weblink for CSR Board Committee: https://www.tatamotors.com/about-us/leadership/

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2104, if applicable:

Not applicable to the Company, since the Company did not meet the criteria specified under Section 135(5) of the Companies Act, 2013.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
NA			

6. Average Net Profit of the Company as per Section 135(5): ₹ (2,542 crore)

7. (a) Two percent of average net profit of the company as per section 135(5): Not applicable in view of loss

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not applicable in view of loss.

   (c) Amount required to be set off for the financial year, if any: Not Applicable

   (d) Total CSR obligation for the financial year (7a+7b+7c): Nil

8. **(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
₹ 23.70 crore	NA				

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

1	2	3	4	5	6	7	8	9	10	11	12	13
Sr. no.	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration. (in years)	Amount allocated for the project (in ₹ crore.).	Amount spent in the current financial Year (in ₹ crore.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
NA												

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

1	2	3	4	5	6	7	8	9	10	11	12	13
Sr. no.	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration. (in years)	Amount allocated for the project (in ₹ Crore.).	Amount spent in the current financial Year (in ₹ Crore.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Crore).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	Registration number
				State	District						Name	
1	Skill Development and vocational skills in Automotive and Non-Automotive Sector	Employability Enhancing Skill Development	yes	Andhra Pradesh Chhattisgarh Goa – Gujarat - Jharkand - Karnataka - Kerala - Maharashtra Meghalaya - Orrisa - Punjab - Tamil Nadu - Uttarakhand- Uttar Pradesh - West Bengal	Vishakapatnam, Vizianagaram Champa Goa Ahmedabad, Vadodara East Singhbum Bengaluru, Bijapur, Dharwad, Hassan, Honnavar, Mangalore Ernakulam, Kannur, Kottayam, Thrissur, Thiruvananthapuram Mumbai, Nashik, Pune, Palghar, Thane Shillong, West Jaintia Hills, West Khasi Hills Balasore, Mayurbhanj Jalandher Dindugal, Erode, Karur, Kumbakonam, Madurai, Thiruvallur, Nagapattinam, Thiruvannamalai, Tiruchirapalli, Villuppuram Udham Singh Nagar Barbanki, Lucknow Asansol, Bankura, Kolkata, Purba Medinipur	1 yr	3.44	3.44	NA	NO	MITCON Foundation	CSR00001242
											Agnel Institute of Technical Training & Entrepreneurship Development	CSR00003513
											Yashaswi academy for skills	CSR00000192
											Y4D Foundation	CSR00000374
											Shashwat Trust Junnar	CSR00003294
											PRATHAM EDUCATION FOUNDATION	CSR00000258
											Skills for Progress	CSR00006979
											Ramkrishna Mission	CSR00006101
											Canara Bank Deshpande Rural Self Employment Training Institute	CSR00010246
											Sankalpa Rural Development Society	CSR00005657
											Vikas Samities	CSR00016403
											Sanand Education Trust	CSR00008524
											Islamic Study Centre	CSR00008789
											PARYAVARAN EVAM JAN KALYAN SAMITI	CSR00020683

1	2	3	4	5	6	7	8	9	10	11	12	13
Sr. no.	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration. (in years)	Amount allocated for the project (in ₹ Crore.).	Amount spent in the current financial Year (in ₹ Crore.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Crore).	Mode of Implementa tion - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	Registration number
				State	District						Name	
2	Promoting primary and secondary education in Rural and Socially/ Economically Backward communities	Promoting Education		Bihar - Delhi- Gujarat - Jharkand - Karnataka - Maharashtra Puducherry; Uttarakhand Uttar Pradesh – Pan India- Jawahar Navodaya Vidyalaya (JNV) Schools	Patna New Delhi, Noida Ahmedabad, Gandhinagar East Singhbum Dharwad Mumbai, Kolhapur, Palgarh, Pune, Sindhudurg, Thane Nainital, Udham Singh Nagar Barbanki, Lucknow	1 yr	8.49	8.49	NA	NO	College of Engineering ,Pune Suprabhat Mahila Mandal 'Swa'-Roopwardhinee Moinee Foundation Sevasahyog Foundation YOJAK Ex Navodayan Foundation Avanti Fellows Indian Institute of Technology - Gandhinagar Tata Institute of Social Sciences Swami Vivekananda Youth Movement Shiksha Prasar Kendra The Good Human Being Foundation Ganatar	CSR00003085 CSR00001592 CSR00002033 CSR00000043 CSR00000756 CSR00004499 CSR00000744 CSR00000837 CSR00012226 CSR00003475 CSR00002215 CSR00014723 CSR00013590 CSR00007964
3	Preventive and curative health services in Communities	Eradicating Hunger, Promoting preventive healthcare, Malnutrition, sanitation and safe drinking water		Bihar - Gujarat - Jharkand - Karnataka - Maharashtra Uttarakhand Uttar Pradesh -	Saran Ahmedabad East Singhbum Dharwad Mumbai, Palghar, Pune, Thane Udham Singh Nagar Barbanki, Lucknow	1yr	4.59	4.59	NA	NO	Sneh Foundation Snehdeep Janklyan Foundation Yugrishi Shriram Sharma Acharya Charitable Trust NIRAMAYA HEALTH FOUNDATION LTH Silver Jubilee Research Foundation Family Planning Association of India Parivar Kalyan Sansthan Nav Jagrat Manav Samaj Namaste Life Sumant Moolgaokar Development Foundation Institute of Social Development	CSR00002375 CSR00003437 CSR00000858 CSR00000186 CSR00008795 CSR00002424 CSR00014716 CSR00012716 CSR00007943 CSR00006722 CSR00006539
4	Ensuring environmental sustainability through awareness and protection of natural habitats	Ensuring environmental sustainability		Gujarat - Jharkand - Karnataka Maharashtra Uttarakhand	Ahmedabad East Singhbum Dharwad All district Udham Singh nagar	1yr	1.23	1.23	NA	no	Terre Policy Center Wildlife research and Conservation Society Gram Vikas Kendra Astittva welfare foundation Manav Seva Education & Charitable Trust	CAR00001446 CAR00004158 CSR00014729 CSR00006147 CSR00005326
5	Rural Development	Rural development projects		Maharashtra Gujarat	Palghar Bavla- Ahemadabad	1 yr	2.49	2.49	NA	no	BAIF INSTITUTE FOR SUSTAINABLE LIVELIHOODS AND DEVELOPMENT Dharti Charitable Trust	CSR00000259 CSR00007331
6	COVID relief activities	Item no (i) and (xii)- promoting health care including preventive health care, eradicating hunger, poverty and malnutrition,Sanitation, making available safe drinking water and disaster Managemen		Gujarat Maharastra Jharkhand Uttar Pradesh Uttarakhand Karnataka	Surendra Nagar, Ahemadabad Pune, Satara East Signbhum Lucknow, Barabanki Uddham Singh nagar Dharwad	1 yr	3.15	3.15	NA	No	Sumant Moolgaokar Development Foundation-	CSR00006722

(d) Amount spent in Administrative Overheads: ₹0.31 crore

(e) Amount spent on Impact Assessment, if applicable - NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): (0+23.39+0.31+0) = ₹23.70 crore

(g) Excess amount set off, if any:

Sr. no.	Particular	Amount (₹ in crore)
(i)	Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013	NA
(ii)	Total amount spent for the Financial Year	23.70
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(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)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial year(s):

Sr.no.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
				N.A			

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sr.no.	Project ID	Name of the Project	Financial Year in which the project was Commenced	Project Duration.	Total amount allocated for the Project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
					Nil			

All our projects are for one year timeline i.e. relevant for that particular year.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created o\r acquired through CSR spent in the financial year (asset-wise details).

    (a) Date of creation or acquisition of the capital asset(s) : Nil

    (b) Amount of CSR spent for creation or acquisition of capital asset : Nil

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : NA

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : There was no creation or acquisition of capital assets through CSR spent in FY 2021-22.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) of the Companies Act, 2013 - NA

Mumbai, May 12, 2022

Girish Wagh
Executive Director
DIN: 03119361

Om Prakash Bhatt
Chairman - CSR Committee
DIN: 00548091

ANNEXURE - 3

Particulars of Conservation of energy, Technology absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

The Company has always been conscious of the need to conserve energy in its Manufacturing Plants which leads to optimized consumption of non-renewable fossil fuels, energy productivity, climate change mitigation and reduction in operational costs. The Company is also signatory to RE100 - a collaborative, global initiative of influential businesses committed to 100% renewable electricity, and is working to increase the amount of renewable energy generated in-house and procured from off-site sources.

(i) The steps taken or impact on conservation of energy:

Energy Conservation (ENCON) projects have been implemented at all Plants and Offices of the Company in a planned and budgeted manner. In FY2021-22, all Plants achieved significant reduction in fixed energy consumption on non-working days by administrative and process controls. Some of the major ENCON Projects in FY2021-22 includes:

- Jamshedpur Plant: Cycle time improvement of process in paint shop, Substitution of washing process in axle factory, LED migration projects.
- Pimpri Plant: HVLS fans on shop floor, High-bay LED installation, Fuel saving by process temperature optimization, Optimization of non-working day consumption, Idle run optimization of buffer conveyors in paint shop.
- Chinchwad Plant: Provision of magnetic resonator for burner, Provision of local water cooling system in aluminium foundry, VFD installation in fresh air blower motor.
- Maval Foundry: Yield improvement for items by double or multiple cavities, Water pump level controller interlocking, Optimization of compressed air pressure during non-production shifts.
- Lucknow Plant: LED migration projects, Switching off no-load transformer in paint shop, Heating system for paint circulation to maintain the temperature within required range in paint shop.
- Pantnagar Plant: Conversion of 2 coat painting to mono-coat painting for specific models, Engine testing time reduction in test beds.
- Dharwad Plant: Cycle time improvement by removing unused skids in the line, Sustenance of high mast consumption at specific threshold, LED migration projects.
- Chikhali Plant: LED migration projects, Reduction in compressed air requirements, Installation of HVLS fans.
- Sanand Plant: Fuel saving in paint shop, Optimization of non-working day consumption LED migration projects, VFD implementation, Reduction in compressed air requirements.

These ENCON efforts in FY2021-22 have resulted into - energy savings of 59,766 GJ (37,944 GJ from power + 21,822 GJ from fuel), avoided emission of 9,664 tCO_2e and cost savings of ₹ 938 lakh.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

The Company continued to add on-site Renewable Energy (solar) generation capacity in FY 2021-22, which brings the total installed capacity to:

- 14.94 MWp Roof-top Solar PV installation at Pune (Pimpri, Chinchwad & Chikhali);
- 4.07 MWp Roof-top Solar PV installation at Lucknow;
- 6.3 MWp Roof-top Solar PV at Jamshedpur;
- 6 MWp Solar PV installation at Pantnagar;
- 1 MWp Solar PV installation at Dharwad;
- 2 MWp Roof-top Solar PV installation at Sanand

The Company also sources off-site renewable energy at its Pune, Sanand and Dharwad and Pantanagar Works through Power Purchase Agreements (PPA) with Third Party Wind & Solar Power Generators off-site captive wind farm and Green Energy purchase from exchange and Discom. The Company plans to continue to source off-site renewable power in line with regulatory policies / frameworks and tariffs in the States where the Company operates. These efforts will continue to help offset greenhouse gas emissions in the coming years.

In FY 2021-22, the Company generated / sourced 92.39 million kWh of renewable electricity for its manufacturing operations which is 19.4% of the total power consumption. This contributed to avoidance of 72,992 tCO_2e and financial saving of ₹ 27.37 crore.

(iii) The capital investment on energy conservation equipment:

In FY 2021-22, the Company has invested ₹ 3.65 crore in various energy conservation projects.

Awards / Recognition received during the year is as below:

1. CV Pune and Pantnagar won the "National Energy Leader" and "Excellent Energy Efficient Unit" at the CII National Award for Excellence in Energy Management 2021.

2. Jamshedpur, PV Pune, Sanand and Dharwad was recognized as "Excellent Energy Efficient Unit" award at the CII National Award for Excellence in Energy Management 2021.

3. Lucknow was recognized as "Energy Efficient Unit" award at the CII National Award for Excellence in Energy Management 2021.

4. Lucknow won the "2nd Prize" at the Uttar Pradesh State Energy Conservation Award 2021.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

In FY 2021- 22, the Company Prioritized its efforts towards green mobility and today is one of the frontrunners in the industry. The Company is working on battery electric and hydrogen fuel cell technologies for application on Passenger and Commercial Vehicles.

In addition to the proactive measures in meeting the regulatory regime of the country, the Company has also been actively pursuing enhancements in fuel efficiency; leading to reduction in carbon footprint through various powertrain as well as vehicle level technology interventions.

Initiatives to develop energy efficient technologies to reduce carbon footprint are one step towards a sustainable future. The Company has taken several strides towards this goal by progressively increasing the proportion of renewable energy used in our operations. The Company intends to source renewable power with more rigor and as best possible to fulfil our aspiration of sourcing 100% renewable electricity for operations by 2030.

With an eye on Net Zero, the Company is investing in resources to develop hydrogen fuel cell vehicles which reaffirms the commitment towards sustainable future. Hydrogen being one of the ultimate "clean" fuel is an extremely attractive alternative to conventional fossil fuels.

The Company focused on BS VI Phase II (RDE) implementation to enhance and upgrade the entire product portfolio with technologies and features to delight our customers by setting new benchmarks for performance, operating efficiency, comfort and safety. Throughout FY2021-22, the Company continued its focus on extending BS VI engine offerings with CNG, CNG + Gasoline (Bi-fuel) and development efforts with LNG and Bio-diesel formulations.

With a view to augment its successful Connected Vehicle Platform through applications iRA/Zconnect connectivity and Fleet Edge applications, the Company has also been experimenting with 5G network to ensure launch of more applications ensuring cyber security. The new features of related to CVP 2 address the needs of customers in the areas of Safety/Security/Comfort/Convenience.

The Company continued to deliver variants of BS VI products across all segments covering diesel, gasoline and CNG fuels as per market requirements. The BS VI has resulted in reducing tail pipe emissions by 25% to 90% depending upon type of pollutant and category of vehicle viz. vehicle below or above 3500 kg fueled by gasoline, diesel or CNG. In addition, several features driven by integration of engine hardware and software have been added aiming to improve fuel economy, lower cost of ownership and the carbon footprint of conventional powertrains.

The Company recently launched Tata 'PUNCH', the no-compromise SUV offering an exciting mix of tough utility with sporting dynamics. It is bold, young, modern yet robust, compact yet practical, tough yet playful and exudes true expression of confidence and individuality. Tata Punch, also is India's first sub-compact SUV has become the latest recipient of the 5-star rating for adult occupant protection and 4-star rating for child occupant protection from Global NCAP.

The Company also launched the advanced iCNG technology through its popular brands – Tiago and Tigor. It also, introduced the Tigor EV, which is the only EV in the country with a GNCAP 4-star rating for both adult and child safety. In addition, the Company launched - First electric sedan under XPRES brand – the XPRES-T EV, exclusively for fleet customers. The XPRES-T EV has an optimal battery size, captive fast charging solution, to ensure outstanding low cost of ownership, safety and passenger comfort, making it a comprehensive and attractive proposition for fleet owners and operators.

In Commercial Vehicles business, the Company rolled out many new products and variants to tap into different segments in the truck and bus market. The Company launched an all-new variant of its most popular small Commercial Vehicle, the Ace Gold Petrol CX. It was followed by launch of CNG variant of most iconic commercial vehicle— the Tata 407. All-new 407 CNG will further strengthen the Company's extensive CNG portfolio, ranging from 5-tonne to 16-tonne gross vehicle weight in the I&LCV segment. Rear Engine Power Take off based Ready Mix Concrete mixer was also developed to reduce CO_2 content and economy of operation. Bus variant LPO 1622 MGNA have been certified with Direct Drive gear box to improve Fuel economy.

The Company also demonstrated its rigor in addressing the global semiconductor shortage issue by channelizing the right engineering interventions to mitigate the crisis and ensuring sustainability of business.

(i) Efforts made towards innovation, technology development, absorption and adaptation

– In order to foster innovation, the Company has robust programs in place to encourage innovation at work place. For over a decade, the Company has been running annual Imagineering & Innovista competitions internally to encourage individuals and teams to showcase their agility, prowess and innovative mind-set towards solving problems, enhancing efficiencies and delighting customers.

– Continuous and increased focus for various measures to reduce overall cost of ownership for the customer by introducing various features on powertrain which results in fuel efficiency improvements across engine platforms through parasitic loss reduction, electrification of accessories and light weighting of engine aggregates. Deployment of artificial intelligence in Real Driving Emission validation of vehicles to reduce development time through in-house TATA Neuron project.

– New Technology Conceptualization and Demonstration initiatives for encouraging practically implementable technologies leading to value addition and being classified as first-in-world and/or first-in-India categories. Encouraged innovation through development of proof of concept and evaluation projects through "Dare to Try" approach. Successful projects would be pursued through Technology Creation and Development System ('TCDS'). A total of over 100 New Technology Projects were under development for FY2021-22 through TCDS governance process and completed the gateway deliverables.

– New initiative have been taken to bring real-time vehicle and environmental data to analyze, learn and evolve vehicle features just as apps on today's smartphones, reusing open frameworks. This will serve the Company to own the software and also engage with technology players, Start-ups and semiconductor companies as eco-system partners.

– To bring in situational awareness, the Company is strengthening research skill sets that shall broaden the understanding of the competitive intelligence and technology landscape. voice of customer, voice of market / competition, voice of quality and future brand needs are driven through business problem statements for technology solutions based on digital platform. Global and local trends are scanned using syndicated reports, research papers and through benchmarking solutions, majorly focusing on the latest trends in HMI, artificial Intelligence, passenger wellness, next generation connectivity disruptions (5G) and safety.

IPR Generation

On the IPR front, during Fiscal 2022, we filed 125 patent applications and 9 design applications. With respect to applications filed in previous years, 56 patents were granted and 21 designs were registered. Filing include national jurisdiction and grant details include national and international jurisdictions. Success on this front was acknowledged by the following independent and credible acknowledgements.

- The Company bagged the "IP Excellence Award, 2021" from Questel, in recognition of TML's valuable contribution as an Innovation-Driven Organization.

- Won the Group eHackathon award for 'Innovating Products and Services'

- Received a "Special Appreciation Award" at the 7th CII Industrial Intellectual Property Award Ceremony

(ii) Benefits derived as a result of the above efforts

- The Company continued to strengthen its capabilities across the technology domains to meet the emerging and future market needs. By careful selection of advanced engineering and future technology portfolio, the Company intends to capitalize and bookshelf the developed technologies for incorporation into the future products for making them more exciting and more attractive to the end customers. The Company also wishes to mitigate all future risks related to technology by timely having a basket of appropriate emerging technology solutions.

- New Technology Planning & Development process has helped to advance the introduction of new technology integration into the identified products and ready for series implementation. This greatly reduces total development cycle timeline.

- Using digital technology, design and ergonomics the Company is poised to take vehicular safety to the next level. This has led to the emergence of cars with global NCAP 4 and 5-star safety ratings across all segments within India. The Company has redefined the future of Indian transportation by progressively investing in research & development of safe, sustainable, smart, and connected mobility solutions.

- The Company received a wide acclamation of its efforts across its range of technologies & products through multiple awards and accolades. Few of them are listed below:
    - Best Commercial Vehicle Brand 2021.
    - Tigor EV – Received total 8 awards 'EV of the year'.
    - Four wheelers readers' choice award to Tata Altroz.
- CVBU won the 22nd National Award for Excellence in Energy Management 2021.
- NASSCOM Engineering Excellence awards for "Pioneers and Change makers" – Jointly recognized with Tata Elxsi for Next-gen Product of the Year: Connected Vehicle IoT platform.
- Two CII GreenCo awards at the 8th Edition of CII National Award for Environment Best Practices for the year 2021.
- Golden Peacock Occupational Health & Safety Award, 2021.

Major technology absorption projects undertaken during the last year includes:

Sr. No.	Technology for	Status
1	Composite Material Structural Technology	POC Ready
2	Active Safety Systems / ADAS Technologies	Developed
3	Voice assistance features - Multi lingual/self-diagnostics-others	Under development
4	Connected Vehicle features – Next Phase (V2X)	Developed
5	Smart climate control / HVAC system	Developed
6	Driving dynamics technologies	POC Ready
7	Pressure sensing plastics for interior application	Under development
8	NVH reduction and reliability technologies for engine mounts, exhaust	Developed
9	BSG Integration on passenger vehicles	Developed
10	Performance improvement for EV Powertrain Aggregates	Under development
11	Aggregates/Components for fuel cell technology	Under development
12	Anti-Fuel Theft system	Developed
13	Safety system for tippers	Developed
14	Performance enhancement of brake systems	Developed

Major technology imports include-

Sr. No.	Technology For	Year of Import	Status
1	Focus on simulation capabilities through various software, Hardware-in-Loop (HiL) to reduce development timelines	2019-20	Implemented
2	Advanced Power Systems Engineering test facility for BS VI and beyond for all kinds of fuels including hybrids and EVs.	2019-20	Implemented
3	CTP based Battery technology which is high energy density LFP battery	2020-21	Under development
4	Technology for virtual validation of engines testing	2020-21	Developed
5	Hub wheel technology solution	2020-21	Developed
6	Wireless Charging development for EVs	2021-22	Developed

(iii) Specific areas in which Research and Development ('R&D') carried out by the Company

- The Company mainly focused on specific areas of R&D and Engineering, by which it can meet its Mission & Vision. For Passenger Vehicles, the main focus areas have been in the domain of creating stunning design, pleasurable driving experience and connectivity. For Commercial Vehicles, the main focus was on current and future auto technologies to enhance the look and feel of our vehicles and to boost the overall driving experience for our customers. In addition to customer preferences captured from new car buyers survey (NCBS). Top identified preferences were exterior styling, price, fuel consumption, interior design and roominess and comfortable ride.

- In commitment to wellness of society and environment, the Company strives for light weighting of its Passenger and Electric vehicles through weight optimization of body and chassis structures. This involves adaptation of light weighting technologies such as AHSS, hybrid or composite materials and nanomaterial science.

- On Commercial Vehicle front, Electric Vehicle segment of the Company R&D team has been successful in developing affordable Electric products. The Company has been playing proactive role in the electrification drive, with the development of electric traction system. The Company has been working on shared mobility space through gamut of vehicles, needed for last mile connectivity ranging from small Commercial Vehicles to Trucks and Buses. On safety front, R&D team continue to work on development of technology for enhancing Vehicle Safety.

- Development of electrically driven thermostat, fan, oil pump, turbocharger on various engine platforms which improve fuel economy and overall performance of vehicle. New Technology initiatives viz., engine valve operated brake, light-weighting and improved strength of components by use of advanced materials for oil sump, connecting rod, crankshaft and catalyst substrate, fuel economy improvement through EGR bypass, dynamic spark advance in gasoline engine, increased drain intervals for oil for axle and gear box.

Initiatives towards Digital Product Development Systems : For Road to Lab approach & Enhanced Productivity

Digital Excellence Through New Technology Adoptions And Digitalization: Enanced Digital Product Development Systems

Digitalization and integration of product development processes, adoption of new technologies and processes, to ensure lower cost impact due to changes and reduced Time to Market. Enhanced digital product development systems are contributing to design, safe and smart connected vehicles. the Company's achievements through various initiatives are listed below:

- Connected Vehicle & IoT Platform (CVP) journey started in 2019, crossed milestone of 3.5 lakhs of Commercial, Passenger and Electrical vehicles onboarding onto CVP in March 2022. Development and release of 150+ core platform features, 100+ end customer features facilitated the Company to remain in the forefront in connected vehicle segment. Remotely upgradation of ECU firmware and certificate upgrade of the vehicles in the field, increased competitive level of the Company's connected vehicle segment.

- Digitalization of Paint Shop and Heat Treatment Shop using in-house developed Connected Industry 4.0 Platform coupled with AI/ML to achieve manufacturing operations excellence and transition to sustainable operations (less energy and less emission intensive). Unique architecture of Industry 4.0 platform transforms legacy machines and equipment into a cutting edge IoT element for Real time monitoring and analysis of process parameters, energy and fuel consumption, equipment health management, predictive maintenance for improving overall equipment effectiveness.

- The Company embarked on journey of Model Based Systems Engineering (MBSE) to develop and deploy solutions for managing increasing complexity of Electrical and Electronic features in the vehicles, established end-to-end traceability (digital thread) in product development for adoption of quick changes in product and better control on project delivery and costs.

- Enhanced and developed, more than 100 Product Lifecycle Management PLM driven processes related to engineering and manufacturing bill of material creation, release and change management. Platform level, module level, sub-module level Interface, rule digitalization to ensure quality of modular structure and modules by highlighting improper and incomplete module designs.

- Business process digitization, Automations, Knowledge Based Engineering (KBE) applications and use of BOTS contributed to two key goals of Productivity Improvement and Business Execution Excellence. Digitization of 46 new business processes using in-house developed business process modelling platform (pFirst), new 223 automation cum KBE applications, resulting into 850 process improvements across product development, testing, validation and manufacturing.

Competency Development

- The Company has a major focus on Connected, Electric, Shared and Safe (CESS) is working to build up competency in the field of connectivity and electric mobility. Periodic trainings were organized to help the workforce gain the required competency in CESS. This will help the Company to create a diverse portfolio of vehicles in ICE and Electric Vehicle segment, which can demonstrate advanced level of safety and connectivity features in its respective class.
- Critical competency areas such as Android & iOS App development, Battery Management System, Cyber security, Strategies for Alternate Fuels were addressed with highly focused interventions.

Future Areas of Focus

- The Company will continue its endeavor in the research and development space to deliver vehicles best-in-class, comfort and convenience, with enhanced connectivity and lowest Total cost of ownership (TCO) across our range of vehicles. Features and attributes related to vehicular as well as occupant safety are being readied with upcoming safety regulations.
- To meet future product portfolio needs, major focus areas will be improvement in Electric Vehicles products, by improving its innovations in battery technology, E-axles technology, improvement in thermal management. The Company focus on areas Telematics and connected solutions entering into smart city era powered by 5G and other areas of digitalization.
- Building Technology capability, leveraging scale and capacities in Research and Development, to be able to ride the emerging trends. We are now focusing more on accelerated testing and validation and are using a lot of digital tools for the simulation process. With a revitalized vision set for the Company by FY 2024, the Company is poised to become the most aspirational Indian auto brand, consistently winning by delivering superior financial returns, driving sustainable mobility solutions, exceeding customer expectations and creating highly engaged work force.
- Enhancement in select areas of powertrain to continue to improve efficiency and contemporariness of IC engines. These areas include but not limited to only emerging alternate fuels such as ethanol, methanol, LNG and hydrogen but also adapting advanced substrates for precious metal reduction in exhaust after-treatment systems and use of advanced composition of oils for fuel efficiency and delaying intervals between oil change.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Commercial Vehicles

Exports for FY 2021-22 at 34,790 units were 71% above FY 2020-21, while Retails were 31% above last fiscal year Retail. Demand was upbeat in SAARC especially in the first half of the year leading to the increase in volume by 23% over the last FY 2020-21, though foreign exchange shortage in Sri Lanka and liquidity crunch in Nepal emerged in the latter half of the year impacted the momentum. Middle-East volume grew by 101% while the African markets grew by 21% over last fiscal year. We were also able to improve our market shares in Nepal and Sub Saharan Africa.

Establishment of Local Assembly operations in Sri Lanka allowed the export of vehicle Kits which helped us to circumvent the import ban of fully built vehicles.

FY 2021-22 also witnessed execution of the prestigious orders of 232 units of Buses received from STS Dubai. The new INTRA range was introduced in Bangladesh, Kenya and Tanzania in FY 2021-22.

Passenger Vehicles

Passenger Vehicle exports for FY 2021-22 closed at 1803 units, growth of 210% with respect to, previous year, largely on account of market recovery and introduction of EV in Nepal & Bhutan. Retails for FY 2021-22 closed at 1795 units, growth of 95% with respect to previous year.

FY 2021-22 saw many highlights. Nepal contributed to 1740 units of shipments and 1668 units of retails, achieving 14.8% Market share with 4.5% Growth with respect to previous year, achieving Rank 3 on retail and highest shipment in last 5 years. Our models Tigor and Nexon secured No.1 position in their respective segments.

Bhutan clocked highest ever shipment in the history of Tata Motors with 218% growth with respect to previous year FY 2020-21, and achieved highest ever retail with 263% growth over last year.

Foreign Exchange Earnings and Outgo in FY 2022	(₹ in crore)
Earning in Foreign Currency	4,006.60
Expenditure in Foreign Currency	1,983.68

On behalf of the Board of Directors

N CHANDRASEKARAN
Chairman
DIN: 00121863

Mumbai, May 12, 2022

ANNEXURE -4

FORM NO. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2022

[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 Motors Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

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

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

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

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:

1. The Motor Vehicle Act, 1988 and the Rules made thereunder.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive 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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice for which necessary consents have been sought at the meeting, 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 meeting.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. During the year the Company allotted 3,54,242 Ordinary Shares of ₹ 2/- each, issued under Tata Motors Employees Stock Option Scheme 2018.

2. Pursuant to a scheme or Arrangement sanctioned by the Hon'ble NCLT, Mumbai, the Passenger Vehicle undertaking of the Company has been transferred to Tata Motors Passenger Vehicles Limited, as a going concern, on a slump sale basis, w.e.f. January 1, 2022.

3. During the year, the Company incorporated a wholly owned subsidiary- Tata Passenger Electric Mobility Limited (TPEML) on December 21, 2021 with an initial equity investment of ₹700 crore to under its passenger electric mobility business. Keeping in view of the capital requirements required to fund the technology, research and development needs of the EV business, the Company and TPG Rise Climate (TPG) executed a shareholder agreement on November 16, 2021 for an investment of ₹7,500 crore in compulsory convertible instruments to secure between 11% to 15% stake in TPEML. The first tranche amounting oto ₹3750 crore was subscribed by TPG on March 30, 2022.

4. The Company has issued 6.60% and 6.95% rated listed redeemable unsecured non-convertible debenture of ₹500 crore each, aggregating to ₹1,000 crore. Further, the Company has redeemed non-convertible debenture aggregating to ₹2400 crore.

5. During the year, the Company issued commercial paper aggregating to ₹5100 crore and redeemed commercial paper aggregating to ₹4900 crore.

For **Parikh & Associates**
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN:F000327D000306820
PR No.: 1129/2021

Place: Mumbai
Date: May 12, 2022

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'ANNEXURE A'

To,
The Members
Tata Motors Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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 **Parikh & Associates**
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN:F000327D000306820
PR No.: 1129/2021

Place: Mumbai
Date: May 12, 2022

Business Responsibility Report

(Pursuant to Regulation 34(2)(f) of (Listing Obligations and Disclosure Requirements) Regulations 2015 [SEBI Listing Regulations]

INTRODUCTION

The Company is amongst the globally leading manufacturers in the automobile segment and continues to be India's largest automobile Company with a consolidated revenue of ₹2,78,454 crore in FY2021-22. The Company is the first Indian Company from the automobile and engineering sector to be listed on the New York Stock Exchange. The Company believes in the core philosophy of 'Good Corporate Citizenship', staying committed to sustainability and the spirit of 'giving back to society'. The Company has a widespread network of 1,266 sales and 2,640 service touchpoints for Commercial Vehicles ('CV's) and 705 sales and 1,183 service touchpoints for Passenger Vehicles ('PV's) across India.

The Business Responsibility Report highlights the approach of the Company towards creating long-term value for all its stakeholders. The Report is aligned with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business ('NVG-SEE') released by Ministry of Corporate Affairs ('MCA') and is in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 [SEBI Listing Regulations]. This Report provides an overview of the activities carried out by the Company under each of the nine principles outlined in NVG-SEE.

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:** L28920MH1945PLC004520
2. **Name of the Company:** Tata Motors Limited
3. **Registered address:** Bombay House, 24, Homi Mody Street, Mumbai - 400001

   Website: http://www.tatamotors.com/

   E-mail id: inv_rel@tatamotors.com
4. **Financial Year reported:** 2021-22
5. **Sector(s) that the Company is engaged in (industrial activity code-wise)**

Description	Industrial Activity Code		
	Group	Class	Sub-class
Manufacture of motor vehicles	291 292 293	2910 2920 2930	29101, 29102, 29103, 29104, 29109 29201, 29202, 29209 29301, 29302, 290304
Sale of motor vehicle parts and accessories	451	4510	45101, 45102
Maintenance and repair of motor vehicles	452	4520	45200
Sale of motor vehicle parts and accessories	453	4530	45300

8. **List three key products/ services that the Company manufactures/ provides (as in balance sheet)**
   1. Passenger Cars
   2. Commercial Vehicles
   3. Vehicles sales and service

   Please navigate to our website https://www.tatamotors.com/ for complete list of our products.

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

   i. **Number of International Locations (Provide details of major 5):** The Company over decades has strived to achieve excellence and performance, transforming globe experience and synergies by establishing top-of-the-line manufacturing, R&D and design facilities as well as offering sales and service touch points in over 125 countries across India, Europe, China, UK, North America, South Africa, South Korea and Indoensia.

   ii. **Number of National Locations** – The Company's manufacturing locations in India are situated at Jamshedpur (Jharkhand), Pune (Maharashtra), Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand), Sanand (Gujarat) and Dharwad (Karnataka).

   For more information visit https://www.tatamotors.com/about-us/facilities/

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

    The Company has expanded its international footprint through exports since 1961. The Company continues to predominate the Indian markets as well as showcases its strong presence into continents of Africa, Latin America, Asia Pacific regions and the Middle East through manufacturing, designing, engineering, assembling and exporting appealing automobiles customized to cater to local conditions with highest standards for quality, safety, environment norms and user comfort.

    The Tata Motors group is present in over 125 countries, with a worldwide network comprising over 9,000 touch points.

    For more information visit https://www.tatamotors.com/markets/

Section B: Financial Detail of the Company

1. **Paid up Capital (INR):** ₹ 765.87 crore
2. **Total Turnover (INR):** ₹ 46,668.92 crore (This is standalone figure)
3. **Total profit after taxes (INR):** Loss of ₹ 1,619.53 crore (This is standalone figure)
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** Not applicable in view of loss.

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

The Company has been committed to community engagement strategy which revolves around four focus themes:

i. **Arogya (Health):** The Global Hunger Index (2021) is calculated on the basis of total undernourishment of the population, child stunting, wasting and child mortality and has placed India at the 101st spot among 116 countries. As per the report, over 34.7% of children under 6 years of age are stunted, 17.3 % wasted and 15.3% undernourished with a mortality rate of 3.4%. Over half of Indian women (53%) in the age group 15-49 years are anemic. Arogya (Health), initiatives by the Company are designed to address child malnutrition, and health awareness amongst females and provide preventive and curative health services to these under-privileged communities. Over the years, affirmative changes are observed in health of the malnourished children and the knowledge, attitude and behavior of these communities towards health and sanitation. During FY2021-22, 471,698 members benefited from such health initiatives. In times of COVID-19 pandemic distress, to amalgamate with the Government's goal of 100% vaccination, 11 vaccination vans were distributed to implementing partners to provide door vaccination to the unreached communities. Additionally, 80,101 people got vaccinated since December 2021.

ii. **Vidyadhanam (Education):** This initiative aims to improve the quality of education in Government run schools by organizing special coaching classes to improve academic performance in Class X Board exam, offering scholarship to meritorious and needy secondary school students, supporting school infrastructure and organizing co-curricular activities for well-rounded personality development. Through the Tata Motors Education Programme beneficiary schools and student comfortably acquainted themselves to innovation and digitization being made available at their doorsteps. An innovative partnership has been worked out with Government school-Jawahar Navodaya Vidyalaya (JNVs) for JEE and NEET aspirants. During FY2021-22, 100,505 students benefited from the Company's education program.

iii. **Kaushalya (Employability):** This initiative has been designed to enhance skill development amongst youth. It includes inculcating marketable skills in school dropout youth in auto sector, non-auto trades, agriculture and allied activities. It fortifies the Industrial Training Institutes which offers domain expertise of automotive skills through knowledge partnership. On the completion of their training, most of them are National Skills Development Corporation (NSDC) certified, the programme participants find ready employment either in Tata Motors' ecosystem or in open market. The Company's CSR team also engages with community based groups of women and farmers and help them earn supplementary income through designed agriculture and allied programs. During FY2021-22, the Company has trained 45,234 youth and farmers.

iv. **Vasundhara (Environment):** These initiatives accord to improve the environment by promotion of renewable resources, large scale sapling plantation, construction of water conservation structure and build awareness amongst the member communities. During the year, the Company planted 192,485 saplings of indigenous varieties and fosters to maintain the survival rate as high as 80%. Over the period under such initiatives, a few locations have phenomenally converted into micro-habitats of varied species of flora and fauna. The Company's environmental awareness programs aims to sensitize young children towards conservation of our environment and were able to actively reach out to 70,394 persons.

v. **Rural Development Programmes and Governance:** Rural Development Programme aims at holistic development of a village through an Integrated Village Development approach. The key element of this programme is to leverage the resources from the Government through convergence of government schemes in Pathardi, Shiroshi and Chauk gram panchayat in Jawahar block of Palghar district in Maharashtra and Devadthal village of Ahemadabad district of Gujarat. 70% of the resources for village development are committed by the Government. During FY2021-22, the Company worked across 6 states in India, namely Jharkhand, Maharashtra, Gujarat, Karnataka, Uttar Pradesh and Uttarakhand to empower the respective neighboring communities and also to strengthen the governance mechanism of the local institutions through these communities by ensuring 'last-mile' awareness and service delivery of government welfare and financial schemes. Through these programmes, the Company has improved the quality of life of the 17,501 tribal community members.

Please refer to Annexure 2 of the Board's Report in Integrated Annual Report 2021-22 and the Company's Annual CSR Report 2021-22 for detailed community engagement strategy and key initiatives at https://www.tatamotors.com/corporate-social-responsibility/

Section C: Other Details

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

   The Company has 86 direct and indirect subsidiaries in India and abroad as on year ended March 31, 2022.

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

   The Company positively influences and encourages its subsidiaries to adopt Business Responsibility (BR) initiatives. All the Company's subsidiaries are guided by Tata Code of Conduct ('TCoC') to conduct their business in an ethical, transparent and accountable manner. It covers suppliers, customers and other stakeholders. It also addresses key BR issues like Quality and Customer Value, Corruption and Bribery, Health and Safety, Environment, Human Rights and Employee well-being.

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

   The Company's suppliers and distributors are critical participants in supply chain operations and its sustainability issues can have an impact on overall operations. The Company engages with its suppliers and channel partners on BR initiatives through Sustainable Value Chain Program. The suppliers and dealers sustainability initiatives serve as a platform to raise awareness on sustainability topics such as health, safety, environment and community at large. The suppliers and dealers situated across all locations participate in these sustainability initiatives.

Section D: BR Information

1. **Details of Director/Directors responsible for BR**

   a) **Details of the Director/Directors responsible for implementation of the BR policy/policies.**

S. No.	Particulars	Details
1.	DIN Number (if applicable)	03119361
2.	Name	Mr. Girish Wagh
3.	Designation	Executive Director
4	Telephone	022-66657609
5.	E-mail id	girish.wagh@tatamotors.com

   b) **Details of the BR head**

S. No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	Mr. Jyotindran Sastabhavan
3.	Designation	Chief Sustainability Officer
4	Telephone	020-66132781
5.	E-mail id	kutty@tatamotors.com

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

   The NVG on social, environmental and economic responsibilities of business released by MCA has adopted nine areas of business responsibility. These are as follows:

   P1 – Businesses 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 well-being of all employees.

   P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

   P5 – Businesses should respect and promote human rights.

   P6 – Businesses should respect, protect, and make efforts to restore the environment.

   P7 – Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.

   P8 – Businesses should support inclusive growth and equitable development.

   P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	P 1	P 2	P 3	P4	P5	P6	P7	P 8	P 9
1.	Do you have policy/policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? [The Environmental Policy, Safety & Health policy and Quality policy are aligned with the requirements of international standards ISO 14001, ISO 45001 and IATF 16949.]	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to all internal stakeholders. TCoC and other policies are communicated to suppliers, dealers and channel partners based on their relevance.								
7.	Does the company have in-house structure to implement the policy/policies	The Company has established in-house structures to implement these policies.								
8.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The Whistle Blower Policy lays down guidelines for reporting of protected disclosures by employees, Directors & other stakeholders, relating to violation of TCoC. An Investor grievance mechanism is in place to respond to investor grievances. The customer complaints mechanism records the grievances of customers on product and service quality and other issues of interest to them. The supplier, dealer and channel partner forums and ongoing communication captures their concerns and grievances. Dedicated structure for a formal local community grievance has not been instituted, however Company's CSR department partially addresses the question by formalizing a community feedback mechanism across all its CSR projects. Any aggrieved individual/ groups can express their grievances through this annual exercise or on as and when required basis.								
9.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The implementation of TCoC and other policies are reviewed through internal audit function/ Ethics Counsellor. External assessment of Tata Business Excellence Model ('TBEM') reviews the implementation of all the Company policies. The Quality, Safety & Health and Environmental policies are subject to internal and external audits as part of certification process.								

All the policies are carved from our guiding principles and core values. These policies are mapped to each principle hereunder:

Principle	Applicable Policies	Link for policies
Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Tata Code of Conduct Whistle Blower Policy	https://www.tatamotors.com/wp-content/uploads/2015/10/09042523/tata-code-of-conduct1.pdf https://investors.tatamotors.com/pdf/whistle-blower-policy.pdf
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	Sustainability Policy Environment Policy Quality Policy Supplier Code of Conduct Dealer Code of Conduct Environmental Procurement Policy	https://www.tatamotors.com/about-us/corporate-governance/policies/sustainability-policy-pop/ https://www.tatamotors.com/about-us/corporate-governance/policies/ https://www.tatamotors.com/about-us/corporate-governance/policies/ https://www.tatamotors.com/wp-content/uploads/2019/05/21063650/supplier-code-of-conduct.pdf https://www.tatamotors.com/wp-content/uploads/2019/05/21063650/dealer-code-of-conduct.pdf https://investors.tatamotors.com/pdf/Enviro-Procur-Policy.pdf
Principle 3: Businesses should promote the well-being of all employees.	Sustainability Policy Safety & Health Policy	https://www.tatamotors.com/about-us/corporate-governance/policies/sustainability-policy-pop/ https://www.tatamotors.com/about-us/corporate-governance/policies/

Principle	Applicable Policies	Link for policies
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	CSR Policy Tata Affirmative Action Policy Sustainability Policy	https://investors.tatamotors.com/pdf/csr-policy.pdf https://www.tatamotors.com/wp-content/uploads/2020/05/29134505/affirmative-action-policy.jpg https://www.tatamotors.com/about-us/corporate-governance/policies/sustainability-policy-pop/
Principle 5: Businesses should respect and promote human rights.	Tata Code of Conduct Whistle Blower Policy	https://www.tatamotors.com/wp-content/uploads/2015/10/09042523/tata-code-of-conduct1.pdf http://investors.tatamotors.com/pdf/whistle-blower-policy.pdf
Principle 6: Businesses should respect, protect, and make efforts to restore the environment.	Environment Policy Sustainability Policy Climate Change Policy	https://www.tatamotors.com/investors/corporate-governance/policies/ https://www.tatamotors.com/investors/corporate-governance/policies/ http://investors.tatamotors.com/pdf/Climate-Policy-Eng.pdf
Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	Tata Code of Conduct	https://www.tatamotors.com/wp-content/uploads/2015/10/09042523/tata-code-of-conduct1.pdf
Principle 8: Businesses should support inclusive growth and equitable development.	Sustainability Policy CSR Policy	https://www.tatamotors.com/about-us/corporate-governance/policies/sustainability-policy-pop/ http://investors.tatamotors.com/pdf/csr-policy.pdf
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Tata Code of Conduct Quality Policy	https://www.tatamotors.com/wp-content/uploads/2015/10/09042523/tata-code-of-conduct1.pdf http://www.tatamotors.com/about-us/corporate-governance/policies/

3. Governance related to BR

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

  The Company follows a systematic, multi-tiered approach to review the Safety, Health & Sustainability ('SHS') performance – First review by the Factory Implementation Committee followed by Plant level Apex Committee/Sub-Committee followed by Business Unit ('BU') Safety, Health & Environment ('SHE') Council and finally by the SHS Committee of the Board, which met three times in FY 2021-22. The Corporate Social Responsibility ('CSR') Committee of the Board of the Company met three times in FY 2021-22.

  Please refer "Corporate Governance" section of Integrated Annual Report 2021-22 for various Board Committees and their roles and responsibilities.

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

  Yes. The Company publishes the Annual Integrated Report. Non-financial disclosures of this Report are in accordance with the Global Reporting Initiative ('GRI') standards and are also mapped against principles of United Nations Global Compact ('UNGC') and Sustainable Development Goals ('SDGs'). The Company also publish the Annual CSR Report to highlight the community engagement strategy and performance, which can be viewed at: https://www.tatamotors.com/corporate-social-responsibility/

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

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

   The Company has adopted the TCoC that outlines commitment to ethical conduct. All internal and external stakeholders of the Tata Group are expected to work within boundaries of the TCoC. The Company ensures compliance to TCoC by suppliers and contractors through appropriate clauses in their work contracts to which they are obligated. Generally, the contract includes clauses in relation to human rights protection, preventing corruption practices and other topics related to ethics. Training and awareness on TCoC is provided to all employees and relevant stakeholders from time to time. The Company has a 'Supplier Code of Conduct' and 'Dealer Code of Conduct' to guide our suppliers and dealers on topics such as regulatory compliances, prevention of bribery and corruption, protection of human rights, health and safety, environment, conflict of interest, reporting violations etc.

   The Company also has a Whistle Blower Mechanism, which is governed by the Whistle Blower Policy. The Company has governance mechanism in place to ensure confidentiality and protection of whistle blower from any harassment/ victimization like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the whistle blowers right to continue to perform his duties/functions including making of any further protected disclosure. The Chairperson of the Audit Committee and the Chief Ethics Counsellor of the Company have an oversight on the functioning of the Whistle Blower Policy and mechanism.

Ethics helpline and web portal:

The Company has an ethics helpline where employees can place anonymous complaints of alleged ethics violations. The ethics helpline can be reached in the following ways:

A Whistleblower can report his/ her ethical concerns by either calling on toll free number - 000 800 0502 221 or by accessing the web portal at 'tatamotors.ethicspoint.com'. Concern can be submitted in multiple languages.

Written application:

Concerns can also be reported in writing to Chief Ethics Counselor or Chairperson of the Audit Committee.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? *If so, provide details thereof, in about 50 words or so.***

Stakeholders Complaint Received	121
Stakeholders Complaint Resolved	93
Percentage of Stakeholders Complaint Resolved	76.9%

The above stakeholder complaints are related to TCoC concerns and Prevention of Sexual Harassment (POSH) complaints. TCoC concerns included complaints on employee relations, financial impropriety, legal compliance and unfair business practices which are resolved through internal review mechanism by Ethics Counselor and Senior Management.

Principle 2: Product Life Cycle Sustainability

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

In FY 2021-22, the Company prioritized its efforts towards green mobility and today is one of the front-runners in the industry. The Company has been working on battery electric and hydrogen fuel cell technologies for PVs and CVs application.

The Company launched the advanced iCNG technology through its popular brands – Tiago and Tigor. The Company also, introduced the Tigor EV, which is the only EV in the country with a GNCAP 4-star rating for both adult and child safety. In addition, the first electric sedan under XPRES brand – the XPRES-T EV, was exclusively launched by the Company for its fleet customers. The XPRES-T EV has an optimal battery size, captive fast charging solution to ensure outstandingly low cost of ownership, safety and passenger comfort, making it a comprehensive and attractive proposition for fleet owners and operators.

The Company focused on BS VI Phase II ('RDE') implementation to enhance and upgrade the entire product portfolio with technologies and features to delight the customers by setting new benchmarks for performance, operating efficiency, comfort and safety. Throughout FY2021-22, the Company continued its focus on extending BS VI engine offerings with CNG (Compressed Natural Gas), CNG + Gasoline (Bi-fuel) and development efforts with LNG and Bio-diesel formulations.

The Company has also launched the CNG variant in the most iconic commercial vehicle— the Tata 407. The all-new Tata 407 CNG would further strengthen the Company's extensive CNG portfolio, ranging from 5-tonne to 16-tonne gross vehicle weight in the Intermediate & Light Commercial Vehicle ('I&LCV') segment.

With a view to augment its successful Connected Vehicle Platform ('CVP') through applications iRA/ Zconnect connectivity & Fleet Edge applications, the Company has also been experimenting with 5G network to ensure launch of more applications ensuring cyber security. These new features address the needs of customers in the areas of Safety-Security-Comfort-Convenience.

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

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

   The Company has always focused on sustainable sourcing and reduced fuel consumption, which lead to research, design, development of newer and improved technologies, such as hybrid engines, electric cars, fuel-cell vehicles and implemented programmes for consumption of lightweight materials, reduced parasitic loses through driveline and improved aerodynamics.

   The Company has been extensively working on green and light weighing technologies in products by going beyond the basic environmental regulatory compliances. The Company continuously strives to improve the sustainability performance of its product on life cycle basis. At the sourcing stage, the Company works with its suppliers to reduce the environmental impacts by using returnable and recyclable packing solutions for majority of the components thereby managing the cost and quality, minimizing material utilization and waste generation. Through the Sustainable Supply Chain Initiative, the Company also encourages its suppliers to implement rainwater harvesting and install renewable energy at their facilities.

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

The Company continued to deliver variants of BS VI products across all segments covering diesel, gasoline and CNG fuels as per market requirements. The BS VI has resulted in reducing tail pipe emissions by 25% to 90% depending upon type of pollutant and category of vehicle viz. vehicle below or above 3500 kg fueled by gasoline, diesel or CNG. In addition, several features driven by integration of engine hardware and software have been added aiming to improve fuel economy, lower cost of ownership and the carbon footprint of conventional powertrains.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The Company has formulated the Environmental Procurement Policy and Sustainability Policy to engage with its value chain partners on sustainability. The Supplier Code of Conduct provides the foundation for inculcating sustainable business practices for suppliers and addresses topics such as regulatory compliance, prevention of bribery and corruption, protection of human rights, health and safety, environment etc. The Company continues to work with its suppliers to ensure sustainable sourcing and launched a Sustainable Supply Chain Initiative in FY2017. Through this initiative the Company aimed to firstly create awareness on the subject and then partner with them for driving improvement. The Company has established 'Sustainability Guidelines for Suppliers' covering key topics like governance, legal compliance, TCoC, management system certification, transparency & reporting, occupational health and safety, labour and human rights. The Company further extended this initiative to the downstream and initiated the Dealers Sustainability Initiative in FY2019. The Dealer Code of Conduct and the Dealer Sustainability Guidelines were developed to guide dealerships to improve their sustainability practices. In FY 2021-22, the Company continued to engage with suppliers and channel partners, to estimate their Greenhouse Gas (GHG) emissions for baselining.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

During FY2021-22 the Company procured 68.87% of the materials (by value) from local sources, where local is defined as the State in which the manufacturing plant is established.

The Company took significant initiatives to enhance the capabilities of local and small suppliers. As outlined in the Sustainable Supply Chain Guidelines, the Company encourages all its suppliers and dealers to adopt the IATF Quality Management System, Environment Management Systems and Occupational Health & Safety Management Systems.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company has embedded the principles of Circular Economy in its operations through Reduce-Reuse-Recover initiatives. All the PV models are designed to meet >80% recyclability rate and >85% recoverability rates. The recyclability quotient of the products is continuously monitored by our Research and Development Team and verified by European VDA agency. The teams monitor the supply chain and purchase work in tandem with the Company's Engineering & Research Team to identify and source materials that are more sustainable from total life cycle perspective i.e. recyclable and renewable. The waste generated during manufacturing are managed as per regulatory requirements.

TATA Motors Prolife - a pioneering after-market product support strategy – provides CV customers with reconditioned aggregates in exchange of old aggregates such as engines, clutch pressure plates, truck cabins, among others. Remanufacturing of vehicular aggregates is followed by restoration of factory settings to operate at designed efficiency levels. In FY 2021-22, 21,149 engines were remanufactured.

Principle 3 : Employee Wellbeing

1. Please indicate the Total number of employees.

52,351 as on March 31, 2022 (includes permanent, temporary, trainee and contractual employees)

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

62,458 as on March 31, 2022 (excluding permanent and probationers)

3. Please indicate the Number of permanent women employees.

941 as on March 31, 2022 (includes probationers)

4. Please indicate the Number of permanent employees with disabilities

74 as on March 31, 2022

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

   Yes. The Company has employee associations for permanent workmen in all plant / commercial site i.e., Pune, Lucknow. Jamshedpur, Sanand, Mumbai, Pantnagar, excluding Dharwad Plant.

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

   100% of permanent workmen at plants having a trade union are part of workmen association recognized by the Management. This does not include permanent white collar staff.

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

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	09	01
3.	Discriminatory employment	Nil	Nil

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

   - **Permanent Employees**
   - **Permanent Women Employees**
   - **Casual/Temporary/Contractual Employees**
   - **Employees with Disabilities**

   Safety has always been of paramount importance to the Company. Safety is a part of induction programme for all the Company employees working in operations. Training and awareness across the Company is considered as a key element of Safety Strategy. Key leaders are trained on Safety Management aspects such as Safety Management Fundamentals, Incident Investigations, Contractor Safety Management, Actions Employees Can Take ('AECT') etc. To sustain this drive, 500+ internal trainers from different functions are certified to deliver safety trainings apart from the safety professionals. To keep pace with the new technologies and keep update on latest improvements in safety, a refresher training is organized by divisional safety coordinators / shop heads to impart training to employees. Refresher training boosts up self-confidence and morale of employees. In FY 2021-22, the Company achieved 3,52,193 training man-hours per permanent employee and 2,19,167 training man-hours per contractual employee for 7 manufacturing plants.

   The belief to impart continual learning of its employees, has institutionalized continual learning model for skill upgradation, especially at the shop-floor level. The learning and development needs of Management cadre employees were met through the Company's L&D structure which included various training delivery mechanisms. In FY 2021-22, the Company achieved 22,346 hours of training on POSH e-learning module and 13,734 hours of training on TCoC.

Principle 4: Stakeholder Engagement

1. **Has the company mapped its internal and external stakeholders?**

   Yes. The Company has identified nine stakeholder groups: employees, customers, dealers & service centers, suppliers & service providers, investors & shareholders, communities, regulators/ government, experts/ academic & research institutions and media. Stakeholders' views and suggestions are incorporated into the business strategies. The stakeholder engagement and materiality assessment was done in April 2021.

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

   Yes. The Company's Affirmative Action (AA) Policy is specially designed to address the socially disadvantaged sections of the society i.e. Scheduled Castes and Tribes (SC and ST). Within the broader stakeholder group of communities, the Company's programmes are mainly driven towards women empowerment and education of children. The Company participated in Tata Affirmative Action Program ('TAAP') Assessment, developed on the lines of TBEM.

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

   In FY 2021-22 the Company touched 7,91,298 lives of which 40% belong to the SC and ST communities. The health initiatives touched 471,698 lives, Education 100,505 lives, Employability 45,234 lives, environment awareness 70,394 lives and Rural Development 17,501 lives and through Sumant Moolgaomker Development Foundation ('SMDF') 5,865 lives. The Company also responded to COVID 19 pandemic by augmenting support to Government Vaccination Drive and vaccinated around 80,101 people in communities across Plant locations

   The Company planted 192,485 saplings. The Company's employees and their family members also volunteered 28,558 hours for social activities.

   The Company believes in creating an inclusive society and has instituted AA Policy under the brand called **Adhaar**. The AA Policy enables positive discrimination of SC and ST in case of employment & entrepreneurship and higher coverage in

CSR programmes. The initiative falls under the direct purview of the CSR Committee of the Board and is championed by Senior Management across all plants.

Principle 5: Human Rights

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

   The Company encourages and set expectations for its suppliers, dealers, contractors, service providers and other business partners to adhere to principles of human rights laid out in TCoC, Supplier Code of Conduct, Dealer Code of Conduct.

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

   In FY 2021-22, 121 stakeholder complaints (TCoC concerns & POSH complaints) have been received, of which 93 were satisfactorily resolved as on 31.03.2022.

Principle 6: Environment

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

   The Company has formulated an Environmental Policy which is available on the website for all the stakeholders.

   The Company also has an Environmental Procurement Policy which is applicable to all its suppliers, contractors and service providers.

   The Company's commitment towards promoting sustainable practices in its business processes is outlined through a well-defined Sustainability Policy and Climate Change Policy. These policies reaffirms our philosophy to integrate environmental, social and ethical principles and innovate sustainable mobility solutions with passion to enhance quality of life of its stakeholders.

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

   Yes. The Company has established a Climate Change Policy which guides the efforts towards mitigating and adapting to climate change. The Company's approach towards climate change mitigation and pursuing low carbon growth is three-folded – develop sustainable mobility solutions, reduce environmental impacts of the manufacturing operations and build awareness among stakeholders across our value chain.

   i. **Product development:** In FY2021-22, the Company prioritized its efforts towards green mobility and today is one of the front runners in the industry. The Company has been working on battery electric and hydrogen fuel cell technologies for application on PVs and CVs. Beyond the regulatory regime, the Company is again pro-actively pursuing enhancements in fuel efficiency; leading to reduction in carbon footprint through various powertrain as well as vehicle level technology interventions.

   With an eye on Net Zero, the Company is investing in resources to develop hydrogen fuel cell vehicles which reaffirms the commitment towards sustainable future. Hydrogen being one of the ultimate "clean" fuel is an extremely attractive alternative to conventional fossil fuels.

   The Company also launched the advanced iCNG technology through its popular brands – Tiago and Tigor. It also, introduced the Tigor EV, which is the only EV in the country with a GNCAP 4-star rating for both adult and child safety. In addition, the first electric sedan under XPRES brand – the XPRES-T EV, was exclusively launched by the Company for its fleet customers. The XPRES-T EV has an optimal battery size, captive fast charging solution to ensure outstandingly low cost of ownership, safety and passenger comfort, making it a comprehensive and attractive proposition for fleet owners and operators.

   The Company has also launched CNG variant of most iconic CV — the Tata 407. The all-new Tata 407 CNG would further strengthen the Company's extensive CNG portfolio, ranging from 5-tonne to 16-tonne gross vehicle weight in the I&LCV segment.

   ii. **Manufacturing Operations:** All manufacturing plants have focused strategy to work on energy conservation, maximizing use of renewable energy thereby reducing carbon emissions. The Company also focuses on operational circularity by maximizing recycling of water to save the precious natural resource. The Company also works diligently to reduce, reuse and recycle waste, striving for zero waste to landfill and incineration.

   Please refer to Annexure 3 of Board's Report in Integrated Annual Report 2021-22 for more details on our energy efficiency and cleaner production initiatives.

   iii. **Value Chain:** Through Sustainable Supply Chain Initiative and Dealers Sustainability Initiative, suppliers and dealers are encouraged to improve energy efficiency, reduce carbon emissions and promote renewable energy at varied levels of the supply chain. The Company in collaboration with its suppliers endeavor for capacity building, sensitizing and reducing carbon emissions.

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

   Yes. The Sustainability Policy and Environmental Policy guides the efforts in minimizing environmental impacts and continually improve its environmental performance. Environment and climate related risks and impacts are key priorities to the business and the Company has corresponding strategies in place. All manufacturing plants in the country are certified to Environmental Management Systems ('EMS') as per ISO 14001.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   The Company has not undertaken Clean Development Mechanism projects during FY 2021-22.

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

   Energy Conservation ('ENCON') projects have been implemented at all plants and offices of the Company in a planned and budgeted manner. In FY 2021-22, all plants achieved significant reduction in fixed energy consumption on non-working days by administrative and process controls. These ENCON efforts in FY 2021-22 have resulted into energy savings of 59,766 GJ (37,944 GJ from power + 21,822 GJ from fuel) and avoided emission of 9,664 tCO_2e.

   The Company has always been conscious of the need to conserve energy in its manufacturing plants which leads to optimized consumption of non-renewable fossil fuels, energy productivity, climate change mitigation and reduction in operational costs. The Company is also signatory to RE100 - a collaborative, global initiative of influential businesses committed to 100% renewable electricity and is working to increase the amount of renewable energy generated in-house and procured from off-site sources.

   The Company continued to add on-site Renewable Energy (solar) generation capacity in FY 2021-22. The Company also sources off-site renewable energy at its Pune, Sanand, Dharwad and Pantnagar Works through Power Purchase Agreements (PPA) with third party wind and solar power generators, off-site captive wind farm and green energy purchase from exchange and Discom. In FY 2021-22 the Company generated / sourced 92.39 million kWh of renewable electricity for its manufacturing operations which is 19.4% of the total power consumption. The CV Pune and Pantnagar plants won the "National Energy Leader" and "Excellent Energy Efficient Unit" at the CII National Award for Excellence in Energy Management 2021. The Jamshedpur, PV Pune, Sanand and Dharwad plants earned recognition with "Excellent Energy Efficient Unit" award at the CII National Award for Excellence in Energy Management 2021. The Lucknow Plant was recognized with "Energy Efficient Unit" award at the CII National Award for Excellence in Energy Management 2021.

   The Company is also closely working with other Tata Group companies to create an e-mobility ecosystem the 'Tata UniEVerse'. The aim is to leverage the collective strengths and experience to create a viable environment to drive the adoption of EVs in the country.

   Please refer to Annexure 3 of the Board's Report in Integrated Annual Report FY 2021-22 for details on the Company's energy efficiency and cleaner production initiatives.

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

   - All Indian manufacturing plants possess valid 'Consent to Operate' and 'Hazardous Waste Authorizations' or are in the process of renewing these operating permits from the respective Pollution Control Boards of the States where they operate.
   - The Company has established robust systems for operation and maintenance of pollution control facilities and monitor compliance with permissible norms through in-house laboratories and also through Government Recognized and National Accreditation Board for Testing & Calibration Laboratories (NABL) approved laboratories. All the plants are compliant within the permissible limits prescribed by Central Pollution Control Board (CPCB) and State Pollution Control Board (SPCB) for air emissions, effluent quality and discharge and hazardous waste disposal.
   - SPCBs periodically monitor the pollution control facilities at the Company's plants.

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

   There are no Show Cause Notices / legal notices from CPCB/ SPCBs pending resolution by the Company in FY 2021-22.

Principle 7: Policy Advocacy

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

   Yes. The Company is a member of various trade and industry chambers/associations. Listed below are the major ones that the Company deals with:

   1. Society of Indian Automobile Manufacturers (SIAM)
   2. Confederation of Indian Industry (CII)

3. Federation of Indian Chambers of Commerce & Industry (FICCI)
4. Indian Merchant Chambers
5. Indo American Chamber of Commerce
6. Indo German Chamber of Commerce
7. Bombay Chamber of Commerce
8. Bangalore Chamber of Industry and Commerce
9. Mahratta Chamber of Commerce, Industries & Agriculture
10. State Industrial Development Corporation of Uttarakhand Limited (SIDCUL)
11. Entrepreneur Welfare Society

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

   The Company engages with the Government at various levels [Departments, Ministries] on public policies/ regulations being introduced by the Government. The Company also engages with autonomous bodies and trade bodies like SIAM, CII etc. across various levels for various sectoral issues and proposed governmental policies and regulations.

Principle 8: Inclusive Growth

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

   Inclusive growth is at the core of the Company's community development strategy. **Ankur**, the Company's community engagement strategy, has been percolated to each manufacturing plant through a detailed community development plan. The Plant specific plan, addresses the local needs while the Corporate Cell addresses a few company-wide strategic community development initiatives like driver training, etc. These initiatives primarily focus on Aarogya (Health), Vidyadhanam (Education), Kaushalya (Employability), Vasundhara (Environment) and Rural Development Plan. **Seva,** the Employee Volunteering Initiative provides the Company's employees with a platform to form part of such community initiatives. The Company along with its employees also supports Sumant Moolgaonkar Development Foundation ('SMDF') towards implementation of **Amurtdhara**, a National Drinking Water Project to provide safe drinking water to communities. Through adoption of AA Policy, the Company directs its efforts toward inclusion of socially disadvantaged and marginalized sections of society, SC and ST, through **Aadhar**, focusing on Education, Health, Employability and Entrepreneurship. In FY 2021-22, 311,067 beneficiaries (40% of the overall CSR outreach) belong to SC and ST communities.

   Please refer the Company's Annual CSR Report 2021-22 for detailed community engagement strategy and key initiatives.

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

   The CSR programmes and projects are deployed by the Company through reputed, external non-profit organizations, and through its own company-promoted societies/NGOS. Partnership and collaborations play a pivotal role in deploying the CSR programme.

Area	Partners Involved
Education	College of Engineering ,Pune, Suprabhat Mahila Mandal, 'Swa'-Roopwardhinee, Moinee Foundation, Sevasahyog Foundation, YOJAK, Ex Navodayan Foundation, Avanti Fellows, Indian Institute of Technology – Gandhinagar, Tata Institute of Social Sciences, Swami Vivekananda Youth Movement, Shiksha Prasar Kendra, The Good Human Being Foundation, Ganatar.
Employability	MITCON Foundation, Agnel Institute Of Technical Training & Entrepreneurship Development, Yashaswi Academy For Skills, Y4D Foundation, Shashwat Trust Junnar, Pratham Education Foundation, Skills For Progress, Ramkrishna Mission, Canara Bank Deshpande Rural Self Employment Training Institute, Sankalpa Rural Development Society, Vikas Samities, Sanand Education Trust, Islamic Study Centre, Paryavaran Evam Jan Kalyan Samiti.
Health	Sneh Foundation, Snehdeep Janklyan Foundation, Yugrishi Shriram Sharma Acharya Charitable Trust, Niramaya Health Foundation, LTH Silver Jubilee Research Foundation, Family Planning Association of India, Parivar Kalyan Sansthan, Nav Jagrat Manav Samaj, Namaste Life, Institute of Social Development.
Environment	Terre Policy Center, Wildlife research and Conservation Society, Gram Vikas Kendra, Astittva Welfare Foundation, Manav Seva Education & Charitable Trust.
Rural Development	BAIF Institute For Sustainable Livelihoods And Development, Dharti Charitable Trust.

Please refer the Company's Annual CSR Report 2021-22 for details on various community development programme partnerships.

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

   Yes. The Company has periodically conducted impact assessments of implemented initiatives, which are conducted either by its NGO partners like BSILD (erstwhile BAIF) or third party such as TISS and KPMG. Frameworks like Social Impact Assessment, Social Return on Investment ('SROI') are used and the outcome forms a critical input to the community development plan preparation and implementation. In FY 2021-22 the Company carried out an impact assessment of its CSR programmes with a focus on AA communities which was facilitated by TBEM Group.

   Please refer the Company's Annual CSR Report 2021-22 for details on community impacts created and assessed.

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

   Total expenditure reported is ₹23.69 crore. The Company spent ₹23.39 crore towards CSR initiatives and programmes, and ₹0.307 crore towards administrative overheads.

   The details of projects:

   1. **Arogya (Health)** addressed malnutrition among children below 6 years of age and build awareness on other health problems in the community, provide ferry mobile medical van to look into curative and preventive health care.
   2. **Vidyadhanam (Education**) offered special remedial coaching to secondary students, support infrastructure development, coaching for professional course entrance exam, institutionalized need-based scholarships and organize co-curricular activities
   3. **Kaushalya (Employability)** industrial training to school dropout youth in auto sector, non-auto trades, agriculture and allied activities.
   4. **Vasundhara (Environment)** organized large scale sapling plantation, construction of water conservation structures and building awareness about environment and renewable energy sources.

      Please refer the Company's Annual CSR Report 2021-22 for details on various community development programme undertaken.

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

   Yes. The Company adopted a collaborative and participatory approach with communities/ beneficiaries in conceiving and deploying CSR projects. Partial beneficiary contribution were sought, wherever feasible, for project deployment, asset creation and maintenance, to have greater ownership of the projects - which the Company believed was crucial for sustainability of these initiatives. Training and capacity building of communities and relevant stakeholders to successfully adopt and carry forward these initiatives was done from time to time.

   Please refer the Company's Annual CSR Report 2021-22 and 'Community Development' section of the Integrated Annual Report 2021-22 for details on various community development programme undertaken.

Principle 9: Customer Value

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

   The Company provides its customers with the best in class after sales service. Customers can raise their complaints through various mode such as 24X7 call center toll free no., website, social media, Tata Motors Service Connect App.

   The Company's PV Service provides speedy assistance to customers when in need and has following 5 offerings: Speed-O-service, Online service, Doorstep service, 24x7 Road Side Assistance and Quick repair. Customer Support division of the Company's CVs has the widest and vastest service network in India across all CV manufacturers.

   0.03% of customer complaints received in FY2021-22 is pending resolution as on March 31, 2022.

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

   The Owner's Manual document for all products contains important product information, instructions for safe and fuel efficient use of vehicle and customer support details. The Company also engages with its customers on fuel efficiency and fuel efficient driving practices during the use-phase. Safety ratings of products are provided on brochures and on our website.

   The Company has developed online resources for Channel Partners (Dealers, Distributors, TASS's, and Retailers etc.) and Key Account Customers to have access to Online Electronic Parts Catalogues to easily identify required spare parts.

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

   In the Auto Parts Case, the Company and other Auto Manufacturers have filed SLPs in the Supreme Court (SC) against the order of the Delhi High Court. The SLPs have been admitted by the SC and there is an interim stay operating in the matter. The matter shall now be listed in due course before the SC for further hearing.

A dealer of CVs from Varanasi viz Varanasi Auto, dealership was terminated by the Company on the ground of non-performance has filed a petition before the Competition Commission of India ('CCI'). While the preliminary enquiries were being made by CCI, another dealer Kanchan Motors from Nasik also filed an information making the similar allegations. On May 5, 2021, CCI passed an order directing investigation against the Company. Further, one notice was received from the Director General of the CCI and response has been filed to all their queries. The Company are preparing internally to respond to any further queries as soon as raised by the Director General of the CCI.

The Company was asked to pay ₹3.5 lakh for misleading advertisement on mileage. The Company filed appeal before the SC against the order of National Consumer Disputes Redressal Commission ('NCDRC'). On December 11, 2020, SC grant a stay order in favour of the Company, on the ground that NCDRC had failed to take into account the fact that the customer in the said case was applying the certified mileage indicated for diesel vehicles to petrol vehicle purchased by him which was factually incorrect. The matter shall now be listed in due course before the SC for further hearing.

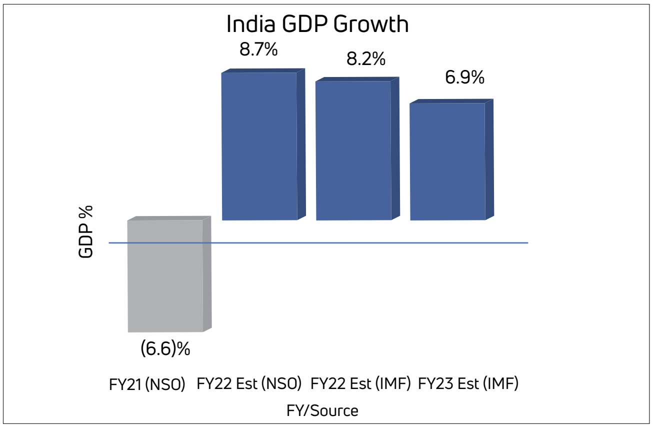
4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Customer Centricity has been intrinsic to our culture. The Company continuously strived to provide best services to enhance our customer engagement. Regular customer satisfaction surveys are conducted to assess customer satisfaction levels, post sales and post service. Customer service quality is met through integration of our Customer Relationship Management and Dealer Management System ('CRM – DMS').

Management Discussion and Analysis

ECONOMY OVERVIEW

INDIA



GDP Growth: The estimates for the Indian economic growth is as above:

National Statistical Office (NSO): GDP estimates released by the NSO show that the Indian economy grew at 8.7% YoY as the fourth quarter of FY 2021-22 grew at 4.1% as compared to fourth quarter of preceding year. The second advance GDP estimates released in February 2022 reaffirmed a resilient and strong recovery of India's economy with the real GDP for FY 2021-22 estimated to exceed the output of the most recent pre-pandemic year of 2020. These estimates are driven by a revival in services, full recovery in manufacturing and sustained growth in agriculture sectors.

International Monetary Fund (IMF): Import and export volumes estimates based on the volumes computed from the current price data, deflated by the WEO price indexes and the NSO price indexes is as below:

Particulars	FY 2021-22	FY 2020-21
Import of Goods and services	22.1%	(13.8)%
Export of Goods and services	20.9%	(6.1)%

Inflation: As per the Monetary Policy Committee (MPC) of RBI, the risks to the near-term inflation outlook are rapidly materialising, as reflected in the inflation print for March 2022 and the developments thereafter. The MPC expects inflation to rule at elevated levels, warranting resolute and calibrated steps to anchor inflation expectations and contain second round effects. Accordingly, in 2022, MPC increased the policy repo rate by 40 bps to 4.4%. Consequently, the standing deposit facility ("SDF") rate stands adjusted to 4.2% and the marginal standing facility ("MSF") rate and the Bank Rate to 4.7%. The MPC also decided to remain accommodative while focusing on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.

Automobile Industry: The automobile industry recovered substantially in FY 2021-22 due to increased general economic activity. According to data released by SIAM, the rate of change in industry volumes is depicted in the below table:

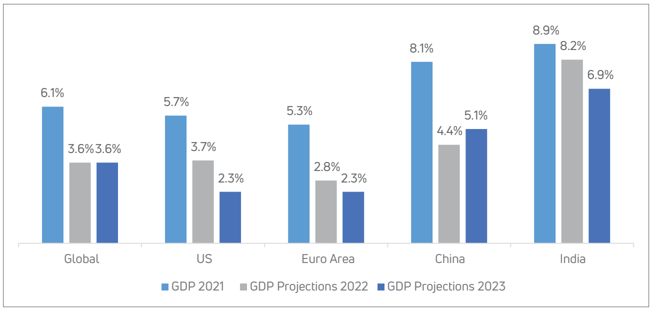
Segment	FY 2021-22	FY 2020-21
Domestic Industry	15.4%	(6.1)%
Commercial Vehicle	26.0%	(20.8)%
Passenger Vehicle	13.2%	(2.2)%

The pre-pandemic FY 2019-20 level was surpassed by the GDP level in FY 2021-22. It crossed not just in aggregate but in all components of the total aggregate demand. On the supply-side, the GVA data showed that in FY 2021-22 the output of all sectors, except the "trade, transport, communication and broadcasting services" had surpassed the FY 2019-20 levels. In terms of quarterly data, output had exceeded pre-pandemic level in aggregate since the second quarter of FY 2021-22 and in the fourth quarter of FY 2021-22 for all sectors, including "trade, transport, communication and broadcasting services".

Distinct month-on-month improvements have been absorbed since December 2021. By February 2022, almost all indicators had moved above pre-pandemic levels, except a few, mainly automobile related, where activity has relapsed due to semi-conductor shortages.

During FY 2021-22, the Indian automotive sector continued to be impacted by several challenges, including the COVID-19 pandemic, the global semiconductors shortage and other supply shortages. Despite the turbulent year, some recovery was observed in the economy at the end of FY 2021-22.

WORLD



Source: IMF

Economic Growth: The Russian invasion of Ukraine is anticipated to have a significant impact on the post-pandemic global economic recovery. Global economic growth for 2022 has been marked down to 3.6%, according to the WEO Update (April 2022 WEO), 0.8% lower than what was projected in the January 2022. The uncertainty on the evolution of both growth and inflation in the past three to four quarters has increased considerably. The prolonged war and its repercussions brought to light the adverse impact of monetary policy tightening that once began in several countries, especially on the growth front. The conflict's extended course and the widespread scale of damage, as well as the broad economic sanctions imposed on Russia by the Western countries since February 2022, have had global ramifications. The supply chain disruptions amplified an already stressed global supply system caused by the COVID-19 pandemic, causing prices of a number of goods to surge quickly and become volatile on the international markets. In comparison to February 2022, energy prices and the prices of some food goods have risen dramatically. In February-March 2022, crude oil prices increased by roughly 30% on worldwide markets.

Commodities:

Crude oil - Crude oil prices increased approximately 51.4% YOY in 2021, following a spike in October and early November. They resurrected in early 2022, breaking through the US$90 per barrel barrier for the first time in seven years in late January, as demand remained strong and supply faced capacity limits and rising geopolitical tensions. Crude oil prices soared to a 14-year high of US$133 per barrel in the first week of March 2022, with the Russia-Ukraine conflict raising the risk of outright supply losses and OPEC plus providing no respite. Following then, prices have remained erratic, ranging about US$110 per barrel. Despite the volatility, Brent crude oil prices increased by 38% in the first quarter of calendar 2022.

Metals - Between September 2021 and March 2022, base metal prices grew by 25%, according to Bloomberg's base metal spot index. Metal prices have been rising steadily since December 2021, supported by stronger demand predictions as well as limited supplies due to interruptions in a few major metal exporting countries. Most metals reached multi-year highs as a result of the war, with aluminium and nickel leading the way. During the fourth quarter of 2021 and January 2022, gold prices gradually increased and remained around US$1,800 per troy ounce. Bullion prices soared in February as a result of greater flight to safety, before reversing some of their gains in the latter half of March 2022.

China: Chinese equity prices have slumped, particularly in the tech sector, amid new outbreaks of COVID-19 and worsening investor sentiment during 2022, in part reflecting the impact of continued regulatory uncertainty and rising geopolitical risks. Financial stability risks have risen amid ongoing stress in the battered real estate sector, a major source of China's economic growth and household wealth in the past decade. Credit availability has deteriorated for some corporate borrowers, notably home builders, whose offshore US dollar bonds have slumped by more than 50% since the second half of 2021. Amid property market pressures and signs of slowing growth, Chinese authorities have taken steps to ease property sector financing controls, lower policy interest rates, and increase fiscal spending; pledging to stabilise the financial markets and the uncertainty of the tech firms supporting investments.

United States: Real GDP is anticipated to grow by 5.6% in 2021. Supply disruptions will gradually ease, facilitating a rebuild of business inventories and stronger consumption growth in the near-term. With the continued recovery in the labour market, nominal wage growth will pick up further. While price inflation is projected to moderate in some sectors as supply disruptions abate, higher wages, along with recent increases in housing rents and shipping rates, will lead to stronger overall consumer price growth than prior to the pandemic.

Europe: The market capitalization of European banks declined sharply after the Russian invasion of Ukraine. While banks with large exposures to Russia and Ukraine experienced the largest declines, an index of European bank equity prices fell over 20% after February 2022, reflecting in part concerns about a deterioration of the economic and profitability prospects. By contrast, equity prices of US banks dropped only about 8% at the worst point.

Meanwhile, the increase in European bank credit default swap ("CDS") spreads has been more modest, suggesting that investors expect the impact of the war and sanctions on banks' balance sheet and capital to be manageable after a strong rebound in 2021 with GDP growth of 5.2%. With the rapid reopening of the economy, supply chain bottlenecks and the rebound in energy prices are pushing up inflation. Although inflation dynamics vary across the euro area, this is not expected to last, with inflation returning to levels below the ECB objective by the end of 2022.

United Kingdom: In line with the earlier forecast, after a brief contraction at the end of 2021, the economy accelerated following the easing of restrictions from the Omicron wave early in 2022. The growth momentum has however slowed down during the course of the year, as the squeeze on consumer incomes and the impact of higher energy and commodity prices caused by the conflict in Ukraine is felt across. Overall growth for 2022 is estimated to reach 3.9%.

(Source: RBI, World bank, IMF, Oecd, DEA, KPMG, etc.)

The global economic recovery has lost momentum in the second half of 2021 due to resurfacing of COVID-19 infections, it's new variant Omicron, supply disruptions and bottlenecks, elevated inflationary levels and changes in the monetary policy stances, rise in the counterparty risk and actions across advanced economies and emerging market economies.

Automotive Operations

Automotive operations of the Company include:

- all activities relating to the development, design, manufacture, assembly and sale of vehicles as well as related spare parts and accessories
- distribution and service of vehicles and
- financing of the Company's vehicles in certain markets.

The automotive operation is further divided into four reporting segments:

(i) Tata and other brand vehicles - Commercial vehicles;

(ii) Tata and other brand vehicles – Passenger vehicles;

(iii) Jaguar Land Rover; and

(iv) Vehicle Financing.

Overview of Automotive Operations

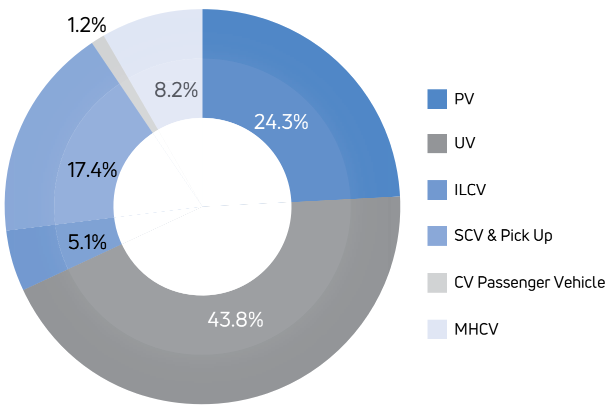
The total vehicle sales worldwide (including international business sales, Jaguar Land Rover sales and (excluding China joint venture) for FY 2021-22 and FY 2020-21 is set forth in the table below:

Category	FY 2021-22 Units	FY 2020-21 Units
Passenger cars	1,94,185	2,03,361
Utility vehicles	4,72,154	3,66,909
Intermediate and Light Commercial Vehicles	63,097	42,386
SCV & Pick Up	1,80,222	1,46,174
CV Passenger Vehicle	17,699	10,377
Medium and Heavy Commercial Vehicles	1,06,547	68,576
Total	**10,33,904**	**8,37,783**

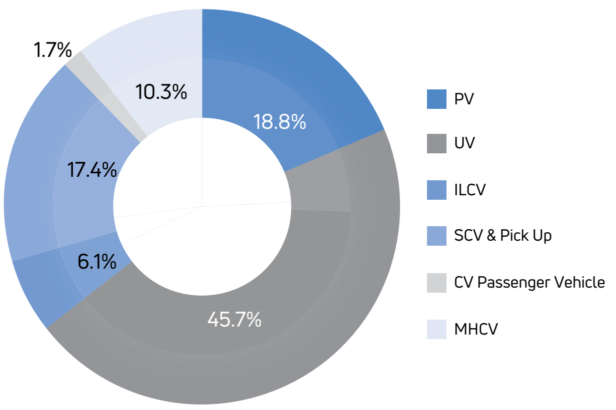
We sold 7,39,722 units of Tata Commercial Vehicles and Tata Passenger Vehicles and 2,94,182 units (excluding wholesales from the China Joint Venture) of Jaguar Land Rover vehicles in FY 2021-22.

In India, we sold 6,93,036 and 4,63,736 units during FY 2021-22 and FY 2020-21, respectively (constituting 67.0% and 55.4% of total sales in FY 2021-22 and FY 2020-21, respectively). In North America, we sold 79,360 units and 93,759 units in FY 2021-22 and FY 2020-21, respectively (constituting 7.7% and 11.2% of total sales in FY 2021-22 and FY 2020-21, respectively).

Share of volumes (FY 2020-21)



Share of volumes (FY 2021-22)



Tata and other brand vehicles

The following table sets forth our total wholesale sales worldwide of Tata Commercial Vehicles and Tata Passenger Vehicles:

	FY 2021-22		FY 2020-21	
	Units	%	Units	%
Tata Passenger Vehicles	3,72,157	50.3%	2,22,638	45.4%
Tata Commercial Vehicles	3,67,565	49.7%	2,67,513	54.6%
Total	**7,39,722**	**100.0%**	**4,90,151**	**100.0%**

We sold a total of 7,39,722 units in FY 2021-22, of which 6,93,036 units were sold by Tata and other brand vehicles in India and 46,686 units outside India. There were 4,90,511 units sold overall in FY 2020-21, with 4,63,736 units in India and 26,415 units outside India.

We maintained our leadership position in the Commercial Vehicle category in India, which was characterized by increased competition during the year. The Passenger Vehicle market was also subject to competitive pressures.

The following table sets forth our market share in various categories in the Indian market based on wholesale volumes:

Category	FY 2021-22	FY 2020-21
Passenger Cars	9.8%	8.8%
Utility Vehicles	15.1%	7.4%
Total PV	**12.5%**	**8.2%**
Medium and Heavy Commercial Vehicles	58.2%	58.1%
Intermediate and Light Commercial Vehicles	49.0%	45.9%
SCVs and Pickups	39.1%	37.5%
CV Passenger Vehicles	44.8%	40.6%
Total CV	**44.9%**	**42.4%**
Total Four-Wheel Vehicles	**18.8%**	**14.1%**

Source: Society of Indian Automobile Manufacturers Report and our internal analysis.

The following table sets forth our total domestic i.e. India wholesales and retails of Tata Commercial Vehicles and Tata Passenger Vehicles:-

	Wholesale Volume (in units)			Retail Volume (in units)		
	FY 2021-22	FY 2020-21	% change	FY 2021-22	FY 2020-21	% change
Tata Commercial vehicles	3,22,682	2,41,668	33.5	3,19,141	208,437	53.1
Tata Passenger vehicles	3,70,354	2,22,074	66.8	3,63,061	228,863	58.6
Total	**6,93,036**	**4,63,742**	**49.4**	**6,82,202**	**437,300**	**56.0**

Passenger Vehicles in India

Industry sales of Passenger vehicles increased by 13.6% to 29,60,047 units in FY 2021-22 from 26,04,855 units in FY 2020-21. The following table sets forth the breakup of the wholesale sales in various categories.

Category	Industry Sales			Tata Passenger Vehicles Sales		
	FY 2021-22 (in units)	FY 2020-21 (in units)	% change	FY 2021-22 (in units)	FY 2020-21 (in units)	% change
Passenger Cars	14,67,061	15,41,968	(4.9)	1,44,226	1,35,680	6.3
Utility Vehicles	14,92,986	10,62,887	40.5	2,26,128	86,394	161.7
Total	**29,60,047**	**26,04,855**	**13.6**	**3,70,354**	**2,22,074**	**66.8**

Utility Vehicles excludes Van sales

Industry-wide sales of Passenger Cars in India decreased by 4.9% in FY 2021-22, which when compared to the 9.0% decline in FY 2020-21, is lower. Utility Vehicles sales increased by 40.5% in FY 2020-21 which has almost quadrupled with respect to the 11.6% increase in FY 2020-21. The overall industry sales are on the rise since FY 2020-21. Our Passenger Vehicle sales in India increased by 66.8% from 2,22,074 units in FY 2020-21 to 3,70,354 units this fiscal year, reflecting a strong response for the New Forever Range. Retail sales marginally outnumbered wholesale sales, thereby reaffirming strong demand for the New Forever Range and thin pipeline inventory at our dealers.

We sold 1,44,226 units in the Passenger Car category (Tata-brand vehicles in India) in FY 2021-22, compared to the 1,35,680 units in FY 2020-21, an increase of 6.3%. During FY 2021-22, we launched Tigor and Tiago CNG variant. Our market share for Passenger Cars in India rose 9.8% in FY 2021-22, as compared to 8.8% in FY 2020-21.

In the Utility Vehicles category, we sold 2,26,128 units in FY 2021-22, an increase of 161.7% from 86,394 units in FY 2020-21, representing a strong demand for Tata Nexon and Tata Harrier. Our market share of Utility Vehicles in India has doubled and is now at 15.1% in FY 2021-22, during which period we launched Tata Punch.

Tata Motors continued to remain market leader in electric vehicles in India in FY 2021-22 with an 87% share due to a strong response for Nexon EV.

Commercial Vehicles in India

Industry sales of commercial vehicles rose by 26.1% to total 718,155 units in FY 2021-22 compared to the sales of 569,307 units in FY 2020-21. The following table sets forth the breakup of the wholesale sales in various categories.

Category	Industry Sales			Tata Commercial Vehicle Sales		
	FY 2021-22 (in units)	FY 2020-21 (in units)	% change	FY 2021-22 (in units)	FY 2020-21 (in units)	% change
Medium and Heavy Commercial Vehicles (MHCV)	1,51,546	1,00,712	50.5	88,191	58,528	50.7
Intermediate and Light Commercial Vehicles (ILCV)	1,09,997	82,386	33.5	53,847	37,826	42.4
SCVs and Pickups	4,23,560	3,65,347	15.9	1,65,822	1,36,835	21.2
CV Passenger Vehicles	33,052	20,862	58.4	14,822	8,479	74.8
Total	**7,18,155**	**5,69,307**	**26.1**	**3,22,682**	**241,668**	**33.5**

The Commercial Vehicle industry continued to be impacted in FY 2021-22, despite the increase in the total sales figures, as the economy's gradual recovery post the Covid-19 pandemic.

MHCVs in India

In India, we saw a significant increase of 50.5% in the sale of medium and heavy commercial vehicles in FY 2021-22 compared to FY 2020-21. There were 88,191 units sold by the Company in FY 2021-22, compared to the sales of 58,528 units in FY 2020-21 in this segment, an increase of 50.7%. The quarter-on-quarter improvement was observed due to an increase in infrastructure projects, housing construction and the mining segments in India.

ILCVs in India

Our sales in the ILCVs in India increased to 53,847units in FY 2021-22, compared to the 37,826 units in FY 2020-21, representing an increase of 42.4%.

SCVs and Pickups in India

Our sales in SCVs and Pickups segment in India increased by 21.2% from 1,36,835 units in FY 2020-21 to 1,65,822 units in FY 2021-22. Among all segments in commercial vehicles, the SCV and pickup category experienced increased demand from e-commerce players a primarily due to necessity for last-mile distributions.

CV Passenger Vehicles in India

Our sales in CV Passenger Vehicles segment in India increased by 74.8% in FY 2021-22 compared to FY 2020-21, from 8,479 units in FY 2020-21 to 14,822 units in FY 2021-22, largely due to increased demand for public transport due to the recommencement of face-to-face learning in school and colleges and return to office work.

Tata Commercial Vehicles and Tata Passenger Vehicles — Exports

With a global presence in more than 46 countries, including all South Asian Association for Regional Cooperation (SAARC) countries, South Africa, Africa, Middle East and Southeast Asia, we offer a range of products including M&HCV trucks, LCV trucks, buses, pickups and small commercial vehicles. As international business is an integral part of our business portfolio, ever since our inception back in 1961, we strive to maintain, improve and expand our relations with the nations of the world.

Our overall Commercial Vehicle sales in international markets increased by 71.53% to 34,791 units in FY 2021-22, compared to the 20,283 units sold in FY 2020-21. SAARC countries witnessed an increase in volume by 23% over the last financial year despite foreign exchange shortages in Sri Lanka and a liquidity crunch in Nepal, which emerged in the latter half of the year impacting the momentum. Middle-East volume grew by 101% while the African markets grew by 21% over last fiscal year. Democratic Republic Congo achieved highest ever retail of 569 units in FY 2021-22. The new Intra range was introduced in Bangladesh, Kenya & Tanzania in FY 2021-22. Passenger Vehicles exports on the other hand, were at 1,803 units this year, compared to the 566 units sold in FY 2020-21.

Tata Daewoo Commercial Vehicle Co. Ltd or TDCV, our subsidiary company that engages in the design, development, and manufacturing of MHCVs and LCVs, witnessed an increase in overall sales by 84.4% to 9,454 units in FY 2021-22 from 5,127 units in FY 2020-21, primarily due to product range expansion and recovery of domestic as well global market demand. In December 2021, TDCV added a new product range in the LCV segment with the launch of "The CEN" and in January 2022, TDCV strengthened its existing product range by launching new Xeneration models "Maxen" for the HCV segment and "Kuxen" for the MCV segment. All product launches helped generate robust growth of 87.7% in the domestic market from 3,942 units in FY 2020-21 to 7,400 units in FY 2021-22. The export market also exhibited growth in spite of various supply constraints and witnessed an increase of 73.3% from 1,185 units in FY 2020-21 to 2,054 units in FY 2021-22

Tata Commercial Vehicles and Tata Passenger Vehicles — Sales and Distribution

Our sales and distribution network in India as at March 2022 comprised approximately over 6,300 touch points for sales and service for our Passenger Vehicles and Commercial Vehicles businesses. We use a network of service centers on highways and a toll-free customer assistance center to provide 24-hour roadside assistance including replacement of parts, to vehicle owners. We have a toll-free roadside assistance hotline for 24/7 assistance, along with network of service centers along highways that we offer to our vehicle owners. A customer relations management system is maintained at all our dealerships across India to better support users as well as distributors that work with us, across the globe.

Our Commercial Vehicles and Passenger Vehicles have an established market in several countries in Africa, the Middle East, Southeast Asia, South Asia, Australia, Latin America and the Commonwealth of Independent States (CIS) countries. We export our vehicles and maintain a network of distributors in all such countries. These distributors have created a network of dealers and branch offices and facilities for sales and after-sales servicing of our products in their respective markets. We have also stationed overseas resident sales and service representatives in various countries to oversee our operations in the respective territories.

Tata Commercial Vehicles and Tata Passenger Vehicles— Competition

Improved infrastructure and robust growth prospects as compared to other mature markets have attracted strong international companies to India that have either formed joint ventures with local partners or have established independently owned operations in India. Global competitors bring with them their international experience, global scale, advanced technology, and significant financial resources, and as a result, competition is likely to further intensify in the future.

We have designed our products to suit the requirements of the Indian market based on specific customer needs, such as safety, driving comfort, fuel-efficiency and durability. By moving to Bharat Stage VI (BSVI) successfully we have demonstrated our ability to compete with the global players successfully. We believe that our vehicles are suited to the general conditions of Indian roads and the local climate. We also offer a wide range of optional configurations to meet the specific needs of our customers. We intend to develop and are developing products to strengthen our product portfolio in order to meet the increasing customer expectation of owning world-class products.

Tata Commercial Vehicles and Tata Passenger Vehicles—Seasonality

Demand for our vehicles in the Indian market is subject to seasonal variations. Demand generally peaks in the last quarter of each financial year, i.e., between January and March each year, although there tends to be a decrease in demand in February just before release of the Government of India's fiscal budget. Demand is usually at a moderate level from April to July but gains momentum again from September onwards, due to the festival season, with a decline in December due to year-end.

Tata Commercial Vehicles and Tata Passenger Vehicles—Challenges

Tata Commercial Vehicles - Elevated levels of inflation continue to be a challenge with commodity prices increasing and impacting margins. Other macroeconomic factors, such as fuel price increases and rate hikes are also a key concern as these play an important role in determining freight rates and therefore, transporter profitability. While freight rates have been improving, going forward too, it would need to keep pace with the fuel price increases and impending rate hikes.

Further, although the semiconductor availability is gradually improving, it continues to be below requirement. We continue to debottleneck by reducing semiconductor intensity, evaluating alternate options, localizing and strategically building-up inventory.

Tata Passenger Vehicles - Business environment continues to be challenging, with inflation and commodity price increases impacting profitability and consumer spending power. Semiconductor & other supply constraints are restricting our ability to tap the full demand potential. We will aim to mitigate this risk by innovating and fast tracking our cost reduction efforts to improve profitability

Tata and other brand vehicles – Vehicle Financing

Through our wholly-owned subsidiary TMF Holdings Ltd and its step-down subsidiaries Tata Motors Finance Ltd ("TMFL") and Tata Motors Finance Solutions Ltd ("TMFSL"), we provide financing services to purchasers of our vehicles through independent dealers, who act as our agents for financing transactions, and through our branch network.

TMF group disbursed ₹16,329 crores and ₹13,258 crores in vehicle financing during FY 2021-22 and FY 2020-21, respectively. Approximately 27% and 33%, of our commercial vehicle unit sales in India were made by the dealers through financing arrangements with the Company's captive financing subsidiary during FY 2021-22 and FY 2020-21, respectively. As at March 31, 2022, and 2021, TMF group's customer finance receivable portfolio comprised 787,224 and 718,149 contracts, respectively.

Our portfolio contains ways to follow specified internal procedures, including quantitative guidelines, for s election of our finance customers and assist in managing default and repayment risk. We originate all the contracts through our authorized dealers and direct marketing agents with whom we have agreements. All our marketing, sales and collection activities are undertaken through dealers or by the TMF group.

Based on the evaluation of market conditions and funding requirements, TMFL securitizes or sells our finance receivables. The sell down happens either through Securitization Pass Through Certificates ("PTC") or through direct assignment route. Securitization PTC is backed by credit enhancement where certain percentage of losses are protected to the extent of credit enhancement.

The PTC route is one of the most prominent sources of fund raising in the market. We also do securitization by way of direct assignment where there is no support provided to the pool in the form of credit enhancement. Majorly, these assets are Priority Sector Loan assets because of which demand for direct assignment is good with Public Sector Banks. The constitution of these pools is based on criteria that are decided by credit rating agencies and/or based on the advice that we receive regarding the marketability of a pool. TMFL undertakes these securitizations of our receivables due from purch asers by means of private placement.

Loan contracts of Micro, Small and Medium Enterprises continued to remain stressed during most part of FY 2021-22 because of the pandemic, leading to elevated levels of GNPA. However, with strong recovery of Collection performance in Q4 of the financial year with Maturity Efficiency at 100.2%, GNPA % reduced from 10.4% in Q3 FY 2021-22 to 8.8% as on March 31, 2022. TMF has re-calibrated its collection strategy and organisation to aggressively reduce GNPA over the next six quarters. The steps include (a) Increase in collection personnel by 1,100 to intensify recovery efforts; (b) Increase repossession of assets in a calibrated manner; (c) Existing GNPA customers will be offered settlements basis their eligibility; (d) Leverage digital payment solutions like NACH, RTGS and other online modes and increase digital collection coverage by over 40% of total collections; (e) Strong pre-delinquency management team and call centres for securing prompt payments from customers; and (f) Continue to strengthen data analytics based risk management processes and increase straight through processing.

TMFL acts as the collection agent on behalf of the investors, representatives, special purpose vehicles or banks, in whose favor the receivables have been assigned, for the purpose of collecting receivables from the purchasers on the terms and conditions contained in the applicable deeds of securitization, in respect of which pass-through certificates are issued to investors in case of special purpose vehicles. TMFL also secures the payments to be made by the purchasers of amounts constituting the receivables under the loan agreements to the extent specified by rating agencies by any one or all of the following methods:

1. furnishing collateral to the investors, in respect of the obligations of the purchasers and the undertakings to be provided by TMFL;
2. furnishing, in favor of the investors, certain percentage of the future principal in the receivables as collateral, for securitizations done through FY 2021-22, either by way of a fixed deposit or bank guarantee or subordinate tranche to secure the obligations of the purchasers and our obligations as the collection agent, based on the quality of receivables and rating assigned to the individual pool of receivables by the rating agencies; and
3. by way of over-collateralization or by investing in subordinate pass-through certificates to secure the obligations of the purchasers.

JAGUAR LAND ROVER

Total wholesale and retail volume of Jaguar Land Rover vehicles (excluding Chery Jaguar Land Rover) with a breakdown between Jaguar and Land Rover brand vehicles, in FY 2021-22 and FY 2020-21 are set forth in the table below:

	Wholesale Volume (in units excluding CJLR)			Retail Volume (in units including CJLR)		
	FY 2021-22	FY 2020-21	% change	FY 2021-22	FY 2020-21	% change
Jaguar	**49,510**	**67,333**	**(26.5)**	**77,381**	**97,669**	**(20.8)**
UK	13,822	22,305	(38.0)	17,016	22,529	(24.5)
North America	11,469	13,450	(14.7)	13,785	18,186	(24.2)
Europe	15,178	20,693	(26.7)	17,841	20,578	(13.3)
China	2,887	4,603	(37.3)	21,858	28,181	(22.4)
Overseas	6,154	6,282	(2.0)	6,881	8,195	(16.0)
Land Rover	**244,672**	**280,299**	**(12.7)**	**299,000**	**341,919**	**(12.6)**
UK	43,371	59,195	(26.7)	46,422	60,466	(23.2)
North America	67,881	80,309	(15.5)	77,520	92,619	(16.3)
Europe	49,983	55,913	(10.6)	54,227	58,682	(7.6)
China	38,529	42,542	(9.4)	73,927	83,025	(11.0)
Overseas	44,908	42,340	6.1	46,904	47,127	(0.5)
Jaguar Land Rover	**294,182**	**347,632**	**(15.4)**	**376,381**	**439,588**	**(14.4)**
UK	57,193	81,500	(29.8)	63,438	82,995	(23.6)
North America	79,350	93,759	(15.4)	91,305	110,805	(17.6)
Europe	65,161	76,606	(14.9)	72,068	79,260	(9.1)
China	41,416	47,145	(12.2)	95,785	111,206	(13.9)
Overseas	51,062	48,622	5.0	53,785	55,322	(2.8)
CJLR	53,468	65,279	(18.1)			

Jaguar Land Rover's performance on a wholesale basis:

Wholesales (excluding our China Joint Venture) for the FY 2021-22 were 294,182, down 15.4% compared to FY 2020-21. This reduction was seen in all markets as Jaguar Land Rover felt the impact of semiconductor and supply constraints on production which limited availability of products to our customers. Given these restrictions on availability, we have been able to increase our revenue per unit reflecting the prioritisation of higher margin products giving us a strong mix, particularly in the Range Rover and Defender families.

Jaguar Land Rover's performance on a retail basis:

Retail sales for FY 2021-22 were 376,381, down 14.4% compared to FY 2020-21. This reduction was seen in all markets as Jaguar Land Rover felt the impact of semiconductor and supply constraints on production which limited availability of products to our customers. Given these restrictions on availability, we have been able to increase our revenue per unit reflecting the prioritisation of higher margin products giving us a strong mix, particularly in the Range Rover and Defender families. Demand remains strong with the order bank growing to a new record 168,471 units at March 31, 2022. Orders for the New Range Rover have grown to 45,584, while demand for the Defender remains strong with 40,618 orders.

Retails by powertrain

Jaguar Land Rover continued to roll out electrification technology across its model range in FY 2021-22. The electrified mix, which includes mild hybrid, plug-in hybrid and battery electric vehicles ("BEV"), rose from 51% in FY 2020-21 to 66% in FY 2021-22. During the year we launched the New Range Rover followed by the recently announced New Range Rover Sport, both of which offer extended range plug-in hybrid options today and will offer full BEV options from 2024.

Jaguar Land Rover's Sales & Distribution

As at March 31, 2022, Jaguar Land Rover distributed its vehicles in 119 markets for Jaguar and 123 markets for Land Rover globally. Sales locations for vehicles are operated as independent franchises. Jaguar Land Rover is represented in its key markets through its National Sales Company's ("NSC's") as well as third party importers. Jaguar Land Rover has regional offices in certain select countries that manage customer relationships and vehicle supplies and provide marketing and sales support to its regional importer markets. The remaining importer markets are managed from the United Kingdom.

Jaguar Land Rover products are sold through a variety of sales channels: through its dealerships for retail sales; for sale to fleet customers, including daily rental car companies, commercial fleet customers, leasing companies and governments. Jaguar Land Rover does not depend on a single customer or small group of customers to the extent that the loss of such a customer or group of customers would have a material adverse effect on its business.

Jaguar Land Rover wholesaled 6,497 vehicles to Russia in FY 2021-22, around 2% of its wholesales (excluding CJLR) in FY 2021-22. The impact on revenues as a result of sanctions in Russia has been modest. It is Jaguar Land Rover's corporate policy to operate its business in accordance with all applicable export controls and sanctions. Jaguar Land Rover has suspended vehicle imports to Russia to comply with recent export restrictions. We continue to import a restricted range of safety-related parts to Russia for the repair of vehicles in market in compliance with relevant sanctions and export controls measures in place.

As at March 31, 2022, the Jaguar Land Rover global sales and distribution network comprised 19 NSCs, 80 importers, one export partner and 2,782 franchise sales dealers in 1,477 sites, of which 1,305 are joint Jaguar and Land Rover dealers.

Jaguar Land Rover — Competition

Jaguar Land Rover operates in a globally competitive environment and faces competition from established premium and other vehicle manufacturers who aspire to move into the premium performance car and premium SUV markets, some of which are much larger than they are. Jaguar vehicles compete primarily against other European brands such as Audi, Porsche, BMW and Mercedes Benz as well as Tesla. Land Rover and Range Rover vehicles compete largely against SUVs from companies such as Audi, BMW, Infiniti, Lexus, Mercedes Benz, Porsche, Volvo and Volkswagen.

Jaguar Land Rover — Seasonality

Jaguar Land Rover volumes are impacted by the biannual change in age related registration plates of vehicles in the United Kingdom, where new age related plate registrations take effect in March and September each year. This has an impact on the resale value of the vehicles because sales are clustered around the time of the year when the vehicle registration number change occurs. Seasonality in most other markets is driven by the introduction of new model year vehicles and derivatives. Furthermore, Western European markets tend to be impacted by summer and winter holidays, and the Chinese market tends to be affected by the Lunar New Year holiday in either January or February, the PRC National Day holiday, and the Golden Week holiday in October. The resulting sales profile influences operating results on a quarter to quarter basis.

Jaguar Land Rover — Challenges

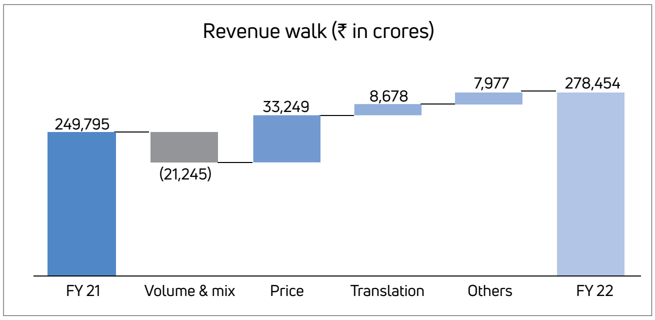
Full year performance in FY22 was significantly impacted by the constraint on production and sales resulting from the global chip shortage. The ongoing supply challenges are compounded by the conflict in Ukraine and China covid lockdowns. We expect the global semiconductor shortage to continue through the next fiscal year with gradual improvement. We continue to engage with Tier 1 and chip suppliers to increase supply of chips and mitigate other supply chain disruptions. Further, inflation represents an increasing headwind for the business and we expect our Refocus actions to help mitigate this in the coming year.

Other Operations

In addition to our automotive operations, we are also involved in other business activities, mainly Information Technology services. The Company's revenue from other operations before inter-segment eliminations was ₹3,809 crores in FY 2021-22, an increase of 45.8% from ₹2,612 crores in FY 2020-21. The increase in revenue of Tata Technologies is due to due to relaxation in regulatory and health guidelines that enabled improved business activities coupled with new business opportunities in South East Asia. Revenues from other operations represented 1.4% and 1.0% of our total revenues, before inter-segment eliminations, in FY 2021-22 and FY 2020-21, respectively.

A. OPERATING RESULTS

All financial information discussed in this section is derived from our Audited Consolidated Financial Statements.



Overview

In FY 2021-22 income from operations including finance revenues increased by 11.3% to ₹278,454 crores from ₹249,795 crores in FY 2020-21. This increase was mainly attributable to increased vehicle volumes, mainly for Tata Commercial Vehicles and Passenger Vehicles and favorable currency translation from GBP to INR which was offset by lower sales volumes at Jaguar Land Rover.

The net loss (attributable to shareholders of our Company) was ₹11,441 crores in FY 2021-22, compared to a loss of ₹13,451 crores in FY 2020-21. In FY 2020-21, we have taken a charge of ₹14,994 crores for our Jaguar Land Rover business due to the Reimagine strategy, reversal of impairment charge and onerous contract of ₹1,959 crores for our passenger vehicle business of Tata Motors Ltd. Excluding the exceptional items, loss before tax was ₹6,448 crores in FY 2021-22, as compared to profit before tax of ₹2,908 crores in FY 2020-21. This loss was due to lower sales at Jaguar land Rover due to semi-conductor chip shortages and commodity price increase across all segments.

Automotive operations

Automotive operations is our most significant segment, accounting for 99.2% and 99.4% of our total revenues in FY 2021-22 and FY 2020-21, respectively. In FY 2021-22, revenue from automotive operations before inter-segment eliminations was ₹275,780 crores compared to ₹248,181 crores in FY 2020-21.

	FY 2021-22	FY 2020-21	Change %
Total revenue (₹ in crores)	2,75,780	248,181	11.1
Earning before other income (excluding incentives), finance costs, foreign exchange gain/(loss) (net) and tax (₹ in crores)	1,424	8,541	(83.3)
Earning before other income (excluding incentives), finance costs, foreign exchange gain/(loss) (net) and tax (% to total revenue)	0.5%	3.4%	

Our automotive operations segment is further divided into four reporting segments: Tata Commercial Vehicles, Tata Passenger Vehicles, Jaguar Land Rover and Vehicle financing.

Category	Total Revenues (₹ crores)		Earning before other income (excluding incentives),finance costs, foreign exchange gain/(loss) (net)and tax (₹ crores)		Earning before other income (excluding incentives), finance costs, foreign exchange gain/(loss) (net) and tax (% of revenue)	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Tata Commercial Vehicle	52,287	33,104	210	(305)	0.4	(0.9)
Tata Passenger Vehicle	31,515	16,606	(660)	(1,564)	(2.1)	(9.4)
Jaguar Land Rover	187,697	193,823	(439)	7,691	(0.2)	4.0
Vehicle Financing	4,585	4,490	2,466	2,794	53.8	62.2
Unallocable	314	283	(62)	(75)	(19.9)	(26.5)
Intra- segment elimination	(618)	(125)	(90)	-	(14.6)	-
Total	**275,780**	**248,181**	**1,424**	**8,541**		

In FY 2021-22, Jaguar Land Rover contributed 68% of our total automotive revenue compared to 78% in FY 2020-21 (before intra-segment elimination) and the remaining 32% was contributed by Tata and other brand vehicles and Vehicle Financing in FY 2021-22, compared to 22% in FY 2020-21.

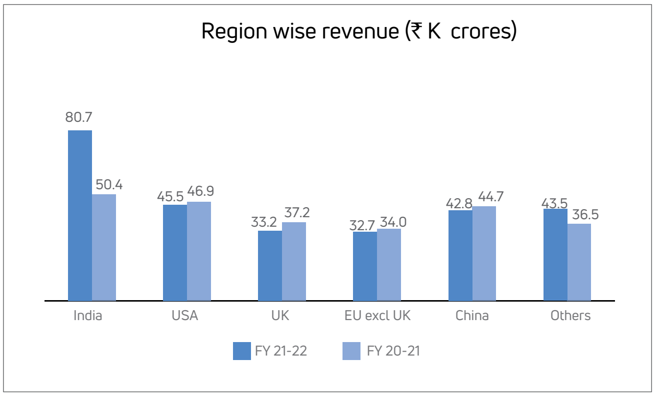
Other operations

Our other operations business segment mainly includes information technology services, machine tools and factory automation solutions. The following table sets forth selected data regarding our other operations for the periods indicated and the percentage change from period to period (before inter-segment eliminations).

Particulars	FY 2021-22	FY 2020-21	Change (%)
Total revenue (₹ in crores)	3,809	2,612	45.8%
Earning before other income, interest and tax (₹ in crores)	625	319	95.9%
Earning before other income, interest and tax (% of revenue)	16.4%	12.2%	

Geographical Breakdown

In FY 2021-22, volume and percentage of revenues in India have improved from FY 2020-21 levels. As a result of lower sales by Jaguar land Rover, there is a reduction in revenue across most geographical markets in FY 2021-22. Due to the ongoing global semiconductor chip shortage, Jaguar Land Rover wholesale volumes declined in all regions including in China (down 12.2% year-on-year), Europe (down 14.9%), North America (down 15.4%) and in the UK (down 29.8%). Overseas market increased by 5% year-on-year. In addition to the COVID-19 pandemic, other factors impacting automotive industry sales during FY 2021-22 included regulatory and emissions challenges as well as continuing trade tensions and other geopolitical pressures. The following chart sets forth our revenue from key geographical markets:



The "EU excluding UK" market is geographic Europe, excluding the United Kingdom and Russia. The "Others Rest of World" market is any regions not included above.

The following table sets forth selected items from our consolidated statements of income for the periods indicated and shows these items as a percentage of total revenue:

Particulars	FY 2021-22 (%)	FY 2020-21 (%)	Difference (Bps)
Revenue from operations	100	100	-
Expenditure:			
Cost of material consumed (including change in stock)	65.0	63.4	(160)
Employee Cost	11.1	11.1	-
Product development/ Engineering expenses	3.3	2.1	(120)
Other expenses (net)	16.9	16.4	(50)
Amount transferred to capital and other accounts	(5.2)	(5.1)	(10)
Total Expenditure	91.1	87.8	(330)
Profit before other income, Depreciation and amortization, Finance costs, Foreign exchange (gain)/loss, exceptional item and tax	8.9	12.2	(330)
Other Income	1.1	1.1	-
Profit before Depreciation and Amortization, Finance costs, Foreign exchange (gain)/loss, exceptional item and tax	10.0	13.3	(330)
Depreciation and Amortization	8.9	9.4	50
Finance costs	3.3	3.2	(10)
Foreign exchange (gain)/loss (net)	-*	(0.7)	(70)
Exceptional Item (gain)/loss (net)	0.2	5.5	530
Profit/(loss) before tax	(2.5)	(4.2)	170
Tax expense / (credit)	1.5	1.0	(50)
Profit/(loss) after tax	(4.0)	(5.2)	120
Share of profits/(loss) of equity accounted investees (net)	-*	0.2	(20)
Profit/(loss) for the year	(4.1)	(5.4)	140
EBITDA	9.6	12.2	(260)
EBIT	0.7	2.6	(190)

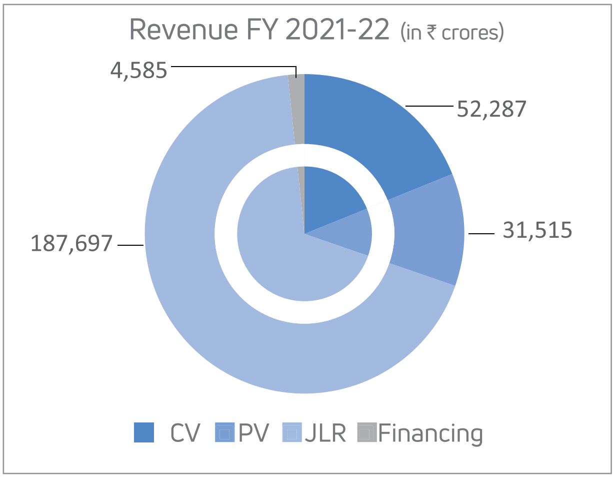
**Less than 0.0%*

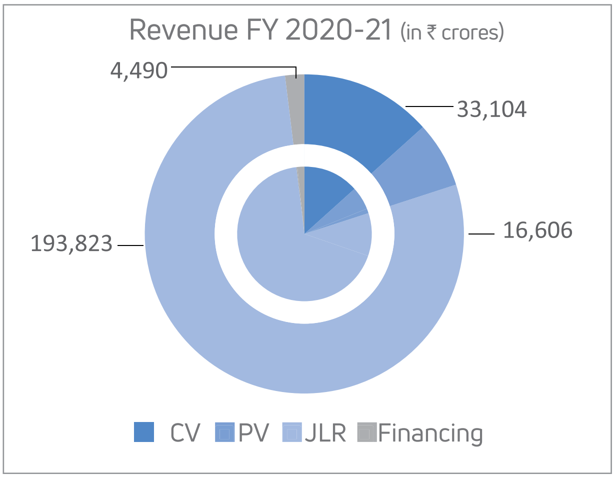
EBITDA is defined to include the product development expenses charged to P&L, revaluation of current assets and liabilities and realized FX and commodity hedges but excludes the revaluation of foreign currency debt, MTM on FX and commodity hedges, other income (except government grant) as well as exceptional items.

EBIT is defined as reported EBITDA plus profit from equity accounted investee less depreciation and amortization.

REVENUE ANALYSIS:

Our total consolidated revenue from operations including finance revenue, increased by 11.5% to ₹278,454 crores in FY 2021-22 from ₹249,795 crores in FY 2020-21. Revenue from the sale of vehicle increased to ₹227,179 crores in FY 2021-22, compared to ₹206,419 crores, an increase of 10.1%. We sold 1,033,904 vehicles in FY 2021-22, compared to 837,783 vehicles in FY 2020-21.





The revenue of our Tata brand vehicles including vehicle finance increased by 62.8% to ₹88,701 crores in FY 2021-22 from ₹54,484 crores in FY 2020-21, mainly due to increased volumes both in commercial vehicles and passenger car segment. The revenue from Tata commercial vehicle was ₹52,287 crores in FY 2021-22, compared to ₹33,104 crores in FY 2020-21, an increase of 57.9%. Our revenues from sales of vehicles and spare parts of Commercial Vehicles manufactured in India increased by 57.0% to ₹46,171 crores in FY 2021-22 from ₹29,415 crores in FY 2020-21. The revenue from Tata Passenger Vehicles was ₹31,515 crores in FY 2021-22, compared to ₹16,606 crores in FY 2020-21, an increase of 89.8%. Our revenues from sales of vehicles and spare parts of Passenger Vehicles manufactured in India increased by 86.5% to ₹30,883 crores in FY 2021-22 from ₹16,559 crores in FY 2020-21.

The revenue from Passenger Cars in India has decreased by 18.6% to ₹4,744 crores in FY 2021-22 from ₹5,832 crores in FY 2020-

21. However, revenue from Electric vehicle increased to ₹1,349 crores in FY2021-22 from ₹571 crores in FY 2020-21 and Utility Vehicles increased by 37.7% to ₹8,988 crores in FY2021-22 from ₹6,534 crores in FY 2020-21. The increase in Passenger Vehicles was mainly on account of pent-up demand, better products and safety features of our New forever range of vehicles.

The revenue from Commercial Vehicle in ILCVs category increased by 54.0% to ₹6,233 crores in FY 2021-22 from ₹4,047 crores in FY 2020-21. The SCVs and Pickups category in India increased by 27.9% to ₹6,169 crores in FY 2021-22 from ₹4,824 crores in FY 2020-21. Revenues from MHCVs category increased by 57.6% to ₹21,759 crores in FY 2021-22 from ₹13,808 crores in FY 2020-21 and CV Passenger Vehicles category revenue increased by 83.6% to ₹1,978 crores in FY 2021-22 from ₹1,078 crores in FY 2020-21. The revenue of commercial vehicle at overall level increased, due to an increase in infrastructure projects, housing construction and the mining segments in India. increased demand from e-commerce players due to the necessity of last-mile distributions.

Revenue attributable to TDCV, increased by 61% to ₹5,352 crores in FY 2021-22 from ₹3,316 crores in FY 2020-21. TDCV witnessed an increase in overall sales by 84.4% to 9,454 units in FY 2021-22 from 5,127 units in FY 2020-21. In South Korea, TDCV's sales increased by 33.8% from 3,701 units in FY 2020-21 to 4,953 units in FY 2021-22. Due to its product range expansion, the variety of options to choose from increased the total domestic sales increased by 87.7% from 3,942 units in FY 2020-21 to 7,400 units in FY 2021-22. With the economy in its recovery phase, the export market experienced significant increase of 73.3% from 1,185 units in FY 2020-21 to 2,054 units in FY 2021-22.

Revenue from our Vehicle Financing operations increased marginally by 2.1% to ₹4,585 crores in FY 2021-22, compared to ₹4,490 crores in FY 2020-21. This is mainly due to growth in average loan book.

The revenue of our Jaguar Land Rover business decreased by 3.2% to ₹1,87,796 crores in FY 2021-22 from ₹1,93,823 crores in FY 2020-21. This was partially offset by a favorable translation of ₹7,524 crores from GBP to Indian rupees in FY 2021-22. Excluding currency translation, the revenue of Jaguar Land Rover decreased by 6.5% to GB£18,320 million in FY 2021-22 from GB£19,731 million in FY 2020-21. Jaguar Land Rover wholesale volumes declined across all key regions in FY 2021-22, down 15.4% year on year compared to FY 2020-21, except in Overseas where wholesales grew 5% year-on-year. The reduction in revenue was much lower than the decline in wholesales, reflecting the strong favorable sales mix, higher average revenue per vehicle and much lower variable marketing incentive spending during the year. Jaguar brand vehicles sales were 49,510 units in FY 2021-22 from 67,333 units in FY 2020-21, a decrease of 26.5%, and Land Rover vehicles sales from 280,299 units in FY 2020-21 to 244,672 units in FY 2021-22, a decrease of 12.7% (volumes excluding the China Joint Venture).

Revenue from other operations (before inter-segment eliminations) increased by 45.8% to ₹3,809 crores in FY 2021-22 compared to ₹2,612 crores in FY 2020-21. This is mainly on account of increase in revenue of Tata Technologies post recovery from the COVID-19 pandemic.

Cost and Expenses

Raw Materials, Components and Purchase of Products for Sale (including change in inventories of finished goods and work-in-progress)

Material costs increased by 14.3% to ₹1,80,886 crores in FY 2021-22 from ₹1,58,292 crores in FY 2020-21, in line with increase in revenue. As a percentage of revenue material costs are 65.0% in FY 2021-22, compared to 63.4% in FY 2020-21, mainly due to a change in product mix. and increase in commodity prices.

Material costs for Tata Commercial Vehicles and Tata Passenger Vehicles increased by 75.0% to ₹65,856 crores in FY 2021-22 from ₹37,603 crores in FY 2020-21, due to increased volumes. The material costs as a percentage of total revenue increased to 78.3% in FY 2021-22, compared to 75.6% in FY 2020-21, primarily due to a change in product mix and increase in commodity prices especially steel and other precious metal.

For our India operations, material costs of Passenger Vehicles decreased to ₹4,413 crores in FY 2021-22, compared to ₹5,258 crores in FY 2020-21, in line with decrease in revenues. Electric Vehicles increased to ₹1,199 crores in FY 2021-22, compared to ₹504 crores in FY 2020-21 and Utility Vehicles increased by 41.3% to ₹7,451 crores in FY 2021-22, compared to ₹5,273 crores in FY 2020-21. The increase in material costs is mainly due to increased sales volumes and increased commodity prices.

Material costs for ILCVs category increased by 73.3% to ₹5,404 crores in FY 2021-22, compared to ₹3,119 crores in FY 2020-21 and for SCVs and Pickups increased by 39.0% to ₹5,444 crores in FY 2021-22, compared to ₹3,917 crores in FY 2020-21 mainly due to increase in volumes and increase in commodity prices. Material costs for MHCVs category increased by 76.4% to ₹17,978 crores in FY 2021-22, compared to ₹10,191 crores in FY 2020-21 and for CV Passenger Vehicles category substantially increased to ₹1,707 crores in FY 2021-22, compared to ₹828 crores in FY 2020-21 mainly due to increase in volumes and increase in commodity prices. The material costs as a percentage of revenue marginally increased to 86.6% in FY 2021-22, compared to 85.3% in FY 2020-21.

Material costs increased by 52% to ₹3,522 crores in FY 2021-22, compared to ₹2,319 crores in FY 2020-21 for TDCV, primarily due to higher volumes, both in the domestic (South Korea) market and exports. As a percentage of total revenue, material costs decreased marginally due to 62.5% in FY 2021-22, compared to 69.9% in FY 2020-21, primarily due to product mix (introduction of LCVs).

At our Jaguar Land Rover operations, material costs in FY 2021-22 decreased by 5.0% to ₹1,14,339 crores, from ₹1,20,335 crores in FY 2020-21. The decrease was partially offset by an unfavourable currency translation from GBP to Indian rupees of ₹4,708 crores. Excluding currency translation, material costs attributable to our Jaguar Land Rover operations decreased by 9.0% to GB£11,235 million in FY 2021-22 from GB£12,335 million in FY 2020-21, mainly due to a 15.4% decrease in sales volume and change in product mix. Material costs at our Jaguar Land Rover operations as a percentage of revenue decreased to 61.0% in FY 2021-22, from 62.5% in FY 2020-21 (in GBP terms).

Employee Costs

Our employee costs went up in FY 2021-22 to ₹30,809 crores from ₹27,648 crores in FY 2020-21, including the foreign currency translation impact from GBP to Indian rupees as discussed below.

Our permanent employee headcount decreased by 2.2% as at March 31, 2022, to 73,608 employees from 75,278 employees as at March 31, 2021, primarily due to voluntary early separations that commenced in third quarter of FY 2020-21 at Tata Motors and Jaguar Land Rover. However, the average temporary headcount has increased to 40,717 employees in FY 2021-22 from 28,291 employees in FY 2020-21, due to increase in productions, mainly at Tata Commercial and Passenger vehicles.

The employee costs for Tata Commercial Vehicles and Tata Passenger Vehicles increased by 11.8% to ₹6,169 crores in FY 2021-22 from ₹5,517 crores in FY 2020-21, mainly due to yearly increments and increase in temporary headcount. The employee costs as a percentage of revenue decreased to 6.0% in FY 2021-22 from 9.0% in FY 2020-21, mainly due to increase in revenue.

Employee costs at Tata Motors Ltd, the parent company increased by 7.4% to ₹3,466 crores in FY 2021-22 from ₹3,226 crores in FY 2020-21, mainly due to annual increments and increase in production. Employee costs of Tata Motors Passenger Vehicles increased by 28.4% to ₹977 crores in FY 2021-22 from ₹761 crores in FY 2020-21, mainly due to annual increments and increase in production. The permanent headcount decreased by 1.7% as of March 31, 2022, to 36,660 employees from 37,301 employees as of March 31, 2021, due to voluntary early separations commenced in the third quarter of FY 2020-21 at Tata Motors.

Employee costs at TDCV were increased to ₹787 crores in FY 2021-22, compared to ₹687 crores in FY 2020-21 primarily due to reintroduction of overtime allowance and corresponding higher provision requirement for Severance Pay and wage negotiations during FY 2021-22.

The employee costs at Jaguar Land Rover increased by 10.5% to ₹23,058 crores (GB£2,265 million) in FY 2021-22 from ₹20,873 crores (GB£2,141 million) in FY 2020-21. The increase was also due to an unfavourable foreign currency translation impact from GBP to Indian rupees of ₹1,005 crores. In FY 2020-21, furlough grant of ₹1,824 crores (GB£188 million) was received under the UK government's Coronavirus Job Retention Scheme. compared to ₹136 crores (GB£14 million) in FY 2021-22. The average headcount reduction of 10.1% (FY 2021-22 average 36,031 vs FY 2021-22 average 37,543). The employee costs as a percentage of revenue increased to 12.3% in FY 2021-22 from 10.9% in FY 2020-21 (in GBP terms) due to lower revenues and reduction in the furlough grant.

Product development/Engineering expenses

Product development/Engineering expenses represent research costs and costs pertaining to minor product enhancements, refreshes, and upgrades to existing vehicle models. These represented 3.3% and 2.1% of total revenues ₹9,210 crores and ₹5,227 crores for FY 2021-22 and FY 2020-21, respectively. The increase is attributable to spend on pre-capitalization on various projects.

Other Expenses

Other expenses increased by 15.2% to ₹47,134 crores in FY 2021-22 from ₹40,922 crores in FY 2020-21. There was an unfavourable foreign currency translation of GBP to Indian rupees of ₹1,588 crores. As a percentage of total revenues, these expenses increased to 16.9% in FY 2021-22 from 16.4% in FY 2020-21.

The major components of expenses are as follows:

	FY 2021-22	FY 2020-21	Change %	% to revenue	
	₹ in crores	₹ in crores		FY 2021-22	FY 2020-21
Freight, transportation, port charges, etc.	6,278	5,716	9.8%	2.3%	2.3%
Works operation and other expenses	15,556	14,230	9.3%	5.6%	5.7%
Publicity	4,864	4,385	10.9%	1.7%	1.8%
Provision and write off of sundry debtors, vehicle loans and advances (net)	1,427	979	45.8%	0.5%	0.4%
Warranty charges	8,775	7,609	15.3%	3.2%	3.0%
Processing charges	1,406	966	45.6%	0.5%	0.4%
Stores, spare parts and tools consumed	1,446	1,279	13.1%	0.5%	0.5%
Power and fuel	2,178	1,113	95.7%	0.8%	0.4%
Information technology/computer expenses	3.544	2,720	30.3%	1.3%	1.1%
Engineering expenses	3,031	3,308	8.4%	1.1%	1.3%
MTM (gain)/loss on commodity derivatives	(1,371)	(1,382)	(0.8)%	(0.5)%	(0.6)%
TOTAL	**47,134**	**40,922**	**15.2%**	**16.9%**	**16.4%**

1. Freight and transportation expenses increased by 9.8% to ₹6,278 crores in FY 2021-22. This increase was also due to an unfavourable currency translation of ₹200 crores from GBP to INR. At Jaguar Land Rover freight and transportation expenses decreased marginally from GB£499 million in FY 2020-21 to GB£485 million in FY 2021-22, mainly due to lower sales volumes offset by increase in crude oil prices. For Tata Passenger and Commercial vehicles (India Operations), expenses increased by 58.8% from ₹787 crores in FY 2020-21 to ₹1,250 crores in FY 2021-22 on account of higher production and sales, for both commercial vehicles and passenger vehicles due to increase demand.
2. Our works operation and other expenses represented 5.6% and 5.7% of total revenue in FY 2021-22 and FY 2020-21, respectively. Other expenses mainly relate to volume-related expenses at Jaguar Land Rover and Tata Motors Limited. On absolute terms, the expenses increased to ₹15,556 crores in FY 2021-22 from ₹14,230 crores in FY 2020-21, mainly on account of miscellaneous contract job/outsourcing expenses and software maintenance/AMC expenses. This increase was also due to an unfavourable currency translation of ₹1,048 crores from GBP to INR.
3. Publicity expenses were almost constant at 1.7% and 1.8% of our total revenues in FY 2021-22 and FY 2020-21, respectively. This was also due an unfavourable currency translation of ₹1,048 crores from GBP to INR. The publicity expenses at TML increased to ₹640 crores in FY 2021-22, compared to ₹444 crores in FY 2020-21. The publicity expenses at Jaguar Land Rover increased marginally to GB£402 million (2.2% of the revenue) in FY 2021-22, compared to GB£397 million (2.0% of revenue) in FY 2020-21. Marketing activity was limited early in the year due to the ongoing impact of the COVID-19 pandemic, though routine product and brand campaigns increased expenditure through to the end of March 31, 2022, particularly in China, US, and UK. In addition to routine product and brand campaigns, we incurred expenses relating to new product introduction campaigns in FY 2021-22, mainly the new Range Rover at Jaguar Land Rover and the Punch, Tiago and Tigor CNG, Ace EV at Tata Motors India operations.
4. The allowances for finance receivables related to Vehicle Financing segment. These mainly reflect provisions for the impairment of vehicle loans of ₹1,308 crores for FY 2021-22, compared to ₹958 crores in FY 2020-21. The increase was mainly due to reduced collection efficiency owing to restrictions of field operations workforce getting touch with customers on accounted of lockdown in the country in the first quarter of FY 2021-22. This resulted in significant increase in delinquencies leading to roll- forward of customer accounts into higher buckets and accordingly lead to increase in the provision. The allowances for trade and other receivables were ₹151 crores in FY 2021-22, compared to ₹50 crores in FY 2020-21. The increase in provision is mainly on loans and advances given to channel partners. Further, there was a net provision of GB£3 million in FY 2021-22 as compared to net reversal of GB£3 million in FY 2020-21 at Jaguar Land Rover.
5. Warranty and product liability expenses represented 3.2% and 3.0% of our total revenues in FY 2021-22 and FY 2020-21, respectively. The warranty expenses at Jaguar Land Rover increased to GB£748 million (4.1% of the revenue) in FY 2021-22, compared to GB£706 million (3.6% of revenue) in FY 2020-21, mainly based on historical warranty claim experience, frequency and extent of vehicles faults historically as well as recall campaigns. For Tata Motors' Indian operations, these represent 1% and 0.9% of the revenue for FY 2021-22 and FY 2020-21, respectively, due to quality improvements and product mix.
6. Engineering expenses decreased by 8.4 % to ₹3,031 crores in FY 2021-22, compared to ₹3,308 crores in FY 2020-21. These expenses represent 1.1% and 1.3% of our total revenues in FY 2021-22 and FY 2020-21, respectively and are attributable mainly to decreased expenditure at Jaguar Land Rover. A significant portion of these costs are capitalized and shown under the line item "expenditure capitalized" discussed below.
7. There has been MTM gain of ₹1,371 crores in FY 2021-22, compared to ₹1,382 crores in FY 2020-21.

Expenditure Capitalized

This represents employee costs, stores and other manufacturing supplies and other work expenses incurred mainly toward product development projects. Considering the nature of our industry, we continually invest in the development of new products to address safety, emission, and other regulatory standards. The expenditure capitalized increased by 12.0% to ₹14,397 crores in FY 2021-22 from ₹12,849 crores in FY 2020-21. The increase includes a favourable foreign currency translation impact from GBP to Indian rupees of ₹603 crores pertaining to Jaguar Land Rover.

Other income

There was a net gain of ₹3,054 crores in FY 2021-22, compared to ₹2,643 crores in FY 2020-21, representing increase of 15.5%.

- Interest income increased to ₹625 crores in FY 2021-22, compared to ₹493 crores in FY 2020-21, mainly increased in short term fixed deposit at Tata Motors Limited (including Passenger and Electric Vehicles) and Jaguar Land Rover. Further, at Tata Motors Limited, most of the dealers were Cash and carry, reducing the credit period.
- Incentive from government has increased to ₹2,125 crore in FY 2021-22, compared to ₹1,918 crores in FY 2020-21. Government incentive includes exports and other incentives of ₹633 crores and ₹1,492 crores received by foreign subsidiaries on Tax credit on qualifying expenditure for research and development in FY 2021-22.
- Marked-To-Market (MTM) gain on investments fair value through profit or loss of ₹53 crores in FY 2021-22, compared to ₹20 crores in FY 2020-21.

- Profit on sale of investments measured at fair value through profit or loss was ₹217 crores in FY 2021-22, compared to ₹194 crores in FY 2020-21.

Depreciation and Amortization

Our depreciation and amortization expenses increased by 9.9% in FY 2021-22, the breakdown of which is as follows:

Particulars	FY 2021-22 (₹ in crores)	FY 2020-21 (₹ in crores)
Depreciation	11,068	10,873
Amortization	12,652	11,502
Amortization of Leased Assets (RTU)	1,116	1,172
Total	**24,836**	**23,547**

The increase in depreciation and amortization expenses is mainly due to an unfavourable foreign currency translation from GBP to Indian rupees of ₹953 crores. This is further increased due to Job 1 programs in the year, New Range Rover and at TML due to Capitalization of Punch and other smaller projects and reversal of impairment losses as at March 31, 2021, for passenger vehicles.

Finance Cost (interest expenses)

Our interest expense (net of interest capitalized) increased by 15.2% to ₹9,312 crores in FY 2021-22 from ₹8,097 crores in FY 2020-21. As a percentage of total revenues, interest expense represented 3.3% and 3.2% in FY 2021-22 and FY 2020-21, respectively. The interest expense (net) for Jaguar Land Rover was GB£369 million (₹3,757 crores) in FY 2021-22, compared to GB£251 million (₹2,425 crores) in FY 2020-21. The increase in interest expense primarily reflects interest accrued on increased indebtedness which included the new EURO500 million and US$500 million unsecured bonds issued in FY 2021-22, partially offset by repayment of GB£400 million bond and GB£125 million of the UKEF-backed loan which amortized over the course of the year. For Tata Commercial Vehicles and Tata Passenger Vehicles, interest expense increased by 16.8% to ₹2,792 crores in FY 2021-22 from ₹2,392 crores in FY 2020-21, mainly due to higher borrowings and lower interest capitalisation and warranty discounting. For the Vehicle Financing business, interest expense decreased by 14.1% to ₹2,817 crores in FY 2021-22 from ₹3,278 crores in FY 2020-21, mainly due to lower cost of borrowings.

Foreign Exchange (Gain)/Loss (net)

We had a net foreign exchange loss of ₹79 crores in FY 2021-22, compared to a gain of ₹1,732 crores in FY 2020-21.

- Jaguar Land Rover recorded an exchange gain of ₹61 crores in FY 2021-22, compared to ₹1,787 crores in FY 2020-21. There was a net exchange loss on senior notes and other borrowings of GB£141 million in FY 2021-22, compared to a gain of GB£314 million in FY 2020-21, due to GBP weakening against USD and EUR in FY 2021-22. There is a gain of GB£48 million in FY 2021-22, compared to GB£151 million in FY 2020-21, due to fluctuations in foreign currency exchange rates on derivatives contracts that are not hedge accounted and natural hedges of debt, mainly reflecting a stronger U.S. dollar and Euro. Furthermore, this also includes a gain on revaluation of other assets and liabilities of GB£12 million in FY 2021-22, compared to GB£64 million in FY 2020-21.
- For our India operations, we incurred a net exchange loss of ₹166 crores in FY 2021-22, compared to ₹25 million in FY 2020-21, mainly attributable to foreign currency denominated borrowings.
- There was a net exchange gain on revaluation of foreign currency loans at our subsidiary TML Holdings Pte. Limited of ₹22 crores in FY 2021-22, compared to loss of ₹25 crores in FY 2020-21.

Exceptional Item (Gain)/Loss (net)

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21
Employee separation cost	10	460
Defined benefit pension plan amendment past service cost	-	85
Write off/provision (reversal) for tangible/ intangible assets (including under development)	-	114
Charge associated with change in JLR Strategy	-	14,994
Impairment losses/(Reversal) in Passenger Vehicle Business	-	(1,182)
Provision/(Reversal) for Onerous Contracts and related supplier claims	-	(663)
Provision for costs of closure of operation of a subsidiary	(21)	(47)
Reversal for Impairment in subsidiaries	(86)	-
Provision Related to Russia market	429	-
Profit on sale of business	(3)	-
Cost of demerger of PV Undertaking	301	-
Total	**629**	**13,761**

FY 2021-22

Reversal for Impairment in subsidiaries

As a result of change in market conditions and demand forecast, we performed an impairment assessment for assets forming part of wholly owned subsidiaries Tata Motors European Technical Centre PLC and Trilix S.r.l. The recoverable amount of these assets were estimated to be lower than their carrying value and this resulted in an impairment charge of ₹298 crores and ₹56 crores in TMETC and Trilix, respectively during the year ended March 31, 2020.

As part of slump sale, the investments in wholly owned subsidiaries of the Company engaged in designing services namely TMETC and Trilix have been transferred to TMPVL, a wholly owned subsidiary of the Company, with effect from January 1, 2022. These subsidiaries are being transferred to TPEML, a wholly owned subsidiary of the Company. Considering the business plans for these subsidiaries, the Company reassessed the recoverable value of assets belonging to its subsidiaries TMETC and Trilix and accordingly provision for impairment toward the assets is reversed amounting ₹38 crores and ₹48 crores, respectively during the year ended March 31, 2022.

Cost of demerger of PV undertaking

Expenses in relation to transfer chargesof land at Sanand and Pune for PV undertaking and stamp duty as per the scheme of arrangement.

Provision Related to Russia Market

₹429 crores (GB£43 million) is in relation to customer liabilities arising from sanctions imposed against Russia by many countries, preventing the shipment of vehicles and certain parts to the market.

FY 2020-21

Defined Benefit Pension Plan Amendment Past Service Cost

Jaguar Land Rover had recognised a past service cost due to the requirement to equalise male and female members' benefits for the inequalities within guaranteed minimum pension earned in the year ended March 31, 2019. This assessment has been updated during the year ended March 31, 2021 based on new information and accordingly, a charge of ₹85 crores (GB£9 million) has been recognised.

Charge associated with Change in Jaguar Land Rover Strategy

Project Reimagine was approved by the Jaguar Land Rover board on February 11, 2021, which targets the production of more sustainable and fully electric luxury vehicles including the goal of having a fully electric fleet of luxury vehicles by the end of the decade and 100% of sales from pure battery electric vehicles by 2036, as well as striving toward achieving net zero carbon emissions across its supply chain, among other environmentally driven strategies by 2039. This revised strategy, particularly the cancellation of the MLA-Mid architecture, resulted in a charge being recognised comprising the following: a) Asset write-downs of GB£952 million (₹9,606 crores) in relation to models cancelled. b) Restructuring costs of £534 million (₹5,388 crores) includes costs of GB£562 million (₹5,312 crores) accruals to settle legal obligations on work performed to date and provisions for redundancies and other third-party obligations and defined benefit past service cost of GB£9 million (₹76 crores).

Impairment losses/(Reversal) in Passenger Vehicle Business

As at March 31, 2021, the Company identified certain triggers for reversal of the previously recorded impairment based on both external and internal indicators. Accordingly, the Company reassessed its estimate and determined the recoverable value for this CGU considering the significant improvement in absolute and relative performance and outlook of the business when compared with the assumed performance at the time when the impairment loss was recorded. Based on this reassessment, the Company has reversed the initially recognised impairment for this CGU.

Provision for Onerous Contracts and related supplier claims

As at March 31, 2021, the Company has reassessed the onerous provision created and based on the revised volume outlook a reversal of provision aggregating ₹777 crores have been accounted. During the year the Company has also made provision for estimated supplier claims of ₹114 crores, which are under negotiations with supplier. The provision as at March 31, 2022 was ₹111 crores.

Tax expenses / (credit)

Our income tax expenses is ₹4,231 crores in FY 2021-22, compared to ₹2,542 crores in FY 2020-21, resulting in consolidated effective tax rates of 60.4% and 24.3%, for FY 2021-22 and FY 2020-21, respectively. Tax rates applicable to individual entities decreased to 13.5% for FY 2021-22, compared to 18.0% in FY 2020-21.

Tax rates applicable to individual entities decreased from 18.0% in FY 2020-21 to 13.5% in FY 2021-22, mainly on account of fewer subsidiaries and Joint Operations opting for lower tax regime. Additionally, it has also been lower for Jaguar Land Rover, representing its blended average rate in its various countries of operations. There is significant increase in tax expense as referred to above due to the following reasons:

- During the year FY 2021-22, deferred tax assets not recognized of ₹3,528 crore (FY 2020-21: ₹3,682 crore) mainly comprised of Jaguar Land Rover ₹3,380 crore (FY 2020-21: ₹2,719 crore) and pertaining to other entities of ₹131 milion (FY 2020-21: ₹ 103 milion . Further, the Minimum Alternate Tax credit of ₹17 crore (FY 2020-21: ₹72 crore) has not been recognized in the case of a few Subsidiaries and Joint Operations due to uncertainty of realization. The deferred tax assets not recognized in TML for FY 2020-21 was ₹788.
- There is tax charge on Undistributed Earnings of Subsidiaries amounting to ₹407 crore in FY 2021-22, compared to ₹311 crore in FY 2020-21, due to increased in profitability.
- During FY 2021-22, Tata Motors Ltd has transferred its Passenger Vehicle Business to a subsidiary on a slump sale basis as defined under Section 2(42C) of the Indian Income-tax Act, 1961. This has resulted in a capital gains tax of ₹1,283 crore. However, due to set-off of brought forward Unabsorbed depreciation against the capital gains, there is no capitals gains tax is payable on the same
- Business losses for Tata Motors Limited was offset against the capital gains on sale of PV Business and thus resulted in utilization of tax losses amounting to ₹725 crore in FY 2021-22. The loss utilized in FY 2020-21 was ₹347 crores.
- During the year, Jaguar Land Rover had written down its tangible assets under construction of ₹430 crore in FY 2020-21, which does not qualify for tax relief.

Profit/(loss) after tax

Our consolidated net loss in FY 2021-22, excluding shares of non-controlling interests, is ₹11,442 crores, decreased from ₹13,451 crores in FY 2020-21. This was mainly the result of the following factors:

- Earnings before other income (excluding Incentives), finance cost, foreign exchange gain/(loss) (net), exceptional items and tax for Jaguar Land Rover is loss of ₹439 crores in FY 2021-22, compared to profit of ₹7,691 crores in FY 2020-21. In FY 2020-21 Jaguar Land Rover charged ₹15,350 crores as exceptional item of which ₹14,994 crores under Reimagine strategy in fourth quarter. Considering the Remagine strategy charge Jaguar Land Rover had loss of ₹7,303 crores in FY 2020-21. Loss for FY 2021-22 was mainly due to reduced revenues.

- Loss before other income (excluding Incentives), finance cost, foreign exchange gain/(loss) (net), exceptional items and tax for Tata Passenger Vehicles amounted to ₹660 crores in FY 2021-22, compared to ₹1,564 crores in FY 2020-21, due to increased sales volume mainly for Utility Vehicles .
- Earnings before other income (excluding Incentives), finance cost, foreign exchange gain/(loss) (net), exceptional items and tax for Vehicle Financing amounted to ₹2,466 crores in FY 2021-22, compared to ₹2,794 crores in FY 2020-21. This is mainly due to increase in provision for credit loss on finance receivables during the FY 2021-22.
- Earnings before other income (excluding Incentives), finance cost, foreign exchange gain/(loss) (net), exceptional items and tax for Tata Commercial Vehicles amounted to ₹210 crores in FY 2020-21, compared to loss of ₹305 crores in FY 2020-21, primarily due to higher volumes and product mix.

Share of profit/(loss) of Equity-Accounted Investees and Non-controlling Interests in Consolidated Subsidiaries, net of tax

In FY 2021-22, our share of equity-accounted investees reflected a loss of ₹74 crores, compared to ₹379 crores in FY 2020-21. Our share of profit (including other adjustments) in the China Joint Venture in FY 2021-22 was loss of ₹206 crores, compared to ₹363 crores in FY 2020-21. The decrease in losses was mainly due to profits of ₹131 crores in other immaterial associates mainly in Tata Autocomp Systems Ltd. and Tata Hiatchi Construction Machinery Company Ltd. in FY 2021-22, compared to loss of ₹16 crores in FY 2020-21. The profits was mainly due to increase in sales volumes and better business performance.

The share of non-controlling interests in consolidated subsidiaries was increased to ₹133 crores in FY 2021-22 from ₹56 crores in FY 2020-21, mainly due to increased profits of Tata Technologies.

B. BALANCE SHEET

Below is a discussion of major items and variations in our consolidated balance sheet as at March 31, 2022 and 2021, included elsewhere in this annual report.

₹ in crores

		As at March 31,		Change	Translation of JLR	Net Change
		2022	2021			
ASSETS						
(a)	Property, plant and equipment, right of use and intangible assets	148,299	158,868	(10,568)	(1,613)	(8,955)
(b)	Goodwill	807	804	3	-	3
(c)	Investment in equity accounted investees	4,349	4,201	149	(43)	192
(d)	Financial assets	122,867	128,862	(5,781)	(769)	(5,012)
(e)	Deferred tax assets (net)	3,871	4,520	(650)	(45)	(604)
(f)	Current tax assets (net)	1,457	1,869	(412)	(3)	(409)
(g)	Other assets	13,205	7,693	5,298	(129)	5,427
(h)	Inventories	35,240	36,089	(848)	(373)	(475)
(i)	Assets classified as held-for-sale	524	221	303	-	303
	TOTAL ASSETS	**330,620**	**343,127**	**(12,506)**	**(2,976)**	**(9,530)**
EQUITY AND LIABILITIES						
	EQUITY	48,832	56,820	(7,988)	(605)	(7,383)
	LIABILITIES					
(a)	Financial liabilities:	235,953	234,453	1,501	(1,867)	(3,368)
(b)	Provisions	23,722	26,455	(2,733)	(282)	(2,451)
(c)	Deferred tax liabilities (net)	1,558	1,556	2	(14)	17
(d)	Other liabilities	19,297	22,756	3,459	(193)	(3,266)
(d)	Current tax liabilities (net)	1,254	1,086	(167)	(16)	183
(e)	Liabilities directly associated with Assets held-for-sale	3	-	3	-	3
	TOTAL LIABILITIES	281,788	286,306	4,518	(2,372)	(2,146)
	TOTAL EQUITY AND LIABILITIES	**330,620**	**343,127**	**(12,506)**	**(2,976)**	**(9,530)**

Our total assets were ₹3,30,620 crores and ₹3,43,127 crores as at March 31, 2022 and 2021, respectively. The decrease by 4.0% in assets as at March 31, 2022 considers an unfavourable foreign currency translation from GBP into Indian rupees as described below.

Our total current assets was flat at ₹146,978 crores as at March 31, 2022, compared to ₹146,888 crores as at March 31, 2021.

Cash and cash equivalents increased by 20.4% to ₹38,159 crores as at March 31, 2022, compared to ₹31,700 crores as at March 31, 2021, which is partially offset by unfavourable foreign currency translation of ₹348 crores from GBP to Indian rupees. We hold cash and cash equivalents principally in Indian rupees, GBP, Chinese Renminbi, EURO and USD. Out of cash and cash equivalents as at March 31, 2022, Jaguar Land Rover held the GB£2,591 million equivalent of ₹25,765 crores, which consists of surplus cash deposits for future use. As at March 31, 2022, we had short-term deposits of ₹2,038 crores, compared to ₹14,346 crores as of March 31, 2021, a decrease of 85.8%, due to decrease in the value of deposits invested over a term of three months or longer mainly at Jaguar Land Rover.

As at March 31, 2022, we had finance receivables, including the non-current portion (net of allowances for credit losses), of ₹33,231 crores, compared to ₹34,715 crores as at March 31, 2021, a decrease of 4.3%, due to higher direct assignment offsetting the growth in disbursements in the current fiscal year. Gross finance receivables were ₹35,039 crores as at March 31, 2022, compared to 35,963 crores as at March 31, 2021. Vehicle financing is integral to our automotive operations in India.

Trade receivables (net of allowance for doubtful receivables) were ₹12,442 crores as at March 31, 2022, representing a decrease of ₹237 crores or 1.9% over March 31, 2021. The decrease was partially due to unfavourable foreign currency translation of ₹97 crores from GBP to Indian rupees. Trade receivables at Tata and other brand vehicles (including vehicle finance) increased by 23.9% to ₹4,748 crores as at March 31, 2022, from ₹3,833 crores as at March 31, 2021, primarily on account of higher sales volume due to pent up demand. The trade receivables of Jaguar Land Rover were ₹7,183 crores as at March 31, 2022, compared to ₹8,501 crores as at March 31, 2021, a decrease of 15.5%. The past dues for more than six months (gross) decreased from ₹1,679 crores as at March 31, 2021 to ₹1,414 crores as at March 31, 2022. These mainly represent dues from government-owned transport undertakings and Passenger Vehicle dealers, for which we are pursuing recovery.

As at March 31, 2022, inventories were at ₹35,240 crores, compared to ₹36,089 crores as at March 31, 2021, a decrease of 2.4%. The decrease in finished goods inventory was ₹3,428 crores from ₹27,313 crores as at March 31, 2021 to ₹23,885 crores as at March 31, 2022, mainly due to a decrease in volumes at Jaguar Land Rover. This decrease was also due to unfavourable currency translation of ₹373 crores from GBP to Indian rupees. In terms of number of days to sales, finished goods represented 31 inventory days in sales in FY 2021-22, compared to 40 inventory days in FY 2020-21.

Our investments (current and non-current investments) increased to ₹25,030 crores as at March 31, 2022, from ₹20,419 crores as at March 31, 2021, representing an increase of 22.6%. Our investments mainly comprise mutual fund of ₹21,972 crores as at March 31, 2022, compared to ₹19,051 crores as at March 31, 2021. Investments attributable to Jaguar Land Rover were ₹16,518 crores as at March 31, 2022, compared to ₹16,095 crores as at March 31, 2020, an increase of 2.6% mainly on account of mutual fund. Tata Motors Limited (Parent) on Standalone basis has investments in mutual funds of ₹5,143 crores as at March 31, 2022, compared to ₹1,578 crores as at March 31, 2021.

Our other assets (current and non-current) increased by 64.6% to ₹13,205 crores as at March 31, 2022, from ₹7,907 crores as at March 31, 2021. The increase is mainly attributable to pension assets of ₹3,782 crores which was liability in FY 2020-21 on the UK defined benefit pension scheme at Jaguar Land Rover consequent to changes in actuarial assumptions causing the defined benefit schemes moved to a net asset position as at March 31, 2022, from net liability position as at March 31, 2021.

Our other financial assets (current and non-current) decreased to ₹8,979 crores as at March 31, 2022 from ₹11,088 crores as at March 31, 2021. Derivative financial instruments (representing options and other hedging arrangements, mainly related to the Jaguar Land Rover business) decreased to ₹3,936 crores as at March 31, 2022, from ₹6,113 crores as at March 31, 2021, predominantly due to weakening of the GBP compared to EURO and therefore the increasing fair value of derivative contracts. This decrease is also due to decrease in recoverable from suppliers to ₹1,291 crores as at March 31, 2022 from ₹1,546 crores as at March 31, 2021.

Income tax assets (both current and non-current) decreased by 22.0% to ₹1,457 crores as at March 31, 2022, from ₹1,869 crores as at March 31, 2021 mainly decrease at Jaguar Land Rover.

Property, plants and equipment (net of depreciation) marginally increased by 1.6% from ₹79,640 crores as at March 31, 2021, to ₹80,900 crores as at March 31, 2022. The increase is partly offset by unfavourable foreign currency translation of ₹819 crores from GBP to Indian rupees. After adjusting for the foreign currency translation impact, increase of ₹2,079 crores is mainly due to higher addition during the year as compared to previous year.

Goodwill as at March 31, 2022, was ₹807 crores, compared to ₹804 crores as at March 31, 2021. The increase was attributable to a favourable translation impact pertaining to software consultancy and the services of our subsidiary, Tata Technologies Limited.

Intangible assets decreased by 11.1% from ₹64,360 crores as at March 31, 2021, to ₹57,184 crores as at March 31, 2022. This decrease is mainly due to amortization charge for the year and lower capitalization of product development costs. This decrease was also due to an unfavourable foreign currency translation of ₹687 crores from GBP to Indian rupees. As at March 31, 2022, there were product development projects in progress amounting to ₹6,722 crores compared to ₹12,587 crores as at March 31, 2021.

The carrying value of investments in equity-accounted investees increased by 3.5% to ₹4,349 crores as at March 31, 2022, from ₹4,201 crores as at March 31, 2021. The value of investments in equity-accounted investees decreased due to losses for the year FY 2021-22 from the associates and joint ventures, which was more than offset by favorable currency translation of ₹218 crores.

A deferred tax liability (net) of ₹1,561 crores was recorded in our income statement and ₹1,140 crores in other comprehensive income which mainly includes asset of ₹834 crores toward post-retirement benefits and liability of ₹2,031 million toward cash flow hedges in FY 2021-22. The net deferred tax asset of ₹1,381 crores was recorded as at March 31, 2022, compared to ₹2,964 crores as at March 31, 2021.

Accounts payable (including acceptances) were ₹69,750 crores as at March 31, 2022, compared to ₹76,040 crores as at March 31, 2021, a decrease of 8.3%, reflecting a decrease in operations at Jaguar land Rover and a favourable foreign currency translation of ₹626 crores from GBP to Indian rupees.

Other financial liabilities (current and non-current) were ₹19,754 crores as at March 31, 2022, compared to ₹16,282 crores as at March 31, 2021 (net of favourable currency translation impact of ₹212 crores), reflecting liabilities towards vehicles sold under repurchase arrangements, derivative instruments, and interest accrued but not due on loans and lease liabilities. Liability toward vehicles sold under repurchasing arrangements decreased to ₹2,658 crores as at March 31, 2022 from ₹3,623 crores as at March 31, 2021, mainly due to decrease in the repurchase business at Jaguar Land Rover. This decrease was offset by Derivative financial instruments (representing options and other hedging arrangements, mainly related to Jaguar Land Rover) which increased by 75.4% to ₹7,859 crores as at March 31, 2022, from ₹4,480 crores as at March 31, 2021 and issue of Compulsory Convertible Preference (CCPS) shares of TPEML amounting to ₹1,250 crores.

Provisions (current and non-current) decreased by 7.5% to ₹23,722 crores as at March 31, 2022, from ₹26,455 crores as at March 31, 2021. This decrease is mainly due to utilisation of restructuring provision of ₹1,952 crores made at Jaguar Land Rover under the Reimagine strategy towards settling legal obligations on work performed to date and other third-party obligations in FY 2020-21 and a favourable foreign currency translation impact of ₹292 crores from GBP to Indian rupees. Provisions for warranties decreased by 4.7% or ₹871 crores to ₹17,733 crores as at March 31, 2022, compared to ₹18,604 crores as at March 31, 2021 mainly at Jaguar Land Rover primarily due to lower sales. Furthermore, provisions for residual risk for Jaguar Land Rover decreased to ₹315 crores (GB£32 million) as at March 31, 2022, compared to ₹667 crores (GB£66 million) as at March 31, 2021. This is primarily driven primarily by the resilience and recovery observed in the US economy and secondary vehicle market across FY 2021-22 following the anticipated impact of the COVID-19 pandemic, further supported by Jaguar Land Rover's wider demand-led recovery.

Other liabilities (current and non-current) decreased by 15.2% to ₹19,297 crores as at March 31, 2022, compared to₹22,756 crores as at March 31, 2021. Employee benefit obligations decreased to ₹324 crores as at March 31, 2022, compared to ₹4,092 crores as at March 31, 2021, mainly pertaining to the Jaguar Land Rover pension plan consequent to changes in actuarial assumptions causing the defined benefit schemes to move to net asset position as at March 31, 2022.

Our total debt was ₹1,39,677 crores as at March 31, 2022, compared to ₹1,35,905 crores as at March 31, 2021, an increase of 2.8%, partially offset by favourable currency translation of ₹943 crores from GBP to Indian rupees. Short-term debt (including the current portion of long-term debt) decreased to ₹41,918 crores as at March 31, 2022, compared to ₹42,792 crores as at March 31, 2021. Long-term debt (excluding the current portion) increased by 5.0% to ₹97,759 crores as at March 31, 2022 from ₹93,113 crores as at March 31, 2021. Long-term debt (including the current portion) increased by 7.1% to ₹122,299 crores as at March 31, 2022, compared to ₹114,242 crores as at March 31, 2021.

Total equity was ₹48,832 crores as at March 31, 2022, and ₹56,820 crores as at March 31, 2021, respectively.

Equity attributable to shareholders of Tata Motors Limited decreased to ₹44,561 crores as at March 31, 2022, compared to ₹55,247 crores as at March 31, 2021. This decrease was mainly due to losses of ₹11,442 crores and ₹13,451 crores in FY 2021-22 and FY 2020-21, respectively. Further, hedging reserve loss of ₹6,938 crores compared to gain of ₹4,147 crores, currency translation reserve loss of ₹111 crores compared to gain of ₹3,853 crores also contributed to this decrease which was offset by a gain in pension reserve of ₹6,176 crores in FY 2021-22, compared to loss ₹5,901 crores in FY 2020-21.

C. CASH FLOW

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

(₹ in crores)

	FY 2021-22	FY 2020-21
Cash from operating activity	14,283	29,001
Profit for the year	(11,309)	(13,395)
Adjustments for cash flow from operations	37,975	44,593
Changes in working capital	(10,474)	(93)
Direct taxes paid	(1,910)	(2,105)
Cash from investing activity	(4,775)	(26,126)
Payment for Assets	(14,938)	(19,855)
Net investments, short term deposit, margin money and loans given	9,478	(6,719)
Dividend and interest received	685	447
Net Cash from / (used in) Financing Activities	(3,380)	9,904
Dividend Paid (including paid to minority shareholders	(100)	(30)
Interest paid	(9,251)	(8,123)
Net Borrowings (net of issue expenses)	5,971	18,057
Net increase / (decrease) in cash and cash equivalent	6,128	12,778
Cash and cash equivalent, beginning of the year	31,700	18,468
Effect of exchange fluctuation on cash flows	332	454
Cash and cash equivalent, end of the year	38,159	31,700
Free Cash Flow*	(9,254)	322

*Free cash flow means cash flow from operating activities less payment for property, plant and equipment and intangible assets, add proceeds from sale of property, plant and equipment, less interest paid, add interest received, add dividend from equity accounted investees of core auto entities and less Investment in Equity Accounted investees of core auto entities.

Cash and cash equivalents increased by ₹6,459 crores in FY 2021-22 to ₹38,159 crores from ₹31,700 crores in FY 2020-21, partially offset by an unfavourable currency translation of ₹538 crores from GBP to Indian rupees. The increase in cash and cash equivalents (excluding currency translation) resulted from the changes to our cash flows in FY 2021-22 when compared to FY 2020-21 as described below.

Net cash provided by operating activities totalled ₹14,283 crores in FY 2021-22, a decrease of ₹14,718 crores, compared to ₹29,001 crores in FY 2020-21. The net loss for the FY 2021-22 is ₹11,309 crores, compared ₹13,395 crores in FY 2020-21. The cash flows from operating activities before changes in operating assets and liabilities is of ₹26,666 crores in FY 2021-22, compared to ₹31,198 crores in FY 2020-21. The changes in operating assets and liabilities resulted in a net outflow of ₹10,474 crores in FY 2021-22, compared to of ₹93 crores in FY 2020-21.

In FY 2021-22, the net outflow in vehicle finance receivables was ₹76 crores compared to ₹4,387 crores in FY 2020-21. For Tata Commercial Vehicles and Tata Passenger Vehicles there was an inflow of ₹3,755 crores in FY 2021-22 on account of changes in operating assets and liabilities, compared to ₹4,226 crores in FY 2020-21. For Jaguar Land Rover brand vehicles, there was a net outflow of cash on account of changes in operating assets and liabilities accounting to ₹13,815 crores in FY 2021-22, compared to ₹527 crores in FY 2020-21. This is mainly due to decrease in operations at Jaguar Land Rover in FY 2021-22 compared to FY 2020-21.

Income tax paid has decreased to ₹1,910 crores in FY 2021-22, compared to ₹2,105 crores in FY 2020-21, which was primarily attributable to tax payments by Jaguar Land Rover's foreign subsidiaries in their respective tax jurisdictions.

Net cash used in investing activities totalled of ₹4,775 crores in FY 2021-22, compared to ₹26,126 crores for FY 2020-21, a decrease of ₹21,351 crores mainly on account of lower capital expenditure and net investments in deposits in the current fiscal year.

The following table sets forth a summary of our cash flow on property, plants and equipment and intangible assets for the periods indicated.

	FY 2021-22 (₹ in crores)	FY 2020-21 (₹ in crores)
Tata Commercial Vehicles and Tata Passenger Vehicles	2,902	1,719
Jaguar Land Rover	11,974	18,123

Jaguar Land Rover had negative free cash flow of GB£1.2 billion in FY 2021-22, after total investment spending of £2 billion. In FY 2021-22, payments for capital expenditures at Jaguar Land Rover decreased by 52.2% to ₹11,974 crores from ₹18,123 crores in FY 2021-22. Investment spending in FY 2021-22 was GB£2.0 billion (11.1% of revenue), lower than the GB£2.3 billion (11.9% of revenue) in the prior fiscal year, due to continued Charge+ savings. Of the GB£2 billion investment spending, £839 million was expensed through profit and loss statement and the remaining GB£1,197 million was capitalised. Total research and development accounted for GB£1.3 billion, of which GB£839 million was expensed through profit and loss statement and remaining GB£455 million was capitalized.

In FY 2021-22, payments for capital expenditures at Tata Commercial Vehicles and Tata Passenger Vehicles increased to ₹2,902 crores from ₹1,719 crores in FY 2020-21. These capital expenditures are mainly related to new products under development.

Our net investment in short-term deposit margin moneys and loans resulted in an inflow of ₹9,478 crores in FY 2021-22, compared to outflow of ₹6,719 crores in FY 2020-21. This is mainly due to higher realisation of fixed deposit in FY 2021-22, compared to FY 2020-21.

Net cash outflow from financing activities totalled ₹3,380 crores in FY 2021-22, compared to inflow of ₹9,904 crores in FY 2020-21. Net Borrowings (net of issue expenses) done during FY 2021-22 of ₹5,971 crores, compared to ₹18,057 crores during FY 2020-21. For Tata Commercial Vehicles and Tata Passenger Vehicles excluding vehicle finance, the short-term debt (net) decreased by ₹647 crores, whereas long-term debt (net) decreased by ₹2,997 crores, due to additional repayments. There was a decrease in debt (short-term and long-term) of ₹59 crores in FY 2021-22 at Vehicle Financing, compared to an increase of₹7,188 crores in FY 2020-21.

For Jaguar Land Rover, short term debt increased to GB£1,779 million in FY 2021-22 (GB£1,206 million in FY 2020-21) and Long-term debt (excluding lease liabilities) increased to GB£5,248 million in FY 2021-22 (GB£4,972 million in FY 2020-21), including the new EURO500 million and US$500 million unsecured bonds issued in FY 2021-22, partially offset by repayment of GB£400 million bond and GB£125 million of the UKEF-backed loan which amortized over the course of the year as well as favourable revaluation of foreign currency debt as a result of the stronger Pound at March 31, 2022, compared to March 31, 2021. Lease obligations payments totalled GB£71 million in FY 2021-22 compared to GB£80 million in FY 2020-21.

Interest paid in FY 2021-22 was ₹9,251 crores, compared to ₹8,123 crores in FY 2020-21. For Jaguar Land Rover, interest paid was ₹3,454 crores in FY 2021-22, compared to ₹2,493 crores in FY 2020-21 primarily because of the higher indebtedness as well as lower yield on cash balances, resulting from central banks interest rate cuts to help tackle the economic effects of the COVID-19 pandemic. For Tata Commercial Vehicles and Tata Passenger Vehicles, interest paid was ₹2,744 crores in FY 2021-22, compared to ₹2,735 crores in FY 2020-21. For Vehicle Financing, interest paid was ₹3,053 crores in FY 2021-22, compared to ₹2,892 crores in FY 2020-21. Despite decrease in debt of Tata Commercial Vehicles and Tata Passenger Vehicles, interest expenses marginally increased on account of discounting charges which increased to ₹521 crores in FY 2021-22 compared to ₹426 crores in FY 2020-21.

D. KEY FINANCIAL RATIOS

Key financial ratios along with the details of significant changes (25% or more) in FY 2021-22 compared to FY 2020-21 is as follows:

Sr. No.	Particulars	FY 2021-22	FY 2020-21	Change	Formulae	Reason for change
1	Debtors turnover ratio (in times)	21.84	20.61	5.9%	Revenue / Average Trade receivables	
2	Inventory Turnover (in times)	5.07	4.30	17.9%	Raw Material/Average inventory	
3	Interest coverage ratio (in times)	0.19	1.49	(87.3)%	EBIT / Interest expense	Due to lower Earnings before other income (excluding Incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax at both Tata Motors and Jaguar Land Rover, the interest coverage ratio is low.
4	Current Ratio (in times)	0.98	0.93	5.4%	Current assets / Current liabilities	
5	Debt Equity ratio (in times)	3.13	2.46	27.2%	Debt / shareholders' equity	Since the Consolidated debt has increased by 2.8% in FY 2021-22 compared to FY 2020-21 and the Shareholders equity has been reduced due to losses for the year, the debt equity ratio is high.
6	Operating Profit Margin (%)	8.70	11.86	(26.7)%	(EBITDA + Forex gain/ loss -Other income) / Revenue	Due to lower Earnings before other income (excluding Incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items, depreciation and tax at both Tata Motors and Jaguar Land Rover, the operating profit margin is low.
7	Net Profit Margin (%)	(4.06)	(5.36)	24.3%	Profit/(Loss) / Revenue	
8	Debt Service Coverage Ratio (in times)	0.04	0.50	(92.0)%	PBT / (Repayment of borrowing + Interest)	Due to lower Earnings before exceptional items, tax at both Tata Motors and Jaguar Land Rover and higher repayment of debt, the Debt Service Coverage ratio is low.
9	Long term debt to Working Capital (in times)	5.42	9.62	(43.7)%	Long term Borrowings / Working Capital	Due to increase in working capital on account of decrease in trade payables, this ratio is low.

E. LIQUIDITY AND CAPITAL RESOURCES

We finance our capital expenditures and research and development investments through cash generated from operations, cash and cash equivalents, and debt and equity funding. We also raise funds through the sale of investments, including divestments in stakes of subsidiaries on a selective basis.

The key element of the financing strategy is maintaining a strong financial position that allows us to fund our capital expenditures and research and development investments efficiently even if earnings are subject to short-term fluctuations. Our treasury policies for liquidity and capital resources are appropriate for automotive operations and are set through business specific sensitive analysis and by benchmarking our competitors. These are reviewed periodically by the Board.

(i) Principal Sources of Funding Liquidity

Our funding requirements are met through a mixture of equity, convertible or non-convertible debt securities and other long- and short-term borrowings. We access funds from debt markets through commercial paper programs, convertible and non-convertible debentures, and other debt instruments. We regularly monitor funding options available in the debt and equity capital markets with a view to maintain financial flexibility.

See Note 42(b) to our audited consolidated financial statements included elsewhere in this annual report for additional disclosures on financial instruments related to liquidity, foreign exchange and interest rate exposures and use of derivatives for risk management purposes.

The following table sets forth our short- and long-term debt position:

(₹ in crores)

	As of March 31,	
	2022	2021
Short-term debt (excluding current portion of long-term debt)	41,918	21,663
Current portion of long-term debt	24,539	21,129
Long-term debt net of current portion	97,759	93,113
Total Debt	**1,64,216**	**1,35,905**

During FY 2021-22 and FY 2020-21, the effective weighted average interest rate on our long-term debt was 5.4% and 5.1% per annum, respectively. The following table sets forth a summary of long-term debt (including current maturities of long-term borrowings) outstanding as of March 31, 2022.

Details of Long-term debt	Currency	Initial Principal amounts (millions)	Redeemable on	Interest Rate	Amount repaid during FY 2021-22 (₹ crores)	Outstanding (₹ crores)	
						31-Mar-22	31-Mar-21
Non-convertible debentures	₹			Various	4,643	14,831	13,740
Collateralized debt obligations	₹			Various	2,050	1,183	2,974
Buyers credit from bank	Various			Various	291	4,058	3,375
Loan from banks / financial institutions	Various			Various	12,061	44,250	40,958
Compulsory convertible Preference shares	₹			Various	326	11	337
Others	₹			Various	-	344	-
Senior Notes							
Tata Motors Limited	US$	250	due 2024	5.750%		1,877	1,816
Tata Motors Limited	US$	300	due 2025	5.875%		2,274	2,181
TML Holdings Pte. Limited	US$	425	due 2026	5.350%		3,199	-
Jaguar Land Rover	US$	500	due 2023	5.625%		3,777	3,646
Jaguar Land Rover	GB£	400	due 2023	3.875%		3,972	4,019
Jaguar Land Rover	GB£	400	due 2022	5.000%	4,023	-	4,023
Jaguar Land Rover	US$	500	due 2027	4.500%		3,762	3,876
TML Holdings Pte. Limited	US$	300	due 2021	5.750%	2,194	-	2,194
TML Holdings Pte. Limited	GB£	98	due 2023	4.000%		960	958
TML Holdings Pte. Limited	US$	300	due 2024	5.500%		2,261	2,176
Jaguar Land Rover	EU€	500	due 2029	5.500%	-	3,757	-
Jaguar Land Rover	US$	700	due 2025	7.750%		5,256	5,073
Jaguar Land Rover	US$	650	due 2028	5.875%		4,874	4,708
Jaguar Land Rover	EU€	500	due 2024	5.875%		4,198	4,266
Jaguar Land Rover	EU€	500	due 2028	4.500%	-	4,189	-
Jaguar Land Rover	EU€	650	due 2024	2.200%		5,473	5,563
Jaguar Land Rover	EU€	500	due 2026	4.500%		3,537	4,021
Jaguar Land Rover	EU€	500	due 2026	6.875%		4,256	4,339
Total Long-term debt					**25,588**	**122,299**	**114,242**

The following table sets forth a summary of the maturity profile for our outstanding long-term debt obligations (including current maturities of long-term borrowings) as of March 31, 2022.

Payments Due by Period[1, 2]	₹ in crores
Within one year	30,774
After one year and up to two years	31,651
After two year and up to five years	58,621
After five year and up to ten years	19,956
Total	**1,41,002**

1. Including interest.

2. As at March 31, 2022, Jaguar Land Rover's long-term debt obligations were senior notes and bank loans of ₹63,910 crores.

The following table sets forth our total liquid assets, namely cash and cash equivalents, short-term deposits and investments in mutual funds and money market funds (under other Investment—Current):

(₹ in crores)

	As of March 31,	
	2022	2021
Total cash and cash equivalent	38,159	31,700
Total short-term deposits	2,038	14,346
Total mutual fund investments	21,972	19,051
Total liquid assets	**62,169**	**65,097**

These resources enable us to address business needs in the event of changes in credit market conditions. Of the above liquid assets, Jaguar Land Rover held ₹43,859 crores and ₹48,184 crores as of March 31, 2022 and 2021, respectively. Most of Jaguar Land Rover's liquid assets are maintained in GBP, USD, EUR and RMB with smaller balances maintained in other currencies to meet operational requirements in those geographic regions.

We expect total product and other investment spending to be around ₹32,000 crores in property, plants and equipment and product development during FY 2022-23.

We will step-up our investments for domestic business to cater to increasing demand, launch new products and technologies and explore new business avenues. Jaguar Land Rover will continue to invest in new products and technologies to meet consumer demand and regulatory including to increase its range of electrified options (notably full battery electric) across its model range and on its vehicle architectures as a part of its Reimagine strategy. Tata Motors Limited (TML) and Tata Motors Passenger Vehicles Limited (TMPVL) expects to meet the investments primarily out of their own operating cash flows. Capital investments in Tata Passenger Electric Mobility Limited (TPEML) will be largely funded from the funds received from TPG Rise Climate in line with the strategy roadmap set. Any additional funding requirements can be met through loans and other debt from time to time. Despite step-up in the investments we are expecting our business to be largely self-sustaining and we aim to get to near zero net auto debt by FY 2023-24.

Auto Free Cash Flow (cash flow from operating activities less payment for property, plant and equipment and intangible assets add proceeds from sale of property, plant and equipment, less interest paid add interest received, add dividend from equity accounted investees core auto and less investment in equity accounted investees of core auto entities and less cash flow of TMF Group i.e., financing business) on consolidated basis was negative at ₹9,472 crores compared to positive ₹5,317 crores in FY 2020-21. This is mainly due to adverse working capital at Jaguar Land Rover on account of constrained volumes due to supply shortages. The following table provides information for the credit rating of Tata Motors Limited for short-term borrowing and long-term borrowing from the following rating agencies as of March 31, 2022: Credit Analysis & Research Limited ("CARE"), Information and Credit Rating Agency of India Ltd. ("ICRA Limited" or "ICRA"), Credit Rating Information Services of India Ltd. ("CRISIL Ltd" or "CRISIL"), Standard & Poor's Ratings Group ("S&P") and Moody's Investors Service ("Moody's"). A credit rating is not a recommendation to buy, sell or hold securities. A credit rating may be subject to withdrawal or revision at any time. Each rating should be evaluated separately of any other rating. The credit rating of Tata Motors as at March 31, 2022 was as follows.

Rating agency	Long-term borrowings	Short-term borrowings
CARE	AA- / Stable	A1+
ICRA	AA- / Stable	A1+
CRISIL	AA- /Stable	A1+
S&P	BB- / Stable	-
Moody's	B1 / Stable	-

As at March 31, 2022, JLR's rating was "B1"/ Stable by Moody's, "B+"/Stable by Standard & Poor's

As at March 31, 2022, for TMFHL and its subsidiaries, CRISIL, ICRA and CARE rating on long- term debt instruments and long-term bank facilities stood at "AA -/ Stable",

We believe that we have sufficient liquidity available to meet our planned capital requirements. However, our sources of funding could be materially and adversely affected by an economic slowdown, as was witnessed in FY 2008-09, arising due to the COVID-19 pandemic, supply chain disruptions or other macroeconomic factors in India, the United Kingdom, the United States, Europe or China, which are beyond our control. A decrease in the demand for our vehicles could affect our ability to obtain funds from external sources on acceptable terms or in a timely manner.

Given the significant uncertainties, we assessed the cash flow projections and available liquidity for a period of eighteen months from the date of these financial statements. Based on this evaluation, our management believes that the Company will be able to continue as a 'going concern' in the foreseeable future. For further details kindly refer note 2 (e) in Significant accounting policies forming part of consolidated financial statement.

Our cash is located in various subsidiaries. The cash in some of these jurisdictions, notably South Africa and Brazil, is subject to certain restrictions on cash pooling, intercompany loan arrangements or interim dividends. However, annual dividends are generally permitted, and we do not believe that these restrictions have, or are expected to have, any impact on our ability to meet our cash obligations.

Long-term funding

To refinance our existing borrowings and support our long-term funding needs, we continued to raise funds during FY 2020-21 and FY 2021-22. Details of major funding during FY 2020-21 and FY 2021-22 are provided below.

During the year ended March 31, 2020, the Company had allotted 20,16,23,407 Ordinary Shares at a price of ₹150 per Ordinary Share aggregating to ₹3,024 crores and 23,13,33,871 Convertible Warrants ('Warrants'), each carrying a right to subscribe to one Ordinary Share per Warrant, at a price of ₹150 per Warrant

('Warrant Price'), aggregating to ₹3,470 crores on a preferential basis to Tata Sons Private Limited. An amount equivalent to 25% of the Warrant Price was paid at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant Price shall be payable by the Warrant holder against each Warrant at the time of allotment of Ordinary Shares pursuant to exercise of the options attached to Warrant(s) to subscribe to Ordinary Share(s), by June 2021. The Company had fully utilized the amount of ₹3,892 crores towards repayment of debt and other general corporate purposes of the Company and its subsidiaries in FY 2020-21. During the year ended March 31, 2021, on exercise of options by Tata Sons Private Limited and on receipt of balance subscription money of ₹2,603 crores, the Company has fully converted 23,13,33,871 convertible warrants into Ordinary Shares, that were issued during the year ended March 31, 2020. The Company has fully utilized the amount as at March 31, 2022, towards refinancing and general corporate purposes.

During FY 2020-21, the Tata Motors raised unsecured term loans amounting to ₹500 crores from Banks for general corporate purpose and funding capital requirements.

During FY 2020-21, Tata Motors Limited raised ₹1,000 crores through secured, rated, listed NCD's. Tata Motors Limited also raised ₹3,000 crores through secured term loan for utilization toward capital expenditure including intangibles, refinancing of existing indebtedness and other general corporate purposes.

During FY 2020-21, Jaguar Land Rover (China) Investment Co. Ltd has signed a RMB 5 billion unsecured three-year revolving loan facility with a syndicate of five Chinese banks (fully drawn at March 31, 2021) which is subject to an annual confirmatory review. In addition, Jaguar Land Rover (China) Investment Co., Ltd entered into a small parts factoring facility in first quarter of FY 2020-21, which was fully drawn as at March 31, 2022 (equivalent to GB£599 million).

In October 2020, Jaguar Land Rover Automotive Plc issued $700 million senior notes due in 2025 at a coupon of 7.75% per annum. In December 2020, Jaguar Land Rover Automotive Plc issued US$650 million senior notes due 2028 at a coupon of 5.875%. The proceeds were for general corporate purposes.

In January 2021, the GB£300 million senior notes with a coupon of 2.750% issued by Jaguar Land Rover Automotive Plc in January 2017 matured and were fully repaid.

During FY 2020-21, TML Holding Pte Limited has issued GB£98 million Credit Enhanced Notes at a coupon rate of 4% and US$ 300 million Senior notes at a coupon rate of 5.5%. The proceeds have been used toward refinancing and meeting general corporate purposes.

During FY 2020-21, TMFHL and its subsidiaries, raised ₹4,836 crores by issuing debentures (including Hybrid and non-hybrid Perpetual NCDs). Total issuance through Hybrid Perpetual NCDs was ₹2,063 crores Bank borrowings continued to be a major source for long-term borrowing and raised ₹ 6,891 crores during FY 2020-21. Out of this, ECB amounted to ₹110 crores.

During FY 2021-22, Tata Motors raised unsecured term loans amounting to ₹1,000 crores from Banks for general corporate purpose and funding capital requirements. During FY 2021-22, Tata Motors Limited prepaid ₹600 crores of secured term loan.

During FY 2021-22, TMFHL and its subsidiaries (TMF Group), raised ₹5,005 crores by issuing debentures (including Hybrid and non-hybrid Perpetual NCDs). Total issuance through Hybrid Perpetual NCDs was ₹935 crores. Bank borrowings continued to be a major source for long-term borrowing and raised ₹7,975 crores during FY 2021-22.

In July 2021, Jaguar Land Rover Automotive Plc issued $500 million senior notes due in 2029 at a coupon of 5.50% per annum and EUR 500 million senior notes due 2028 at a coupon rate of 4.5%. The proceeds were for general corporate purposes.

In February 2022, the GB£400 million senior notes with a coupon of 5% issued by Jaguar Land Rover Automotive Plc in January 2014 matured and were fully repaid.

In June 2021, TML Holding Pte Limited has issued USD 425 million Senior notes with a coupon rate of 4.35% due in 2026. The proceeds have been used towards refinancing and meeting general corporate purposes.

In June 2021, Tata Motors Limited issued E 30-A Series of 5,000 Rated, Listed, Unsecured, 6.60% Coupon, Redeemable, Non-Convertible Debentures of ₹500 crores, on private placement basis.

In July 2021, Tata Motors Limited issued E 30-B Series of 5,000 Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures, 6.95% Coupon of ₹500 crores, on private placement basis.

In December 2021, Jaguar Land Rover took GB£625 million five-year amortising loan (backed by a UKEF guarantee). As at March 31, 2022, the total amount outstanding in respect of the five-year amortising loan facilities of GB£625 million taken in October 2019 and above-referenced facility of GB£625 million taken in December 2021, stood at GB£917 million with GB£156 million repayment in FY 2021-22.

The Company at its Board meeting held on October 12, 2021, approved the incorporation of a wholly owned subsidiary ("TML EV Co") to undertake its passenger electric mobility business and executed a Securities Subscription Agreement with India Markets Rio Pte Ltd, an entity affiliated with TPG Rise Climate (the climate investing strategy of TPG's global impact investing platform TPG Rise) for an aggregate investment of ₹7,500 crores in TML EV Co over the period of 18 months from the date of completion of the first tranche. Accordingly, Tata Passenger Electric Mobility Limited (TPEML) is formed on December 21, 2021. The Proposed Transaction involves the primary investment of ₹ 7,500 crores by TPG Rise Climate in TPEML in tranches; and issuance and allotment of compulsorily convertible preference shares, having face value of ₹ 1,000 each, by TPEML to TPG Rise Climate in lieu of such investment. The investment is by issuance and allotment of compulsorily convertible preference shares, having face value of ₹ 1,000 each, by the Company to TPG Rise Climate. The total amount of investment of ₹7,500 crores is bifurcated into two instruments CCPS A1 and CCPS A2 of investment of ₹5,000 crores and investment of ₹2,500 crores, respectively. The remittance of the first tranche of ₹3,750 crores (50% of each instrument) has been received on March 29, 2022.

We plan to refinance and raise long-term funding through borrowings or equity issuances, based on review of business plans, operating results and covenant requirements of our existing borrowings.

For various repayments made during FY 2021-22, refer "summary of long-term debt outstanding as of March 31, 2022" in Principal Sources of Funding Liquidity.

Short-term funding

We fund our short-term working capital requirements with cash generated from operations, overdraft facilities with banks, short- and medium-term borrowings from lending institutions, banks and commercial paper. The maturities of these short-term and medium-term borrowings and debentures are generally matched to particular cash flow requirements. We had borrowings of ₹14,103 crores and ₹17,379 crores as of March 31, 2022 and 2021, respectively.

In December 2020 Jaguar Land Rover Limited renewed its £113 million committed, secured revolving loan facility for fleet buybacks for another year, with GB£110 million drawn as at March 31, 2021. The fleet buyback facility matured in December 2021. As at March 31, 2022, Jaguar Land Rover Limited had sold receivables of GB£191 million equivalent under the US$500 million committed invoice discounting facility, which was renewed for another two years in March 2021. Under the terms of this facility receivables are accounted as sold (through trade receivables in working capital) and therefore not accounted as debt under Ind AS.

At March 31, 2022 the unutilised working capital limits for Tata Motors Limited were at ₹4,636 crores. Post January 1, 2022, when the transfer of company's passenger vehicle business to Tata Motors Passenger Vehicles Limited became effective, the working capital limits for Tata Motors Limited were reduced to ₹ 7,000 crores and we entered into facility with consortium banks for ₹ 3,000 crores working capital limits for Tata Motors Passenger Vehicles Limited. The balance was fully unutilized as at March 31, 2022. The working capital limits are secured by hypothecation of existing current assets including stock of raw material, stock in process, semi-finished goods, stores and spares not relating to plants and machinery (consumable stores and spares), bills receivables and book debts, including vehicle financing receivables and all other moveable current assets, except cash and bank balances, loans and advances of Tata Motors Limited, both present and future. The working capital limits are renewed annually.

For Jaguar Land Rover, the unutilized revolving credit facility was GB£2,015 million as at March 31, 2022. In April 2021, Jaguar Land Rover Automotive plc concluded negotiations with 20 banks to extend GB£1.3 billion of its committed undrawn revolving credit facility out to March 2024. This GB£1.3 billion facility has increased in value since completion to reach GB£1.5 billion as at March 31, 2022 with the addition of a further 4 banks. In our opinion, our working capital facilities and short-term borrowings are sufficient for the Company's present requirements.

Loan Covenants

Some of our financing agreements and debt arrangements set limits on and/or require prior lender consent for, among other things, undertaking new projects, issuing new securities, changes in management, mergers, sales of undertakings and investments in subsidiaries. In addition, certain negative covenants may limit our ability to borrow additional funds or to incur additional liens, and/or provide for increased costs in case of breach. Certain financing arrangements also include financial covenants to maintain certain debt-to-equity ratios, debt-to-earnings ratios, liquidity ratios, capital expenditure ratios and debt coverage ratios.

We monitor compliance with our financial covenants on an ongoing basis. We also review our refinancing strategy and continue to plan for deployment of long-term funds to address any potential non-compliance. On June 30, 2020, we notified one of our Indian lenders in respect of our ₹2,700 crores loan facility that as at June 30, 2020, the Company had failed to maintain one of the financial ratios under the terms of the loan facility. The Company received confirmation from the lender that it has approved an increase in such threshold and has given a waiver of the Company's failure to maintain the relevant financial ratio for FY 2020-21 and FY 2021-22. Further, the Company has received confirmation from another lender on its ₹3,000 crores loan facility, that it has given a waiver of the Company's failure to maintain this ratio before March 31, 2023. However, these compliances have been met as at March 31, 2022.

In one of our subsidiaries, we could not meet certain covenants and have obtained the waiver for FY 2021-22. The outstanding term loan as at March 31, 2022, is ₹18.75 crores.

Certain debt issued by Jaguar Land Rover is subject to customary covenants and events of default, which include, among other things, minimum liquidity requirement in the case of the UKEF facilities (and the GB£1.5 billion extended revolving credit facility, drawable from July 2022, when the current revolving credit facility matures), restrictions or limitations on the amount of cash that may be transferred outside of the Jaguar Land Rover Group in the form of dividends, loans or investments to TML and its subsidiaries. These are referred to as "restricted payments" in the relevant Jaguar Land Rover financing documentation. In general, the amount of cash which may be transferred as restricted payments from the Jaguar Land Rover Group to the Company and its subsidiaries is limited to 50% of its cumulative consolidated net income (as defined in the relevant financing documentation) from

January 2011. As at March 31, 2022, the estimated amount that is available for dividend payments, other distributions and restricted payments was approximately GB£4 billion.

(ii) Capital Expenditures

Capital expenditures totalled ₹14,907 crores and ₹18,729 crores during FY 2021-22 and FY 2020-21, respectively. Our automotive operations accounted for most of such capital expenditures. We currently plan to invest around ₹32,000 crores in FY 2022-23 in new products and technologies.

Our capital expenditures in India for Commercial Vehicles and Passenger Vehicles business during FY 2021-22 related mostly to (i) the introduction of new products, such as the Tata Punch, Tiago and Tigor CNG, Altroz DCA, Tata 407 CNG, ACE Petrol and wide range of commercial vehicles (ii) the development of planned future products and technologies, and (iii) quality and reliability improvements aimed at reducing operating costs.

Total product and other investment for Jaguar Land Rover in FY 2021-22 was GB£2 billion, primarily reflecting the ongoing launch of the New Range Rover, upcoming new Range Rover sport, as well as towards electrification platforms, architectures and investments in future BEV's as a part of Reimagine Strategy.

We continue to focus on development of new products for our various markets. Through Jaguar Land Rover, we continue to make investments in new technologies through its research and development activities to develop products that meet the requirements of the premium market, including developing sustainable technologies to improve fuel economy and reduce carbon dioxide emissions, such as the expansion of electrification across 12 of Jaguar Land Rover's 13 nameplates, including eight plug-in hybrid and eleven mild hybrid models as well as the all-electric Jaguar I-PACE.

We intend to continue investing in our business units and research and development over the next several years, including capital expenditures for our ongoing projects, new projects, product development programs, mergers, acquisitions and strategic alliances in order to build and expand our presence in the Passenger Vehicle and Commercial Vehicle categories.

F. CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities as of the date of this annual report and the reported amounts of revenues and expenses for the years presented. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and on each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods are affected.

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

Impairment of Goodwill

CGUs to which goodwill is allocated are tested for impairment annually on each balance sheet date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to the other assets of the unit pro rata on the basis of carrying amount of each asset in the unit. Goodwill impairment loss recognized is not reversed in subsequent period.

Impairment

Property, plants and equipment and intangible assets

On each balance sheet date, we assess whether there is any indication that any property, plants and equipment and intangible assets with finite lives may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the CGU to which the asset belongs.

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

The recoverable amount is the higher of fair value less costs to sell and VIU. In assessing VIU, 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 CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. If this occurs, an impairment loss is recognized immediately in the profit and loss account.

Finance receivables

We provide allowances for losses on portfolio of finance receivables on the basis of expected future collection from receivables. The future collection are estimated on the basis of past collection trend which are adjusted for changes in current circumstances as well as expected changes in collection based on expectations with respect to certain macro-economic factors, such as GDP growth, fuel price and inflation as well as management judgement regarding qualitative factors, including economic uncertainty, observable changes in portfolio performance, and other relevant factors.

Capitalization of internally generated intangible assets

We undertake significant levels of research and development activity and for each vehicle program periodic review is undertaken. We apply judgement in determining at what point in a vehicle programs lifecycle that recognition criteria under accounting standards is satisfied.

Product Warranty

Vehicle warranties are provided for a specified period of time. Our vehicle warranty obligations vary depending upon the type of the product, geographical location of its sale and other factors.

The estimated liability for vehicle warranties is recorded when the products are sold or when new warranty programs are initiated. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future warranty claims, customer goodwill and recall complains. The timing of outflows will vary depending on when warranty claim will arise, being typically up to six years and for batteries in Electric Vehicles warranty period is typically up to eight years.

We also have back-to-back contractual arrangements with our suppliers in the event that a vehicle fault is proven to be a supplier's fault. Estimates are made of the expected reimbursement claims based upon historical levels of recoveries from supplier, adjusted for inflation and applied to the population of vehicles under warranty as on balance sheet date. Estimated supplier reimbursements are recognized as separate asset. Actual claims incurred in the future may differ from our original estimates, which may materially affect warranty expenses.

Employee Benefits

Employee benefit costs and obligations are dependent on assumptions used in calculating such amounts. These assumptions include salary increases, discount rates, health care cost trend rates, benefits earned, interest costs, expected return on plan assets, mortality rates and other factors.

While we believe that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect our employee benefit costs and obligations.

Recoverability/recognition of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carryforwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carryforwards and unused tax credits could be utilized.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have an adequate system of internal controls in place. We have documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance regarding maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, compliances with regulations. We have continued our efforts to align all our processes and controls with global best practices.

Some significant features of the internal control of systems are:

- The Audit Committee of the Board of Directors, comprising of independent directors and functional since August 1988, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards as well as reasons for changes in accounting policies and practices, if any;
- Documentation of major business processes and testing thereof including financial closing, computer controls and entity level controls, as part of compliance programme towards Sarbanes-Oxley Act, as required by the listing requirements at New York Stock Exchange;
- An ongoing programme, for the reinforcement of the Tata Code of Conduct is prevalent across the organization. The Code covers integrity of financial reporting, ethical conduct, regulatory compliance, conflicts of interest's review and reporting of concerns.
- State-of-the-art Enterprise Resource Planning, supplier relations management and customer relations management connect our different locations, dealers and vendors for efficient and seamless information exchange. We also maintain a comprehensive information security policy and undertakes continuous upgrades to our IT systems;
- Detailed business plans for each segment, investment strategies, year-on-year reviews, annual financial and operating plans and monthly monitoring are part of the established practices for all operating and service functions;
- A well-established, independent, multi-disciplinary Internal Audit team operates in line with governance best practices. It reviews and reports to management and the Audit Committee about compliance with internal controls and the efficiency and effectiveness of operations as well as the key process risks. The scope and authority of the Internal Audit division is derived from the Internal Audit Charter, duly approved by the Audit Committee; and Anti-fraud programmes including whistle blower mechanisms are operative across the Company.

The Board takes responsibility for the overall process of risk management throughout the organization. Through an Enterprise Risk Management programme, our business units and corporate functions address risks through an institutionalized approach aligned to our objectives. This is facilitated by internal audit. The Business risk is managed through cross-functional involvement and communication across businesses. The results of the risk assessment are presented to the senior management. The Risk Management Committee reviews business risk areas covering operational, financial, strategic and regulatory risks.

There have been no changes in our internal control over financial reporting that occurred during the period covered by this annual report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Although we have implemented various initiatives for continuous business operation in response to the COVID-19 pandemic, including enabling most of our employees to telework, apart from those who need to work at their office for smooth operations, we believe these initiatives have not had a significant impact on our internal control over financial reporting.

During FY 2021-22, we assessed the effectiveness of the Internal Control over Financial Reporting and has determined that our Internal Control over Financial Reporting as at March 31, 2022 is effective.

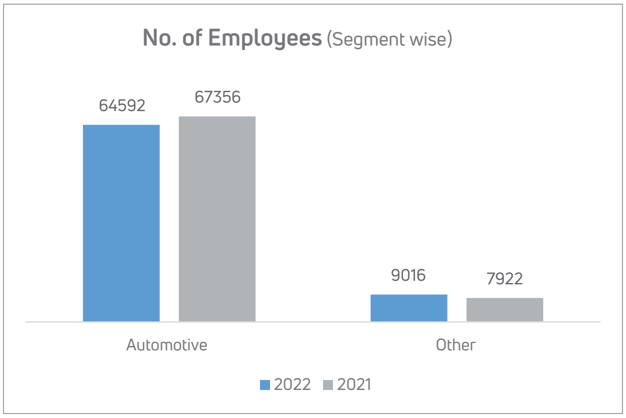
HUMAN RESOURCES / INDUSTRIAL RELATIONS

Our people are our best assets. Their caliber and commitment is our inherent strength. With the singular objective of always being the employer of choice in the Indian auto industry, we are encouraging them to discover and realize their true potential. Acquiring diverse experiences, accomplishing challenging tasks and continually learning and upskilling is enabling them to deliver their best. By identifying, developing and nurturing quality talent at every stage of the employee lifecycle, we are empowering them to become future ready and build rewarding careers. Keeping employee wellbeing foremost, we have embraced the post-pandemic way of life and work. By institutionalizing hybrid mode of working, digitizing processes, refreshing our culture, we are collectively fostering new ways of working. Future ready trails of agility, digital mindset and customer centricity are being consciously imbibed, both in thought and action, at every level across the organization. Richer collaborations and stronger teamwork have accelerated our pursuit of excellence.

Building a strong workforce:

We employed approximately 73,608 and 75,278 permanent employees as at March 31, 2022 and 2021, respectively. The average number of flexible (temporary, trainee and contractual) employees for FY 2021-22, was approximately 40,717 (including joint operations) compared to 28,291 in FY 2020-21. We have a healthier gender diversity with 6.53% of our workforce comprising of women.

The following graph presents the breakdown of persons employed by the Company's business segments as of March 31, 2022 and 2021.



Building an effective organisational culture

Culture is a key enabler to optimise potential, retain and also attract top talent to fuel performance within the organisation. The collective desire to become more agile and future ready necessitated a refresh of the organisational culture. Following an intense process of co-creation wherein thoughts, opinions, perspectives and aspirations of every employee were heard, a new Culture Credo, summaris ed as – More When One with its four culture pillars – Be Bold, Solve Together, Own it & Be Empathetic, was launched. These culture pillars s were further defined through eight distinct leadership behaviours – Agility, Risk taking, Owner's Mindset, Empowerment, Collaboration, Accountability, Embrace Diversity and Passion for Customers. A high impact launch, followed by consistent and conscious efforts to accelerate the Culture Transformation journey with active employee participation has resulted in a remarkable improvement in overall employee engagement scores.

Capability Development

Committed to empowering our employees, we are fostering their development by strengthening their functional, managerial and leadership capabilities to make them future-fit. With volatility rising in the external environment, a holistic approach has been adopted to proactively identify and address all potential capability gaps. Tata Motors Academy designs and creates appropriate functional training modules to address the development needs of the various segments of our workforce. The academy focuses on three functional pillars – Customer Excellence, Product Leadership, Operational Excellence and Management Education. The emphasis of the functional academies is to reinforce knowledge, skills and expertise with a structured and in-depth approach, within the respective function:

- The Product Leadership Academy and Operational Excellence Academy are designing and deploying the courses and learning programmes for our employees in Engineering and Operations, focused on the organisation's technical roadmap on Connected, Electric, Shared & Safe vehicles (CESS).

- The Customer Excellence Academy ensures capability building not only for Tata Motors' front-end functions, but also for our channel partners. These training interventions are planned for Dealer Sales Agents to provide best-in-class experience to our customers. We also launched the 'Re-imagining PV front-end' dealership program, a targeted intervention to train and mobilize the workforce responsible for delivering the last mile customer experience.
- The Tata Motors Academy also provides executive management education opportunities in the areas of B.Tech, M.Tech, and Executive MBA to develop general management and leadership skills.
- By embracing digital, the academy has also embarked upon a decisive journey of digital learning for all its employees. This includes e-learning and virtual classrooms, which augments the offering of functional as well as management education pillars.

Skill Development

The endeavour to deliver high quality products by enhancing our craftsmanship and improving manufacturing and assembly processes continues with a greater thrust. To address the rapid technology disruptions and changing market dynamics, we have developed the 'Future of Workplace' strategy. It provides our workforce with new skills such as High Voltage (Electric Vehicles), Mechatronics (Industry 4.0), Auto Electronics and Vehicle Communication. We are actively reskilling our permanent workforce in these newer technology areas. In parallel, we are also developing a young, skilled, agile and digital enabled workforce through our company's flagship full-time apprenticeship program (new craftsman trades), the introduction of the Bachelor of Vocational Education program and the Earn and Learn NEEM program. We recruit talent from the finest training institutes. Beyond core trade-based skills, we focus and train our technicians in very specific skills to achieve world-class quality, best-in-class know-how and high productivity levels.

Talent Management

Our annual Organisational & Talent Review process and a robust Succession planning exercise ensures that we always maintain a healthy succession pipeline of critical and leadership roles. This enables us to identify, groom and develop potential candidates across the organisation. We launched the Leadership Trails, a comprehensive leadership development programme tailored to the requirements of our leaders and the organisation in partnership with a top ranked global business school. Inner Circle, a developmental programme for our best mid-level and junior management talent has also been introduced in collaboration with a marquee academic institution. To provide employees with growth opportunities across functions, locations and business units, we encourage internal mobility of our talent through job rotations and 'Career Explore' – our internal job posting portal.

Diversity & Inclusion

An equal opportunity employer, Tata Motors is deeply committed to creating a diverse and inclusive workforce. In a significant step forward towards increasing gender diversity on the shop floor, traditionally a male bastion, our TCF assembly at the Pune Plant is now entirely operated and managed by over 1,000 women employees. After ensuring adequate safety measures and compliance with statutory requirements, we invited women workers to opt for the second shift and now have several of them preferring to work in it. "Project EVE" a specially curated, comprehensive development platform for high potential women employees has also been introduced. Employees involved in this program work on challenging projects sponsored and mentored by the Tata Motors Executive Committee. The Second Career Initiative Program (SCIP) is a platform that encourages women, who put their career on pause to restart it with interesting opportunities. We also introduced Paternity Leave and Adoption Leave for our male colleagues to support parenthood. The gender diversity at Tata Motors improved with the Company employing 6.53% women in FY 2021-22 as compared to 5.48% in FY 2020-21.

Industrial Relations

We have labour unions for our technicians at all our plants across India except the Dharwad plant. The Company maintains cordial relations with its employees at its factories and offices and has been supported by the unions in the implementation of several reforms to improve safety, quality, cost erosion and enhance productivity across all locations. Technicians and unions have supported business continuity to achieve productivity levels during challenging times caused by COVID-19 and the semi-conductor supply chain crisis.

Employee wages are paid in accordance with the wage settlements signed that have varying terms (typically three to five years) at different locations. The expiration dates of the wage agreements for various locations/subsidiaries are:

Location/subsidiaries	Wage Agreement valid until
Jaguar Land Rover – UK Plants	31-Oct -23
Mumbai	31-Dec-21*
Pune – Passenger Vehicles	31-Mar-22*
Pantnagar – Commercial Vehicles	31-Mar-22*
Lucknow – Commercial Vehicles	31-Mar-24
Sanand – Passenger Vehicles	30-Sep-24
Pune – Commercial Vehicles	31-Aug-25
Jamshedpur – Commercial Vehicles	31-Mar-26

*Negotiation on-going

The wage settlements of our manufacturing sites at Pantnagar (Commercial Vehicles – Tata Motors Limited), Pune (Tata Motors Passenger Vehicles Limited), Mumbai have expired and negotiations are underway for the new wage agreements. In the interim, wages set out in previous wage agreements will continue until a new settlement is reached.

The Company's wage agreements link an employee's compensation to performance criteria that are based on various factors such as quality, productivity, operating profit and an individual's performance and discipline. As far as possible, we aim for cost neutral settlements, by achieving the critical performance parameters of the business with total employee involvement. We have generally received union support in its implementation of reforms that impact quality, cost erosion and productivity improvements across all locations. We have signed settlements with a variable pay as part of wage cost and have staggered the payment instead of one time pay to be bring more cost effectiveness on account of fixed pay.

JAGUAR LAND ROVER

INVESTING IN OUR PEOPLE AND COMMUNITIES

Our people are our greatest asset and that is evidenced by their support to their communities, both individually and through our collective efforts as a company.

Protecting our people

Throughout our response to the COVID-19 pandemic, the health, wellbeing and safety of our people and partners has been our utmost priority and this has continued as colleagues have been returning to offices and workplaces around the world.

As part of our response to the COVID-19 pandemic, we were one of the first businesses and the largest in the UK, to introduce onsite COVID-19 testing. By April 2022, we had performed 1.68 million temperature tests, 100,000 lateral flow tests, and over 1,000 PCR tests onsite.

Between December 2020 and January 2022, our Nitra facility in Slovakia set up a testing centre for our employees and contractors and performed 47,747 tests. The Slovakian government acknowledged that Jaguar Land Rover's mass testing significantly contributed to managing a critical situation and protected the health of our employees, their families and communities.

Beyond testing, we managed a vaccination program and supplied masks and respirators for our employees. We also created a hub of wellbeing support and information available to all employees throughout the pandemic, including podcasts, resources, and factsheets to help them easily access reliable information at a time of uncertainty.

Hybrid working

Hybrid working reflects our agile working principles and in May 2021, as our employees returned to work in line with the scaling back of COVID-19 restrictions, we formally implemented a hybrid working scheme.

With the trust placed in our people, we have utilized technology to develop a comprehensive scheme that empowers employees with the flexibility to manage their working arrangements and location. As well as enabling greater productivity and efficiency, hybrid working supports wellbeing, by giving employees more control, choice and flexibility over their working day.

We have committed to support our people both in continued onsite COVID-19 testing and a dedicated workspace booking app, to help them get the most from hybrid working arrangements.

Activities within the community

Our team in Nitra, Slovakia established a partnership with Nitra Volunteering Centre in December 2021 and organized a collection for people in need during December.

Our manufacturing facility in Itatiaia, Rio de Janeiro joined forces with Instituto Toré for a one-year community partnership supporting and implementing two significant social responsibility projects in their local area, aimed at delivering education and skills on conservation and sustainable food production.

In December 2021, employees from Jaguar Land Rover's UK sites came together to collect for local foodbanks, with the aim of supporting thousands of families who continued to struggle as a result of the COVID-19 pandemic.

The donation drive saw employees across the business support their local charities and communities, with more than 10,000 items such as tinned food and cereals donated to help local families in need, while employees also showed their support by donating just over £2,000 to an online collection fund.

Diversity & Inclusion

At Jaguar Land Rover we are committed to fostering a more diverse, inclusive and unified culture that is representative of our employees, our customers and the society in which we live; a culture where every one of our colleagues can bring their authentic self to work and feel empowered to reach their full potential.

There are tremendous benefits to an environment where everyone feels valued and included. Diversity of thought and experience will be a key driver of our future success as a business: we cannot underestimate the positive impact that diversity and inclusion can have on how we understand our customers, fuel our innovation and, most importantly, engage and inspire our most important asset, our people.

We have identified three strategic pillars to achieve our goal, which will shape our global Diversity and Inclusion activity over the next five years. How they are implemented around the globe will vary and will be driven by the needs of the countries we operate in.

As part of our strategy, by 2026 we aim to have:

- Globally, at least 30% of all senior leadership positions held by females – we will aim to at least mirror this representation at all levels of our business.
- In the UK at least 15% of all senior leadership positions held by those from Black, Asian, and minority ethnic backgrounds - we will aim to at least mirror this representation at all levels of our business.
- A score of over 80% in our Inclusion Index, measuring the percentage of people who would recommend Jaguar Land Rover as an inclusive employer.

We will continue to measure progress on a number of other metrics as part of our regular employee surveys.

Code of Conduct

Directors and employees are required to comply with the Jaguar Land Rover Code of Conduct, which is intended to help them put the Group's ethical principles into practice. The Code of Conduct clarifies the basic principles and standards they are required to follow and the behaviour expected of them. The Code of Conduct can be found at www.jaguarlandrover.com. Employees, contract staff, third parties with whom the Group has a business relationship (such as retailers, suppliers and agents), and any member of the public may raise ethical and compliance concerns to the Group's global helpline or via group.compliance@ jaguarlandrover.com.

OPPORTUNITIES

The Government of India approved the Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry in India for enhancing India's Manufacturing Capabilities for Advanced Automotive Products (AAT) with a budgetary outlay of ₹25,938 crore. The PLI Scheme for Automobile and Auto component industry proposes financial incentives to boost domestic manufacturing and attract investments in the automotive manufacturing value chain. Tata Motors has got approval in PLI scheme.

The Government of India also launched vehicle scrappage policy on August 13, 2021. The policy mandates Commercial vehicles aged >15 years and passenger vehicles aged >20 years will have to be mandatorily scrapped if they do not pass the fitness and emission tests. The policy is expected to reduce pollution, create job opportunities and boost demand for new vehicles. Several incentives have been proposed, including – giving exchange value while purchasing new vehicles, zero registration fees for new vehicle purchased, etc. Further, state governments and auto manufacturers have also been advised to provide certain concessions. The government's plan for strengthening the public transport sector under PPP models is encouraging for the industry. The government of India have undertaken multiple initiatives to promote manufacturing and adoption of electric vehicles in India and has set ambitious targets for 30% EV penetration by FY 2030.

Strong policy support initiatives and government focus on infra spending is creating good opportunities for demand revival and growth. We see significant opportunities to leverage the mega trends shaping the Indian automotive industry by means of increasing digital offerings, strengthening the play in CV passenger segment under own, maintain and operate model, accelerating CNG and EV penetration in CV's, stepping up new product launches in EV's and expanding EV ecosystem in India.

Jaguar Land Rover new Reimagine strategy paves the way for a future of modern luxury by design with quality and sustainability permeating through every facet of Jaguar Land Rover business. Jaguar Land Rover's Reimagine strategy and Refocus programme have set the company on an exceptional journey of transformation with quality and sustainability at the centre, simplification of processes, rapid electrification of vehicles, creating unique customer experiences and a positive societal impact. This strategy aims to launch Jaguar as a pure electric brand from 2025 by introducing the first Land Rover all electric model by 2024 with an additional five all electric Land Rover models launched by 2026, Launch the modular longitudinal architecture and electrified modular architecture (native BEV architecture) for Land Rover products and a BEV only architecture dedicated to Jaguar. In 2021, we introduced the New Range Rover, as the embodiment of modern luxury, with breath-taking modernity to its exterior and a highly sophisticated, reductive interior with an intuitive approach to relevant technology. The New Range Rover indicates a philosophy that will be embedded across our products and our customer experiences, generating a key differentiator for Jaguar and Land Rover, as part of our transformation into modern luxury brands.

FY 2021-22 saw the full global roll-out of New Defender and the launch of New Range Rover. Demand for both of these products has led to a record-breaking order book of 168,471 at the end of the year, with Defender making up 24%, i.e. 40,618 orders out of the total orders and New Range Rover accounting for 27%, i.e. 45,584 orders. The recent reveal of New Range Rover Sport aims to repeat the success of the previous two product launches, and a positive customer response to this exciting new model is seen.

Collaborations and partnerships are at the heart of the Reimagine strategy. In February 2022, a new partnership with NVIDIA, was announced, that will jointly develop AI-powered autonomous driving and connected services for all future vehicles built on NVIDIA DRIVETM. JLR also became exclusive partner with BNP Paribas for financial services across nine European markets and revealed the integration of Amazon Alexa on all new and existing Jaguar and Land Rover vehicles fitted with its advanced Pivi Pro infotainment system.

OUTLOOK:

Long-Term

There are various positive & negative factors affecting the automobile industry. Basis these recent developments, Automobile Industry has the potential to contribute about 12% of the total GDP of the nation and create around 65 million employment opportunities, as per the original Automotive Mission Plan 2016-26.

A report by India Energy Storage Alliance estimated the EV market to increase at a CAGR of 36% until 2026. The EV battery market is also expected to expand at a CAGR of 30% during the same period. Cumulative investment of ₹ 12.5 trillion (US$ 180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India's EV ambitions. With the government's aim to move towards a completely Aatmanirbhar Bharat, the Ministry of Heavy Industries has sanctioned 2877 public EV charging stations in 68 cities all over India, under the Scheme for Faster Adoption and Manufacturing of Electric Vehicles in India Phase-II (FAME India Phase II) to be set up by Oil Marketing Companies in prominent cities and highways. The government also announced a battery-swapping policy in the Union Budget 2022-23, which will allow drained batteries to be swapped with charged ones at designated charging stations, thus making EV's more viable for potential customers.

The Government aims to develop India as a global manufacturing and research and development (R&D) hub. It has set up National Automotive Testing and R&D Infrastructure Project (NATRiP) centres as well as the National Automotive Board to act as facilitator between the Government and the industry. Under (NATRiP), five testing and research centres have been established in the country since 2015.

Continued investment, by Jaguar Land Rover, in new products, services, technologies and manufacturing capabilities is key for the long term success of the Company. With an aim to redefine modern luxury, and the growing worldwide customer appetite for electric vehicles, JLR is accelerating the Reimagine strategy's transformation into a business that will deliver double-digit EBIT margins within five years and achieve net zero carbon through the company's entire value chain, including its products, supply chain and operations, by 2039.

The New Range Rover introduces plug-in hybrid electric propulsion with a segment-leading official electric-only range of over 100km. From 2024, a pure-electric New Range Rover will join the family.

Over the next four years, Land Rover aspires to welcome six, all electric variants across two architectures – the flexible Modular Longitudinal Architecture (MLA) and the Electric Modular Architecture (EMA). We expect 60% of the global Land Rover sales to be purely-electric by 2030.

From 2025, new Jaguar and Land Rover vehicles will be built on the NVIDIA DRIVE™ software-defined platform – delivering a wide spectrum of active safety, automated driving and parking systems, as well as AI features inside the vehicle.

Short-Term

To help the automotive industry overcome the cost disabilities, economies of scale, and facilitate growth of the industry by building a robust supply chain, in areas of Advanced Automotive Technologies [AAT], government has launched the PLI scheme for automobile and the auto component industry, for the next 5 years-starting FY 2022-23 with an outlay of 26,000 crores. This scheme will facilitate the automotive industry to move up the value chain into higher value-added products, apart from generating employment. The scheme will also provide incentive of up to 18 per cent, to encourage industry to make fresh investments in indigenous supply chain of AAT products.

According to a recent survey of ACMA leadership, despite prevalent concerns of the third wave of the pandemic, the industry is cautiously optimistic about the prospects of the Indian economy and the automobile sector. Auto component manufacturers have recovered and investment cycle has commenced. An estimated 60 percent of the manufacturers are equipped to be part of the EV supply chain, while the rest would be ready in the next two-odd years.

According to NITI Aayog and Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach ₹ 3.7 lakh crore (US$ 50 billion) by 2030. IBEF has also predicted that the Indian auto industry is expected to record strong growth in 2022-23, after recuperating from the effects of COVID-19 pandemic.

For Jaguar Land Rover, supply constraints, particularly semiconductors, restricted the ability to produce as many vehicles as planned for, in FY 2021-22. These supply chain challenges limited their capacity to build cars in line with the customer demand which led to a downfall in the wholesale volumes. The shortage of semiconductors is likely to continue in the coming year with gradual improvement throughout FY 2022-23. In response to these challenges, JLR is focusing on the production of higher margin products and closely monitoring the supply chain. JLR is engaged in strategic discussions with key component suppliers and chip producers to secure long-term supply agreements for future product programmes, to increase the company's resilience.

The rising inflationary pressure, with rising commodity prices and the highly volatile gas prices across Europe in the fourth quarter has an impact on the business, leading to increased material costs. In the short term, there is a level of protection through the commodity hedging programme. The impact of changes in material costs on the margins is closely monitored to minimise passing the cost increase onto our customers.

Cautionary Statement

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

Risk factors

RISKS ASSOCIATED WITH OUR BUSINESS AND THE AUTOMOTIVE INDUSTRY

We are facing an ongoing shortage of semiconductors crucial to our products.

Semiconductor chips are an important component of the electrical architecture of our vehicles. In recent years, we and other major automotive companies have experienced limited access to semiconductors supply, which has impacted production schedules. A limited number of companies produce the majority of semiconductors manufactured globally, and reduced capacity at these companies due to, among other matters, government actions in relation to the COVID-19 pandemic has contributed to a persistent shortage of semiconductors for the global automotive industry. Supply of semiconductors was also impacted during 2021 by disruptions caused by a fire at the Renesas chip plant in Japan and extreme weather conditions in Texas during the winter of 2021. In addition, pandemic induced lockdowns necessitated work from home arrangements and more generally post pandemic, there has been unprecedented increase in the demand for white goods, especially consumer electronics, further accentuated by the migration to 5G, which has led to a shift in capacity allocation from the automotive sector to consumer durable goods.

The shortage in the supply of semiconductors has impacted and continues to impact our production schedules and our ability to meet the demand for some of our vehicles. Such shortages, which affect the entire automotive industry, may impact us more pronouncedly than our competitors as they may have a greater level of buying power with suppliers or have a different range of features on their vehicles that are dependent on semiconductors, as well as impact our ability to divert the supplies on lower end models, in which our competitors exclusively operate or for which our competitors are able to better manage supplies. Production schedules continue to be actively managed by management in line with the availability of semiconductors and vehicle margin. Along with supply chain uncertainty caused by the COVID-19 pandemic and sudden factory shutdowns due to natural disasters at major semiconductor production sites worldwide, longer-term trends, such as a general rise in demand in the automotive sector competing with other rapidly growing industries for semiconductor manufacturing capacity and structural issues within the semiconductor supplier landscape have complicated our ability to secure sufficient supply. There can be no assurance that we will be able to source for alternative supplies of semiconductors or that such alternative supplies of semiconductors will be readily available. The shortage of semiconductors has and is likely to continue to impact us in the near future.

In the event that such shortages continue for a prolonged period of time, our production levels may be affected, which would materially affect our business, financial condition and results of operations. In addition, the shortage of semiconductors could also have an adverse impact on the implementation of Jaguar Land Rover's Reimagine strategy to expand into EVs, which may contain a higher level of semiconductors than that used in conventional vehicles. The shortage of semiconductors could also increase car prices, which could negatively affect customer demand in the future should other companies be able to increase supply in the future. Furthermore, the extended delivery times of new cars could cause an increase in cancellations by customers.

We have also committed to significant reduction of debt and achieving near net zero auto debt by FY 2023- 24. As a result of supply chain issues, production was impacted, resulting in adverse working capital which increased our debt for automotive business in FY 2021-22. If we continue to face significant supply chain issues, our volumes may be impacted, affecting revenues from our operations, profitability, free cash flows and our debt reduction plans.

While we expect semiconductor supply to continue to gradually improve throughout FY 2022-23, there is no assurance that this will be the case and while the supply of semiconductors remains constrained, we may be more susceptible to supply-driven shocks in the future.

While we continue to take measures to partially mitigate the impact of semiconductor supply shortages, including engaging in discussions with leading component suppliers and chip producers and prioritizing the production of higher-margin vehicles, there can be no assurance that such measures will provide significant mitigation.

The ongoing conflict between Russia and Ukraine could have an impact on our business and results of operations.

In late February 2022, Russian military forces invaded Ukraine, significantly amplifying already existing geopolitical tensions among Russia, Ukraine, the European Union and other nations. Russia's invasion, the responses of countries and political bodies to Russia's actions, and the potential for wider conflict have contributed to increased market volatility in recent months, and such volatility may continue or amplify in the future. Moreover, in response to Russia's actions in Ukraine, various countries, including the United States, the United Kingdom and European Union members, issued broad economic sanctions against Russia, including to prohibit certain trade activity with certain Russian corporate entities, financial institutions, officials and oligarchs.

In FY 2021-22, Jaguar Land Rover recorded £43 million in relation to customer liabilities arising from sanctions imposed against Russia by many countries, preventing the shipment of vehicles and certain parts to the market. Jaguar Land Rover has over the past three years earned around 2.5% of revenue on average each year from Russia and Ukraine, but has suspended vehicle exports to Russia to comply with recent export restrictions. Jaguar Land Rover continues to import a restricted range of safety-related parts to Russia for the repair of vehicles in market in compliance with relevant sanctions and export controls measures in place.

The impact of the conflict on Jaguar Land Rover's production volume has been limited during Fiscal 2022 as a result of its active management of parts supply chain.

However, we are currently unable to predict with certainty the duration and severity of the conflict between Russia and Ukraine and its ultimate impact on our business, financial condition, liquidity and results of operation, as these depend on rapidly evolving and uncertain developments and factors that are beyond our control. For example, there is a risk that a further escalation of the conflict during FY 2022-23 could bring challenges to our wider supply chain which could, in turn, have a material adverse impact on our business. While we have a relatively small number of parts and commodities that are sourced from the affected countries, it is too early to say how future commodity supply and pricing could be impacted.

Moreover, during April 2022 Russia suspended gas supplies to Poland and Bulgaria. Should this happen in the future, including in Slovakia where Jaguar Land Rover operates a manufacturing plant, it may face further parts shortages or be unable to run production in its manufacturing facilities, which could have a material adverse impact on its business.

Furthermore, European governments are seeking to reduce energy reliance on Russia in the future and are restricting imports of oil and gas sourced from Russia. This is driving up energy costs, which could increase inflationary pressures during FY 2022-23.

Some parts of the automotive supply chain are sourced from Russia and Ukraine, including Neon gas used in semiconductor production (Ukraine) and palladium (Russia). Should the conflict lead to shortages of these or any other commodities, we may face challenges within our supply chain in sourcing parts or face significant price increases in the future.

Deterioration or uncertainty in global economic conditions could have a material adverse impact on our business, sales and results of operations.

The automotive industry could be materially affected by the general economic conditions and developments in India and around the world and investors' reaction to such conditions and developments.

The automotive industry, in general, is cyclical, and economic slowdowns in recent years have affected the manufacturing sector in India, including the automotive and related industries. Deterioration of key economic metrics, such as the growth rate, interest rates and inflation, reduced availability of competitive financing rates for vehicles, implementation of burdensome environmental and tax policies, work stoppages and increase in freight rates and fuel prices could materially and adversely affect our automotive sales and results of operations. Deterioration in key economic metrics in countries where we have sales operations may result in a decrease in demand for our automobiles, which, in turn, cause automobile prices and manufacturing capacity utilization rates to fall.

We are a global organization and are therefore vulnerable to shifts in global trade and economic policies and outlook. Policies that result in countries withdrawing from trade pacts, increasing protectionism and undermining free trade could substantially affect our ability to operate as a global business. Additionally, negative sentiment towards foreign companies among our overseas customers and employees could adversely affect our sales as well as our ability to hire and retain talented people. A negative shift in either policies or sentiment with respect to global trade and foreign businesses could have a material adverse effect on our business, prospects, results of operations and financial condition.

Prolonged periods of sluggish economic growth or any significant financial disruption could have a material adverse effect on our cost of funding, portfolio of financing loans, business, prospects, results of operations, financial condition and the trading price of the Company's Shares and ADSs.

In July 2020, the United States-Mexico-Canada Agreement came into force. Potential governmental actions related to tariffs or international trade agreements have the potential to adversely impact demand for our products, our costs, customers, suppliers and/or the North American economy or world economy or certain sectors thereof and, thus, our business.

Our Jaguar Land Rover business has significant operations in the United Kingdom, North America, continental Europe and China, as well as sales operations in markets across the globe. If automotive demand softens because of lower or negative economic growth in key markets or due to other factors, Jaguar Land Rover's business, prospects, financial condition and results of operations could be materially and adversely affected as a result. In addition, there is uncertainty as to whether changes to laws and policies governing international trade, tariffs and duties on foreign vehicle imports will be introduced, which could have a material adverse effect on Jaguar Land Rover's financial condition and results of operations.

We have been, and may continue to be, adversely affected by the COVID-19 pandemic.

Our results of operations and financial position have been, and may in the future be, impacted by the COVID-19 pandemic, including the emergence of new variants of the virus, uncertainty surrounding the medium- and long-term effectiveness of COVID-19 vaccines and future government action in response to the next stages of the pandemic.

Our operations have been impacted as a result of the COVID-19 pandemic. At various times over the course of FY 2020-21 and FY 2021-22, our Indian operations and Jaguar Land Rover enacted temporary plant shutdowns and implemented work-from-home protocols for employees who were able to work remotely in various jurisdictions, including India and the United Kingdom, to ensure public safety and to comply with government guidelines in various geographies. These shutdowns have caused disruptions to our business and have had negative impacts on our cash flows, primarily because our operations generate less revenue during shutdowns while continuing to incur costs.

While our volumes for the domestic business grew quarter over quarter, recurring waves of infection and restrictive measures by governments have continued to have an adverse impact on our results of operations. For example, industry sales volumes for our passenger segment (buses) in Commercial Vehicles experienced a slow recovery, and sector recovery may continue to be slowed by people returning to on-site learning and working slower and in fewer numbers.

Recent lockdowns in parts of China as the government pursues a strategy of containing the spread of COVID-19 are adversely impacting our supply chains as our suppliers are unable to produce or deliver products to us. Similarly, we are also witnessing a temporary decrease in demand. These lockdowns have also led to some dealerships in some regions of China to temporarily close, which may have an adverse impact upon our sales outlook in FY 2022-23. If we are unable to ensure a supply of critical parts from China for production, we may be forced to stop production in some or all of our plants, which will have a significantly negative impact on our cash flow in the future. We are witnessing certain supply chain disruptions as a result of China's lockdowns and dealership closures possibly resulting in negative EBIT and negative free cash flows in the first quarter of FY 2022-23 for Jaguar Land Rover while our domestic business is also likely to witness a negative impact on financial performance.

There is significant uncertainty surrounding such business disruptions, as continued cross-border restrictions could adversely affect our supply chains globally. We, like other automotive manufacturers, have experienced some supply chain disruption due to the COVID-19 pandemic, including the current global unavailability of semiconductors, which has impacted our production schedules and the ability to meet global demand for some of our vehicles. As a result, we adjusted production schedules for certain vehicles and in certain manufacturing plants. Although we have restored operations at our production facilities, our manufacturing rates and timelines may nonetheless be affected by global economic markets, the decrease in consumer confidence or changing behaviors such as working from home arrangements, which could impact demand in the global transportation and automotive industries. The extent and impact of changing consumer preferences and behavior is unknown and impossible to predict at this time.

Even as the COVID-19 pandemic has largely subsided in most of our key regions, we may continue to experience an adverse impact to our business as a result of its global economic impact, including any recession that has occurred or may occur. Specifically, difficult macroeconomic conditions, such as decreases in per capita income and level of disposable income, increased and prolonged unemployment or a decline in consumer confidence as a result of the COVID-19 pandemic could have a continuing adverse effect on demand for our products, as well as limit or significantly reduce points of access to such products. The disruption caused by the COVID-19 pandemic may force us to change, in whole or in part, our strategic plans for the future.

In addition to the increase in costs associated with the implementation of enhanced health and safety measures in our operations, we are also faced with the potential increase in legal, advisory and other costs as a result of any COVID-19 pandemic related claims from workers or third-party suppliers that may come into contact with our operations. All or any of these factors have had, and could in the future have, a material adverse effect on our business, prospects, financial condition and results of operation.

In addition, the COVID-19 pandemic may continue to have an impact on the health and well-being of our employees and some of our employees have lost their lives as a result of the pandemic. This could affect the morale and well-being of our employees and we may be compelled to provide additional support to the families of those people who have lost their lives. While we have been engaging with the Unions and our employees on an ongoing basis and they have been very collaborative, we may face challenges in our industrial relations relating to employee matters due to the COVID-19 pandemic and the uncertainties involved.

Even after the COVID-19 pandemic subsides, we may continue to face uncertainties regarding the potential impact of any future variants of COVID-19 and long-term sustainability of any economic recovery in the jurisdictions in which we operate.

Disruptions to our supply chains and shortages of essential raw materials may adversely affect our production and results of operations.

We rely on third parties to source raw materials, parts and components used in the manufacture of our products. At a local level, we rely on smaller enterprises where the risk of insolvency is greater. In addition, for some parts and components, we are dependent on a single source. Our ability to procure supplies in a cost-effective and timely manner or at all is subject to various factors, some of which are not within our control. Furthermore, there is a risk that manufacturing capacity does not meet the sales demand, thereby compromising our business performance. Given the time frames and investments required for any adjustment to the supply chain, there is no near-term remedy for such a risk. While we manage our supply chain as part of our supplier management process, any significant problems or shortages of essential raw materials in the future could adversely affect our results of operations.

Adverse economic conditions and declines in vehicle sales have had a significant financial impact on our suppliers in the past. In addition, our supply chains have been, and continue to be, impacted by business disruptions and uncertainty caused by the COVID-19 pandemic. See "—We have been, and may continue to be, adversely affected by the COVID-19 pandemic" for more information. Supply disruptions due to the impacts of the COVID-19 pandemic may continue to have an impact our business in FY 2022-23.

In addition, reduced demand for automobiles and lack of access to sufficient financial arrangements for our supply chain could impair the timely availability of components for our business. In addition, if one or more of the other global automotive manufacturers were to become insolvent, this would have an adverse impact on the supply chains and may further adversely affect our results of operations. We are also exposed to supply chain risks relating to the availability of lithium-ion battery cells, which are critical for EV production. Any prolonged disruption to the supply of battery cells could disrupt production of our vehicles and delay the rollout of our strategic initiatives, including Jaguar Land Rover's Reimagine Strategy. As we and other automotive manufacturers expand production of EVs and demand for EVs increases, such risks are heightened.

Moreover, we have entered into agreements for the purchase of components from certain suppliers pursuant to which, if we procure lower quantities than committed, we may have to record provisions toward such contracts, which may have a material adverse impact on our financial condition and results of operations.

Increases in commodities and input prices may have a material adverse effect on our results of operations.

We purchase a wide range of raw materials to enable our production operations. In FY 2021-22 and FY 2020-21, the consumption of raw materials and components aggregates and purchase of products for sale (including changes in inventory) constituted 65.0% and 63.4%, respectively, of our revenues. Prices of commodity items such as steel, nonferrous metals, precious metals, rubber and petroleum products have generally risen in recent years and may significantly rise in the future. Furthermore, we are also exposed to the risk of contractions in supply, and any corresponding increase in the price of rare earth metals we use in the production of vehicle electronics. Rare earth metal prices and supply remain uncertain. China, which is currently the largest producer of rare earths in the world, has, in the past, limited the export of rare earths from time to time. If we are unable to find substitutes for such raw materials or pass price increases on to customers by raising prices, or to safeguard the supply of scarce raw materials, our vehicle production, business and results from operations could be materially affected.

Domestically, our Commercial Vehicles business was significantly impacted by increases in commodity prices, primarily steel. In FY 2021-22, the increase in steel prices impacted the profitability of our domestic Commercial Vehicles business, While TML's Commercial Vehicle business has introduced price increases of approximately 2% every quarter during FY 2021-22 and certain other corrective actions have been taken, we may not be able to mitigate the impact of commodity price increases entirely.

The COVID-19 pandemic has had a significant impact on the supply of precious metals as certain countries where such precious metals are mined had prolonged lockdowns that had resulted in supply chain constraints for such metals. See "—We have been, and may continue to be, adversely affected by the COVID-19 pandemic" for more information. Moreover, since February 2022, Russia's invasion of Ukraine has also led to increases in the prices of a wide range of raw materials that we rely on. See "—The ongoing conflict between Russia and Ukraine could have an impact on our business and results of operations" for more information. Further, prolonged disadvantageous exchange rate movements and inflation may substantially increase our costs. We cannot guarantee that we would be able to mitigate or otherwise avoid such increased costs, and our inability to do so could have an adverse effect on our operating results, financial condition and prospects.

In a step to reduce carbon emissions, we will also need to increase our EV sales and EV penetration in order to meet various compliances and achieve our sustainability targets as a part of responsible business. If we are unable to mitigate the impact of rising commodity prices, it would significantly impact our profitability, demand and hamper our efforts to achieve our sustainability targets.

We are also exposed to supply chain risks relating to semiconductors and lithium-ion cells, which are critical for our EV production. See "—We are facing an ongoing shortage of semiconductors crucial to our products" for more information.

While we continue to pursue cost-reduction initiatives and risk-hedging initiatives, a sustained increase in commodity prices and the prices of input materials could severely impact our profitability to the extent such increase cannot be absorbed by the market through price increases and/or could also have a negative impact on demand. In addition, because of intense price competition and our fixed costs base, we may not be able to adequately address changes in commodity prices even if they are foreseeable.

Intensifying competition could materially and adversely affect our business, prospects, financial condition and results of operations.

The global automotive industry, including the premium passenger car segment, is highly competitive and competition is likely to further intensify in the future, including as a result of new industry entrants. In the premium automotive sector, our competitors may intensify their efforts to remain competitive in established markets while at the same time focus on developing a presence in developing markets. There is also a trend toward consolidation in the automotive industry to mitigate the costs of the market shift toward electrification, which has the potential to strengthen our competitors' market position. In light of Brexit, some of our European Union-based competitors may gain a competitive advantage that would enable them to benefit from their access to the European Union single market post-Brexit. A range of factors affect the competitive environment, including the quality and features of vehicles, innovation, development timelines, ability to control costs, pricing, reliability, safety, fuel economy, research and development ("R&D"), the environmental impact and perception thereof, customer service and financing terms. Factors which affect the entire automotive industry, may impact us more negatively than they might impact our competitors, given each market participant's individual circumstances. There can be no assurance that we will be able to compete successfully in the global automotive industry.

We also face strong competition in the Indian market from domestic and foreign automobile manufacturers. Improving infrastructure and growth prospects in India, compared to those of other mature markets, have attracted a number of international companies to India, either through joint ventures with local partners or through independently owned operations in India. International competitors may bring with them international experience, global scale, advanced technology and significant financial resources. Consequently, domestic competition may further intensify in the future. We have seen increased competition for our Commercial Vehicles business for several years, which has placed some pressure on our market share of the segment. If our share of this market segment is substantially impacted, our business, prospects, financial condition and results of operations may be materially and adversely affected. There is no assurance that we will be able to implement our future strategies in a way that will mitigate the effects of increased competition in the Indian automotive industry.

Jaguar Land Rover entered into an agreement with NVIDIA to jointly develop and deliver next-generation automated driving systems as well as AI-enabled services and experiences for its customers.

In October 2021, we announced a partnership with TPG Rise Climate, whereby, TPG Rise Climate along with co-investors have committed to investing ₹7,500 crores in compulsory convertible instruments to acquire an equity interest of between 11% to 15% in Tata Passenger Electric Mobility Ltd ("TPEM"), incorporated as a wholly owned subsidiary of TML, which corresponds to an equity valuation of up to US$9.1 billion. The new company is expected to leverage all existing investments and capabilities of TML and channelize the future investments into EVs, dedicated BEV platforms, advanced automotive technologies and catalyze investments in charging infrastructure and battery technologies.

We may also decide to collaborate with other companies in order to develop future technologies and initiatives, including, but not limited to, the dedicated BEV Jaguar architecture in the near future. We are exposed to execution risks or risks that the alliances entered into by our competitors may prove more beneficial than ours.

In addition, if our competitors consolidate or enter into other strategic partnerships or joint ventures, they may be able to achieve greater economies of scale. Some of our competitors have formed such strategic alliances in recent years. If our competitors are able to benefit from the cost savings offered by consolidation or strategic partnerships, our competitiveness could be adversely affected.

A significant reliance on key markets increases the risk of a negative impact from reduced customer demand in those countries.

We rely on certain key markets, including the United Kingdom, China, North America, India and continental Europe, from which we derive a substantial portion of our revenues. A decline in demand for our vehicles in these major markets may significantly impair our business, financial condition and results of operations. For example, adverse public perceptions toward diesel-powered vehicles, resulting from emissions scandals and tax increases on diesel vehicles, have precipitated a sharp fall in diesel vehicle sales, primarily in the United Kingdom and the European Union, and in November 2020, the UK government announced that it would ban the sale of new conventional petrol and diesel cars commencing in 2030. In addition, our strategy, which includes new product launches and expansion into growing markets, may not be sufficient to mitigate a decrease in demand for our products in mature markets in the future, which could have a significant adverse impact on our financial performance.

In addition, Jaguar Land Rover's Reimagine strategy may not be sufficient to mitigate a decrease in demand for our products in mature markets in the future, which could have a significant adverse impact on our financial performance.

Our future success depends on our ability to satisfy changing customer demands by offering innovative products in a timely manner and maintaining product competitiveness and quality.

New technologies, climate change concerns, increases in fuel prices and certain government regulations have resulted in changes in customer preferences and have encouraged customers to look beyond standard purchasing factors (such as price, design, performance, brand image and features). Customer preferences in certain markets are increasingly moving towards electric and hybrid vehicles and away from diesel powered engines. Such consumer preferences could materially affect our ability to sell premium passenger cars and large or medium-size all-terrain vehicles at current or target volume levels, and could have a material adverse effect on our general business activity, net assets, financial position and results of operations.

Consumer demand trends are affected by a variety of factors such as disposable income, brand reputation and environmental awareness, which can be difficult to predict and/or control. We may fail to identify trends in customer needs and tastes in sufficient time to react to these changes (including by adapting our strategy and business plan as necessary), and our attempts to position our brand and/or optimize our product portfolio to take advantage of market trends and consumer demand patterns may be ineffective. A misjudgment in our strategy or delayed recognition of trends and customer needs and tastes in individual markets or other changes in requirements could lead to a decline in demand, sales and profitability of our products and damage our brand. It could also lead to significantly unprofitable investments and associated costs.

A shift in consumer demand from SUVs toward compact and mid-size Passenger Cars, whether in response to higher fuel prices or other factors, could adversely affect our profitability. Conversely, if the trend in consumer preferences for SUVs holds, we could face increased competition from other carmakers as they adapt to the market and introduce their own SUV models, which could materially and adversely impact our business, financial condition or results of operations. Our operations may also be significantly affected if we fail to develop, or experience delays in our planned rollout of, fuel-efficient and EVs and certain technologies that reflect changing customer preferences and meet the specific requirements of government regulations. Our competitors may gain significant advantages if they are able to offer products satisfying customer needs or government regulations earlier than we are able to, which could adversely affect our business, prospects, financial condition and results of operations.

The extent and impact of changing consumer preferences and behavior due to the impact of the COVID-19 pandemic and the various government responses to the pandemic are unknown and impossible to predict at this time. In some regions, there has been an increase in remote working, which could become a long-term change and may change the importance placed by consumers on owning a car or the same type of product. This could further accelerate the increased use of car-sharing services (e.g., Zipcar or DriveNow) and other innovative mobility initiatives that facilitate access to alternative modes of transport, and the increased reliance on public transportation in certain places may reduce peoples' dependency on private automobiles. A shift in consumer preferences away from private automobiles would have a material adverse effect on our general business activity and on our business, prospects, financial condition and results of operations.

Further, there is no assurance that our new models will meet our sales expectations, in which case we may be unable to realize the intended economic benefits of our investments. In addition, there is a risk that our quality standards can be maintained only by incurring substantial costs for monitoring and quality assurance. A decrease in the quality of our vehicles (or public perception of such a decrease) could damage our image and reputation as a premium automobile manufacturer and materially affect our business, prospects, financial condition and results of operations. Furthermore, non-traditional market participants and/or unexpected innovations may disrupt the established business model of the industry by introducing new technologies, distribution models or methods of transportation that we may not be able to adapt to or replicate.

There is also a risk that the capital invested in researching and developing new technologies, including autonomous, connected and electrification technologies, or the capital invested in mobility solutions to overcome and address future travel and transport challenges, will, to a considerable extent, have been spent in vain, because the technologies developed or the products derived therefrom are unsuccessful in the market or exhibit failures that are impracticable or too costly to remedy or because competitors have developed better or less expensive products. It is possible that we could then be compelled to make new investments in researching and developing other technologies to maintain our existing market share or to win back the market share lost to competitors.

In addition, product development cycles can be lengthy, and there is no assurance that new designs, including electric and hydrogen-propelled vehicles will lead to revenues from vehicle sales, or that we will be able to accurately forecast demand for our vehicles, potentially leading to inefficient use of our production capacity. Additionally, our high proportion of fixed costs, due to our significant investment in property, plants and equipment, further exacerbates the risks associated with incorrectly assessing demand for our vehicles.

Autonomous, Connected, Electric, Shared ("ACES") captures the megatrends that we consider to be driving changes in automotive industry. The pace of change has accelerated in the recent years as seen in the product and services being demanded by our customers. The knowledge, skill and attitude required from our workforce to position our business for success in the ACES world is significantly different from what has enabled us to succeed in the Internal Combustion Engine ("ICE") world, in which we have developed what we believe to be world-class capability over the years.

We are working to mitigate this risk by hiring talent with requisite capabilities, upskilling our existing workforce and leveraging partnerships. With multiple existing auto and startup companies pursuing ambitious growth plans, there is a significant gap between supply and demand for talent. We face the challenge of retaining our existing talent and working to create a contemporary workplace that is focused on learning, creating opportunities for growth, creating an inclusive culture and targeting competitive compensation that are aimed at addressing the talent attraction and retention challenges.

We are investing to upskill our workforce through ACES capability building program, which covers employees across our various functions and levels (technicians on shop floor to senior leadership), by leveraging multiple avenues under education, experience and exposure in partnership with several universities in India and overseas, as well as by pursuing various industry associations.

In addition to internal programs, we also plan to coordinate and partner with third parties to supplement our in-house capabilities in ACES areas. These efforts include partnering and exchanging knowledge with group companies, such as Jaguar Land Rover and Tata Technologies Limited ("TTL"), and forming partnerships with academia, consultants and industry associations. While our efforts on this front are in early stages we are confident that we have a roadmap to develop a future-ready workforce that will enable us achieve our goals in the ACES world.

If we are unable to effectively implement or manage our growth strategy and strategy to deliver competitive business efficiency, our business, prospects, financial condition and results of operations could be materially and adversely affected.

As part of our growth strategy, we may open new manufacturing, research or engineering facilities, expand existing facilities, add additional product lines or expand our businesses into new geographical markets that we believe exhibit high-growth potential.

While TML has undertaken robust turnaround actions, its future strategy focuses on accelerating the turnaround and achieving a sustainable transformation by emphasizing strong product development, sales enhancement, reducing costs and achieving bottom line improvements. In February 2021, Jaguar Land Rover also announced a shift in focus with the Reimagine strategy, including the plan to introduce the first all-electric Land Rover vehicle in 2024 and a further five Land Rover models with a full battery electric option by 2026. Jaguar also intends to emerge as a pure electric only brand from 2025. The Reimagine strategy also targets the production of more sustainable and fully electric luxury vehicles, including the ambitious goal of having a fully electric fleet of luxury vehicles by the end of the decade and 100% of sales from pure battery EVs by 2036, as well as striving toward achieving net zero carbon emissions across its supply chain, among other environmentally driven strategies by 2039. More recently, in October 2021, TML announced a commitment to invest over US$2 billion over the next five years to expand its EV business.

We are also expanding our growth in domestic business with a focus on large scale fleet contracts. Such large contracts come with execution risks. For example, if we are unable to comply with various terms of agreement or fulfill the necessary specifications and timelines, we may incur penalties, sustain reputational damage or our financial performance and results of operations may be affected.

Further, Tata Motors Limited is also expanding its business through mass mobility solutions whereby vehicles are sold through own, maintain and operate model offered at a "per kilometer" rate. A separate business vertical has been carved out for this business. Such business model requires deployment of significant investments and contracts are of a longer tenure, increasing the risks and balance sheet size. If we are unable to develop the appropriate financing structure for such business or our revenues are not able to cover our costs, our revenues, profitability and liquidity may be adversely affected.

Such strategies and objectives involve many risks and uncertainties, including rapidly changing consumer preferences and the progress of current and future technological advances. For example, we may not be able to develop sufficiently efficient batteries before our competitors or at all. As with most new technological advances, we may also face competition with software and hardware technologies in EVs, which could lead to the dominance of one product in the market causing the extinction of the other. If we are unable to develop competitive models of EVs or fails to meet its projected development timeline, their business, prospects, financial condition and results of operations could be adversely affected.

Moreover, rapid technological growth and shifts in consumer demand for the latest product could lead to EVs being replaced by the next class of technologically advanced vehicles sooner than anticipated. If EVs do not become the market standard, or are quickly phased out, Jaguar Land Rover may not recover the costs associated with developing an all-electric fleet of Jaguar Land Rover vehicles.

Additionally, we face a range of risks generally inherent in our business strategies that could adversely affect our ability to achieve our strategy and objectives, including any disruptions to our ability to anticipate consumer demand, our business, our ability to manage the operations of a larger company, competition for growth opportunities and other operational and business risks. In addition, our international businesses face a range of risks and challenges, including, but not limited to: language barriers, cultural differences, inherent difficulties and delays in contract enforcement and the collection of receivables under the legal systems of foreign countries, the risk of non-tariff barriers, regulatory and legal requirements, environmental permits and other similar types of governmental consents, liquidity, trade financing or cash management facilities, export and import restrictions, multiple tax regimes, foreign investment restrictions, foreign exchange controls and restrictions on repatriation of funds, other restrictions on foreign trade or investment sanctions imposed by the United States, the United Nations or other governments or authorities, the burden of complying with a wide variety of foreign laws and regulations and other similar operational and business risks.

If we are unable to manage risks related to our expansion and growth in new geographical markets and fail to establish a strong presence in high-growth markets, our business, prospects, financial condition and results of operations could be adversely affected.

We are exposed to operational risks, including cyber security risks, in connection with our use of information technology.

We are exposed to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes, among other things, losses that are caused by a lack of controls within internal procedures, violation of internal policies by employees, disruption or malfunction of information technology ("IT") systems, computer networks and telecommunications systems, mechanical or equipment failures, human error, natural disasters, security breaches or malicious acts by third parties (including, for example, hackers), whether affecting our systems or affecting those of third-party providers. We are generally exposed to risks in the field of information technology, since unauthorized access to or misuse of data processed on our IT systems, human errors associated therewith or technological failures of any kind could disrupt our operations, including the manufacturing, design and engineering processes. In particular, as vehicles become more technologically advanced and connected to the internet, our vehicles may become more susceptible to unauthorized access to their systems. As a business with complex manufacturing, research, procurement, sales and marketing and financing operations, we are exposed to a variety of operational risks and, if the protection measures put in place prove insufficient (especially given the harsher sanctions imposed under the European Union's General Data Protection Regulation (Regulation (EU) 2016/679) (the "GDPR")), our results of operations and financial condition could be materially adversely affected. In addition, we would likely experience negative press and reputational impacts. Cyber security incidents could lead to loss of productivity, negative impacts on our reputation, and, in extreme cases, material financial loss due to business disruptions.

Write-offs and impairment of tangible and intangible assets may have a material adverse effect on our results of operations.

Designing, manufacturing and selling vehicles is capital intensive and requires substantial investments in tangible and intangible assets such as R&D, product design and engineering technology. We review the value of our tangible and intangible assets to assess, on an annual basis or trigger event basis, whether the carrying amount for an asset is less than the recoverable amount for that asset. Such reviews are based on underlying cash-generating units ("CGUs") (such as Commercial Vehicles, Passenger Vehicles, Jaguar Land Rover and Vehicle Financing), either based on value in use ("VIU") or fair value less the cost of disposal of an asset. As a result of shifting focus to the Reimagine Strategy announced by our Jaguar Land Rover business in February 2021 a total of GBP1,486 million (₹14,994 crores) was recorded in the fourth quarter of FY 2020-21 comprising, non-cash write-downs of GBP952 million (₹9,606 crores) for previously planned products (capitalized as property, plant and equipment and intangible assets) that will not be completed and GBP534 million (₹5,388 crores) of other restructuring costs. We may bear further impairment losses in the future if the carrying amount of tangible and intangible assets exceeds the recoverable amount, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

We are exposed to liquidity risks, including risks related to changes in our credit rating, which could adversely affect the value of our debt securities, finance costs and our ability to obtain future financing.

Our main sources of liquidity are cash generated from operations, existing notes, bank loans and other revolving credit facilities. However, conditions in credit markets could deteriorate (including as a result of higher oil prices, excessive public debt, significant defaults, the ongoing effects of the COVID-19 pandemic, geo-political tensions or for any other reason) and lower consumer demand may adversely affect both consumer demand and the cost and availability of finance for our business and operations.

We are also subject to various types of restrictions or impediments on the ability of our companies in certain countries to transfer cash across our companies through loans or dividends. These restrictions or impediments may be caused by factors such as exchange controls, withholding taxes on dividends and distributions and other similar restrictions in the markets in which we operate. The transfer of cash may also be subject to certain restrictions on cash pooling, intercompany loan arrangements or interim dividends in certain jurisdictions.

Any credit ratings assigned to us, or our debt securities, may not reflect the potential impact of all risks related to structural, market, additional risk factors discussed herein and other factors that may affect the value of our debt securities. A downgrade in our credit rating may negatively affect our ability to obtain future financing to fund our operations and capital needs, which may affect our liquidity. It may also increase our financing costs by increasing the interest rates of our outstanding debt or the interest rates at which we are able to refinance existing debt, or incur additional debt, or may require us to prepay part of the outstanding debt.

Our production facilities are highly regulated, and we may incur significant costs to comply with, or address liabilities under, environmental, health and safety laws and regulations applicable to them.

Our production facilities are subject to a wide range of increasingly strict environmental, health and safety requirements. These requirements address, among other things, air emissions, wastewater discharges, releases into the environment, human exposure to hazardous materials, the storage, treatment, transportation and disposal of wastes and hazardous materials, the investigation and clean-up of contamination, process safety and the maintenance of health and safety conditions in the workplace. Many of our operations require permits and controls to monitor or reduce pollution. We have incurred, and will continue to incur, substantial ongoing capital and operating expenditures to ensure compliance with current and future environmental, health and safety laws and regulations or their more stringent enforcement. Violations of such laws and regulations could result in the imposition of significant fines and penalties, the suspension, revocation or non-renewal of our permits, production delays or limitations, imposition of terms of imprisonment, or the closure of our plants. Other environmental, health and safety laws and regulations could impose restrictions or onerous conditions on the availability or the use of raw materials we need for our manufacturing processes.

Our manufacturing units must ensure compliance with various environmental statutes, including, in India, the Water (Prevention and Control of Pollution) Act 1974, the Air (Prevention and Control of Pollution) Act 1981, the Environment Protection Act 1986 and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as well as the rules and regulations implemented under such legislation. The Corporate Average Fuel Economy ("CAFE") standards applicable to M1 category vehicles required us to demonstrate CAFE compliance for our Passenger Vehicles, Commercial Vehicles and Electric Vehicles. Any non-compliance could lead to penalties, product recalls and/or other punitive measures. Through the use of the CAFE calculator, we regularly monitor production volumes and processes to ensure that organizational-level CAFE compliance (which will require us to produce enough fuel-efficient models to compensate for those models having higher CO2 emissions in g/km) is established at all times during the year. In addition, to support our compliance obligations, our overall product portfolio needs to be enhanced with the incorporation of electric and hybrid vehicles as well as the inclusion of environmentally-friendly technological features in existing and forthcoming models.

Jaguar Land Rover is taking measures to use resources responsibly, produce less waste and reduce its carbon footprint. In the United Kingdom and at its newest plant in Slovakia, Jaguar Land Rover has achieved its goal of zero waste direct to landfill from its core operations, and Jaguar Land Rover was certified as having carbon neutral operations with the Carbon Trust for UK manufacturing and product development operations against a baseline year FY 2016-17 for years FY 2017-18 and FY 2018-19, with the certification for FY 2019-20 currently being progressed. In other markets, Jaguar Land Rover aspires for similar targets where it is possible. It aims to improve the local market and capacity for zero waste and low carbon manufacturing operations.

Jaguar Land Rover's Reimagine strategy commits to achieving zero tailpipe emissions by 2036 and a net zero carbon business by 2039 across products, operations and supply chain. In achieving this, Jaguar aspires to be an all-electric luxury brand by 2025, and Jaguar Land Rover will have six pure electric Land Rovers in the next five years. Jaguar Land Rover is working to achieve greater influence in the design and reuse of materials (including upstream supply chain) to fully consider the environmental impact of materials used in its business.

Our business and manufacturing processes result in the emission of greenhouse gases such as carbon dioxide. Legal requirements to reduce greenhouse gases have become increasingly more stringent and costly to address. For example, emissions trading scheme obligations apply to Jaguar Land Rover's vehicle manufacturing plants in the United Kingdom and Slovakia, and in the United Kingdom we it required to comply with the Streamlined Energy and Carbon Reporting Scheme ("SECR"). Jaguar Land Rover also has a Climate Change Agreement ("CCA") in the United Kingdom, which covers its three vehicle manufacturing plants and one of its Special Operations facilities. Jaguar Land Rover achieved its 2020 CCA targets and have negotiated the 2022 targets.

Moreover, many of Jaguar Land Rover's sites have an extended history of industrial activity. Jaguar Land Rover may be required to investigate and remediate contamination at those sites, as well as at properties it formerly operated, regardless of whether it caused the contamination or the activity causing the contamination was legal at the time it occurred. For example, some of Jaguar Land Rover's buildings at its Solihull plant and other plants in the United Kingdom are undergoing an asbestos removal program in connection with ongoing refurbishment and rebuilding. In Jaguar Land Rover's overseas facilities prior to purchase, it undertook studies that informed the presence of contamination, or otherwise, in the ground prior to development. In Brazil, Jaguar Land Rover's manufacturing site is adjacent to a facility (the "Itatiaia West" site) where organic solvent contamination of the ground had previously occurred. Jaguar Land Rover has purchased the Itatiaia West site and is currently progressing relevant permits for operation and developing plans for further remediation of the organic solvent contamination. The Itatiaia West site is listed on the Environmental Regulators site (*Instituto Estadual do Ambiente*) as contaminated. Some of these historical issues are being addressed in conjunction with Jaguar Land Rover's site development works while others are subject to ongoing treatment regimes.

We also could be subject to claims by government authorities, individuals and other third parties seeking damages for alleged personal injury or property damage or damage to natural resources resulting from hazardous substance contamination or exposure caused by our operations, facilities or products. The discovery of previously unknown contamination, or the imposition of new obligations to investigate or remediate contamination at our facilities, could result in substantial unanticipated costs. We could be required to establish or substantially increase financial reserves for such obligations or liabilities and, if we fail to accurately predict the amount or timing of such costs, the related adverse impact on our business, prospects, financial condition or results of operations could be material.

We are subject to risks associated with the automobile financing business.

The sale of our Commercial Vehicles and Passenger Vehicles is heavily dependent on funding availability for our customers. In recent years, rising delinquencies and early defaults have contributed to a reduction in automobile financing, which, in turn, has had an adverse effect on funding availability for potential customers. This reduction in available financing may continue in the future and have a material adverse effect on our business, prospects, financial condition and results of operations.

Default by our customers or inability to repay installments as due could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, any downgrade in our credit ratings may increase our borrowing costs and restrict our access to the debt markets. Over time, and particularly in the event of any credit rating downgrade, market volatility, market disruption, regulatory changes or otherwise, we may need to reduce the amount of financing receivables we originate, which could severely disrupt our ability to support the sale of our vehicles.

The transportation and logistics sectors were facing significant headwinds even before the COVID-19 pandemic, due to sluggish growth in freight availability and rates. This was exacerbated on account of business disruptions due to lockdowns and other COVID-19 pandemic-related measures introduced by local and national governments.

During FY 2020-21, the Government of India and the Reserve Bank of India (the "RBI") announced several relief measures to ease the financial system stress resulting from the COVID-19 pandemic. However, such regulatory measures are temporary in nature and intended as a one-time relief, and there remains considerable uncertainty around the impact of any such headwinds in the future.

The RBI, through its circular dated November 12, 2021, with a view to ensuring uniformity in the implementation of Income Recognition, Asset Classification and Provisioning ("IRACP") norms across all lending institutions, clarified that loan accounts classified as NPAs may be upgraded as 'standard' assets only if the entire arrears of interest and principal are paid by the borrower. This means that any part payment will not result in accounts being upgraded. Only on full overdue repayment, can an account be classified as "standard". However, the RBI, on February 15, 2022, has given until September 30, 2022, to put in place the necessary systems to implement this provision.

On October 22, 2021, the RBI revised the regulatory framework for non-banking financial companies ("NBFCs"). These guidelines are anticipated to become effective on October 1, 2022. The new framework encompasses different facets of regulation for different categories of NBFCs covering capital requirements, governance standards and prudential regulation. TMF Group is likely to fall in Upper Layer NBFC category. Upper Layer NBFC will be required to maintain Common Equity Tier I capital at 9% within Tier I capital, board-approved policies on Internal Capital Adequacy Assessment Process to ensure availability of adequate capital to support all business risks and use better risk management techniques, leverage the requirement to ensure that growth is supported by adequate capital, and hold differential provisioning toward different classes of standard assets. Further, Upper Layer NBFCs will be mandatorily listed within three years of identification as Upper Layer NBFC. Moreover, to strengthen the supervisory tools applicable to NBFCs, the RBI has put in place a Prompt Corrective Action Framework ("PCA Framework"). The PCA Framework will be applicable to all deposit taking NBFCs and middle, upper and top layers of Non-Deposit Taking NBFCs effective from October 1, 2022, based on the financial position of NBFCs on or after March 31, 2022.

The RBI has prescribed risk threshold with indicators mainly being capital ratios in terms of CRAR and Tier 1 ratio and asset solvency ratio in terms of Net Non-Performing assets. RBI has also prescribed mandatory and discretionary actions for all of the risk threshold, stricter action being for higher risk threshold. Mandatory actions include various restriction like on dividend distribution/remittance of profits, on branch expansions, on capital expenditures and on variable operating expenses. Discretionary action includes Special Supervisory actions related to Strategy, Governance, Capital, various type of risk, business, operation and profitability.

If we are unable to meet the compliance norms, it would significantly affect our business objectives, financial performance, results of operations.

During March 2022, there has been an upswing in freight and positive indicators in sectors which have dependency on transportation, But with the probability of fuel price increase due to international factors, such as the Ukraine – Russia conflict, may be short-term dampener; once freight availability is stabilized, collections and financiers' portfolios will improve, which will have provide better funding avenues for the Commercial Vehicles segment.

Jaguar Land Rover has consumer finance arrangements in place with Black Horse Limited (part of the Lloyds Banking Group) in the United Kingdom, FCA Bank S.p.A. (a joint venture between Fiat Auto and Crédit Agricole) in major European markets, Chase Auto Finance in the United States and BNP Paribas in nine markets across Europe have similar arrangements with local providers in a number of other key markets. Any reduction in the supply of available consumer financing for the purchase of new vehicles or an increase in the cost thereof would make it more difficult for some of its customers to purchase its vehicles, which could put Jaguar Land Rover under commercial pressure to offer new (or expand existing) retail or dealer incentives to maintain demand for its vehicles, thereby materially and adversely affecting our sales and results of operations. For example, during the global financial crisis, several providers of customer finance reduced their supply of consumer financing for the purchase of new vehicles. In response to the COVID-19 pandemic, central banks had taken a more accommodating stance; however, they are now showing increased willingness to introduce interest rate rises. If market rates for new vehicle financing rise, our vehicles will become less affordable or retail consumers may favor less expensive vehicles that tend to be less profitable for us, adversely affecting our business, prospects, financial condition and results of operations. Additionally, if consumer interest rates increase substantially or if financial service providers tighten lending standards or restrict their lending to certain classes of credit, consumers may not desire to or be able to obtain financing to purchase or lease our vehicles. An increase in interest rates due to tightening monetary policy or for any other reason would result in increased costs for us to the extent we decided to absorb the impact of such increase. As a result, a substantial increase in consumer interest rates or tightening of lending standards could have a material adverse effect on our business, prospects, financial condition and results of operations.

Furthermore, Jaguar Land Rover offers residual value guarantees on the purchase of certain leases in some markets. The value of these guarantees is dependent on used car valuations in those markets at the end of the lease, which is subject to change. Consequently, we may be adversely affected by movements in used car valuations in these markets.

Deterioration in the performance of any of our subsidiaries, joint ventures or affiliates could materially and adversely affect our results of operations and financial condition.

We have made and may continue to make capital commitments to our subsidiaries, joint ventures and affiliates. If the business or operations of any of these subsidiaries, joint ventures and affiliates deteriorate, the value of our investments may decline substantially. We are also subject to risks associated with joint ventures and affiliates wherein we retain only partial or joint control.

Further, for our Commercial Vehicles, we also venture into international business through our subsidiaries in overseas markets, including Tata Daewoo Commercial Vehicles, Tata Motors (SA) (Proprietary) Limited and PT Tata Motors Indonesia.

In our domestic business, we have also entered into Joint arrangements with Tata Cummins Limited for the design and manufacture of diesel engines and Fiat India Automobiles Limited, to manufacture passenger cars, engines and transmissions.

We also entered into a joint venture with Chery Automobile Company Ltd. ("Chery") in China to develop, manufacture and sell certain Jaguar Land Rover vehicles and at least one own-branded vehicle in China (the "China Joint Venture").

We may also decide to collaborate with other companies. Moreover, our subsidiary company, TTL, works with many start-up companies and new customers. During FY 2021-22, TTL was succesful in winning multi-million dollar contracts from new customers for multiple full vehicle developments in the EV space and other engineering services. Successful delivery of the programs and management of credit risk from such exposures significantly influence TTL's financial performance. TTL is also expanding its innovative offering in the education space to upskill our talent in industries relevant to future technologies for the manufacturing sector. During FY 2021-22, TTL won a large contract to modernize 150 ITIs from a state government in India, and it is in discussions with other government customers to deploy similar solutions. TTL's ability to fulfill its contractual obligations to its customers in a timely manner is dependent on several factors, including identification and development of relevant content at optimal costs and managing of commercial and other terms with its partners and vendors.

We may also decide to collaborate with other companies in order to develop future technologies and initiatives, including but not limited to the dedicated BEV Jaguar architecture in the near future. Joint ventures and strategic partnership projects may be developed pursuant to agreements over which we only have partial or joint control.

If the business or operations of any of these subsidiaries, joint ventures and affiliates deteriorate, the value of our investments may decline substantially and may impact our overall financial position and liquidity. If there is a significant change in these relationships (for example, if a co-owner changes or relationships deteriorate), our success in the joint venture may be materially adversely affected.

We are also subject to risks associated with joint ventures and affiliates wherein we retain only partial or joint control. If other shareholders of a joint venture, who may have different business or investment strategies than we do, or with whom we may have a disagreement or dispute, have the ability to block business, financial or management decisions, or our investment in the project, or otherwise implement initiatives that may be contrary to our interests, our future results and financial condition may be materially affected.

We are subject to risks associated with product liability, warranties and recalls.

We are subject to risks and costs associated with product liability, warranties and recalls in connection with performance, compliance or safety-related issues affecting our vehicles. From time to time, we may be subject to investigations by governmental authorities relating to safety and other compliance issues with our vehicles. In particular, as our vehicles become more technologically advanced, we are subject to risks related to their software and operation, including our advanced driver assistance systems automation. We may be required to expend considerable resources in connection with product recalls, and these resources typically include the cost of the part being replaced and the labor required to remove and replace the defective part.

In addition, product recalls can cause our consumers to question the safety or reliability of our vehicles, which may harm our reputation. Any harm to our reputation may result in a substantial loss of customers. For example, we commenced remediatory action in connection with the Takata Corporation's passenger airbag safety recall announced in May 2015 in the United States by the National Highway Traffic System Administration (the "NHTSA"). The provision held at the end of FY 2021-22 with respect to the recall is GBP53 million.

The Motor Vehicle (Amendment) Act 2019 addresses vehicle recalls, road safety, traffic management and accident insurance, among other matters. It imposes civil and criminal liability on manufacturers selling vehicles in contravention of the standards specified in the act, or required by the Government of India to recall their vehicles. The Ministry of Road, Transport, Highways of India ("MoRTH") have issued notifications mandating detailed CMV Rules for Implementation of various provisions on Auto Recall, Percentage of owners reporting identical defects, etc. MoRTH has issued Draft Final Notification toward implementation of Whole Vehicle Safety Conformity of Production ("WVSCoP") from December 2022. The Government of India is also setting up ambitious E20 targets to achieve 20% Ethanol blending by FY 2024-25. In the course of our business, we need to make investments to comply with laws and regulations and we may not necessarily be able to recover all these costs.

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

Exchange rate and interest rate fluctuations and hedging arrangements could materially and adversely affect our financial condition and results of operations.

Our operations are subject to risks arising from fluctuations in exchange rates with reference to countries in which we operate. We import capital equipment, raw materials and components from, manufacture vehicles in, and sell vehicles into, various countries, and therefore our revenues and costs have significant exposure to the relative movements of the GBP, the U.S. dollar, the Euro, the Russian Ruble, the Chinese Renminbi, the Singapore dollar, the Japanese yen, the Australian dollar, the South African rand, the Korean won and the Indian rupee. In addition, the strengthening of the British pound may negatively impact Jaguar Land Rover by diminishing the British pound value of its overseas sales. Moreover, although a trade agreement between the United Kingdom and the European Union was agreed in December 2020 and tariffs have, to date, been avoided, Brexit has continued to generate customs and other administrative frictions that may persist and ultimately impact the United Kingdom economy, thereby causing further volatility in the value of the British pound, which could affect our Jaguar Land Rover business.

A significant proportion of Jaguar Land Rover's input materials and components and capital equipment are sourced overseas, in particular from Europe, and therefore it has costs in, and significant exposure to the movement of, the Euro (specifically a strengthening of the Euro) and certain other currencies relative to the GBP (Jaguar Land Rover's reporting currency), which may result in decreased profits to the extent these are not fully mitigated by non-GBP sales.

Moreover, we have outstanding foreign currency-denominated debt. We have experienced and could in the future experience foreign exchange losses on obligations denominated in foreign currencies in respect of our borrowings and foreign currency assets and liabilities due to currency fluctuations. We are exposed to changes in interest rates, as we have both interest-bearing assets (including cash balances) and interest-bearing liabilities, certain of which bear interest at variable rates (including Jaguar Land Rover's US$1 billion term loan facility, the UK Export Finance ("UKEF") and commercial loan facilities and the United Kingdom fleet financing facility), whereas the existing notes bear interest at fixed rates. Although we engage in managing our interest and foreign exchange exposure through use of financial hedging instruments, such as forward contracts, swap agreements and option contracts, higher interest rates and a weakening of the Indian rupee against major foreign currencies could significantly increase our cost of borrowing. Please see note 42B (d)(i)(b) – (b) to our consolidated financial statements included elsewhere in this annual report for further detail on our exposure to fluctuations in interest rates.

Appropriate hedging lines for the type of risk exposures we are subject to may not be available at a reasonable cost, particularly during volatile rate movements, or at all. Moreover, there are risks associated with the use of such hedging instruments. While hedging instruments may mitigate our exposure to fluctuations in currency exchange rates to a certain extent, we potentially forego benefits that might result from market fluctuations in currency exposures. These hedging transactions can also result in substantial losses, including, without limitation, when a counterparty does not perform its obligations under the applicable hedging arrangement, there are currency fluctuations, the arrangement is imperfect or ineffective, or our internal hedging policies and procedures are not followed or do not work as planned.

In addition, because our potential obligations under the financial hedging instruments are marked to market, we may experience quarterly and annual volatility in our operating results and cash flows attributable to our financial hedging activities.

Any of the above may have a material adverse effect on our financial condition, results of operations and liquidity.

Changes or uncertainty in respect of LIBOR, IBORs, SONIA and/or SOFR may affect some of our financing arrangements.

Some of our financing arrangements are, or may in the future be, linked to interest rate benchmarks, such as the London Inter-Bank Offered Rate ("LIBOR"), the U.S. dollar LIBOR, Euro Interbank Offered Rate ("EURIBOR") the Sterling Over Night Index Average rate ("SONIA") or the Secured Overnight Financing Rate ("SOFR"). These and other interest rate benchmarks continue to be the subject of national, international and other regulatory guidance and proposals for reform. For example, on March 5, 2021, the UK Financial Conduct Authority announced that all LIBOR settings will either cease to be provided by any administrator or no longer be representative: (a) immediately after December 31, 2021, in the case of the 1-week and 2-month U.S. dollar settings, and (b) immediately after June 30, 2023, in the case of the remaining U.S. dollar settings. In addition, among other developments, relevant authorities are strongly encouraging the transition away from Interbank Offered Rates ("IBORs"), such as LIBOR, and have identified "risk free rates", such as SOFR, to eventually take the place of such IBORs as primary benchmarks. Such risk free rates, including SOFR, have a different methodology and other important differences from the IBORs they will eventually replace and currently have little historical track record. The implementation of such reforms and consequential changes to benchmark indices may cause such indices to disappear entirely or perform differently than in the past, which could have a material adverse effect on the yield or value of our financing arrangements.

As at March 31, 2022, Jaguar Land Rover has issued US$1 billion of debt and has US$246 million of discounting facilities that are linked to the U.S. dollar LIBOR. TML has issued US$237.5 million of debt while TML Holdings has issued US$100 million of debt linked to LIBOR.

With the discontinuation of interest rate benchmarks such as LIBOR or U.S. dollar LIBOR, the rate of interest applicable to certain of our financing arrangements may be determined by applicable contractual fallback provisions. Such provisions may not have been tested and there is a risk they may not operate as intended. In addition, there can also be no assurance that we will be able to negotiate amendments to our financing arrangements on terms acceptable to us, or at all. Moreover, there can be no assurance that any successor benchmark will not have other consequences that will adversely impact our financing arrangements.

More generally, any of the above matters or any other significant change to the setting or existence of interest rate benchmarks could affect the amounts available to us to meet our obligations under our financing arrangements and/or could have a material adverse effect on the value or liquidity of, and the amounts payable under, our financing arrangements. Changes in the manner of administration of interest rate benchmarks could also result in adjustment to the conditions applicable to some of our financing arrangements or may have other consequences on our financing arrangements.

Potential changes to our business through mergers, acquisitions and divestments may have a material adverse effect on our future results and financial condition.

We believe that our acquisitions provide us with opportunities to grow significantly in the global automobile markets, including premium brands and products, and provide us with access to technology, additional capabilities and potential synergies. We regularly examine a range of corporate opportunities, including suitable mergers, joint ventures, acquisitions and divestments, with a view to determining whether those opportunities will enhance our strategic position and financial performance. However, the scale, scope and nature of the integration, management or separation required in connection with such transactions present significant challenges, and we may be unable to integrate, manage or separate the relevant subsidiaries, divisions and facilities effectively within our expected schedule. A transaction may not meet our expectations and the realization of the anticipated benefits may be blocked, delayed or reduced as a result of numerous factors, some of which are outside our control.

These corporate opportunities may involve risks, including unforeseen contingent risks or latent business liabilities that may only become apparent after the transaction is completed. Integration or separation of an acquired or divested business can be complex and costly, sometimes including combining or separating relevant accounting and data processing systems, and management controls, as well as managing relevant relationships with employees, customers, regulators, counterparties, suppliers and other business partners. Integration or separation efforts could also create inconsistencies in standards, controls, procedures and policies, as well as diverting management attention and resources. Additionally, there can be no assurance that employees, customers, counterparties, suppliers and other business partners of newly acquired or retained businesses will remain post-acquisition or post-divestment, and the loss of employees, customers, counterparties, suppliers and other business partners may adversely affect our operations or results.

If we are unable to manage any of the associated risks successfully, our business, prospects, financial condition and results of operations could be materially and adversely affected.

Moreover, there are risks relating to the completion of any particular transaction occurring, including counterparty and settlement risk, or the non-satisfaction of any completion conditions (for example, relevant regulatory or third-party approvals). We acquired the Jaguar Land Rover business from the Ford Motor Company ("Ford") in June 2008, and since then Jaguar Land Rover has become a significant part of our business, accounting for 67.4% of our total revenues in FY 2021-22. As a result of the acquisition, we are responsible for, among other things, the obligations and liabilities associated with the legacy business of Jaguar Land Rover. There can be no assurance that any legacy issues at Jaguar Land Rover or any other acquisition we have undertaken in the past or will undertake in the future will not have a material adverse effect on our business, financial condition and results of operations, as well as our reputation and prospects.

Our strategy to grow the business through capital investments may not be successful or as successful as we expect.

Our strategic priorities to grow our business include investing in new models and modular architectures and in autonomous, connected, electric, as well as shared, mobility services. Specifically, with the launch of the Reimagine strategy in February 2021, Jaguar Land Rover is committed to investing significant resources in electric battery technology and vehicles, in order to achieve its goal of net zero carbon emissions across its supply chain, products and operations by 2039.

Jaguar Land Rover's annual total product and other investment spending was £2.3 billion in FY 2020-21 and £2.0 billion in FY 2021-22. Total product and other investment expenditure guidance for FY 2022-23 is approximately £2.6 billion, with the Refocus program announced under the Reimagine strategy expected to continue to maintain the financial discipline successfully deployed previously under Project Charge+ and other initiatives.

Our total product and other investment spending for domestic business was ₹3,644 crores for FY 2021-22. We have plans to significantly step up our capital expenditure, and it is expected to be around ₹6,000 crores in FY 2022-23. We continue to monitor the external challenges of dynamically managing capital expenditure and implementation of further cash improvement measures. For FY 2022-23, on a consolidated basis, we expect to invest around ₹32,000 crores in property, plants and equipment and product development. We expect our businesses to largely remain self-sustaining, and we aim to fund total product and other investment spending primarily with cash flows from operating activities supported by debt capital markets activities and bank funding, as required.

We are also expanding our growth in domestic business with a focus on large-scale fleet contracts. Such large contracts come with execution risks. If we are unable to comply with various terms of agreement or fulfill the necessary specifications and timelines, we may incur penalties; it would adversely damage our reputation and significantly affect our financial performance and results of operations.

Further, Tata Motors Limited is also expanding its business through mass mobility solutions whereby vehicles are sold through own, maintain and operate model offered at a per-km rate. A separate business vertical has been carved out for this business. Such business model requires deployment of significant investments and contracts are of a longer tenure, increasing the risks and balance sheet size. If we are unable to find right financing structure for this business or our revenues are not able to cover our costs, it would adversely affect our revenues, profitability and liquidity. The Government of India is also setting up ambitious E20 targets to achieve 20% Ethanol blending by FY 2024-25. In the course of our business, we need to make investments to comply with laws and regulations and we may not necessarily be able to recover all these costs.

As we increase our EV sales and penetration, we may also require to do sizable investment in battery and other EV component related ecosystem, in order to secure our supplies and mitigate the risks of rising battery prices.

- To give impetus to the "Make in India" project and attract investments, the Government of India has announced Production Linked Incentive ("PLI") scheme for 13 core sectors, including automotive OEMs and automotive component manufacturers with budgeted outlays of over ₹25,938 crores, for the automotive sector over the five years commencing April 2022. Tata Motors Ltd applied and successfully received the approval from the Government of India as an eligible company / group, including four of its subsidiaries, namely, Tata Motors Passenger Vehicles Ltd. ("TMPVL"), Tata Passenger Electric Mobility Limited ("TPEM"), Tata Motors Marcopolo Limited ("TMML") and Jaguar Land Rover India ("JLR India") under the category "Champion OEM" for manufacturing of advanced automotive technology vehicles, i.e., EVs and fuel cell EVs. The quantum of incentive earned by TML Group each year would depend on fulfilling all the criteria's for each year, as well as cumulatively, these included, for example year-on-year growth criteria in Determined Sales Value, meeting the criteria of cumulative new domestic investment, and meeting the criteria of minimum 50% Domestic Value Addition for each approved Vehicle Model under the guidelines.

Though TML and Group companies have robust action plan to fulfil all the above criteria's on year on year/ cumulatively, but as most of the above depends upon many external factors, including demand of EV's and development of entire ecosystem, including charging infrastructure, the quantum of benefits, which TML would earn in future cannot be ascertained at this moment.

The targets described above represent our current strategic objectives and do not constitute capital spending and earnings projections or forecasts. These targets are based on a range of expectations and assumptions regarding, among other things, our present and future business strategies, volume growth, cost efficiencies, capital spending program and the environment in which we operate, which may prove to be inaccurate. While we do not undertake to update our targets, we may change our targets from time to time. Actual results may differ materially from our targets. Accordingly, there can be no assurance that we will achieve any of our targets, whether in the short, medium or long term. The occurrence of one or more of the risks described in this "Risk Factors" section, many of which are beyond our control and could have an immediate impact on our earnings and/ or the probability of which may be exacerbated in the medium to long term, could materially affect our ability to realize the targets described above. In particular, our capital spending target could be affected by investment needs arising from, among other factors, electrification, emissions compliance, driver assistance, connectivity and mobility trends. Our ability to achieve our targets may also be materially impaired by negative geopolitical and macroeconomic factors (see "—Deterioration or uncertainty in global economic conditions could have material adverse impact on our business, sales and results of operations"), the competitive nature of our industry, industry trends, including market and competitive forces (such as higher incentives), new or the expansion of existing regulatory constraints, reduced customer demand for our vehicles, significant increases in our cost base, unexpected delays or failure in implementing or realizing the benefits of our investments and the impact of our new capitalization policy.

The EV market and related opportunities may not evolve as anticipated.

There is a global trend, particularly in developed markets, towards increased use of EVs (including hybrids) and policies supporting vehicle electrification. The UK government has recently announced that the phase-out date for the sale of new petrol and diesel cars and vans has been brought forward to 2030 from the previous date of 2035, while the governments of other countries including Norway and the Netherlands, have announced goals of banning new petrol and diesel cars. The Government of India has also been encouraging adoption of EVs and is working closely with the industry to address challenges and accelerate the adoption of EVs in India. As we consider our strategy, we may over time increase our focus on the production of EVs, make more investments in this area and position ourselves as a leading producer of EVs. Sales of EVs are hard to predict as consumer demand may fail to shift in favor of EVs, and this market segment may remain small relative to the overall market for years to come. Consumers may remain or become reluctant to adopt EVs due to the lack of fully developed charging infrastructure, long charging times or increased costs of purchase.

Jaguar Land Rover has announced several partnerships and collaborations in the EV space, including with Waymo LLC ("Waymo"). However, there can be no assurance that such partnerships and collaborations will be successful in achieving their commercial objectives. If the value proposition of EVs fails to fully materialize, this could have a material adverse effect on our business, prospects, financial condition and results of operations. In February 2021, our Jaguar Land Rover business announced a change in direction under the Reimagine strategy whereby Jaguar would become a pure electric (100% BEV) automotive brand from 2025. First Land Rover BEV product is expected to be launched in 2024 and a further five Land Rover models offering BEV options are expected to be launched by 2026 (a total of six Land Rover models offering a BEV option). Furthermore, over 60% of Jaguar Land Rover sales are expected to be pure BEV's by 2030, rising to 100% by 2036. There can be no assurance that the milestones set in Jaguar Land Rover's Reimagine strategy can be met on time, if at all, or that we will be successful in meeting consumer demands with our new and/or improved products. If we are unable to meet our BEV development goals, this could have a material adverse effect on our business, prospects, financial condition and results of operations.

We are exposed to a broad range of climate-related risks arising from both the physical and non-physical impacts of climate change and related risks, which may materially affect our results of operations and the markets in which we operate.

Over the past few years, the global market for automobiles, particularly in established markets, has been characterized by increasing demand for more environmentally friendly vehicles and technologies. In addition, governments around the world are increasingly announcing commitments to ban the sale of conventionally fueled vehicles in the coming decades. We endeavor to take account of climate protection and the ever more-stringent laws and regulations that have been adopted in response to climate change. We are focusing on researching, developing and producing new drive technologies, such as hybrid engines and electric cars. We are also investing in development programs to reduce fuel consumption through the use of lightweight materials, reducing parasitic losses through the driveline and improvements in aerodynamics. There is a risk that these R&D activities will not achieve their planned objectives or that our competitors will develop better solutions and will be able to manufacture the resulting products more rapidly, in larger quantities, of a higher quality and/or at a lower cost than us.

The emissions levels of diesel technologies have also become the focus of legislators in the United States and European Union, and some of our competitors have announced programs to retrofit diesel vehicles with software that will allow them to reduce emissions. Such actions by our competitors may require us to undertake increased R&D spending as well as other capital expenses. In addition, changes to the European emissions tests of the Worldwide Harmonised Light Vehicle Test Procedure ("WLTP") in September 2018 made models non-compliant with emissions limits subject to additional taxes. As a result of the changes, manufacturing costs increased and consumer uncertainty grew. There is a risk that these R&D activities, including retrofit software upgrades, will not achieve their planned objectives or that our competitors will develop better solutions and will be able to manufacture the resulting products more rapidly, in larger quantities, with a higher quality and/or at a lower cost than us.

Coupled with increased consumer preferences for more environmentally friendly and EVs, failure to achieve our planned objectives such as execution of Jaguar Land Rover's Reimagine strategy or delays in developing fuel-efficient products could materially affect our ability to sell premium Passenger Cars and large or medium-size all-terrain vehicles at current or targeted volumes and could have a material adverse effect on our general business activity, net assets, financial position and results of operations. There is a risk that our competitors will develop better solutions and manufacture the resulting products more rapidly, in larger quantities, with a higher quality and/or at a lower cost.

Hydrogen fuel cell technology is emerging as a promising alternative for replacing fossil fuels. TML has taken significant steps and has been leading in the development of Hydrogen-powered vehicles. TML won a tender of 15 Hydrogen Fuel Cell buses from Indian Oil Corporation ("IOCL"). Like any other fuel, there are risks associated with hydrogen fuel technology too. Hydrogen is by nature highly combustible requiring careful handling and TML has been proactively adhering to the legislative and industry standards related to its storage, transportation and product development.

Not all the hydrogen procured would be eco-friendly and higher efforts are required around generation of green hydrogen. The technology has not attained maturity and is far from mass adoption due to lack of available infrastructure, higher acquisitions costs and total cost of ownership. If we are not able to develop cost efficient solutions, develop an enabling ecosystem with stakeholders, introduce right kind of technology, it could affect our future plans. The hydrogen fuel technology adoption in India is at nascent stages and if there were any mishaps, it could potentially damage to our reputation and brand equity. In addition, our manufacturing operations, supply chain and sales may be subject to the potential physical impacts of climate change, including changes in weather patterns and an increased potential for extreme weather events, which could affect the manufacturing and distribution of our products, as well as the cost and availability of raw materials and components. Moreover, the increased use of car-sharing services (e.g., Zipcar and DriveNow) and other innovative mobility initiatives that facilitate access to alternative modes of transport, and the increased reliance on public transportation in certain places, may reduce peoples' dependency on private automobiles. Furthermore, non-traditional market participants and/or unexpected disruptive innovations may disrupt the established business model of the industry by introducing new technologies, distribution models and methods of transportation. A shift in consumer preferences away from private automobiles would have a material adverse effect on our general business activity and on our business, prospects, financial condition and results of operations.

Sustainability is being brought to the center of our business strategy. There has been increased focus from various stakeholders toward sustainable business practices. As a responsible business and being part of the Tata Group, TML is committed to significantly reducing its greenhouse gas emissions to ultimately achieve net zero emissions. We are continuing to work toward transitioning to improved fuel efficiency of ICE vehicles across commercial and passenger vehicles, increasing the share of EVs in the product mix, significant reduction in energy consumption and increased use of renewable energy in Operations, along with Greening of the Supply Chain. With its Reimagine strategy in place, Jaguar Land Rover's aim is to achieve net zero carbon emissions across its supply chain, products and operations by 2039. If we are unable to achieve these objectives, our reputation, business and results of operations may be adversely affected.

Underperformance of our distribution channels may adversely affect our sales and results of operations.

Our products are sold and serviced through a network of authorized dealers and service centers across India and through a network of distributors and local dealers in international markets. Any underperformance by or a deterioration in the financial condition of our dealers or distributors could materially and adversely affect our sales and results of operations.

The COVID-19 pandemic's enforced lockdowns across key regions have adversely affected the financial performance of our dealers in FY 2020-21 and may continue to affect them in the near future.

If dealers or importers encounter financial difficulties and our products and services cannot be sold or can be sold only in limited numbers, the sales of such dealers and importers may be adversely affected. Additionally, if we cannot replace the affected dealers or importers with other franchises, the financial difficulties experienced by such dealers or importers could have an indirect effect on our vehicle deliveries.

Consequently, we could be compelled to provide additional support for dealers and importers and, under certain circumstances, may even take over their obligations to customers, which would adversely affect our financial position and results of operations in the short term.

In order to optimize market performance, sales channels must be aligned to the buying habits of our customers, including through traditional showrooms but also by embracing increasingly more innovative sales channels such as virtual showrooms and online purchasing supported by "click and deliver" initiatives. Inadequate sales and service performance could negatively impact our reputation and brands. Failure to deliver a superior sales service through the retailer channels will lead to a weakening in our competitive advantage, potentially impacting our business and financial performance.

Globally, OEMs are constantly developing their distribution strategies and distribution models. For instance, some OEMs are exploring "direct to consumer" routes for sales. Such a model may increase distribution efficiencies and also offer a competitive cost advantage. We may be compelled to invest in such newer distribution models. However, if we are not able to meet changing consumer preferences, our sales may be materially and adversely affected.

Furthermore, as part of our global activities, we may engage with third-party dealers and distributors, whom we do not control, but who could nevertheless take actions that may have a material adverse impact on our reputation and business. We cannot assure you that we will not be held liable for any activities undertaken by such third parties.

We are more vulnerable to reduced demand for premium performance cars and luxury all-terrain vehicles than automobile manufacturers with a more diversified product range.

Jaguar Land Rover operates in the premium Passenger Cars and luxury all-terrain vehicles segments, and provides a more limited range of models than some of its competitors. Furthermore, some other premium performance vehicle manufacturers operate in a relatively broader spectrum of market segments, which makes them comparatively less vulnerable to reduced demand for any specific segment. Accordingly, Jaguar Land Rover's financial performance is linked to market conditions and consumer demand in those market segments. Any downturn or reduction in the demand for premium Passenger Cars and luxury all-terrain vehicles, or any reduced demand for Jaguar Land Rover's most popular models in the geographic markets in which it operates, could have a material adverse effect on our performance and earnings.

A decline in retail customers' purchasing power, consumer confidence or corporate customers' financial condition and willingness to invest could materially and adversely affect our business.

Demand for vehicles for personal use generally depends on consumers' net purchasing power, their confidence in future economic developments and changes in fashion and trends, while demand for vehicles for commercial use by corporate customers (including fleet customers) primarily depends on customers' financial condition, their willingness to invest and available financing. The economic slowdown caused by the COVID-19 pandemic is also likely to affect consumer sentiment and demand in the short term. The conflict in Ukraine is leading to rising commodity prices and inflation for consumers, which will impact on their buying power. A decrease in potential customers' disposable income or financial flexibility, reductions in the availability of consumer financing or used car valuations or an increase in the cost of financing may have a negative impact on demand for our products. A weak macroeconomic environment, combined with restrictive lending and a low level of consumer sentiment generally, may reduce consumers' net purchasing power and lead existing and potential customers to refrain from purchasing new vehicles, defer a purchase further or purchase a smaller model with less equipment at a lower price. See "—Deterioration or uncertainty in global economic conditions could have a material adverse impact on our business, sales and results of operations" for more information. A deteriorating macroeconomic environment may disproportionately reduce demand for luxury vehicles. It also could lead to reluctance by corporate customers to invest in vehicles for commercial use and/or to lease vehicles, resulting in a postponement of fleet renewal contracts.

In recent years, the automotive industry has increasingly offered customers and dealers price reductions on vehicles and services to stimulate demand for vehicles, which has led to increased price cost of sales pressures and sharpened competition within the industry. Any of the above may have a material adverse effect on our revenue, financial condition and results of operations.

We may be adversely affected by labor unrest.

All of our permanent employees in India, other than officers and managers, and most of our permanent employees in our automotive business in South Korea and the United Kingdom, including certain officers and managers, are members of labor unions and are covered by our wage agreements, where applicable, with those labor unions.

In general, we consider our labor relations with all of our employees to be good. However, in the future we may be subject to labor unrest, which may delay or disrupt our operations in the affected regions, including impacting the acquisition of raw materials and parts, the manufacture, sales and distribution of products and the provision of services. If work stoppages or lock-outs at our facilities or at the facilities of our major vendors occur or continue for a long period of time, our business, prospects, financial condition and results of operations may be materially and adversely affected. For example, during FY 2017-18, we faced two standalone incidents of labor unrest in India, one at our Jamshedpur plant and the other at our Sanand plant. Although these particular issues were amicably resolved, there is no assurance that additional labor issues could not occur, or that any future labor issues will be amicably resolved.

In addition, Jaguar Land Rover engages in wage negotiations in relation to wage agreements covering approximately 75% of our employees in the United Kingdom, and a new agreement with the United Kingdom trade union was completed in June 2021 and agreed pay for two years. There is a risk, however, that future negotiations could escalate into industrial action ranging from "work to rule" to a strike before a settlement is ultimately reached. Our unionized employees outside of the United Kingdom are members of separate local trade unions and, as such, subject to separate local agreements.

Given cyclicality of Auto business we have had the practice of employing temporary workers at our manufacturing plants including in production activities. With changes being proposed by new labour code and recent pronouncements by Honorable courts in India and including the one against TML by Hon. Bombay High Court on practice of employment of temporary workers, we are revisiting our staffing model.

We have initiated an exercise to reevaluate our options in the light of these recent developments. These include – a) leveraging government approved training schemes including NAPS, NEEM, Trade Apprentice etc., which enables us to engage trainees for defined period and contribute to Govt. plans to educate/skill youth in India, b) leverage automation, c) work content reduction etc. Given the size of our temporary workforce, we anticipate this transition will take most of FY'23 to complete.

Our business and prospects could suffer if we lose one or more key personnel or if we are unable to attract and retain our employees.

Our business and future growth depend largely on the skills of our workforce, including executive officers and automotive designers and engineers. Autonomous driving, connected technologies, electrification and shared mobility trends are redefining conventional Auto business, creating tremendous disruption, and digital innovations are driving new business models. Our business requires an engaged workforce with core capabilities in new and emerging skill areas and a collaborative and innovative culture for our transformation to be successful. If we fail to develop new and flexible skills and capabilities within our workforce, or we fail to hire appropriate talent, our business will lose the ability to remain flexible in a dynamic automotive industry, which is key to delivering innovative products and services. The loss of the services of one or more key personnel could impair our ability to implement our business strategy. Any prolonged inability to continue to attract, retain or motivate our workforce could materially and adversely affect our business, financial condition, results of operations and prospects. Any shortages of labor could lead to demands for higher wages, which could increase the labor costs of our business.

We may be adversely impacted by political instability, wars, terrorism, multinational conflicts, natural disasters and epidemics.

Our products are exported to a number of geographical markets, and we plan to further expand our international operations in the future. Consequently, we are subject to various risks associated with conducting our business both within and outside our domestic market and our operations in markets abroad may be subject to political instability, wars, terrorism, civil disturbances, regional or multinational conflicts, natural disasters and extreme weather, fuel shortages and epidemics and pandemics (such as the ongoing COVID-19 pandemic). Any disruption of the operations of our manufacturing, design, engineering, sales, corporate and other facilities could materially and adversely affect our business, prospects, financial condition and results of operations. In addition, conducting business internationally, especially in emerging markets, exposes us to additional risks, including adverse changes in economic and government policies, unpredictable shifts in regulation, inconsistent application of existing laws and regulations, unclear regulatory and taxation systems and divergent commercial and employment practices and procedures. If any of these events were to occur, there can be no assurance that we would be able to shift our manufacturing, design, engineering, sales, corporate and other operations to alternative sites in a timely manner, or at all. Any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability. Any significant or prolonged disruption or delay in our operations related to these risks could materially and adversely affect our business, prospects, financial condition and results of operations. See "—"We have been, and may continue to be, adversely affected by the COVID-19 pandemic" for more information."

Terrorist attacks, civil disturbances, regional conflicts and other acts of violence, particularly in India, may disrupt or otherwise adversely affect the markets in which we operate, our business and our profitability. India has from time to time experienced social and civil unrest and hostilities and adverse social, economic or political events, including terrorist attacks and local civil disturbances, riots and armed conflict with neighboring countries. Events of this nature in the future could influence the Indian economy and could have a material adverse effect on our business, as well as the market for securities of Indian companies, including the Company's Shares and ADSs. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have a material adverse effect on our business, prospects, results of operations and financial condition, and also the market price of the Company's Shares and ADSs.

Our business is seasonal in nature and a substantial decrease in our sales during certain quarters could have a material adverse impact on our financial performance.

The sales volumes and prices for our vehicles are influenced in part by the cyclicality and seasonality of demand.

In the Indian market, demand for our vehicles generally peaks between January and March each year, although there is a general decrease in demand during February in the lead-up to the release of the Indian annual fiscal budget. Demand is generally leaner between April and July and picks up again in the festival season from September to November, with a decline in December as customers defer purchases to the following year.

Our Jaguar Land Rover business is impacted by the biannual registration of vehicles in the United Kingdom where the vehicle registration number changes every March and September, which leads to an increase in sales during these months, and, in turn, impacts the resale value of vehicles. Most other markets, such as the United States, are influenced by the introduction of new-model-year products, which typically occurs in autumn of each year. Furthermore, in the United States, there is some seasonality in the purchasing pattern of vehicles in the northern states for Jaguar, where there is a concentration of vehicle sales in the spring and summer months and for Land Rover, where the trend for purchasing 4x4 vehicles is concentrated in the autumn and winter months. Markets in China tend to experience higher demand for vehicles around the Lunar New Year holiday, the National Day holiday and the Golden Week holiday in October. In addition, demand in Western European automotive markets tends to be softer during the summer and winter holidays. Jaguar Land Rover's cash flows are impacted by the seasonal shutdown of all of its manufacturing plants in the United Kingdom (including the Engine Manufacturing Center ("EMC") at Wolverhampton) and Slovakia during the Easter, summer and winter holiday periods.

Restrictive covenants in our financing agreements could limit our operations and financial flexibility and materially and adversely impact our financial condition, results of operations and prospects.

Some of our financing agreements and debt arrangements set limits on and/or require us to, among other matters, obtain lender consent before pledging assets as security. In addition, certain financial covenants may limit our ability to borrow additional funds or to incur additional liens. In the past, we have been able to obtain required lender consent for such activities. However, there can be no assurance that we will be able to obtain such consents in the future. If our liquidity needs or growth plans require such consents and such consents are not obtained in the future, we may be forced to forego or alter our plans, which could materially and adversely affect our business, prospects, financial condition and results of operations. In one of our subsidiaries, we could not meet certain covenants and have obtained the waiver for FY 2021-22. The outstanding term loan as at March 31, 2022, is ₹ 18.75 crores

In addition, in the event we breach these covenants, the outstanding amounts due under such financing agreements could become due and payable immediately and/or result in increased costs. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and the outstanding amounts under such other financing agreements becoming due and payable immediately. Defaults under one or more of our financing agreements could have a material adverse effect on our business, prospects, financial condition and results of operations.

Future pension obligations may prove more costly than currently anticipated and the market value of assets in our pension plans could decline.

We provide post-retirement and pension benefits to our employees, including defined benefit plans. Our pension liabilities are generally funded. However, lower returns on pension fund assets, changes in market conditions, interest rates or inflation rates, and adverse changes in other critical actuarial assumptions may impact our pension liabilities or assets and consequently increase funding requirements. Further, any changes in government regulations may adversely impact the pension benefits payable to employees, which could materially decrease our net income and cash flows.

The Indian Parliament has approved the Code on Social Security, 2020 (the "Code"), 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 conduct evaluation once the subject rules are notified and will reflect the appropriate impact in its financial statements for the period in which the Code becomes effective and the related rules to determine the financial impact are published.

Jaguar Land Rover offers post-retirement and pension benefits to its employees, some of which are defined benefit plans. As part of Jaguar Land Rover's strategic business review process, Jaguar Land Rover closed its defined benefit pension plans to new joiners as of April 19, 2010. All new Jaguar Land Rover employees in its United Kingdom operations from April 19, 2010, are offered a new defined contribution pension plan. Under the arrangements with the trustees of the defined benefit pension schemes, an actuarial valuation of the assets and liabilities of the schemes is undertaken every three years in order to determine cash funding rates. In the last actuarial valuation as at April 2018, the funding deficit was GB£554 million and we agreed to a schedule of contributions with the trustee which, together with the expected investment performance of the assets of the schemes, would eliminate the deficit by 2028. Cash contributions towards the deficit will be GB£60 million each year until FY 2023-24 followed by GB£25 million each year until the financial year ending March 31, 2028. Contributions previously due for April, May and June 2020 were re-allocated over the year ended March 31, 2022. The 2021 statutory valuation process has started and is expected to be completed by June 30, 2022.

As at March 31, 2022, our defined benefit pension account had a surplus (net) of GB£409 million, as compared to a deficit of GB£387 million as at March 31, 2021. This change was primarily due to an increase in the discount rate used to value the liabilities.

Jaguar Land Rover has a limited number of manufacturing, design and engineering facilities and any disruption in the operations of those facilities could adversely affect our business, financial condition or results of operations.

Jaguar Land Rover has four wholly owned manufacturing facilities and two design and engineering centers in the United Kingdom, a manufacturing plant in Slovakia, a manufacturing plant in Brazil and a manufacturing facility in China, which it owns together with our joint venture partner Chery, among other manufacturing locations. We could experience disruptions to our manufacturing, design and engineering capabilities for a variety of reasons, including, among others, extreme weather, fire, theft, system failures, natural catastrophes, mechanical or equipment failures and similar risks. We are particularly exposed to such disruptions due to the limited number of our facilities. Any significant disruptions could adversely affect our ability to design, manufacture and sell our products and, if any of those events were to occur, we cannot be certain that we would be able to shift our design, engineering and manufacturing operations to alternative sites in a timely manner, or at all. Any such disruption could therefore materially affect our business, financial condition or results of operations.

We may be materially and adversely affected by the divulgence of confidential information.

Although we have implemented policies and procedures to protect confidential information, such as key contractual provisions, future projects, financial information and customer records, such information may be divulged as a result of internal leaks, hacking, other threats from cyberspace or other factors. If confidential information is divulged, we could be subject to claims by affected parties, regulatory penalties, negative publicity and loss of proprietary information, all of which could have an adverse and material impact on our reputation, business, financial condition, results of operations and cash flows.

Our business could be negatively affected by the actions of activist shareholders.

Certain shareholders of the Company may from time to time advance shareholder proposals or otherwise attempt to effect changes at the Company, influence elections of the directors of the Company ("Directors") or acquire control over our business. Our success depends on the ability of our current management team to operate and manage effectively. Campaigns by shareholders to effect changes at publicly listed companies are sometimes led by investors seeking to increase short-term shareholder value by advocating corporate actions such as financial restructuring, increased borrowing, special dividends, stock repurchases or even sales of assets or the entire company, or by voting against proposals put forward by the board of directors of the Company (the "Board") and our management. If faced with actions by activist shareholders, we may not be able to respond effectively to such actions, which could be disruptive to our business.

Inability to protect or preserve our intellectual property could materially and adversely affect our business, financial condition and results of operations.

We own or otherwise have rights in respect of a number of patents and trademarks relating to the products we manufacture. In connection with the design and engineering of new vehicles and the enhancement of existing models, we seek to regularly develop new technical designs and innovations. We also use technical designs that are the intellectual property of third parties with such third parties' consent. These patents, trademarks and licenses have been of value in the growth of our business and may continue to be of value in the future. Although we do not regard any of our businesses as being dependent upon any single patent or related group of patents, any material inability to protect such intellectual property generally, or the illegal breach of some or a significant amount of our intellectual property rights, may have a materially adverse effect on our operations, business and/or financial condition. We may also be affected by restrictions on the use of intellectual property rights held by third parties, and we may be held liable for the infringement of the intellectual property rights of others in our products. Moreover, intellectual property laws of some foreign countries may not protect our intellectual property rights to the same extent as U.S. or UK laws.

We may incur significant costs to comply with, or face civil and criminal liability for infringements of data protection laws in the markets in which we operate.

Data privacy rules are continuing to evolve around the world. These rules are generally designed to limit our rights to process personal data and have placed obligations upon us to ensure that the data we hold is adequately protected. Recent examples of legislation that we must comply with include the European Union's General Data Protection Regulation ("GDPR"), which was implemented in 2018, and China's Personal Information Protection Law ("PIPL"), which was implemented in 2021. These rules have led to an increased compliance burden for the Company and we may face fines, civil liabilities or other criminal liabilities for non-compliance with these rules. Our failure to implement and comply with data protection law could significantly affect our reputation and relationships with our customers and suppliers, and civil and criminal liabilities for the infringement of data protection rules could have a significant negative effect on our financial position.

Some of our vehicles make use of lithium-ion battery cells, which have been observed in some applications to catch fire or vent smoke and flames, and such events have raised concerns, and future events may lead to additional concerns, about the safety of the batteries used in automotive applications.

The battery packs that we use, and expect to continue to use, in our EVs make use of lithium-ion cells. On rare occasions, lithium-ion cells can rapidly release the energy they contain in a manner that can ignite nearby materials as well as other lithium-ion cells.

In addition, we store a significant number of lithium ion cells at various warehouses and at some of our manufacturing facilities.

While we have designed our battery packs to passively contain any single cell's release of energy without spreading to neighboring cells, there can be no assurance that a field or testing failure of our vehicles will not occur. Furthermore, while we have implemented safety procedures related to the handling of the cells at our manufacturing plants, there can be no assurance that a safety issue or fire related to the cells will not occur. Any such incidents could have significant environmental and social impacts and may cause serious damage or injury may disrupt the operation of our facilities. In addition, any field or testing vehicle failure, even if such incident does not involve our vehicles, could subject us to lawsuits, product recalls, redesign efforts or negative publicity, all of which could have a material impact on our business, prospects, financial condition and operating results. Similarly, such instances, if they occur, could also affect our sustainability and emissions ambitions.

Any failures or weaknesses in our internal controls could materially and adversely affect our financial condition and results of operations.

The process of designing and implementing effective internal controls is a continuous effort that requires us to anticipate and react to changes in our business and to expend resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. The measures we take may not be sufficient to satisfy our obligations as a public company and if we are unable to establish or maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our consolidated financial statements and harm our results of operations.

For example, in connection with our assessment of internal control over financial reporting for FY 2019-20, we concluded that there was a material weakness pertaining to the design of controls to validate the accuracy parameters used to prepare information used in the operation of various process level and management review controls. We believe that this material weakness has been remediated in FY 2020-21. Although we have instituted remedial measures to address the material weakness identified and continually review and evaluate our internal control systems to allow management to report on the sufficiency of our internal controls, we cannot assure you that we will not discover additional weaknesses in our internal controls over financial reporting. Further, the Company's management continually improves, simplifies and rationalizes the Company's internal control framework where possible within the constraints of existing IT systems. However, any additional weaknesses or failure to adequately remediate the existing weakness could materially and adversely affect our financial condition or results of operations and/or our ability to accurately report our financial condition and results of operations in a timely and reliable manner.

Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject, which may have a material adverse effect on our business, financial condition and results of operations.

While we believe that the insurance coverage we maintain adequately covers the normal risks associated with the operation of our business, there is a risk that certain claims under our insurance policies may not be honored fully or timely, or would result in insufficient insurance coverage or significantly higher insurance premiums in the future. Such matters could materially affect our business prospects, financial condition and results of operations.

POLITICAL AND REGULATORY RISKS

New or changing laws, regulations and government policies regarding increased fuel economy, reduced greenhouse gas and other emissions, vehicle safety and taxes, tariffs or fiscal policies may have a significant impact on our business.

We are subject to extensive governmental regulations regarding vehicle emissions levels, noise, safety and levels of pollutants generated by our production facilities. We expect the number and extent of legal and regulatory requirements and our related costs of compliance to continue to increase significantly in the future. In Europe and the United States, for example, governmental regulation is primarily driven by concerns about the environment (including greenhouse gas emissions), fuel economy, energy security and vehicle safety. In particular, the increasingly stringent regulatory environment in our industry, particularly with respect to vehicle emissions regulations, is leading to heightened regulatory scrutiny and more investigations into vehicle manufacturers. We may also be subject to randomized testing and similar inquiries by regulatory authorities with a focus on emissions and environmental performance. In China, increasingly stringent tailpipe emissions and other regulations have been introduced by the Chinese government in the short-to-medium-term future to reduce greenhouse gas emissions and improve air quality standards. Requirements to optimize vehicles in line with these governmental actions could significantly affect our plans for global product development and may result in substantial costs, including significant fines and penalties in cases of non-compliance. These requirements may also result in limiting the types and amounts of vehicles we sell and where we sell them, which may affect our revenue.

To comply with current and future environmental norms, we may have to incur additional capital expenditures and R&D expenditures to upgrade products and manufacturing facilities, install new emissions controls or reduction technologies and purchase or otherwise obtain allowances to emit greenhouse gases, which may have an impact on our cost of production. If we are unable to develop commercially viable technologies or otherwise attain compliance within the time frames set by new standards, we could face significant civil penalties or be forced to restrict product offerings drastically to remain in compliance. For example, in the United States, manufacturers are subject to substantial civil penalties if they fail to meet federal CAFE standards. These penalties are calculated at US$5.50 for each tenth of a mile below the required fuel-efficiency level for each vehicle sold in a model year in the U.S. market up to and including the 2021 model year vehicles. Beginning with the 2022 model year vehicles, the rate is expected to increase to US$14.00, to be followed by index-linked annual increases thereafter. As at December 31, 2021, a provision of GBP78 million was held to face the possible fine from European and United Kingdom regulators for failing to meet emissions reduction targets in 2021 and 2022. This provision may be subject to increases as a result of future changes to laws, regulations and government policies.

Further, post-Brexit, United Kingdom emissions will be calculated separately from European Union emissions as a result of which there is a possibility of increased penalties. Since 2011, Jaguar Land Rover has purchased approximately US$109 million in credits from third-party OEMs to offset its NHTSA, EPA and California Air Resources Board ("CARB") penalties. Additionally, Jaguar Land Rover expects to buy approximately US$12 million in credits in FY 2020-21 from third-party OEMs to offset its expected NHTSA and EPA penalties for model year 2019 vehicles. Jaguar Land Rover could incur a substantial increase in these penalties, including as a result of increases in CAFE civil penalties to adjust for inflation. Additionally, Jaguar Land Rover expects to continue incurring approximately GBP12 million in FY 2020-21 for credit purchases in China, and we expect those annual costs to rise going forward, primarily as a result of increasing costs of "new energy vehicle credits". Jaguar Land Rover's Reimagine strategy aims to expand its pure battery electric offering from 2024, which supports Jaguar Land Rover's aim to reach fleet CO_2 compliance with consideration for global measures to support net zero ambitions as well as forecasted stringent CO_2 / greenhouse gas regulations including the proposed ban on the sale of vehicles powered solely by internal combustion engine from 2030 allowing continuation of Plug-in Hybrid Electric vehicles ("PHEV"), and the total ban of all internal combustion engines including PHEV from 2035 in the United Kingdom and similar initiatives by other governments.

Moreover, safety and environmental standards may at times impose conflicting imperatives, which would pose engineering challenges and, among other things, increase our costs. While we are pursuing the development and implementation of various technologies in order to meet the required standards in the various countries in which we sell our vehicles, the costs of compliance with these standards could be significant to our operations and may materially and adversely affect our business, prospects, financial condition and results of operations.

In India, the 2019 amendments to the Motor Vehicle Act address vehicle recalls, road safety, traffic management and accident insurance, among other matters. The Act imposes civil and criminal liability on manufacturers selling vehicles in contravention of the standards specified in the Act, or required by the government to recall their vehicles.

Despite the implementation of the Trade and Cooperation Agreement, there remains significant uncertainty as to how Brexit will affect relations between the United Kingdom and the European Union, including the legal rights and obligations for businesses in certain service industries not covered by the Trade and Cooperation Agreement. The Trade and Cooperation Agreement does not create a detailed framework to govern the cross-border provision of regulated financial services between the United Kingdom and the European Union. Such uncertainty could negatively impact business and consumer confidence in the United Kingdom.

The EUWA, and secondary legislation made under powers provided in this Act ensure that there is a functioning statute book in the United Kingdom. While the United Kingdom introduced a temporary permission regime to allow European Economic Area firms to continue to do business in the United Kingdom for a limited period of time, once the passporting regime fell away, the majority of EEA states have not introduced similar transitional regimes. The Trade and Cooperation Agreement is only part of the overall package of agreements reached on December 24, 2020. Other supplementing agreements included a series of joint declarations on a range of important issues where further cooperation is foreseen, including financial services. The declarations state that the European Union and the United Kingdom will discuss how to move forward with equivalence determinations in relation to financial services. It should be noted that even if equivalence arrangements for certain sectors of the financial services industry are agreed, market access is unlikely to be as comprehensive as the market access that the United Kingdom enjoyed through its European Union membership.

Due to the size and importance of the UK economy, and the uncertainty and unpredictability concerning the United Kingdom's relationship with the European Union, there may continue to be instability in the market, significant currency fluctuations, and/or otherwise adverse effects on trading agreements or similar cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future. Following withdrawal from the European Union, barrier-free trade access between the United Kingdom and other member states of the European Union could be diminished or eliminated and the United Kingdom may no longer be covered by trade agreements entered into by the European Union which apply to all member states and so will either have to seek to negotiate new trade agreements or join existing trade agreements (such as the World Trade Organisation tariffs) which could result in the transfer of goods, becoming subject to import/export duties and/or non-tariff trade barriers (including health and safety, product labelling and other standards, many of which are currently standardized across the European Union).

Despite the fact that the Trade and Cooperation Agreement was agreed between the United Kingdom and the European Union in December 2020 and tariffs have, to date, generally been avoided, Brexit has continued to generate customs and other administrative frictions. Some of these administrative requirements have led to increased costs in the form of duties and overheads to support compliance with the new requirements.

A significant amount of European Union law in matters ranging from employment law to data protection to competition and financial regulation is currently embedded in UK law either as a result of European Union regulation directly applicable in the United Kingdom or from UK regulations implementing European Union directives. Accordingly, it is also unclear what impact the withdrawal of the United Kingdom from the European Union will have on the legal and regulatory landscape in the United Kingdom, which could, in turn, have a significant impact on our business. Given that the transition/implementation period has ended, subject to the terms of the Trade and Cooperation Agreement, European Union law has ceased to apply in the United Kingdom. However, many European Union laws have been transposed into English law and these transposed laws will continue to apply until such time that they are repealed, replaced or amended. Over the years, English law has been devised to function in conjunction with European Union law (in particular, laws relating to financial markets, financial services, prudential and conduct regulation of financial institutions, financial collateral, settlement finality and market infrastructure). As a result, depending on the final trade arrangements to be put in place for the areas not covered by the Trade and Cooperation Agreement, substantial amendments to English law may occur and may diverge from the corresponding provisions of European Union law applicable after the transition/implementation period. Any substantial change in the regulations applicable to our business could jeopardise our ability to continue to operate in a manner consistent with our past practice.

Imposition of any additional taxes and levies designed to limit the use of automobiles and changes in corporate and other taxation policies, as well as changes in export and other incentives given by various governments or import or tariff policies, could adversely affect the demand for our vehicles and our results of operations.

Regulations in the areas of investments, taxes and levies may also have a materially adverse impact on Indian securities, including the Company's Shares and ADSs.

Any future potential or real unexpected change in law could have a material adverse effect on our business prospects, results of operations and financial condition.

We may be affected by competition laws in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Indian Competition Act, 2002 (the "Competition Act") and various regulations promulgated thereunder, including in relation to merger controls, oversee practices having an appreciable adverse effect on competition in a given relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition, is considered void and results in imposition of substantial penalties. All agreements entered into by us could be within the purview of the Competition Act. Furthermore, the Competition Commission of India (the "CCI") has expansive powers, including extraterritorial powers to investigate any agreement, abusive conduct or combination occurring outside of India, if such agreement, conduct or combination has an appreciable adverse effect on competition in India. The Competition Act also prohibits abuse of a dominant position by any enterprise.

In 2011, complaints were filed with the CCI against certain automakers on the ground that the genuine spare parts of automobiles manufactured by the OEMs were not made freely available in the open market in India and, accordingly, anti-competitive practices were carried out by the OEMs for indulging in anti-competitive practices. The CCI ordered an investigation of the matter, and subsequently the director general of the CCI expanded the scope of investigation to other car manufacturers operating in India, including TML.

In 2014, the CCI held that the automobile manufacturers, including TML, had engaged in anti-competitive practices and imposed a penalty of 2% of their total turnover in India. TML was ordered to pay a penalty of ₹1,346 crores within a period of 60 days of the receipt of the order. TML challenged the order of the CCI in the Delhi High Court on constitutional issues. In 2019, the High Court allowed the petitions, partly by striking down Section 22(3) of the Competition Act. Also in 2019, the Supreme Court of India extended the relief that was granted by the Delhi High Court during the pendency of the matter before it. As of the date of this annual report the matter remains to be listed for further proceedings in due course.

In another matter, two of our ex-dealers filed information with the CCI alleging that TML engaged in anti-competitive practices by colluding with its finance subsidiaries (Tata Motors Finance Limited ("TMFL") and Tata Motors Finance Solutions Limited ("TMFSL")) and abused its dominance in the market. In May 2021, the CCI issued an order directing the director general of the CCI to initiate an investigation against TML, but did not otherwise make any final or binding observations or determinations (including with respect to any possible penalties or fines) with regard to the allegations. As of the date of this annual report we have received one notice from the director general of the CCI and we have responded to its queries. As of the date of this annual report, we are preparing internally to respond to the queries as soon as raised by the director general of the CCI.

Our business, prospects, financial condition and results of operations would be materially and adversely affected by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act.

Compliance with new or changing corporate governance and public disclosure requirements may add uncertainty to our compliance policies and increase our costs of compliance.

We are subject to a complex and continuously changing regime of laws, rules, regulations and standards relating to accounting, corporate governance and public disclosure, including the Sarbanes-Oxley Act of 2002, U.S. Securities and Exchange Commission (the "SEC") regulations, Securities and Exchange Board of India (the "SEBI") regulations, New York Stock Exchange (the "NYSE") listing rules, the Companies Act, and Indian stock market listing regulations. New or changed laws, rules, regulations and standards may lack specificity and be subject to varying interpretations. Under applicable Indian laws, for example, remuneration packages may, in certain circumstances, require shareholders' approval. New guidance and revisions may be provided by regulatory and governing bodies, which could result in continuing uncertainty and higher costs of compliance. We are committed to maintaining high standards of corporate governance and public disclosure.

However, our efforts to comply with evolving regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management resources and time. In addition, there can be no guarantee that we will always succeed in complying with all applicable laws, regulations and standards.

The Companies Act has effected significant changes to the existing Indian company law framework, such as in the provisions related to the issue of capital, disclosures in offering documents, corporate governance, accounting policies and audit matters, related party transactions, class action suits against companies by shareholders or depositors, prohibitions on loans to directors and insider trading, including restrictions on derivative transactions concerning a company's securities by directors and key managerial personnel. The Companies Act may subject us to higher compliance requirements, increase our compliance costs and divert management's attention. We are also required to spend, in each financial year, at least 2% of our average net profits during the three immediately preceding financial years, calculated for TML on a standalone basis under Ind AS, on corporate social responsibility ("CSR") activities. Compliance with CSR activities is fulfilled when the Company spends the prescribed amount in accordance with its obligations. However, if the Company fails to spend the requisite amount within the financial year, it must fulfil its obligation by transferring the unspent amount to any fund included in Schedule VII of the Companies Act. The same will be considered as compliance with Section 135(5) of the Act. Further, the Board of the Company is required to give the requisite disclosure in the Board report and annual report on CSR. Furthermore, the Companies Act imposes greater monetary and other liability on the Company and its Directors for any non-compliance. Due to limited relevant jurisprudence, in the event that our interpretation of the Companies Act differs from, or contradicts, any judicial pronouncements or clarifications issued by the Government of India in the future, we may face regulatory actions or be required to undertake remedial steps. In addition, some of the provisions of the Companies Act overlap with other existing laws and regulations (such as corporate governance provisions and insider trading regulations issued by SEBI). SEBI's circular, dated May 10, 2021, updated the disclosures to be mentioned in the Business Responsibility and Sustainability Report, which is to be submitted by the top 1,000 listed entities and which was first introduced in 2012. SEBI promulgated the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), which are applicable to all Indian companies with listed securities. Pursuant to the Listing Regulations, the Company is required to establish and maintain a vigilance mechanism for

Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct (the "Tata Code of Conduct") or ethics policy under our whistleblower policy (the "Whistleblower Policy"), to implement increased disclosure requirements for price-sensitive information and to conduct detailed director familiarization programs and comprehensive disclosures thereof, in accordance with the Listing Regulations. While we have been able to comply with such requirements to date, we cannot assure you that we will be able to maintain compliance with such requirements in the future. Furthermore, the Company cannot currently determine the impact of certain provisions of the Companies Act and the revised SEBI corporate governance standards. Any increase in our compliance requirements or associated costs may have a material and adverse effect on our business, prospects, financial condition and results of operations.

Further, SEBI recently amended the Listing Regulations to widen the definition of "Related Party" and broadened the ambit of Related Party Transactions (RPTs). SEBI has mandated listed companies to obtain prior approval of the shareholders in respect of RPTs exceeding ₹1,000 crore or 10% of the consolidated annual turnover of a listed entity as per its last audited financial statements, whichever is lower, even if such RPTs are in the ordinary course of business and valued at an arm's length pricing basis. Further, while obtaining shareholders' approval, all the related parties are prohibited from voting on the resolutions irrespective of whether they are party to that particular RPT or not. Therefore, for all RPTs exceeding the abovementioned threshold, would require a majority of minority shareholders' vote in favour of the RPTs.

We are subject to risks associated with legal proceedings and governmental investigations, including potential adverse publicity as a result thereof.

We are and may be involved from time to time in civil, labor, administrative or tax proceedings arising in the ordinary course of business. It is not possible to predict the potential for, or the ultimate outcomes of, such proceedings, some of which may be unfavorable to us. In such cases, we may incur costs and any mitigating measures (including provisions taken on our balance sheet) adopted to protect against the impact of such costs may not be adequate or sufficient. In addition, adverse publicity surrounding legal proceedings, government investigations or allegations may also harm our reputation and brands.

Furthermore, any regulatory action taken or penalties imposed by regulatory authorities may have significant adverse financial and reputational consequences for our business and materially adversely affect our results of operations and financial condition.

We could be subject to additional tax liabilities in any of the geographical markets in which we operate.

Evaluating and estimating our provision and accruals for our taxes requires significant judgement. We operate in multiple geographical markets, and our operations in each market are susceptible to additional tax assessments and audits. Our collaborations with business partners are similarly susceptible to such tax assessments. Authorities may engage in additional reviews, inquiries and audits that may disrupt our operations or challenge our conclusions regarding tax matters. Any resulting tax assessment may be accompanied by a penalty (including revocation of a benefit or exemption from tax) or additional fee for failing to make the initial payment.

Our tax rates may be affected by earnings estimation errors, losses in jurisdictions that do not grant a related tax benefit, changes in currency rates, acquisitions, restructurings, investments, or changes in laws, regulations, or practices. Furthermore, government fiscal or political pressures may increase the likelihood of adverse or aggressive interpretations of tax laws or regulations or imposition of arbitrary or onerous taxes, interest charges and penalties. Tax assessments may be initiated even where we consider our practices to be in compliance with tax laws and regulations. Should we challenge such taxes or believe them to be without merit, we may nonetheless be required to pay them. These amounts may be materially different from our expected tax assessments and could result in additional utilization of tax losses, expropriation of assets, attachment of additional securities, liens, imposition of royalties or new taxes and requirements for local ownership or beneficiation.

We may have to comply with more stringent foreign investment regulations in India in the event of an increase in shareholding of non-residents or if we are considered as engaged in a sector in which foreign investment is restricted.

Indian companies that are owned or controlled by non-resident persons are subject to investment restrictions specified in the Consolidated Foreign Direct Investment Policy ("Consolidated FDI Policy"). Under the Consolidated FDI Policy issued in 2017, an Indian company is considered to be "owned" by non-resident persons if more than 50% of its equity interest is beneficially owned by non-resident persons. The non-resident equity shareholding in the Company may, in the near future, exceed 50%, thereby resulting in the Company being considered as being "owned" by non-resident entities under the Consolidated FDI Policy. In such an event, any investment by the Company in existing subsidiaries, associates or joint ventures and new subsidiaries, associates or joint ventures will be considered as indirect foreign investment and shall be subject to various requirements specified under the Consolidated FDI Policy, including sectoral limits, approval requirements and pricing guidelines, as may be applicable.

Furthermore, as part of our automotive business, we supply, and have in the past supplied, vehicles to Indian military and paramilitary forces and in the course of such activities have obtained an industrial license from the Department of Industrial Policy. The Consolidated FDI policy applies different foreign investment restrictions to companies based upon the sector in which they operate. While we believe we are an automobile company by virtue of the significance of our automobile operations, in the event that foreign investment regulations applicable to the defense sector (including under the Consolidated FDI Policy) are made applicable to us, we may face more stringent foreign investment restrictions and other compliance requirements compared to those applicable to us presently, which, in turn, could materially affect our business, prospects, financial condition and results of operations.

We require certain approvals or licenses in the ordinary course of business, and the failure to obtain or retain them in a timely manner, or at all, could materially and adversely affect our operations

We require various statutory and regulatory permits, licenses and approvals to carry out our business operations. Our ability to obtain such permits, licenses and approvals depends, among other matters, on the information we provide as part of the application processes, as well as the internal review and consideration processes of the various issuing agencies. While we make every effort to obtain the necessary permits, licenses or approvals, and their renewals, we cannot assure you that we will receive them in a timely manner, or at all.

In addition, there is a risk that any approvals, licenses, registrations and permits issued to us would be suspended or revoked in the event of non-compliance or alleged non-compliance by us with any terms or conditions thereof, or pursuant to any regulatory action.

Any of the above could materially and adversely affect our business, prospects, financial condition and results of operations.

RISKS ASSOCIATED WITH INVESTMENTS IN AN INDIAN COMPANY

Political changes in the Government of India could delay and/or affect the further liberalization of the Indian economy and materially and adversely affect economic conditions in India, generally, and our business, in particular.

Our business could be significantly influenced by economic policies adopted by the Government of India. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. The Government of India has at various times announced its general intention to continue India's current economic and financial liberalization and deregulation policies. However, protests against such policies, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Any significant change in the Government of India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally, and could have a material adverse effect on our business, prospects, financial condition and results of operations.

Any downgrading of India's debt rating by a domestic or international rating agency could negatively impact our business.

Any adverse revisions to India's credit ratings for domestic and international debt by rating agencies could adversely impact our ability to raise additional financing, as well as the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our financial results, business prospects, ability to obtain financing for capital expenditures and the price of the Company's Shares and ADSs.

We may be materially and adversely affected by Reserve Bank of India policies and actions.

The Indian stock exchanges are vulnerable to fluctuations based on changes in monetary policy formulated by the RBI. We can make no assurance about future market reactions to RBI announcements and their impact on the price of the Company's Shares and ADSs. Furthermore, our business could be significantly impacted were the RBI to make major alterations to monetary or fiscal policy. Certain changes, including changes to interest rates, could negatively affect our sales and consequently our Revenue, which could have a material adverse effect on our business, prospects, financial condition and results of operations. While the RBI has initiated several relief measures over the course of 2020, such as providing moratorium on loans, relaxing provisioning norms towards certain loans and taking other measures to enhance liquidity for non-banking financial companies ("NBFCs"), there remains considerable uncertainty around the effects of the recent and any future variants of COVID-19 and further relief measures and policy actions that may be needed to assist economic recovery.

Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.

The memorandum and articles of association of the Company (the "Articles of Association") and Indian law govern the Company's corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company incorporated in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions, including the United States. You may also have more difficulty in asserting your rights as a shareholder of the Company than you would as a shareholder of a corporation organized in another jurisdiction.

The market value of your investment may fluctuate due to the volatility of the Indian securities market.

Stock exchanges in India, including BSE Limited (the "BSE") have, in the past, experienced substantial fluctuations in the prices of their listed securities. Such fluctuations, if they continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Company's Shares and, in turn, the Company's ADSs. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. Volatility in other stock exchanges, including, but not limited to, those in the United Kingdom and China, may affect the prices of securities in India, including the Company's Shares, which may in turn affect the price of the Company's ADSs. In addition, the governing bodies of the stock exchanges in India have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

There may be a differing level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants, compared to the United States. For example, while SEBI has prescribed regulations and guidelines in relation to disclosure requirements, insider dealing and other matters relevant to the Indian securities market, there may still be less publicly available information about Indian companies than for United States domestic companies.

Investors may have difficulty enforcing judgments against us or our management.

The Company is a public limited company incorporated in India. The majority of the Company's Directors and executive officers are residents of India and substantially all of the assets of those persons and a substantial portion of the Company's assets are located in India. As a result, it may not be possible for you to effect service of process within the United States upon those persons or it may be difficult to effect service of process within the United States on the Company. In addition, you may be unable to enforce judgments obtained in courts of the United States against those persons outside the jurisdiction of their residence, including judgments predicated solely upon U.S. federal securities laws. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India to enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with public policy.

Section 44A of the Indian Code of Civil Procedure, 1908, as amended (the "Civil Code"), provides that where a foreign judgment has been rendered by a superior court (within the meaning of the section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, such foreign judgment may be enforced in India by proceedings in execution as if the judgment had been rendered by an appropriate court in India. However, the enforceability of such judgments is subject to the exceptions set forth in Section 13 of the Civil Code.

Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties and does not include arbitration awards.

If a judgment of a foreign court is not enforceable under Section 44A of the Civil Code as described above, it may be enforced in India only by a suit filed upon the judgment, subject to Section 13 of the Civil Code and not by proceedings in execution. Accordingly, as the United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A, a judgment rendered by a court in the United States may not be enforced in India except by way of a suit filed upon the judgment.

The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. Generally, there are considerable delays in the resolution of suits by Indian courts.

A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI, under the Foreign Exchange Management Act, 1999 ("FEMA") to repatriate any amount recovered pursuant to such enforcement. Any judgment in a foreign currency would be converted into Indian rupees on the date of judgment and not on the date of payment.

RISKS ASSOCIATED WITH THE COMPANY'S SHARES AND ADSS

Fluctuations in the exchange rate between the Indian rupee and the U.S. dollar may have a material adverse effect on the market value of the Company's ADSs and Shares, independent of our operating results.

The exchange rate between the Indian rupee and the U.S. dollar has been volatile in the past and may materially fluctuate in the future. Fluctuations in the exchange rate between the Indian rupee and the U.S. dollar may affect, among others things, the U.S. dollar-equivalents of the price of the Company's Shares in Indian rupees as quoted on stock exchanges in India and, as a result, the market price of the ADSs. Such fluctuations may also affect the U.S. dollar-equivalent of any cash dividends in Indian rupees received on the Shares represented by the ADSs and the U.S. dollar-equivalent of the proceeds in Indian rupee of a sale of Shares in India.

Holders of ADSs have fewer rights than shareholders and must act through the depositary to exercise those rights.

Although ADS holders have a right to receive any dividends declared in respect of the Shares underlying the ADSs, they cannot exercise voting or other direct rights as a shareholder with respect to the Shares underlying the ADSs. Citibank, N.A. as depository (the "depositary") is the registered shareholder of the deposited Shares underlying the Company's ADSs, and only the depositary may exercise the rights of shareholders in connection with the deposited Shares. The depositary will notify ADS holders of upcoming votes and arrange to deliver our voting materials to ADS holders only if requested by the Company. The depositary will try, insofar as practicable, subject to Indian laws and the provisions of the Articles of Association, to vote or have its agents vote the deposited securities as instructed by the ADS holders. If the depositary receives voting instructions in time from an ADS holder which fails to specify the manner in which the depositary is to vote the Shares underlying such ADS holder's ADSs, such ADS holder will be deemed to have instructed the depositary to vote in favor of the items set forth in such voting instructions. If the depositary does not receive timely instructions from an ADS holder, such ADS holder shall be deemed to have instructed the depositary to give a discretionary proxy to a person designated by us, subject to the conditions set forth in the deposit agreement. If requested by the Company, the depositary is required to represent all Shares underlying ADSs, regardless of whether timely instructions have been received from such ADS holders, for the sole purpose of establishing a quorum at a meeting of shareholders.

In addition, in your capacity as an ADS holder, you will not be able to examine the Company's accounting books and records, or exercise appraisal rights. Registered holders of the Company's Shares withdrawn from the depositary arrangements will be entitled to vote and exercise other direct shareholder rights in accordance with Indian law. However, a holder may not know about a meeting sufficiently in advance to withdraw the underlying Shares in time. Furthermore, an ADS holder may not receive voting materials if the Company does not instruct the depositary to distribute such materials, or may not receive such voting materials in time to instruct the depositary to vote.

ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties. In addition, the depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary deem it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement (as defined below), or for any other reason.

Moreover, pursuant to Indian regulations, the Company is required to offer its shareholders preemptive rights to subscribe for a proportionate number of Shares to maintain their existing ownership percentages prior to the issue of new Shares. These rights may be waived by a resolution passed by at least 75% of the shareholders of the Company present and voting at a general meeting. ADS holders may be unable to exercise preemptive rights for subscribing to these new Shares unless a registration statement under the Securities Act is effective or an exemption from the registration requirements is available to us. The Company's decision to file a registration statement would be based on the costs, timing, potential liabilities and the perceived benefits associated with any such registration statement and the Company does not commit that it would file such a registration statement. If any issue of securities is made to the shareholders of the Company in the future, such securities may also be issued to the depository, which may sell such securities in the Indian securities market for the benefit of the holders of ADSs. There can be no assurance as to the value, if any, the depositary would receive upon the sale of such rights or securities. To the extent that ADS holders are unable to exercise preemptive rights, their proportionate ownership interest in our company would be reduced.

The Government of India's regulation of foreign ownership could materially reduce the price of the ADSs.

Foreign ownership of Indian securities is regulated and is partially restricted. In addition, there are restrictions on the deposit of Shares into the Company's ADS facilities. ADSs issued by companies in certain emerging markets, including India, may trade at a discount to the market price of the underlying shares, in part because of the restrictions on foreign ownership of the underlying shares and in part because ADSs are sometimes perceived to offer less liquidity than underlying Shares that can be traded freely in local markets by both local and international investors.

There are restrictions on daily movements in the price of the Shares, which may constrain a shareholder's ability to sell, or the price at which a shareholder can sell, Shares at a particular point in time.

The Shares are subject to a daily circuit breaker imposed by stock exchanges in India on publicly listed companies that includes the Company, which does not allow transactions causing volatility in the price of the Shares above a certain threshold. This circuit breaker operates independently from the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Company's circuit breaker is set by the stock exchanges in India based on the historical volatility in the price and trading volume of the Company's Shares. This circuit breaker effectively acts to limit the upward and downward movements in the price of the Company's Shares. As a result of this circuit breaker, the Company cannot make any assurance regarding the ability of the shareholders of the Company to sell their Shares or the price at which such shareholders may be able to sell their Shares.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

The Company has adopted the Tata Code of Conduct for its employees, including the Managing and Executive Directors, which encompasses an appropriate mechanism to report any concern pertaining to non-adherence to the said Code. In addition, the Company has adopted a Code of Conduct for its Non-executive Directors which includes a Code of Conduct for Independent Directors, as specified under Schedule IV of the Act and Regulation 26(3) of the SEBI Listing Regulations. Pursuant to Regulation 26(5) of the SEBI Listing Regulations, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the SEBI Listing Regulations, all the Board members and senior management of the Company as on March 31, 2022 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the Executive Director ('ED') is reproduced at the end of this Report.

The Corporate Governance mechanism is further strengthened with adherence to the Tata Business Excellence Model, as a means to drive excellence and the Balanced Scorecard methodology, for tracking progress on long-term strategic objectives and the adoption of the Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (Insider Trading Code), pursuant to the provisions of Regulations 8 and 9 under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company has also adopted the Governance Guidelines on Board Effectiveness based on best practices from both within and outside the Tata Companies. The Company is in full compliance with the requirements of Corporate Governance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('SEBI Listing Regulations'). The Company's American Depositary Receipts Programme is listed on the New York Stock Exchange (NYSE) and the Company also complies with US regulations as applicable to Foreign Private Issuers (non-US companies listed on a US Exchange) which cast upon the Board of Directors and the Audit Committee, onerous responsibilities to improve the Company's operating and financial efficiencies. Risk management and the internal control process are focus areas that continue to meet the progressive governance standards. The Company has instated a comprehensive, robust, IT-enabled compliance management system for tracking, managing and reporting on compliances with all laws and regulations applicable to the Company. The Management on a quarterly basis presents before the Board of Directors a status report on regulatory compliances, as applicable to the Company.

BOARD OF DIRECTORS

The Board of Directors is the apex body constituted by shareholders, for overseeing the Company's overall functioning. It provides strategic direction, leadership and guidance to the Company's management as also monitors the performance of the Company with the objective of creating long-term value for the Company's stakeholders. During FY 2021-22 the Board comprised of 8 Directors, out of which 7 Directors (87.50%) are Non-Executive Directors. The Company has a Non-Executive Chairman and 4 Independent Directors ('IDs'), including 2 Women IDs, which comprises half of the total strength of the Board. All IDs have confirmed in accordance with Regulation 25(8) of the SEBI Listing Regulations that they meet the independence criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act and the rules framed thereunder. The IDs have further stated that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective, independent, judgment and without any external influence. The Company has received confirmation from all the existing IDs of their registration on the Independent Directors Database maintained by the Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Based on the disclosures received from all the IDs and as determined at the meeting held on May 12, 2022, the Board is of the opinion that the IDs fulfill the conditions of Independence as specified in the Act, NYSE listing manual as well as the SEBI Listing Regulations and they are independent of the Management.

All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Act and on the Committee positions held by them in other companies. None of the Directors on the Company holds the office of Director in more than 20 companies, including 10 public companies and none of the Directors of the Company are related to each other. None of the IDs serves as ID in more than 7 listed entities and none of the ID is Whole-time Director / Managing Director in any listed entity. Furthermore, none of the Whole-time Directors of the Company serves as ID in more than 3 listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors is a member of more than 10 committees or act as chairperson of more than 5 committees [the committees being, Audit Committee and Stakeholders' Relationship Committee] across all public limited companies in which he/she is a Director. All Non-Independent Non-Executive Directors ('NINEDs') are liable to retire by rotation.

The required information, including information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the SEBI Listing Regulations is made available to the Board of Directors, for discussions and consideration at Board Meetings.

Pursuant to Regulation 27(2) of the SEBI Listing Regulations, the Company also submits a quarterly compliance report on Corporate Governance to the Indian Stock Exchanges, including details on all material transactions with related parties, within 21 days from the close of every quarter. The ED and the CFO have certified to the Board on *inter alia*, the accuracy of the financial statements and adequacy of internal controls for financial reporting, in accordance with Regulation 17(8) read together with Part B of Schedule II of the SEBI Listing Regulations, pertaining to CEO and CFO certification for the Financial Year ended March 31, 2022.

During the year under review, 8 Board Meetings were held on May 18, 2021, June 23, 2021, July 26, 2021, September 15, 2021, October 12, 2021, November 1, 2021, January 31, 2022 and March 7, 2022. The quorum for the meeting of the Board of Directors is one-third of the Board of Directors or three Directors, whichever is higher, including atleast one ID and during the year, the requisite quorum was present for all Board meetings. The agenda papers for the Board and Committee meetings are disseminated electronically on a real-time basis, by uploading them on a secured online application, thereby eliminating circulation of printed agenda papers. The maximum gap between any two Board Meetings was less than one hundred and twenty days.

The following table, illustrates the composition of the Board, Director's attendance at Board Meetings held during the financial year under review and at the last AGM, number of Directorships held in other public companies, total number of committee positions held in other public companies, their shareholding in the Company's shares or other convertible instruments and names of other listed entities in which Directorship is held, including category of Directorships, as at March 31, 2022:

Name of Director, Director Identification Number (DIN) & Category	No. of Board Meetings attended in the year	Attendance at the last AGM	No. of Directorships in other public companies [1]		No. of Committee positions in other public companies [2]		Holding in Company's shares & other convertible instruments	Directorships in other listed entities (Category of Directorship)
			(C)	(M)	(C)	(M)		
Mr N Chandrasekaran DIN: 00121863 NINED (C)	8	Yes	7	-	-	-	2,00,000 Ordinary Shares	Tata Chemicals Ltd. (NINED) (C) Tata Consumer Products Ltd. (NINED) (C) Tata Consultancy Services Ltd. (NINED) (C) Tata Steel Ltd. (NINED) (C) The Tata Power Co. Ltd. (NINED) (C) The Indian Hotels Co. Ltd. (NINED) (C)
Mr Om Prakash Bhatt DIN: 00548091 ID	7	Yes	-	4	2	4	-	Hindustan Unilever Ltd. (ID) Tata Consultancy Services Ltd. (ID) Tata Steel Ltd. (ID)
Ms Hanne Sorensen DIN: 08035439 ID	8	Yes	-	1	-	1	-	Tata Consultancy Services Ltd. (ID)
Ms Vedika Bhandarkar DIN: 00033808 ID	8	Yes	-	4	1	3	-	-
Mr Kosaraju Veerayya Chowdary DIN: 08485334 ID	8	Yes	1	3	2	6	-	Reliance Industries Limited (NINED) CCL Products (India) Limited (ID) Divi's Laboratories Limited (ID)
Mr Mitsuhiko Yamashita DIN: 08871753 NINED	8	Yes	-	-	-	-	-	-
Mr Thierry Bolloré DIN: 08935293 NINED	8	Yes	-	-	-	-	-	-
Mr Guenter Butschek DIN: 07427375 CEO & MD [3]	2	NA	-	-	-	-	-	-
Mr Girish Wagh DIN:03119361 ED [4]	6	Yes	1	1	-	-	-	Automobile Corporation of Goa Limited (NINED)

Table Key: *(C) - Chairperson; (M) – Member; NINED – Non-Independent Non-Executive Director; ID-Independent Director; CEO & MD – Chief Executive Officer & Managing Director; ED – Executive Director*

(1) Excludes directorship in the Company, private companies, foreign companies, Section 8 companies.

(2) Pertains to memberships/chairpersonships of the Audit Committee and Stakeholders' Relationship Committee of other Indian public companies as per Regulation 26(1)(b) of the SEBI Listing Regulations.

(3) Ceased to be the CEO & MD of the Company on June 30, 2021 and was appointed as an consultant for the period July 1, 2021 to March 31, 2022. The Number of Directorships, Committee positions and shareholding details are as on the date of his cessation.

(4) Appointed as the Executive Director of the Company with effect from July 1, 2021.

The Company uses the facility of video conferencing, permitted under Section 173(2) of the Act read together with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, thereby saving resources and cost to the Company as well as the valued time of the Directors. Due to the exceptional circumstances caused by the COVID-19 Pandemic and consequent relaxations granted by MCA and SEBI, all meetings in FY2021-22 were held through Video Conferencing ('VC').

Board Effectiveness Evaluation: Pursuant to provisions of Regulation 17(10) of the SEBI Listing Regulations and the provisions of the Act, an annual Board effectiveness evaluation was conducted on March 7, 2022 for FY2021-22, involving the following:

i. Evaluation of IDs, in their absence, by the entire Board was undertaken, based on their performance and fulfillment of the independence criteria prescribed under the Act and SEBI Listing Regulations, including their independence from the Company's management; and

ii. Evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman.

IDs' meeting in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations was convened on March 7, 2022, mainly to review the performance of NINEDs, Whole-time Directors ('WTDs') and the Chairman as also the Board as a whole for FY 2021-22 and assessed the quality, quantity and timeliness of the flow of information between the Management and the Board. All IDs were present at the said meeting.

The Nomination and Remuneration Committee ('NRC') of the Board of the Company has devised a policy for performance evaluation of the individual Directors, Board and its Committees, which includes criteria for performance evaluation. Pursuant to the provisions of the Act and Regulation 17(10) of the SEBI Listing Regulations, the Board has carried out an annual performance evaluation of its own performance and the Directors as well as Committees of the Board. The Board's performance was evaluated based on inputs received from all the Directors, Board's composition and structure, effectiveness of the Board, performance of the Committees, processes and information provided to the Board, etc. The NRC has also reviewed the performance of the Individual Directors based on their knowledge, level of preparation and effective participation in meetings, understanding of their roles as Directors, etc.

For further details pertaining to the same kindly refer to the Board's Report.

Board Diversity: To ensure that a transparent Board nomination process is in place, that encourages diversity of thought, experience, knowledge, perspective, age and gender, the Board has adopted a Diversity Policy, formulated by the NRC, wherein it is expected that the Board has an appropriate blend of functional and industry expertise. During FY 2021-22, our 8 member Board of Directors, comprised of 1 Executive Director, 3 Non-Independent Non-Executive Directors and 4 Independent Directors, out of which 2 were Women Directors. Whilst recommending the appointment of a director, the NRC considers the manner in which, the function and domain expertise of the individual, could contribute to the overall skill-domain mix of the Board and is supported by the Group Human Resources in this regard.

Key Board Skills, Expertise and Competencies: As on March 31, 2022 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 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.
Automobile Industry Experience	A significant background in automotive or similar industries, resulting in knowledge of how to anticipate market trends, generate disruptive innovation and extend or create new business models.
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 operational integration plans.
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 enhance brand reputation.

Name of Director	Entrepreneur / Leadership	Engineering & Technology	Financial Expertise	Global Exposure	Automobile Industry Experience	Diversity	Mergers & Acquisitions	Board Service & Governance	Sales & Marketing
Mr N Chandrasekaran	√	√	√	√	√	√	√	√	√
Mr Om Prakash Bhatt	√	-	√	√	-	√	√	√	-
Ms Hanne Sorensen	√	-	√	√	√	√	√	√	√
Ms Vedika Bhandarkar	√	-	√	√	√	√	√	√	√
Mr Kosaraju Veerayya Chowdary	√	-	√	-	-	√	√	√	-
Mr Mitsuhiko Yamashita	√	√	-	√	√	√	√	-	-
Mr Thierry Bolloré	√	√	-	√	√	√	√	√	√
Mr Guenter Butschek	√	√	-	√	√	√	√	√	√
Mr Girish Wagh	√	√	-	-	√	-	√	√	√

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://investors.tatamotors.com/pdf/familiarisation-programme-independent-directors.pdf 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.

THE COMMITTEES OF THE BOARD

Given below is the composition and the terms of reference of various Board constituted Committees, *inter alia* including the details of meetings held during the year and attendance thereat. All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions. The Company Secretary acts as the secretary for all Board constituted Committees. The Chairperson of each Committee briefs the Board on significant discussions at its meetings. During the financial year all recommendations made by the various Committees have been accepted by the Board. The minutes of the meetings of all Committees of the Board are placed before the Board for noting.

AUDIT COMMITTEE

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with Section 177 of the Act, Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations and US regulations applicable to the Company and is reviewed from time to time. Whilst, the terms of reference is available on the Company's website https://investors.tatamotors.com/pdf/audit_committee_charter.pdf, given below is a gist of the responsibilities of the Audit Committee, after incorporating therein the regulatory changes mandated under the Listing Regulation:

i. Reviewing with the management, quarterly/annual financial statements before submission to the Board, focusing primarily on:
   - The Company's financial reporting process and the disclosure of its financial information, including earnings, press release, to ensure that the financial statements are correct, sufficient and credible;
   - Reports on the Management Discussion and Analysis of financial condition, results of Operations and the Directors' Responsibility Statement;
   - Major accounting entries involving estimates based on exercise of judgment by Management;
   - Compliance with accounting standards and changes in accounting policies and practices as well as reasons thereof;
   - Draft Audit Report, qualifications, if any and significant adjustments arising out of audit;
   - Scrutinise inter corporate loans and investments; and
   - Disclosures made under the CEO and CFO certification and
   - Approval or any subsequent modification of transactions with related parties, including omnibus related party transactions.

ii. Review the statement of uses/applications of funds by major category and the statement of funds utilized for purposes other than as mentioned in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights or private placement issue, and make appropriate recommendations to the Board to take up steps in this matter. These reviews are to be conducted till the money raised through the issue has been fully spent.

iii. Review with the management, statutory auditor and internal auditor, adequacy of internal control systems, identify weakness or deficiencies and recommending improvements to the management.

iv. Recommend the appointment/removal of the statutory auditor, cost auditor, fixing audit fees and approving non-audit/consulting services provided by the statutory auditors' firms to the Company and its subsidiaries; evaluating auditors' performance, qualifications, experience, independence and pending proceedings relating to professional misconduct, if any.

v. Review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the chief internal auditor, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the chief internal auditor.

vi. Discuss with the internal auditor and senior management, significant internal audit findings and follow-up thereon.

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

viii. Discuss with the statutory auditor before the audit commences, the nature and scope of audit, as well as conduct post-audit discussions to ascertain any area of concern.

ix. Review the functioning of the Vigil Mechanism under the Whistle-Blower policy of the Company.

x. Review the financial statements and investments made by subsidiary companies and subsidiary oversight relating to areas such as adequacy of the internal audit structure and function of the subsidiaries, their status of audit plan and its execution, key internal audit observations, risk management and the control environment.

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

xii. Review the effectiveness of the system for monitoring compliance with laws and regulations.

xiii. Approve the appointment of CFO after assessing the qualification, experience and background etc. of the candidate.

xiv. To approve and review policies in relation to the implementation of the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices ("Code") to note the dealings by Designated Persons in securities of the Company and to provide directions on any penal action to be initiated, in case of any violation of the Code.

xv. Note and take on record the status reports, detailing the dealings by designated persons in securities of Tata Motors Limited, as submitted by our compliance officer on a quarterly basis and to provide directions on any penalties for any violations of the Insider Trading Code. Mr. P. B. Balaji, our Group Chief Financial Officer, is the compliance officer under the Insider Trading Code.

As on date of this report, the Committee comprises 4 members, all being IDs, who are financially literate and have relevant finance and/or audit exposure. Ms Vedika Bhandarkar, being the Chairperson of the Audit Committee is also the Financial Expert under the applicable Indian and US Regulations. The quorum of the Committee is two members or one-third of its members, whichever is higher, with atleast two IDs. The Chairperson of the Audit Committee also attended the last Annual General Meeting of the Company. Members of the Audit Committee Meeting meet the Statutory Auditors before the quarterly financial results meetings. During the period under review, 7 Audit Committee Meetings were held on April 16, 2021, a two-day meeting on May 17 & 18, 2021, June 15, 2021 and more two-day meetings on July 24 & 26, 2021, October 29 & November 1, 2021, January 28 & 31, 2022 and February 10 & 28, 2022. The requisite quorum was present for all Meetings.

The composition of the Audit Committee and attendance of its Members at its meetings held during the year is as follows:

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Ms Vedika Bhandarkar (Chairperson)	ID	7	7
Mr Om Prakash Bhatt	ID	7	7
Ms Hanne Sorensen	ID	7	7
Mr K V Chowdary	ID	7	7

The Committee meetings are held at the Company's Corporate Headquarters or at its plant locations and are attended by the CEO & MD, ED, CFO, Senior Management, Company Secretary, Head - Internal Audit, Statutory Auditors and Cost Auditors on a need based basis. The Business and Operation Heads are invited to the meetings, as and when required. The Head - Internal Audit reports directly to the Audit Committee to ensure independence of the Internal Audit function. During the year Mr Yamashita, as an invitee, has attended all Audit Committee Meetings, barring the April 16, 2021 Meeting.

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

M/s B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No.101248 W/W – 100022), the Company's Statutory Auditor, is responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

The Audit Committee annually reviews the confirmation of independence made by the Auditors and on a quarterly basis also approves of the fees paid to the Auditors by the Company, and its subsidiaries as per the Policy for Approval of Services to be rendered by Auditors. The said Policy is also available on our website https://www.tatamotors.com/investors/pdf/auditfee-policy.pdf. The Company rotates its Audit partner responsible for its Audit every 5 years, apart from the statutory requirement of rotating the Audit Firm every 10 years, to ensure independence in the audit function.

NOMINATION AND REMUNERATION COMMITTEE ('NRC')

The NRC of the Company functions according to its terms of reference, that defines its objective, composition, meeting requirements, authority and power, responsibilities, reporting and evaluation functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. The suitably revised terms of reference enumerated in the Committee Charter, after incorporating therein the regulatory changes mandated under the SEBI Listing Regulations, are as follows:

- Recommend the set up and composition of the Board and its Committees including the *"formulation of the criteria for determining qualifications, positive attributes and independence of a director"*. The Committee periodically reviews the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Support the Board in matters related to the setup, review and refresh of the Committees.
- Devise and review a policy on Board diversity.
- Recommend the appointment / reappointment or removal of Directors, in accordance with the criteria laid down, including IDs on the basis of their performance evaluation report.
- Recommend on voting on resolutions for appointment and remuneration of Directors on the Boards of its material subsidiary companies and provide guidelines for remuneration of Directors on material subsidiaries.
- Identify and recommend to the Board appointment or removal of Key Managerial Personnel ('KMP') and Senior Management of the Company in accordance with the criteria laid down. In case of appointment of CFO the Committee shall identify persons, to the Audit Committee and the Board of Directors of the Company.
- Carry out evaluation of every Director's performance and support the Board, its Committees and individual Directors, including "*formulation of criteria for evaluation of Independent Directors and the Board*".
- Oversee the performance review process for the KMP and Senior Management of the Company with a view that there is an appropriate cascading of Company's goals and targets and on an annual basis, review the performance of the Directors, KMP and Senior Management and recommend their remuneration.
- Recommend the Remuneration Policy for Directors, KMP, Senior Management and other employees.
- Review matters related to voluntary retirement and early separation schemes for the Company.
- Oversee familiarization programmes for Directors.
- Oversee HR philosophy, HR and people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management).
- Implement and administer any Employees Stock Option Scheme(s) approved by the Board and to establish, amend and rescind any rules and regulations relating to the Scheme(s), and to make any other determinations that it deems necessary or desirable in connection with the Scheme.

As on date of this report the Committee comprises 2 IDs and 1 NINED. The Chairperson of the NRC also attended the last Annual General Meeting of the Company. During the period under review, 5 NRC meetings were held on May 5, 2021, June 23, 2021, July 26, 2021, October 7, 2021 and March 7, 2022. The requisite quorum was present for all the meetings.

The composition of the NRC and attendance of its Members at its meetings held during the year is as follows:

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr Om Prakash Bhatt (Chairperson)	ID	5	5
Ms Hanne Sorensen	ID	5	5
Mr N Chandrasekaran	NINED	5	5

Remuneration Policy

The 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 automotive industry. For further details on Remuneration Policy for Directors, KMP and other employees, drafted in accordance with the provisions of the Act and the SEBI Listing Regulations, kindly refer to https://investors.tatamotors.com/pdf/remuneration-policy.pdf

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its MD and ED. Annual increments are recommended by the NRC within the salary scale approved by the Board and Members and are effective April 1, each year.

The Board of Directors, on the recommendation of the NRC, decides the commission payable to the MD and the ED out of the profits for the financial year and within the ceilings prescribed under the Act, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the MD and the ED.

Remuneration of Directors and Key Managerial Personnel:

Non-Executive Directors

- The remuneration by way of commission to the Non-Executive Directors is decided by the Board of Directors and distributed to them based on their participation and contribution at the Board and Committee meetings and performance evaluation by the Board. Recently, the Ministry of Corporate Affairs has notified the amendments to Sections 149(9) and 197(3) of the Act by the Companies (Amendment) Act, 2020 to enable companies faced with no profits / inadequate profits to pay certain fixed remuneration to their Non-Executive Directors and Independent Directors, in accordance with the provisions of Schedule V of the Act.

  In view of the valuable services being rendered by the said Directors to the Company, the shareholders at the 76th AGM of the Company, held on July 30, 2021, had approved payment of remuneration to the Non-Executive Directors and Independent Directors of the Company in accordance with the limits provided under Schedule V of the Act in case of no profits / inadequate profits for a period of 3 years, commencing from April 1, 2020, distributed between such Directors in such a manner as the Board of Directors, may from time to time determine within the overall maximum limit of (a) 1% (one percent) of the net profits of the Company for that financial year computed in accordance with the provisions of Section 198 of the Act; or (b) upto an amount of ₹24 lakh plus 0.01% of the effective capital in excess of ₹250 crore, whichever is lower, for FY 2020-21, FY 2021-22 and FY 2022-23 and shall be in addition to the sitting fees payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board and other meetings.

- The performance evaluation criteria for Non-Executive Directors, including IDs, is determined by the NRC. An indicative list of factors that were evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, role in Board constituted committees, integrity and maintenance of confidentiality and independence of behaviour and judgement.

- A sitting fee of ₹60,000/- for attendance at each meeting of the Board, Audit Committee, NRC and for IDs Meeting; ₹20,000/- for attendance at each meeting of Stakeholders' Relationship Committee; Safety, Health & Sustainability Committee, the Corporate Social Responsibility Committee, Risk Management Committee and other special need based committees, is paid to its Members (excluding Managing Director and Executive Director) and also to Directors attending by invitation. The sitting fees paid/payable to the Non Whole-time Directors is excluded whilst calculating the limits of remuneration in accordance with Section 197 of the Act. The Company also reimburses out-of-pocket expenses to Directors attending meetings held at a city other than the one in which the Directors reside. As a policy, the Chairman abstains from receiving commission / remuneration from the Company. In lines with the internal guidelines of the Company, no payment is made towards commission / remuneration to Non-Executive Directors of the Company, who are in full time employment of any other Tata Company.

  Given below are the Remuneration and Sitting Fees payable / paid by the Company to Non-Executive Directors during FY 2021-22:

(₹ in lakh)

Name	Remuneration (1)	Sitting Fees
Mr N Chandrasekaran (2)	-	7.80
Mr Om Prakash Bhatt	50.00	13.20
Ms Hanne Sorensen	45.00	14.40
Ms Vedika Bhandarkar	50.00	11.40
Mr Kosaraju Veerayya Chowdary	45.00	10.20
Mr Mitsuhiko Yamashita	45.00	9.60
Mr Thierry Bolloré (3)	-	-
Total	**235.00**	**66.60**

(1) Payable in accordance with shareholders' approval obtained at the 76th AGM of the Company held on July 30, 2021.

(2) As a Policy, Mr N Chandrasekaran has abstained from receiving remuneration from the Company.

(3) Mr Bolloré is not paid any remuneration or sitting fees for attending Board meetings of the Company in view of his role as the Chief Executive Officer and Director of Jaguar Land Rover Automotive PLC.

Some of the aforementioned Directors are also on the Board of the Company's subsidiaries and associates, in a non-executive capacity and are paid remuneration and sitting fees. Other than the above and their shareholding in the Company, the Non-Executive Directors have no pecuniary relationship or transactions with the Company, its subsidiaries and associates. During the year, the annual remuneration payable to any single Non-Executive Director did not exceed fifty percent of the total annual remuneration payable to all Non-Executive Directors.

Managing and Executive Director

The remuneration paid to the CEO & MD and the Executive Directors ('ED') is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by them and is in accordance with the terms of appointment approved by the Members, at the time of their appointment.

The NRC, reviews and recommends to the Board the changes in the managerial remuneration, generally being, increment in basic salary of the CEO & MD and the ED and commission/incentive remuneration of the CEO & MD on a yearly basis. This review is based on the Balanced Score Card that includes the performance of the Company and the individual director on certain defined qualitative and quantitative parameters such as volumes, EBITDA, market share, cashflows, cost reduction initiatives, safety, strategic initiatives and special projects as decided by the Board vis-a-vis targets set in the beginning of the year. This review also takes into consideration the benchmark study undertaken by reputed independent agencies on comparative industry remuneration practices.

Whereas the basic salary of the CEO & MD is fixed for his entire tenure, the variable portion of the CEO & MD's remuneration consists of incentive remuneration in the form of performance linked bonus and long-term incentive. The target performance linked bonus would be €550,000/- per annum upto a maximum of €825,000/- per annum. With the objective of achieving long-term value creation, through retention and continuity in leadership, a long term incentive plan is provided with a value intended target of €550,000/- per annum upto a maximum of €825,000/- per annum.

Given below are certain details pertaining to the terms of appointment and payment of Managerial Remuneration to Mr Guenter Butschek, the CEO & MD and Mr Girish Wagh, the ED for FY 2021-22 during their tenure with the Company:

(₹ in lakh)

Particulars	Remuneration Paid / Payable for FY 2021-22	
	Mr Guenter Butschek April 1, 2021 to June 30, 2021	Mr Girish Wagh July 1, 2021 to March 31, 2022
Basic Salary	73.35	67.50
Benefits, Perquisites and Allowances (includes payment in lieu of pension)	323.66	110.44
Commission, Bonus and Performance Linked Incentive Remuneration	231.55 (1)	147.83
Retirement Benefits	104.84 (2)	8.10 (3)
Total Remuneration	**733.41**	**333.87** (4)
Less: Permissible Deductions under Schedule V	(7.50)	(7.50)
Total Remuneration under Schedule V	725.91	326.37
Less: Permissible Limit Payable by a Company with inadequate profits	(60.10)	(191.24)
Waiver of Excess Remuneration Paid / Payable	665.81 (5)	135.13 (5)
Profit/(Loss) as per Section 198	**(2,54,187.34)**	**(2,54,187.34)**

(1) *The foreign exchange rate for all future payments of remuneration is assumed at a constant of 1€=₹85.57 (rate as on the date of payment for March 2022). This excludes ₹9.63 crore of performance bonus and long term incentive for the year ended March 31, 2021, approved in the quarter ended June 30, 2021.*
(2) *Comprises contribution to Provident Fund and Gratuity as per the Rules of the Company.*
(3) *Comprises contribution to Provident Fund and Superannuation fund as per the Rules of the Company.*
(4) *Does not include an Employee Stock Option Plan (ESOP) charge for FY 2021-22 of ₹70.48 lakh under the Tata Motors Employees Stock Option Scheme 2018 at an excercise price of ₹345 per Ordinary Share, which will vest only upon fulfillment of certain performance critieria by the ED and him choosing to subscribe to the ESOPs granted.*
(5) *Shareholders' approval was obtained at the 76th AGM held on July 30, 2021.*

Remuneration of Mr Wagh has been subjected to peer level benchmarks with the help of survey conducted by Deloitte, an independent global compensation consultant. His remuneration is commensurate with the industry standards and Board level positions held in similar sized domestic companies, taking into consideration the responsibilities shouldered by him. The table below illustrates the requisite comparative data of the ED/CEO remuneration in the domestic automotive and other major companies having positions of similar size and scale:

Total Cost to Company ('TCC') with Long Term Incentive

(₹ in lakh)

10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile
554.82	612.76	733.99	960.00	1,429.82

(Data Source: Deloitte ED Compensation Benchmarking Report)

The terms of appointment with respect to the severance notice period and fees payable is reproduced below:

Mr Guenter Butschek - CEO & MD	Mr Girish Wagh – ED
- The Contract with the CEO & MD may be terminated earlier, without any cause by either giving to the other party 6 months' notice of such termination or the Company paying 6 months' remuneration which shall be limited to provision of basic salary, benefits, perquisites and allowances (including Living Allowance) and any pro-rated incentive remuneration, in lieu of such notice. Additionally, in case of termination initiated by the Company before the end of the term for reasons other than Tata Code of Conduct ("TCoC"), the CEO & MD shall be entitled to severance pay for a period of 12 months or balance term of the agreement whichever is less and which shall be limited to provision of basic salary, living allowance and any pro-rated incentive remuneration. - This appointment may not be terminated by the Company without notice or payment in lieu of notice except for reasons of breach of TCoC. In case of breach of TCoC, the CEO & MD shall not be entitled to severance. - In the event the CEO & MD is not in a position to discharge his official duties due to any physical or mental incapacity, he shall be entitled to receive notice pay and the severance as mentioned above and this contract shall stand terminated.	- This appointment 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 Option plans, Performance Share plans (paid at the discretion of the Board), in lieu of such notice. - The employment of the ED, may be terminated by the Company without notice or payment in lieu of notice: • if the ED, 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 by the Agreement to render services; or • in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the ED, of any of the stipulations contained in the Agreement to be executed between the Company and the ED; or • in the event the Board expresses its loss of confidence in the ED. - In the event the ED is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms, as the Board may consider appropriate in the given circumstances.

The Directors of the Company are not eligible to receive employee stock options and have accordingly not participated in the Tata Motors Limited Employee Stock Option Scheme 2018 of the Company, except for Mr Girish Wagh, who prior to his appointment as an Executive Director of the Company, was the President and Head of the Commercial Vehicle Business Unit and a member of the Tata Motors Executive Committee since 2017, during which period he was vested with employee stock options.

In the year 2018, Mr Wagh was granted 2,28,600 stock options exercisable into 2,28,600 Ordinary Shares under the Tata Motors Limited Employees Stock Options Scheme, 2018 upon fulfillment of certain performance criteria and him choosing to subscribe to the ESOPs granted.. Mr Wagh would be eligible for grant of Performance Share and/or Options under the Tata Motors Limited Share-based Long Term Incentive Scheme 2021.

Other Key Managerial Personnel

Given below are details pertaining to the payment of remuneration to other Key Managerial Personnel (KMP) of the Company, for FY 2021-22 as per their respective tenure with the Company:

(₹ in lakh)

Particulars	Remuneration Paid / Payable for FY 2021-22		
	Mr P B Balaji, Chief Financial Officer April 1, 2021 to March 31, 2022	Mr Hoshang Sethna Company Secretary April 1, 2021 to August 31, 2021	Mr Maloy Kumar Gupta Company Secretary September 1, 2021 to March 31, 2022
Basic Salary	261.07	21.81	19.27
Benefits, Perquisites and Allowances (includes payment in lieu of pension)	443.15	33.46	33.40
Commission, Bonus and Performance Linked Incentive Remuneration	362.42	40.52	-
Retirement Benefits (1)	31.33	2.62	2.31
Stock Option / Sweat Equity (2)	175.03	2.12	3.20
Total Remuneration	**1,273.00**	**100.53**	**58.18**

(1) Comprises contribution to Provident Fund and Superannuation fund as per the Rules of the Company.

(2) Employee Stock Option Plan (ESOP) charge for FY 2021-22 under the Tata Motors Employee Stock Option Scheme 2018 at an exercise price of ₹345 per Ordinary Share, which will vest only upon fulfilment of certain performance criteria by the KMPs and them choosing to subscribe to the ESOPs granted.

Retirement Policy for Directors

As per the retirement age policy adopted by the Company, the Managing and Executive Directors retire at the age of 65 years. The retirement age for NINEDs is 70 years and for IDs is 75 years as per the Governance Guidelines on Board Effectiveness.

Succession Planning

The NRC works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience, within the organization and the Board, in an endeavor to introduce new perspectives, whilst maintaining experience and continuity.

By integrating workforce planning with strategic business planning, the Company deploys the necessary financial and human resources to meet its objectives. Succession planning and elevation within the organization, fuel the ambitions of its talent force, to earn future leadership roles.

STAKEHOLDERS' RELATIONSHIP COMMITTEE ('SRC')

The SRC functions in accordance with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations. The suitably revised terms of reference enumerated in the Committee Charter, after incorporating therein the regulatory changes mandated under the SEBI Listing Regulations, are as follows:

- Approve issue of duplicate certificates for securities and transmission of securities.
- Resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review measures taken for effective exercise of voting rights by shareholders.
- Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.
- Oversee statutory compliance relating to all securities including dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund and claims made by members / investors from the said fund.
- Review movements in shareholding and ownership structures of the Company.
- Conduct a Shareholders' Satisfaction Survey to ascertain the level of satisfaction amongst shareholders.
- Suggest and drive implementation of various investor-friendly initiatives.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

As on date of this report, the Committee comprises 2 IDs and the ED. The Chairperson of the SRC also attended the last Annual General Meeting of the Company. During the period under review, 3 SRC meetings were held on July 30, 2021, September 14, 2021 and February 28, 2022. The requisite quorum was present for all the meetings.

The composition of the SRC and attendance of its Members at its meetings held during the year is as follows:

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Ms Vedika Bhandarkar (Chairperson)	ID	3	3
Ms Hanne Sorensen	ID	3	3
Mr Girish Wagh	ED	3	3

Compliance Officer

Mr Maloy Kumar Gupta, Company Secretary, is the Compliance Officer. His contact details are:- Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai - 400 001, India.

Tel: 91 22 6665 7824, Email: inv_rel@tatamotors.com

Complaints or queries relating to the shares and/or debentures can be forwarded to the Company's Registrar and Share Transfer Agents – M/s TSR Consultants Private Limited (name changed from M/s TSR Darashaw Consultants Private Limited with effect from April 13, 2022) ('TCPL') at csg-unit@tcplindia.co.in, whereas complaints or queries relating to the public fixed deposits can be forwarded to the Registrars to the Fixed Deposits Scheme – M/s TSR Consultants Private Limited at tmlfd@tcplindia.co.in. TCPL is the focal point of contact for investor services in order to address various FD related matters mainly including repayment / revalidation, issue of duplicate FD receipts / warrants, TDS certificates, change in bank details/ address and PAN corrections. In view of increase in the correspondence, TCPL have increased their investor interface strength (telephone and counter departments) and have taken other steps for rendering speedy and satisfactory services to the FD holders.

The status on the total number of investor complaints during FY 2021-22 is as follows:

Type	Nos.
Complaints regarding non-receipt of dividend, shares lodged for transfer	0
Complaints received from the shareholders through SEBI and other statutory bodies and resolved	40
Complaints redressed out of the above	39
Pending complaints as on March 31, 2022	1
Other queries received from shareholders and replied	3,128

All letters received from the investors are replied to and the response time for attending to investors' correspondence during FY 2021-22 is shown in the following table:

Particulars	Number	%
Total number of correspondence received during FY 2021-22	3,168	100.00
Replied within 1 to 4 days of receipt	1,801	56.85
Replied within 5 to 7 days of receipt	569	17.96
Replied within 8 to 15 days of receipt	212	6.69
Replied after 15 days of receipt (1)	349	11.02
Received in last week of March 2022 and have been replied in April 2022	237	7.48

(1) These correspondence pertained to court cases which involved retrieval of case files, cases involving retrieval of very old records, co-ordination with the Company/Advocates etc, partial documents awaited from the Investors, cases involving registration of legal documents, executed documents received for issue of duplicate certificates and transmission of shares without legal representation which involved checking of the documents, sending notices to Stock

Exchange and issue of duplicate certificates/transmission of shares after approval from the Company. However, all these cases have been attended to within the statutory limit of 30 days.

There were no pending share transfers pertaining to the Financial Year ended March 31, 2022.

On recommendations of the SRC, the Company has taken various investor friendly initiatives like organising Shareholders' visit to the Company's Works at Pune, sending reminders to investors who have not claimed their dues, sending nomination forms, etc.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Committee is constituted by the Board in accordance with the Act to:

a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;

b. Recommend the amount of expenditure to be incurred on the activities referred to in the above clause (a); and

c. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The CSR Policy is uploaded on the Company's website https://investors.tatamotors.com/pdf/csr-policy.pdf as required under the provisions of Section 135 of the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

As on date of this report, the CSR Committee comprises 3 IDs and the ED. The Chairperson of the CSR Committee also attended the last Annual General Meeting of the Company. During the period under review, 3 CSR Committee meetings were held on May 17, 2021, September 14, 2021 and February 25, 2022. The requisite quorum was present for all the meetings.

The composition of the CSR Committee and attendance of its Members at its meetings held during the year is as follows:

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr Om Prakash Bhatt (Chairperson)	ID	3	3
Ms Vedika Bhandarkar	ID	3	3
Mr K V Chowdary	ID	3	3
Mr Guenter Butschek (1)	CEO & MD	1	1
Mr Girish Wagh (2)	ED	2	2

(1) Ceased to be a Member of the CSR Committee, consequent to his cessation as the CEO & MD of the Company with effect from June 30, 2021

(2) Appointed as a Member of the CSR Committee, consequent to his appointment as the ED of the Company with effect from July 1, 2021.

RISK MANAGEMENT COMMITTEE (RMC)

The Committee is constituted and functions as per Regulation 21 read with Part D of Schedule II of the SEBI Listing Regulations to frame, implement and monitor the risk management plan for the Company. The terms of reference enumerated in the Committee Charter, as mandated under the SEBI Listing Regulations are as follows:

- Review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan.
- Review and approve the Enterprise Risk Management (ERM) framework.
- Review the Company's risk appetite and strategy relating to key risks, including product risk and reputational risk, cyber security risk, commodity risk, risks associated with the financial assets and liabilities such as interest risk, credit risk, liquidity exchange rate funding risk and market risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.
- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels.
- Review and analyze risk exposure related to specific issues, concentrations and limit excesses and provide oversight of risk across organization.
- Review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action.
- Nurture a healthy and independent risk management function in the Company.
- Carry out any other function as is referred by the Board from time to time.

The Committee operates as per its Charter approved by the Board and within the broad guidelines laid down in it. The Company has a Risk Management Policy in accordance with the provisions of the Act and SEBI Listing Regulations. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Board takes responsibility for the overall process of risk management in the organisation. Through Enterprise Risk Management Programme, business units and corporate functions address opportunities and the attendant risks with an institutionalized approach aligned to the Company's objectives. The business risk is managed through cross-functional involvement and communication across businesses. The results of the risk assessment are thoroughly discussed with the Senior Management before being presented to the RMC.

As on date of this report, the Members of the RMC comprise of 1 ID, 1 NINED, the ED and the Group Chief Financial Officer ('CFO'). The Chairperson of the RMC also attended the last Annual General Meeting of the Company. During the period under review, 3 RMC meetings were held on June 15, 2021, October 29, 2021 and February 11, 2022. The requisite quorum was present for all the meetings.

The composition of the RMC and attendance of its Members at its meetings held during the year is as follows:

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Ms Hanne Sorensen (Chairperson)	ID	3	3
Mr Mitsuhiko Yamashita	NINED	3	3
Mr Guenter Butschek (1)	CEO & MD	1	1
Mr Girish Wagh (2)	ED	2	2
Mr P B Balaji	Group CFO	3	3

(1) Ceased to be a Member of the RMC, consequent to his cessation as the CEO & MD of the Company with effect from June 30, 2021

(2) Appointed as a Member of the RMC, consequent to his appointment as the ED of the Company with effect from July 1, 2021.

THE SAFETY, HEALTH AND SUSTAINABILITY (SHS) COMMITTEE

The Committee reviews Safety, Health and Sustainability practices. The terms of reference of the Committee include the following:

- to take a holistic approach to safety, health and sustainability matters in decision making;
- to provide direction to Tata Motors Group in carrying out its safety, health and sustainability function;
- to frame broad guidelines/policies with regard to safety, health and sustainability;
- to oversee the implementation of these guidelines/ policies; and
- to review the safety, health and sustainability policies, processes and systems periodically and recommend measures for improvement from time to time.

As on date of this report, the Members of the SHS Committee comprise of 1 ID, 1 NINED and the ED. The Chairperson of the SHS Committee also attended the last Annual General Meeting of the Company. During the period under review, 3 SHS Committee meetings were held on May 17, 2021, September 14, 2021 and February 11, 2022. The requisite quorum was present for all the meetings.

The composition of the SHS and attendance of its Members at its meetings held during the year is as follows:

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Ms Hanne Sorensen (Chairperson)	ID	3	3
Mr Mitsuhiko Yamashita	NINED	3	3
Mr Guenter Butschek (1)	CEO & MD	1	1
Mr Girish Wagh (2)	ED	2	2

(1) Ceased to be a Member of the SHS Committee, consequent to his cessation as the CEO & MD of the Company with effect from June 30, 2021

(2) Appointed as a Member of the SHS Committee, consequent to his appointment as the ED of the Company with effect from July 1, 2021.

THE ALLOTMENT COMMITTEE

The Company has adopted and implemented the 'Tata Motors Limited Employee Stock Option Scheme 2018' ("ESOP Scheme") pursuant to approval of its shareholders at the 73rd Annual General Meeting held on August 3, 2018, for granting, not exceeding 1,38,00,000 Stock Options in aggregate, to the existing employees of the Company as on June 30, 2018 in the levels of LC, L1, L2 and select L3 as well as employees falling in these levels in case of new appointments and promotions over the past 3 years, i.e., by July 1, 2021 at an Exercise Price of ₹345/- per share.

In terms of the ESOP Scheme, the Stock Options would vest with the Participants in 3 equal tranches, i.e., June 30, 2021, June 30, 2022 and June 30, 2023 and the actual number of Vested Options would be determined by the NRC based on the Company achieving (TML Standalone including joint operations) certain performance matrices (i.e. market share, EBIT and cash flows) in the 3 immediately preceding financial years.

Accordingly the NRC constituted Allotment Committee, was delegated with the powers to allot Ordinary Shares of the face value of ₹2/- each, fully paid-up, in the Company, to eligible participants pursuant to the exercise of Stock Options vested with the participants of the Company's ESOP Scheme, against receipt of the Exercise Price of ₹345/- per Ordinary Share, received from them in accordance with the terms of the ESOP Scheme.

As on date of this report, the Members of the Allotment Committee comprise of 2 IDs, the Group CFO and the Chief Human Resource Officer (CHRO) of the Company. During the period under review, 3 Allotment Committee meetings were held on December 6, 2021, January 11, 2022 and February 25, 2022. The requisite quorum was present for all the meetings.

The composition of the Committee and attendance of its Members at its meetings held during the year is as follows:

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr O P Bhatt (Chairperson)	ID	3	3
Ms Vedika Bhandarkar	ID	3	3
Mr P B Balaji	Group CFO	3	3
Mr Ravindra Kumar G P	CHRO	3	3

CODE OF CONDUCT

Whilst the (TCOC) is applicable to all Whole-time Directors and employees of the Company, the Board has also adopted the (TCOC) for NINEDs and IDs as specified under Schedule IV of the Act and Regulation 26(3) of the SEBI Listing Regulations. The detailed Codes of Conduct are respectively available on the website of the Company at https://www.tatamotors.com/wp-content/uploads/2015/10/09042523/tata-code-of-conduct1.pdf and https://investors.tatamotors.com/pdf/ned-id.pdf. Pursuant to Regulation 26(5) of the SEBI Listing Regulations, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the SEBI Listing Regulations, all the Board members and senior management of the Company as on March 31, 2022 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the ED is annexed to this Report. Furthermore, pursuant to the provisions of Regulations 8 and 9 under the SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted and endeavors adherence to the TCOC for Prevention of Insider Trading and the Code of Corporate Disclosure Practices. Kindly refer to the Company's website https://investors.tatamotors.com/pdf/CodeCorporateDisclosure.pdf for the detailed Code of Corporate Disclosure Policy of the Company.

GENERAL BODY MEETINGS

Annual General Meeting (AGM)

Date of AGM	Year	Special Resolutions passed	Venue and Time
July 30, 2021	2020-21	▪ Re-appointment of Mr Guenter Butschek (DIN: 07427375) as the CEO & MD and payment of remuneration for the period February 15, 2021 to June 30, 2021 ▪ Appointment of Mr Girish Wagh (DIN: 03119361) as ED and payment of remuneration ▪ Tata Motors Limited Share-based Long Term Incentive Scheme 2021 and grant of stock options and / or performance share units to the Eligible Employees under the Scheme ▪ Extending the Tata Motors Share-based Long Term Incentive Scheme 2021 to eligible employees of certain subsidiary companies of the Company	Due to the Corona Virus Pandemic through video conferencing ('VC') / other audio visual means ('OAVM') at 3 p.m. (IST)
August 25, 2020	2019-20	▪ Approval and ratification for payment of Minimum Remuneration to Mr Guenter Butschek (DIN: 07427375), CEO & MD for FY 2019-20. ▪ Approval for payment of Minimum Remuneration to Mr Guenter Butschek (DIN: 07427375), CEO & MD in case of no/inadequacy of profits during FY 2020-21.	Due to the Corona Virus Pandemic through video conferencing ('VC') / other audio visual means ('OAVM') at 2 p.m. (IST)
July 30, 2019	2018-19	Nil	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai – 400020 at 3 p.m. (IST)

There were no special resolutions proposed to be passed through Postal Ballot during FY 2021-22 or at the forthcoming AGM.

All resolutions moved at the last years' AGM, were passed by means of electronic voting, by the requisite majority of members.

MEANS OF COMMUNICATION

The Company recognizes communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

Financial Results: The Quarterly, Half Yearly and Annual Results are regularly submitted to the National Stock Exchange of India Limited (NSE), BSE Limited (BSE), New York Stock Exchange (NYSE) and the Singapore Stock Exchange (SGX) as well as uploaded on the Company's website and are published in newspapers, namely the Indian Express, Financial Express and the Loksatta (Marathi). Additionally, the results and other important information are also periodically updated on the Company's website www.tatamotors.com in the "Investors" section.

Investors / Analyst Meets: The Company hosts calls or meetings with institutional investors on request. Post the quarterly results, an analyst meet / call is organized which provides a platform for the Management to answer questions and provide clarifications to investors and analysts. The Company continues to interact with all types of funds and investors in order to have a diversified shareholder base both in terms of geographical location and investment horizon. Financial Results, Statutory Notices, Press Releases and Presentations made to the institutional investors/analysts after the declaration of the quarterly, half-yearly and annual results are submitted to NSE, BSE, NYSE and SGX as well as uploaded on the Company's website on a regular basis. The Company also issues press releases from time to time.

Website: The Company's website is a comprehensive reference on its leadership, management, vision, policies, corporate governance, sustainability and investor relations. The Members can access the details of the Board, the Committees, Policies, Board committee Charters, financial information, statutory filings, Shareholding information, details of unclaimed dividend and shares transferred / liable to be transferred to IEPF, frequently asked questions, etc. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company.

Annual Report: The information regarding the performance of the Company is shared with the shareholders vide the Annual Report. The Annual Reports for FY 2021-22 are being sent in electronic mode, to all members who have registered their email ids for the purpose of receiving documents / communication in electronic mode with the Company and / or Depository Participants. The Annual Reports are also available in the "Investors" section on the Company's website https://www.tatamotors.com/investors/annual-reports/

Electronic Communication: The Company had during FY 2021-22 sent various communications including Annual Reports, by email to those shareholders whose email addresses were registered with the Company / Depositories. In support of the 'Green Initiative' the Company encourages Members to register their email address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

Scores: A centralised web based complaints redress system 'Scores' which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaint and its current status.

Green Initiative: All agenda papers for the Board and Committee Meetings are disseminated electronically on a real-time basis, by uploading them on a secured online application.

GENERAL INFORMATION FOR MEMBERS

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28920MH1945PLC004520.

ANNUAL GENERAL MEETING

Date and Time	Monday, July 4, 2022 at 3 p.m. (IST)
Venue	In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs and SEBI vide its relevant circulars, has permitted the holding of the Annual General Meeting through video-conferencing / other audio visual means ('VC / OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. For details please refer to the Notice of AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards 2 on General Meetings, details of Director seeking appointment / re-appointment at this AGM are given in the Annexure to the Notice of the forthcoming AGM.

FINANCIAL CALENDAR (TENTATIVE)

Financial Year	ending March 31
Results for the Quarter ending	
June 30, 2022	On or before August 14, 2022
September 30, 2022	On or before November 14, 2022
December 31, 2022	On or before February 14, 2023
March 31, 2023	On or before May 30, 2023
Date of Book Closure	Not applicable.
Date of Dividend payment	No dividend is announced and recommended by the Board for FY 2021-22.

LISTINGS

The Company's shares are listed on the BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE). The following are the details of the Company's shares:

Type	Ordinary Shares	'A' Ordinary Shares
ISIN	INE155A01022	IN9155A01020
BSE – Stock Code	500570	570001
NSE – Stock Code	TATAMOTORS	TATAMTRDVR
BSE – Address	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001; www.bseindia.com	
NSE – Address	"Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai 400 051; www.nseindia.com	

The holders of 'A' Ordinary Shares are entitled to receive a dividend for any financial year at five percentage points more than the aggregate rate of dividend declared on Ordinary Shares for that financial year but are entitled to one vote for every ten 'A' Ordinary Shares held as per the terms of its issue and the Articles of Association.

The Company has paid Annual Listing fees for FY 2021-22 to all the Stock Exchanges (both domestic and international) where the Company's securities are listed.

Attention is also drawn to foreign listing and listing of debt securities of the Company as mentioned below, under the head "Outstanding Securities".

MARKET INFORMATION

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

Month	Ordinary Shares						'A' Ordinary Shares					
	BSE			NSE			BSE			NSE		
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
April 2021	318.15	286.60	65761870	318.20	286.55	1147880867	138.20	126.85	3294284	138.25	127.15	47396584
May 2021	332.35	289.35	62333997	332.45	289.45	1019828009	153.85	125.50	6413586	153.80	125.55	95251299
June 2021	356.00	318.10	46300857	355.95	318.10	709228073	165.90	143.80	5780674	165.90	143.80	78508789
July 2021	346.05	284.45	64958647	346.10	284.45	916621826	156.20	133.35	3942001	156.25	133.65	59926717
August 2021	307.10	276.95	40586159	307.25	276.95	504374201	144.85	131.20	2716976	145.25	131.20	39300045
September 2021	333.20	293.10	35654167	333.35	293.15	547130332	189.10	138.50	10337100	189.30	138.55	145555558
October 2021	509.60	333.35	75401166	509.60	333.30	1344147576	269.70	179.05	15890034	269.75	179.20	232755601
November 2021	530.30	458.80	41148800	530.15	458.60	676681297	291.95	251.75	9174768	292.10	251.80	126973134
December 2021	495.25	447.15	28347721	495.35	447.05	433230539	263.10	220.65	5050426	263.10	220.95	67210302
January 2022	525.00	478.55	24053832	525.00	478.45	431279282	265.10	235.95	4100476	265.10	235.50	58547785
February 2022	507.30	427.85	28901868	507.45	427.95	492777210	253.45	204.90	4085476	253.30	204.80	51950102
March 2022	447.60	391.80	45884912	447.60	391.75	670781175	214.15	187.45	6814432	214.30	187.45	80101005

The Performance of the Company's Stock Price vis-à-vis Sensex, Auto Index and American Depository Receipt (ADR):

Month	Ordinary Shares (₹)	'A' Ordinary Shares (₹)	BSE Sensex (₹)	Auto Index (₹)	ADR Price (US$)
April 2021	302.63	132.09	48,877.90	21,955.63	20.10
May 2021	311.71	143.66	49,822.90	22,676.71	21.11
June 2021	340.25	157.19	52,399.70	23,850.28	23.03
July 2021	309.35	142.65	52,694.25	23,156.58	20.37
August 2021	293.70	138.75	55,237.51	22,570.25	19.70
September 2021	308.80	153.18	58,780.95	23,149.64	20.92
October 2021	444.27	226.66	60,421.92	25,293.74	30.02
November 2021	494.40	274.15	59,416.48	25,802.52	32.92
December 2021	478.07	244.49	57,663.12	24,461.35	31.53
January 2022	502.16	252.90	59,586.75	25,984.23	33.15
February 2022	488.46	234.81	57,697.50	25,771.99	32.35
March 2022	424.79	205.52	56,404.37	23,334.84	27.64

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

(in US$)

Month	High	Low	Month	High	Low
April 2021	21.29	19.09	October 2021	33.93	22.41
May 2021	22.76	19.59	November 2021	35.69	30.51
June 2021	24.29	21.82	December 2021	32.73	29.44
July 2021	23.09	19.12	January 2022	34.99	32.08
August 2021	20.69	18.66	February 2022	33.85	28.28
September 2021	22.46	20.06	March 2022	30.13	25.47

Each Depositary Receipt represents 5 underlying Ordinary Shares of face value of ₹2/- each.

REGISTRAR AND TRANSFER AGENTS

For share related matters, Members are requested to correspond with the Company's Registrar and Transfer Agents – M/s TSR Consultants Private Limited (name changed from M/s. TSR Darashaw Consultants Private Limited with effect from April 13, 2022) quoting their Folio No./DP ID & Client ID at the following addresses:

1. For transfer lodgement, delivery and correspondence: M/s. TSR Consultants Private Limited, Unit: Tata Motors Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400083. Tel: 022-6656 8484; Fax: 022- 6656 8494; e-mail: csg-unit@tcplindia.co.in ; website: https://www.tcplindia.co.in

2. For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of M/s. TSR Consultants Private Limited:

Mumbai: Building 17/19, Office no. 415 Rex Chambers, Ballard Estate, Walchand Hirachand Marg, Fort, Mumbai-400 001; Telephone: 7304874606; Email: csg-unit@tcplindia.co.in

Bangalore: C/o. Mr. D. Nagendra Rao, "Vaghdevi" 543/A, 7th Main 3rd Cross, Hanumanthnagar, Bengaluru – 560019; Telephone: +91-80-26509004; Email: tcplbang@tcplindia.co.in

Jamshedpur: Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur – 831 001; Telephone: +91-657-2426937; Email: tsrdljsr@tcplindia.co.in

Kolkata: C/o Link Intime India Private Limited, Vaishno Chamber, Flat No. 502 & 503, 5th Floor, 6, Brabourne Road, Kolkata – 700001; Telephone: +91-33-40081986; Email: tcplcal@tcplindia.co.in

New Delhi: C/o Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi – 110058; Telephone: +91-11-49411030; Email: tcpldel@tcplindia.co.in

Ahmedabad: C/o Link India Intime Private Limited, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off. C.G. Road, Ellisbridge, Ahmedabad – 380006; Telephone: +91-79-26465179; Email: csg-unit@tcplindia.co.in

For Fixed Deposits: the investors are requested to correspond with the Registrars to the Fixed Deposits Scheme – TSR Consultants Private Limited at the same addresses as mentioned above or send an e-mail at Tmlfd@tcplindia.co.in or fdinquiry@tcplindia.co.in or Telephone: 022-6656 8484 Contact Person: Ms Nandini Nair / Ms Uttara Sahasrabudhe.

SHARE TRANSFER SYSTEM

All transfer, transmission or transposition of securities, are conducted in accordance with the provisions of Regulation 40, Regulation 61 and Schedule VII of the SEBI Listing Regulations, read together with relevant SEBI Circulars.

All requests for transfer and/or dematerialisation of securities held in physical form, should be lodged with the office of the Company's Registrar & Share Transfer Agent, TSR Consultants Private Limited, Mumbai or at their branch offices or at the registered office of the Company for dematerialisation.

Securities lodged for transfer at the Registrar's address are normally processed within statutory time limit from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the respective depositories, that is the National Securities Depository Limited and the Central Depository Services India Limited, within the statutory time limit from the date of receipt of share certificates / letter of confirmation after due verification. The Executives of the Registrar are empowered to approve transfer of shares and debentures and other investor related matters. All investor service requests, including grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within the statutory time limit.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialised form. Requests for dematerialisation of securities are processed and confirmation thereof is given to the respective depositories, that is the National Securities Depository Limited (NSDL) and the Central Depository Services India Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/ letter of confirmation after due verification.

The following compliances pertain to share transfers, grievances, etc.:

(1) Pursuant to Regulation 7(3) of the SEBI Listing Regulations, certificates are filed with the stock exchanges on half yearly basis by the Compliance Officer and the representative of the Registrar and Share Transfer Agent for maintenance of an appropriate share transfer facility.

(2) Pursuant to Regulation 13 of the SEBI Listing Regulations, a statement on pending investor complaints is filed with the stock exchanges and placed before the Board of Directors on a quarterly basis.

(3) Pursuant to Regulation 39(3) of the SEBI Listing Regulations, information regarding loss of share certificates and issue of the duplicate certificates, are submitted to the stock exchanges within 2 days of the Company receiving the information.

(4) Pursuant to Regulation 40(9) of the SEBI Listing Regulations, the Company obtains a yearly certificate from the Practicing Company Secretary certifying that, the RTA has issued all share certificates within 30 days of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies and this certificate is simultaneously filed with the Indian Stock Exchanges pursuant to Regulation 40(10) of the SEBI Listing Regulations.

(5) A Practicing Company Secretary (PCS) carries out a Reconciliation of Share Capital Audit on a quarterly basis, as per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with SEBI Circular No. D&CC / FITTC/Cir- 16/2002 dated December 31, 2002, to reconcile the total admitted capital with depositories viz National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

(6) Pursuant to Regulation 61(4) read together with Regulation 40(9) of the SEBI Listing Regulations, a Certificate by the Practicing Company Secretary (PCS) is filed with the stock exchanges within one month from the end of each half of the financial year, certifying that all certificates are issued within 30 days of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/ allotment monies.

Transfer of unclaimed / unpaid amounts / shares to the Investor Education and Protection Fund (IEPF):

(i) Pursuant to Sections 124 and 125 of the Act read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has to transfer to the IEPF Authority, established by the Central Government the dividend amounts, application money, principal amounts of debentures and deposits as well as the interest accruing thereon, sale proceeds of fractional shares, redemption amount of preference shares, etc. remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment.

Furthermore, the IEPF Rules mandate companies to transfer shares of shareholders whose dividend amounts remain unpaid / unclaimed for a period of 7 consecutive years to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of the Court, Tribunal or Statutory Authority, restraining any transfer of shares.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for 7 consecutive years of the Company. Further, shares of the Company, in respect of which dividends have not been claimed for 7 consecutive years or more, have also been transferred to the demat account of the IEPF Authority.

The details of the unclaimed dividends and shares transferred to IEPF during FY 2021-22 are as follows:

Financial Year	Amount of unclaimed dividend transferred (₹)	Number of shares transferred	
		Ordinary Shares	'A' Ordinary Shares
2013-14	1,51,91,520	6,55,253	7,564
Total	**1,51,91,520**	**6,55,253**	**7,564**

The Members who have a claim on the above dividends and shares may claim the same from the IEPF Authority by submitting an online application in the prescribed web-Form No.IEPF-5 available on the website www.iepf.gov.in and send an original form and acknowledgement, along with requisite documents duly self-certified by the claimant(s), duly self-certified, of the said Form and acknowledgement along with requisite documents, as enumerated in the Instruction Kit, to the Company for vetting and suitable recommendation to IEPF Authority. 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.

Considering the above, there are no shares lying in the suspense account of the Company under Regulation 39(4) of the SEBI Listing Regulations.

The Company strongly recommends shareholders to encash / claim their respective dividend within the period given below from the Company's Registrar and Share Transfer Agents:

Financial Year	Date of Declaration	Last date for claiming dividend	Unclaimed Dividend as on March 31, 2022 (₹)	
			Ordinary Shares	'A' Ordinary Shares
2014-15	No dividend was declared		-	-
2015-16	August 9, 2016	September 8, 2023	28,50,642.00	1,26,596.40
2016-17	No dividend was declared		-	-
2017-18	No dividend was declared		-	-
2018-19	No dividend was declared		-	-
2019-20	No dividend was declared		-	-
2020-21	No dividend was declared		-	-

Whilst the Company's Registrar has already written to the Members, Debenture holders and Depositors informing them about the due dates for transfer to IEPF for unclaimed dividends/ interest payments, attention of the stakeholders is again drawn to this matter through the Annual Report. The data on unpaid / unclaimed dividend and other unclaimed monies is also available on the Company's website at https://www.tatamotors.com/investor/iepf/. Investors who have not yet encashed their unclaimed/unpaid amounts are requested to correspond with the Company's Registrar and Transfer Agents, at the earliest. Members may refer to the Refund Procedure for claiming the aforementioned amounts transferred to the IEPF Authority as detailed on http://www.iepf.gov.in/IEPF/refund.html.

Mr Maloy Kumar Gupta, Company Secretary, is the Nodal Officer. His contact details are - Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai - 400 001, India. Tel: 91 22 6665 8282 Email: nodalofficer.iepf@tatamotors.com

(ii) Upto March 31, 2022, the Company has transferred ₹45,85,84,368.34 to IEPF, including the following amounts during the year.

Particulars	FY 2021-22 (₹)
Unpaid dividend amounts of the Company	1,51,91,520.00
Application moneys received for allotment of any securities and due for refund	-
Unpaid matured deposit with the Company	8,20,000.00

Particulars	FY 2021-22 (₹)
Unpaid matured debentures with the Company	-
Interest accrued on application money due for refund, unpaid matured deposits and debentures with the Company	-
Sale proceeds of fractional shares arising out of issuance of bonus shares, merger and amalgamation	-
Redemption amount of preference shares	-
Grants and donation	-
Others	-
Total	**1,60,11,520.00**

DISTRIBUTION OF SHAREHOLDING AS AT MARCH 31, 2022

Ordinary Shares

Range of Shares	No. of Shares				No. of shareholders			
	No. of Shares	Physical Form (%)	Demat Form (%)	% of Capital	No. of Holders	Physical Form (%)	Demat Form (%)	% of Capital
1 – 500	21,66,04,074	0.08	6.44	6.52	37,54,456	0.45	95.35	95.80
501 – 1,000	6,57,94,818	0.07	1.91	1.98	88,279	0.08	2.17	2.25
1,001 – 2,000	6,09,69,605	0.09	1.75	1.84	42,360	0.05	1.03	1.08
2,001 – 5,000	7,33,68,251	0.11	2.10	2.21	23,591	0.03	0.57	0.60
5,001 -10,000	4,35,70,372	0.05	1.27	1.32	6,221	0.01	0.15	0.16
10,001-1,00,000	8,01,07,039	0.08	2.33	2.41	3,375	0.00	0.09	0.09
Above 1,00,001	278,02,47,848	0.06	83.66	83.72	668	0.00	0.02	0.02
Total	**332,06,62,007**	**0.54**	**99.46**	**100.00**	**39,18,950**	**0.62**	**99.38**	**100.00**

'A' Ordinary Shares

Range of Shares	No. of Shares				No. of Shareholders			
	No. of Shares	Physical Form (%)	Demat Form (%)	% of Capital	No. of Holders	Physical Form (%)	Demat Form (%)	% of Capital
1 – 500	3,90,97,115	0.01	7.68	7.69	4,59,763	0.12	90.27	90.39
501 – 1,000	1,83,57,696	0.00	3.61	3.61	23,518	0.01	4.62	4.63
1,001 – 2,000	1,84,73,281	0.00	3.63	3.63	12,444	0.00	2.45	2.45
2,001 – 5,000	2,57,51,036	0.00	5.06	5.06	7,959	0.00	1.56	1.56
5,001 -10,000	1,91,96,712	0.01	3.77	3.78	2,619	0.00	0.51	0.51
10,001-1,00,000	5,56,10,407	0.00	10.94	10.94	2,075	0.00	0.41	0.41
Above 1,00,001	33,20,16,649	0.00	65.29	65.29	273	0.00	0.05	0.05
Total	**50,85,02,896**	**0.02**	**99.98**	**100.00**	**5,08,651**	**0.13**	**99.87**	**100.00**

COMBINED SHAREHOLDING PATTERN (ORDINARY & 'A' ORDINARY SHARE CAPITAL)

i) **Category-wise Share Holding as on March 31, 2022**

Category	Number of Equity Shares held	% of holding
Promoters and Promoter Group	1,579,887,957	41.26
Mutual Funds and UTI	337,812,554	8.82
Banks, Financial Institutions, States and Central Government	17487862	0.46
Alternate Investment Funds	10,483,166	0.27
Insurance Companies	233,230,719	6.09
Foreign Institutional Investors and Foreign Portfolio Investors - Corporate	567,752,407	14.83
Provident Funds / Pension Funds	21,841,729	0.57
Non-Resident Indians / Overseas Bodies Corporates / Foreign Companies	51000249	1.33
Bodies Corporate / Trust	50301,005	1.32
NBFCs / HUF / LLPs	21718739	0.56
Indian Public and Others	931783914	24.33
Directors and Director's Relatives	200,000	0.01
IEPF Suspense Account	5,664,602	0.15
GRAND TOTAL	**3,829,164,903**	**100.00**

ii) **Top 10 Shareholders as on March 31, 2022**

Sr. No.	Name of the Shareholder	Number of Equity Shares held	% of holding
1	Tata Sons Private Limited (Promoter)	1,49,06,25,082	38.93
2	Citibank N.A. New York, NYADR Department	17,09,58,550	4.46
3	Life Insurance Corporation of India	15,77,81,241	4.12
4	ICICI Prudential Equity & Debt Fund	8,06,52,318	2.11
5	Tata Industries Limited	7,22,03,630	1.89
6	Jhunjhunwala Rakesh Radheshyam	5,42,50,000	1.42
7	SBI-ETF Nifty 50	5,00,76,385	1.31
8	HDFC Trustee Company Limited - HDFC Flexi Cap Fund	3,97,76,489	1.04
9	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	3,81,96,523	1.00
10	Kuwait Investment Authority Fund 601	2,85,23,625	0.74

Note: Shareholding of Top 10 is consolidated based on the Permanent Account Number (PAN) of the shareholder.

DEMATERIALISATION OF SHARES

The Company's Ordinary and 'A' Ordinary Shares are tradable compulsorily in electronic form. The electronic holding of the shares as on March 31, 2022 through the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) are as follows:

Particulars	Ordinary Shares (%)		'A' Ordinary Shares (%)	
	2022	2021	2022	2021
NSDL	91.98	93.38	81.11	85.04
CDSL	7.48	6.04	18.87	14.94
Total	**99.46**	**99.42**	**99.98**	**99.98**

OUTSTANDING SECURITIES

Outstanding Depositary Receipts/Warrants or Convertible instruments, conversion / maturity date and likely impact on equity as on March 31, 2022 are as follows:

- **Depositary Receipts:** The Company has 3,41,95,760 ADRs listed on the New York Stock Exchange as on March 31, 2022. Each Depository Receipt represents 5 underlying Ordinary Shares of ₹2/- each.

Listing on Foreign Stock Exchange	New York Stock Exchange (NYSE)
Security Type	ADRs
ISIN	US8765685024
Stock Code / Ticker	TTM
Address	NYSE, 20 Broad Street, New York, NY 10005

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

- **Senior Unsecured Notes:** The details of outstanding Senior Unsecured Notes aggregating US$ 550 million, are given hereunder:

Security Type	ISIN	Issue Size (US$)	Yield per annum (%)	Date of Issue	Date of Maturity	Listing
Senior Unsecured Notes	XS1121908211	250,000,000	5.750%	October 30, 2014	October 30, 2024	Singapore Stock Exchange
Senior Unsecured Notes	XS2079668609	300,000,000	5.875%	November 20, 2019	May 20, 2025	

- For details pertaining to outstanding warrants and other convertible instruments issued by the Company, kindly refer to point no. (viii) under the "Disclosures" section of this Corporate Governance Report.
- The following Non-Convertible Debentures are listed on NSE and BSE under Wholesale Debt Market segment*:

Series No.	Stock Exchange Listing	ISIN	Principal Amount (₹ in crore)	Yield to Maturity (%)	Date of Maturity
E26B	NSE	INE155A08191	300	9.81	August 20, 2024
E26C	NSE	INE155A08209	200	9.77	September 12, 2024
E26E	NSE & BSE	INE155A08233	400	9.60	October 29, 2022
E26F	NSE & BSE	INE155A08241	400	9.35	November 10, 2023
E27H	NSE & BSE	INE155A08340	500	7.50	June 22, 2022
E28A (Tranche I)	NSE & BSE	INE155A08381	200	9..27	June 30, 2023
E28 A (Tranche II)	NSE & BSE	INE155A08373	200	9.31	September 29, 2023
E28A (Tranche III)	NSE & BSE	INE155A08399	100	9.54	June 28, 2024
E28B (Tranche I)	NSE & BSE	INE155A08407	250	8.50	December 30, 2026

Series No.	Stock Exchange Listing	ISIN	Principal Amount (₹ in crore)	Yield to Maturity (%)	Date of Maturity
E28B (Tranche II)	NSE & BSE	INE155A08415	250	8.50	January 29, 2027
E29A	NSE & BSE	INE155A07284	1000	8.80	May 26, 2023
E30A	NSE & BSE	INE155A08423	500	6.60	May 29, 2026
E30B	NSE & BSE	INE155A08431	500	6.95	March 31, 2026

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

During the year, the following Non-Convertible Debentures (NCDs) were redeemed:

- 9.02% E26G Series of NCDs (ISIN:INE155A08258) of ₹300 crore on December 10, 2021;
- 8.40% E27B Series of NCDs (ISIN: INE155A08282) of ₹300 crore on May 26, 2021;
- 7.50% E27E Series of NCDs (ISIN: INE155A08316) of ₹300 crore on October 20, 2021;
- 7.71% E27F Series of NCDs (ISIN: INE155A08324) of ₹500 crore on March 3, 2022;
- 7.84% E27G Series of NCDs (ISIN: INE155A08332) of ₹500 crore on September 27, 2021; and
- 7.40% E27I (Tranche 2) Series of NCDs (ISIN: INE155A08365) of ₹500 crore on June 29, 2021.

Debenture Trustee: Vistra ITCL (India) Limited, situated at the IL&FS Financial Centre, 7th Floor, Plot C- 22, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051, are the debenture trustees for all the aforementioned NCD's issued by the Company. They may be contacted at Tel.: +91 22 2659 3333, Fax: + 91 22 2653 3297, Email id: itclcomplianceofficer@vistra.com.

PLANT LOCATIONS

Location	Range of Products Produced
Pimpri, Pune – 411 018; Chikhali, Pune – 410 501; Chinchwad, Pune – 411 033	Medium and Heavy Commercial Vehicles (M&HCVs), Intermediate & Light Commercial Vehicles (ILCVs), Small Commercial Vehicles – Pickups (SCVs), Winger (Vans), Utility Vehicles (UVs) and Cars
Jamshedpur – 831 010	Intermediate Commercial Vehicles (ICVs) and M&HCVs
Chinhat Industrial Area, Dewa Road, Chinhat, Lucknow – 226 019	ICVs, M&HCVs, LCVs, Electric Vehicles and Buses
Plot No. 1, Sector 11 and Plot No. 14, Sector 12, I.I.E., Pantnagar, District, Udhamsingh Nagar, Uttarakhand – 263 145	SCVs
Revenue Survey No. 1, Village Northkotpura, Taluka Sanand, District Ahmedabad – 382 170	Tata Motors Passenger Vehicles Limited - Cars
KIADB Block II, Belur Industrial Area, Mummigatti Post, Dharwad – 580 011	SCVs, LCVs, ICVs, M&HCVs and Electric Buses

ADDRESS FOR CORRESPONDENCE

For Investor Queries	
Retail / HNI Investors Mr Maloy Kumar Gupta, Company Secretary Bombay House, 24, Homi Mody Street, Mumbai - 400 001, India Phone : 91-22- 6665 7824 E-Mail : inv_rel@tatamotors.com	**Institutional Investors** Mr Dhiman Gupta, Head (Treasury, Investor Relations and M&A) 3rd floor, Nanavati Mahalaya,18, Homi Mody Street, Mumbai - 400 001, India Phone : 91-22-6665 8282 E-Mail : ir_tml@tatamotors.com
For Fixed Deposit and other Share related queries	
Kindly refer details mentioned herein above under the head "Registrar and Transfer Agents"	

CREDIT RATINGS

Credit ratings obtained along with revisions thereto during FY 2021-22, for all debt instruments in India and abroad are as under:

Rating Agency	Period	Credit Rating	
		Short-Term	Long-Term
CARE Ratings Limited	As on April 1, 2021	CARE A1+	CARE AA- / Stable
CRISIL	As on April 1, 2021	CRISIL A1+	CRISIL AA- / Stable
ICRA Limited	As on April 1, 2021	ICRA A1+	ICRA AA- / Stable
MOODY's Investors Service	As on April 1, 2021		B1 / Negative
	May 14, 2021		B1 / Stable
Standard & Poor's	As on April 1, 2021		B / Negative
	May 17, 2021		B / Stable
	August 20, 2021		B / Watch Positive
	October 20, 2021		BB-/ Stable

SUBSIDIARY COMPANIES

During FY 2021-22, as per the provisions of Regulations 16 and 24 of the SEBI Listing Regulations, Ms Hanne Sorensen, ID is on the Boards of Jaguar Land Rover Automotive plc, Jaguar Land Rover Limited, Jaguar Land Rover Holdings Limited and Jaguar Land Rover (China) Investment Co Limited, which have been identified as material unlisted subsidiary companies.

In addition to the above, Ms Vedika Bhandarkar, ID is on the Boards of Tata Motors Finance Limited and Tata Motors Finance Solutions Limited, which have been identified as strategically important subsidiary companies.

The Company adopted a Policy for 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://investors.tatamotors.com/pdf/material.pdf, pursuant to Regulation 46(2) of the SEBI Listing Regulations.

The Audit Committee also has a meeting wherein the CEO and CFO of subsidiary companies make a presentation on significant issues in audit, internal control, risk management, etc. Significant issues pertaining to subsidiary companies are also discussed at Audit Committee meetings of the Company.

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

The Company is compliant with other requirements under Regulation 24 of the SEBI Listing Regulations with regard to its subsidiary companies.

DISCLOSURES

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. 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. During the period, all transactions with related parties entered into by the Company were in the ordinary course of business and on an arm's length basis, were approved by the Audit Committee. The detailed Policy on Related Party Transactions is available on the website of the Company at https://investors.tatamotors.com/pdf/rpt-policy.pdf.

i. The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India ('SEBI') or any other statutory authority relating to the capital markets during the last 3 years. No penalties or strictures have been imposed by them on the Company.

   In accordance with the provisions of the Act and Regulation 22 of the SEBI Listing Regulations the Company has in place a Vigil Mechanism and a Whistle-Blower Policy duly approved by the Audit Committee which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee. Kindly refer to the Company's website https://investors.tatamotors.com/pdf/whistle-blower-policy.pdf for the detailed Whistle-Blower Policy of Company.

ii. **Prevention of Insider Trading Code:** As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the UPSI of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code. Mr P B Balaji, the Group CFO, is the Compliance Officer, is responsible for setting forth procedures and implementation of the Code for trading in the Company's securities. Kindly also refer to details disclosed in point (i) above.

iii. The Company has complied with all the mandatory requirements of Corporate Governance as specified in sub-paras (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations and disclosures on compliance with corporate governance requirements specified in Regulations 17 to 27 have been included in the relevant sections of this report.

iv. The Company also fulfilled the following non-mandatory requirements as specified in Part E of the Schedule II of the SEBI Listing Regulations:

   - **Maintenance of Chairman's office:** The Non-Executive Chairman has a separate office which is not maintained by the Company.
   - **Shareholder Rights:** Annual financial performance of the Company is sent to all the Members whose e-mail IDs are registered with the Company / Depositories. The results are also available on the Company's website https://www.tatamotors.com/investors/results-press-releases/
   - **Modified opinion in Audit Report:** During the year under review, there was no modified audit opinion in the Auditors' Report on the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unmodified audit opinions in its financial statements.
   - **Reporting of Internal Auditor:** The Chief Internal Auditor reports to the Audit Committee of the Company, to ensure independence of the Internal Audit function.

v. Commodity price risk or foreign exchange risk and hedging activities:

   During the FY 2021-22 the Company had managed the foreign exchange and commodity price risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange and commodity exposures against exports and imports. The details of foreign currency and commodity exposure are disclosed in Note No. 40(b)(c)(i)(a), 40(b)(c)(iv) and 40(b)(c)(v) to the Standalone Financial Statements.

a. Total exposure of the Company to commodities: ₹19,647 crore [please refer to Note no.(1)]

b. Exposure of the Company to various Commodities:

Commodity Name	Exposure in ₹ towards a particular commodity	Exposure in quantity terms towards a particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Raw Material (majorly Steel)	₹18,320 crore	Note 3	-	-	-	-	-
Aluminum, Copper & Lead	₹1,327 crore	0.054 million metric tons	-	-	39%	-	39%

Notes:

1. *During April 2021 to December 2021, combined exposure is given for the Company's Commercial Vehicle (CV) and Passenger Vehicle (PV) business purchases. However, for the period January to March 2022 only exposure for the CV business purchases is considered, since in January 2022, the Company's PV business was transferred as per a Scheme of Arrangement to Tata Motors Passenger Vehicles Limited (TMPVL), a subsidiary.*
2. *TMPVLs total exposure to commodities for the period January to March 2022 was ₹2,190 crore, which is not included above.*
3. *Mixture of commodities having different units of measurement.*
4. *The values provided above are estimates and the exposure given above is relating to direct materials only.*
5. *The actual hedges placed for Aluminum, Copper and Lead aggregated to 20,890 metric tons.*

c. Commodity risks faced by the Company during the year and measures adopted to combat the same:

FY 2021-22 saw major demand supply imbalance leading to spike in commodity prices, impacting the industry as a whole. The Company is running comprehensive campaigns to offset the impact of such cost pressures.

vi. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the year ended March 31, 2020, the Company had allotted 20,16,23,407 Ordinary Shares at a price of ₹150 per Ordinary Share aggregating to ₹3,024.35 crore and 23,13,33,871 Convertible Warrants ('Warrants'), each carrying a right to subscribe to one Ordinary Share per Warrant, at a price of ₹150 per Warrant ('Warrant Price'), aggregating to ₹3,470.00 crore on a preferential basis to Tata Sons Private Limited. An amount equivalent to 25% of the Warrant Price was paid at the time of subscription and the balance 75% of the Warrant Price was payable by the Warrant holder against each Warrant at the time of allotment of Ordinary Shares pursuant to exercise of the options attached to Warrant(s) to subscribe to Ordinary Share(s) by June 2021.The Company has fully utilised the amount of ₹3,891.85 cro39%e towards repayment of debt, and other general corporate purposes of the Company and its subsidiaries.

During the year ended March 31, 2021, on exercise of options by Tata Sons Private Limited and on receipt of the balance subscription money of ₹2,602.51 crore, the Company has fully converted 23,13,33,871 convertible warrants into Ordinary Shares. As at March 31, 2022 the Company has fully utilized the amount towards repayment of debt, and other general corporate purposes of the Company

vii. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

viii. As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including IDs, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

ix. The Company and its Subsidiaries on a consolidated basis have paid ₹79.74 crore to the Statutory Auditors and to all entities in their network firm. For details please refer to the Note No. 38 in the Consolidated Financial Statements.

x. Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has established an appropriate mechanism for dealing with complaints in relation to Sexual Harassment of Women at Workplace, in accordance with its Policy on Prevention of Sexual Harassment at Workplace ('POSH'). For disclosure regarding the number of complaints filed, disposed of and pending, please refer to the Board's Report.

xi. The Company is in compliance with the disclosures required to be made under this report in accordance with Regulation 34(3) read together with Schedule V(C) to the SEBI Listing Regulations.

xii. Appropriate information has been placed on the Company's website pursuant to clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

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://investors.tatamotors.com/pdf/Terms-of-Appointment-ID.pdf
Board Committees	The composition of various committees of the Board	https://www.tatamotors.com/about-us/leadership/
Tata Code of Conduct	Represents the values and core principles that guide the conduct of every Tata business. The Code lays down the ethical standards that Tata colleagues need to observe in their professional lives. a) For Whole-time Directors & Employees	https://www.tatamotors.com/wp-content/uploads/2015/10/09042523/tata-code-of-conduct1.pdf
	b) For NINEDs and IDs	https://investors.tatamotors.com/pdf/ned-id.pdf
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://investors.tatamotors.com/pdf/whistle-blower-policy.pdf
Policy on Related Party Transactions (1)	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://investors.tatamotors.com/pdf/rpt-policy.pdf_
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://investors.tatamotors.com/pdf/material.pdf
Familiarisation Programme	For IDs through various programmes/ presentations.	https://investors.tatamotors.com/pdf/familiarisation-programme-independent-directors.pdf
Unpaid Dividend Account Details	Statement of unclaimed and unpaid amounts to be transferred to the IEPF.	https://www.tatamotors.com/investors/iepf/
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://investors.tatamotors.com/pdf/csr-policy.pdf
Audit Committee Charter	Inter alia outlines the terms of reference, composition, quorum, meeting requirements, authority and responsibility of the Audit Committee of the Company.	https://investors.tatamotors.com/pdf/audit_committee_charter.pdf
Policy for Approval of Services to be rendered by the Auditors	For the Audit Committee to oversee the services rendered by the Auditors to the Tata Motors Group and the payment for the said services so as to ensure that the Auditors function in an independent manner.	https://www.tatamotors.com/investors/pdf/auditfee-policy.pdf
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://investors.tatamotors.com/pdf/materiality.pdf
Content Archiving 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://investors.tatamotors.com/pdf/content-archiving-policy.pdf
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://investors.tatamotors.com/pdf/CodeCorporateDisclosure.pdf

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://investors.tatamotors.com/pdf/dividend-distribution-policy.pdf
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://investors.tatamotors.com/pdf/remuneration-policy.pdf

(1) Revised in line with the amendments under the SEBI Listing Regulations.

On behalf of the Board of Directors

N Chandrasekaran
Chairman
DIN: 00121863

Mumbai, May 12, 2022

DECLARATION BY THE CEO UNDER REGULATION 26(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT

Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2022.

For Tata Motors Limited

Girish Wagh
Executive Director
DIN: 03119361

Mumbai, May 12, 2022

CEO/CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT (PURSUANT TO REGULATION 17 (8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS), REGULATIONS, 2015 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2022 and we hereby certify and confirm to the best of our knowledge and belief the following:

a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.

c. There are no transactions entered in to by the Company during the year ended 31st March 2022 which are fraudulent, illegal or violative of Company's Code of Conduct.

d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.

e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.

f. That there have been no significant changes in the accounting policies during the relevant period.

g. We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

For Tata Motors Limited

Girish Wagh Executive Director DIN: 03119361	**P B Balaji** Tata Motors Group Chief Financial Officer

Mumbai, May 12, 2022

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF

TATA MOTORS LIMITED

We have examined the compliance of the conditions of Corporate Governance by Tata Motors Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

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

For Parikh & Associates
Practising Company Secretaries

P. N. PARIKH
FCS: 327 CP: 1228
UDIN: F000327D000306875
PR No.:1129/2021

Mumbai, 12.05.2022

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON DIRECTORS NON-DISQUALIFICATION

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
TATA MOTORS LIMITED
Bombay House,
24, Homi Mody Street,
Mumbai 400001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **TATA MOTORS LIMITED** having **CIN L28920MH1945PLC004520** and having registered office at Bombay House, 24, Homi Mody Street, Mumbai 400001 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Natarajan Chandrasekaran	00121863	17/01/2017
2.	Om Prakash Bhatt	00548091	09/05/2017
3.	Hanne Birgitte Breinbjerg Sorensen	08035439	03/01/2018
4.	Vedika Bhandarkar	00033808	26/06/2019
5.	Veerayya Kosaraju Chowdary	08485334	27/10/2020
6.	Mitsuhiko Yamashita	08871753	16/09/2020
7.	Thierry Yves Henri Bolloré	08935293	27/10/2020
8.	Girish Arun Wagh	03119361	01/07/2021

* the date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

P. N. PARIKH
FCS: 327 CP: 1228
UDIN: F000327D000306908
PR No.: 1129/2021
Mumbai, 12.05.2022

Independent Auditor's Report

TO THE MEMBERS OF TATA MOTORS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Tata Motors Limited (the " Company") and its joint operations, which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial information of one joint operation as was audited by the other auditor, 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 2022, and its loss and other comprehensive income, 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 obtained by us along with the consideration of report of the other auditor referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of matter

We draw attention to Note 2(c) of the standalone financial statements, which describes in detail the economic and social consequences/ disruption the Company is facing as a result of COVID-19 which is impacting supply chains / consumer demand / financial markets / commodity prices / personnel available for work. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Description of Key Audit Matter

Transfer of Passenger Vehicle Undertaking (PV Undertaking)

The key audit matter	How the matter was addressed in our audit
During the current year, the Company has transferred its PV Undertaking to its step down subsidiary 'Tata Motors Passenger Vehicles Limited' (TMPVL) (formerly known as TML Business Analytics Services Limited) in accordance with the Scheme of Arrangement (Scheme) approved by the National Company Law Tribunal ('NCLT') vide its Order dated August 24, 2021. The Company has filed the NCLT approved scheme with the Registrar of Companies and received all other regulatory approvals and the scheme is effective from January 01, 2022. Accordingly, the assets and liabilities of PV Undertaking have been transferred to TMPVL as on January 01, 2022. The Company has accounted for this transfer in accordance with the generally accepted accounting principles and has recognized the excess of consideration received over the carrying value of net assets transferred, amounting to ₹ 1,960.04 crores in Capital Reserve. (Refer note 46 to the Standalone Financial Statements) The transfer of PV Undertaking has significant measurement and disclosure impacts on the Company's standalone financial statements. This involves identification of assets and liabilities to be transferred as part of the Scheme and disclosure of revenue, expenses and pre-tax profit or loss of discontinued operations as a single amount in the Statement of Profit or Loss for current and previous year in accordance with Ind AS 105: Non current Assets Held for Sale and Discontinued Operations. Further, significant judgement is required in determining the appropriate accounting treatment. Thus, we have identified transfer of PV Undertaking as a key audit matter given that it is a significant, complex, unusual / non-routine transaction and material to the standalone financial statements and that is fundamental to the users' understanding of the financial statements.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: **Test of Controls:** • We evaluated the design and tested the operating effectiveness of the key control over the identification of assets and liabilities of the PV Undertaking to be transferred from the Company to TMPVL pursuant to the Scheme and recording the impact of the Scheme. • We evaluated the design and tested the operating effectiveness of the key control for identification of amounts to be disclosed as discontinued operations and related disclosures in the standalone financial statements. **Test of Details:** • We read minutes of meetings of the Board of Directors of the Company, the Scheme of Arrangement and the NCLT Order to analyse the key terms and conditions of theunderlying Scheme of Arrangement; • We have performed necessary procedures to determine the completeness and accuracy of the assets and liabilities identified as part of transfer of PV Undertaking; • We evaluated the appropriateness of the accounting treatment followed by the Company; • We have performed necessary procedures to verify the amounts disclosed as discontinued operations in the Statement of Profit or Loss for the current and previous year; • We analysed the accounting treatment and adequacy of disclosure for compliance with applicable Indian Accounting Standards and accounting principles generally accepted in India; • We evaluated the Company's assessment of the income tax impact of the above business transfer (from a seller's perspective) and its impact on the standalone financial statements. We involved tax specialist for the same.

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 standalone financial statements and our 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, and based on the work done / audit report of the other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures,

and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements / financial information of joint operations of the Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements / financial information of such joint operation included in the standalone financial statements of which we are the independent auditors. For the other joint operation included in the standalone financial statements, which has been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Company and such other entity included in the standalone financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial information of one joint operation (which ceased to be a joint operation on January 01, 2022) included in the standalone financial statements of the Company whose financial information reflect total revenue (before consolidation adjustments) of ₹ 10,213.55 crores and net cash outflows (before consolidation adjustments) amounting to ₹ 657.82 crores for the period from April 01, 2021 to December 31, 2021, as considered in the standalone financial statements. The financial information of this joint operation has been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this joint operation, is based solely on the report of such other auditor.

Our opinion is not modified in respect of this matter.

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 report of the other auditor on separate financial statements of one joint operation that was audited by the other auditor, as noted in the "Other Matters" paragraph, 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 and its joint operations so far as it appears from our examination of those books and the report of the other auditor.

   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 relevant 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 2022 taken on record by the Board of Directors and the report of the statutory auditors of the joint operation, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and its joint operations which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 report of the other auditor on separate financial statements of a joint operation, as noted in the "Other Matters" paragraph:

a) The standalone financial statements disclose the impact of pending litigations as at 31 March 2022 on the financial position of the Company and its joint operation to the standalone financial statements.

b) Provision has been made in the standalone financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the standalone financial statements.

c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company or its joint operations incorporated in India during the year ended 31 March 2022.

d) (i) The management has represented that, to the best of its knowledge and belief, except as disclosed in the note 49 (iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its joint operation companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or its joint operation companies incorporated in India or

- provide any guarantee, security or the like to or 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 49 (v) to the standalone financial statements, no funds have been received by the Company or its joint operation from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its joint operation companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year. In respect of a joint operation, the final dividend paid by the joint operation during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of the joint operation have proposed final dividend for the year which is subject to the approval of the members of the joint operation at their 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.

(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 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 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.

Further, with respect to the joint operations included in the standalone financial statements, in our opinion and according to the information and explanations given to us, the provisions of Section 197 of the Act are not applicable to the joint operation companies incorporated in India since none of these companies is a public company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Shiraz Vastani
Partner
Membership No.103334
UDIN - 22103334AIVTXO1213

Place: Mumbai
Date: 12 May 2022

Annexure A to the Independent Auditors' report on Standalone Financial Statements – 31 March 2022

(Referred to in 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 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.

(i) (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.

(i) (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.

(i) (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for inward goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(ii) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except for statements filed for quarters ended 30 June 2021, 30 September 2021 and 31 December 2021 with State Bank of India, Bank of America, Citibank N.A., HDFC Bank Limited, ICICI Bank Limited, Standard Chartered Bank, Union Bank of India, Kotak Mahindra Bank Limited and Bank of Baroda where differences were noted between the amount as per books of account for respective quarters and amount as reported in the quarterly statements. The differences were in case of Debtors amounting to ₹ 689 crores (amount reported – ₹ 3,166 crores vs amount per books of account – ₹ 2,477 crores), ₹ 490 crores (amount reported – ₹ 2,799 crores vs amount per books of account – ₹ 2,309 crores) and ₹ 758 crores (amount reported – ₹ 3,191 crores vs amount per books of account – ₹ 2,433 crores) for the quarter ended 30 June 2021, 30 September 2021 and 31 December 2021 respectively. Further, Creditors had a difference of ₹ 38 crores (amount reported – ₹ 3,246 crores vs amount per books of account – ₹ 3,208 crores) for the quarter ended 30 June 2021; and Inventory had a difference of ₹ 44 crores (amount reported – ₹ 5,472 crores vs amount per books of account – ₹ 5,516 crores) for the quarter ended 30 September 2021. These statements were subsequently rectified after year ended 31 March 2022 and submitted to the respective banks.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any secured loans or secured or unsecured advances in the nature of loans, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments in, granted unsecured loans and advances in the nature of loans to companies and other parties in respect of which the requisite information is as below. The Company has not made investments in or granted any unsecured loans to firms, limited liability partnerships or any other parties during the year.

(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 to subsidiaries, employees and advances in the nature of loans as below:

(₹ crores)

Particulars	Loans	Advances in the nature of loans
Aggregate amount during the year		
- Subsidiaries*	110.77	
- Others		
- Employees	18.20	
- Suppliers		-
Balance outstanding as at balance sheet date		
- Subsidiaries*	619.29	
- Others		
- Employees	32.00	
- Suppliers		61.02

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the loans granted during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or security or granted any advances in the nature of loans during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the receipts have been regular except in case of two wholly-owned subsidiaries outside India where cumulative principal amount of ₹ 613 crores and cumulative interest amount of ₹ 144 crores which was due for repayment in earlier years has not been collected as at 31 March 2022, since management believes that these amounts are not recoverable as these subsidiaries are in losses and the amounts have been provided for in the financial statements of the Company.

Further, during the year, the Company has converted the loans given to its other subsidiaries into investments aggregating to ₹ 107.92 crores. These loans were not due as on the date of conversion.

Further, the Company has given advance in the nature of loan to three suppliers as mentioned below.

Name of the entity	Amount (₹ Crores)	Remarks
Autoline Industries Limited	18.70	These amounts were due for repayment in earlier years but have not been collected as at 31 March 2022.
Ganage Pressings Private Limited	5.00	
Rojee Tasha Stampings Private Limited	21.00	

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given except in case of two wholly-owned subsidiaries outside India and three suppliers as reported in para iii (c) above.

(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, 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.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year.

In respect of unclaimed deposits, the Company has complied with the provisions of section 73 to 76 of the Act and the rules framed thereunder.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, except for Provident fund dues referred to in note 38 to the financial statements. We are informed by the Company that the Employee's State Insurance Act, 1948 is applicable only to certain locations of the Company. With regard to the contribution under the Employee's Deposit Linked Insurance Scheme, 1976 (the scheme), the Company has sought exemption from making contribution to the scheme since it has its own Life Cover Scheme. The Company has made an application on August 31, 2020 seeking an extension of exemption from contribution to the Scheme for a period of 3 years, approval of which is awaited. We are further informed by the Company that they have filed for surrender of exemption available to its Pension Trust effective 1 October 2019.

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 Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable. We draw attention to note 38 to the financial statements which more fully explains the matter regarding non- payment of provident fund contribution pursuant to Supreme Court judgement dated 28 February 2019.

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

Name of the statute	Nature of the dues	Gross Demand (₹ in Crore)	Paid under Protest* (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.78	2.78	1982-83, 1991-92 and 1995-96	High Court
		107.50	92.78	AY 2006-07 to AY 2012-13 and erstwhile Tata Finance Limited	Income Tax Appellate Tribunal
		928.56	59.74	AY 2003-04 and AY 2013-14 to 2016-2017 and erstwhile Tata Motors Drivelines Limited 2015-16	Commissioner of Income Tax (Appeals)#
Central Excise Act, 1944	Duty of excise	42.95	0.15	1991-92, 1992-93, 1993-94, 2002-03, 2005-06, 2006-07, 2009-10, 2010-11, 2011-12	High Court
		633.48	25.26	1991-92,1992- 93,1994-95,1996- 97,1997-98 and 1999-2000 to 2017-18	The Custom, Excise and Service Tax Appellate Tribunal
		2.22	0.32	1984-85 and 1999-00 to 2017- 18	Appellate Authority up to Commissioner's level
Finance Act, 2014	Service tax	1,086.69	10.79	2004-05 to 2013- 14	High Court
		142.51	6.21	2004-05 to 2017- 18	The Custom, Excise and Service Tax Appellate Tribunal

Name of the statute	Nature of the dues	Gross Demand (₹ in Crore)	Paid under Protest* (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
		5.36	0.40	2011-2015, 2015-2016, 2016-2017	Commissioner
Sales Tax	Sales tax	13.18	-	1995-96	Supreme Court
		281.41	51.13	1984-85 to 1988-89, 1990-91, 2001-02 to 2005-2006, 2007-08 to 2016-17	High Court
		325.40	17.74	1986-87, 1989-90, 2002-03 to 2014-15, 2017-18	The Custom, Excise and Service Tax Appellate Tribunal
		822.67	43.31	1979-80, 1986-87 and 1989-90 to 2017-18	Appellate Authority up to Commissioner's level
Customs Act, 1962	Duty of customs	3.90	3.90	2011-12	Supreme Court
		7.49	3.11	2008-09	High Court
Goods and Services Tax	Goods and Services Tax	17.56	0.12	2018-19	The Goods and Services Tax Appellate Tribunal
		0.56	0.11	2017-18 to 2020-21	Appellate Authority up to Commissioner's level

*includes refunds adjusted by the authorities.

This includes demand of ₹ 417.12 crores for AY 2014-15 and ₹ 385.95 crores for AY 2015-16 which has been subsequently deleted pursuant to Orders under section 154 of the Income Tax Act, 1961 dated 6 May 2022 and 9 May 2022, respectively.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanation given to us, in respect of inter-corporate deposits / loans amounting to ₹ 4,466 crores which are repayable on demand and schedules for payment of interest thereon have not been stipulated, such inter-corporate deposits / loans and interest thereon have not been demanded for repayment during the current year. In respect of other loans, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of inter-corporate deposits / loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, as at 31 March 2022 we report that the funds raised on short term basis of ₹ 8,391 crores have been used for long term investment.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year except that we have been informed about three instances, estimated to aggregate ₹ 15 crores, involving three employees who in collusion with certain vendors processed payments with inadequate documents and benefitted from them. The services of these employees have been terminated.

(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 six 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.

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

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate / Joint operation	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Fiat India Automobiles Private Limited	U28900PN1997PTC130940	Joint operation (Ceased to be Joint operation w.e.f. 01 January 2022)	Clause (ii)(b)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Shiraz Vastani
Partner
Membership No.103334
UDIN - 22103334AIVTXO1213

Place: Mumbai
Date: 12 May 2022

Annexure B to the Independent Auditors' report on the standalone financial statements of Tata Motors Limited for the year ended 31 March 2022.

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 Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Tata Motors Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date which includes internal financial controls with reference to financial statements of the Company's joint operation which is a company incorporated in India.

In our opinion, the Company and its joint operation which is a company incorporated in India 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 2022, 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 Responsibility 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' 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 whether 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 such internal financial controls, 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 standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Shiraz Vastani
Partner
Membership No.103334
UDIN - 22103334AIVTXO1213

Place: Mumbai
Date: 12 May 2022

Balance Sheet

(₹ in crores)

				Notes	As at March 31, 2022	As at March 31, 2021
I.	**ASSETS**					
	(1)	**NON-CURRENT ASSETS**				
		(a)	Property, plant and equipment	3 (b)	11,733.44	19,153.47
		(b)	Capital work-in-progress	3 (c)	585.21	1,400.82
		(c)	Right of use assets	4 (b)	332.45	768.59
		(d)	Goodwill		-	99.09
		(e)	Other intangible assets	5 (b)	2,009.87	6,401.95
		(f)	Intangible assets under development	5 (c)	882.03	1,605.64
		(g)	Investments in subsidiaries, joint ventures and associates	6	27,917.45	15,147.26
		(h)	Financial assets			
			(i) Investments	8	1,338.94	967.65
			(ii) Loans and advances	10	48.43	72.39
			(iii) Other financial assets	12	1,992.52	1,899.20
		(i)	Non-current tax assets (net)		777.68	715.31
		(j)	Other non-current assets	14	662.24	973.70
					48,280.26	**49,205.07**
	(2)	**CURRENT ASSETS**				
		(a)	Inventories	16 (b)	3,718.49	4,551.71
		(b)	Financial assets			
			(i) Investments	9	5,143.08	1,578.26
			(ii) Trade receivables	17	2,111.78	2,087.51
			(iii) Cash and cash equivalents	19 (b)	2,450.23	2,365.54
			(iv) Bank balances other than (iii) above	20	155.20	1,953.40
			(v) Loans and advances	11	139.37	184.49
			(vi) Other financial assets	13	809.51	1,745.99
		(c)	Assets classified as held for sale	50 (iii)	-	220.80
		(d)	Other current assets	15	1,091.95	1,166.89
					15,619.61	**15,854.59**
			TOTAL ASSETS		**63,899.87**	**65,059.66**
II.	**EQUITY AND LIABILITIES**					
	EQUITY					
		(a)	Equity share capital	21	765.88	765.81
		(b)	Other equity		19,178.27	18,290.16
					19,944.15	**19,055.97**
	LIABILITIES					
	(1)	**NON-CURRENT LIABILITIES**				
		(a)	Financial liabilities			
			(i) Borrowings	23	14,102.74	16,326.77
			(ii) Lease liabilities		237.84	593.74
			(iii) Other financial liabilities	26	460.37	659.64
		(b)	Provisions	28 (b)	1,474.11	1,371.94
		(c)	Deferred tax liabilities (net)	29	173.72	266.50
		(d)	Other non-current liabilities	30	514.13	533.55
					16,962.91	**19,752.14**
	(2)	**CURRENT LIABILITIES**				
		(a)	Financial liabilities			
			(i) Borrowings	24	9,129.91	5,421.95
			(ii) Lease liabilities		58.58	96.47
			(iii) Trade payables	25		
			(a) Total outstanding dues of micro and small enterprises		146.10	167.23
			(b) Total outstanding dues of creditors other than micro and small enterprises		5,956.00	7,947.78
			(iv) Acceptances		7,883.96	7,873.12
			(v) Other financial liabilities	27	1,113.26	1,376.12
		(b)	Provisions	28 (c)	608.06	1,043.54
		(c)	Current tax liabilities (net)		49.67	37.84
		(d)	Other current liabilities	31	2,047.27	2,287.50
					26,992.81	**26,251.55**
			TOTAL EQUITY AND LIABILITIES		**63,899.87**	**65,059.66**

See accompanying notes to financial statements

In terms of our report attached

For and on behalf of the Board

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

P B BALAJI
Group Chief Financial Officer

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVTXO1213
Place: Mumbai
Date: May 12, 2022

GIRISH WAGH *[DIN: 03119361]*
Executive Director

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

Place: Mumbai

Date: May 12, 2022

Statement of Profit and Loss

(₹ in crores)

		Notes	Year ended March 31, 2022	Year ended March 31, 2021
	Revenue from operations			
	Revenue		46,880.97	29,769.07
	Other operating revenue		382.71	405.96
I.	Total revenue from operations	32 (b)	**47,263.68**	**30,175.03**
II.	Other Income	33 (b)	659.91	419.99
III.	**Total Income (I+II)**		**47,923.59**	**30,595.02**
IV.	**Expenses**			
	(a) Cost of materials consumed		31,693.11	19,050.74
	(b) Purchases of products for sale		5,030.00	3,156.80
	(c) Changes in inventories of finished goods, work-in-progress and products for sale		(403.87)	(609.55)
	(d) Employee benefits expense	34	3,601.51	3,341.53
	(e) Finance costs	35	2,121.73	2,110.83
	(f) Foreign exchange loss (net)		136.81	32.62
	(g) Depreciation and amortisation expense		1,760.57	1,730.71
	(h) Product development/Engineering expenses		593.90	348.71
	(i) Other expenses	36	6,018.71	4,194.74
	(j) Amount transferred to capital and other accounts	37	(905.42)	(794.93)
	Total Expenses (IV)		**49,647.05**	**32,562.20**
V.	**Profit/(loss) before exceptional items and tax (III-IV)**		(1,723.46)	(1,967.17)
VI.	**Exceptional items**			
	(a) Employee separation cost		8.35	184.19
	(b) Cost of slump sale of PV undertaking		50.00	-
	(c) Provision/(Reversal) for loan given to/investment in subsidiary companies		(139.24)	123.36
	(d) Others		(2.52)	-
VII.	**Profit/(loss) before tax (V-VI)**		**(1,640.05)**	**(2,274.72)**
VIII.	**Tax expense (net)**	29		
	(a) Current tax		51.18	20.16
	(b) Deferred tax		48.00	0.56
	Total tax expense		**99.18**	**20.72**
IX.	**Profit/(loss) for the year from continuing operations (VII-VIII)**		**(1,739.23)**	**(2,295.44)**
X.	**Profit/(loss) before tax for the year from discontinued operations**	46	**392.51**	**(37.85)**
XI.	**Tax expense/(credit) (net) of discontinued operations**	29		
	(a) Current tax		44.14	62.15
	(b) Deferred tax		-	-
	Total tax expense		44.14	62.15
XII.	**Profit/(loss) for the year after tax from discontinued operations (X-XI)**	46	348.37	(100.00)
XIII.	**Profit/(loss) for the year (IX+XII)**		(1,390.86)	(2,395.44)
XIV.	**Other comprehensive income/(loss):**			
	(A) (i) Items that will not be reclassified to profit and loss:			
	(a) Remeasurement losses on defined benefit obligations (net)		(57.66)	(23.62)
	(b) Equity instruments at fair value through other comprehensive income		371.29	365.84
	(ii) Income tax credit/(expense) relating to items that will not be reclassified to profit and loss		(32.33)	(8.60)
	(B) (i) Items that will be reclassified to profit and loss - gains/(losses) in cash flow hedges		1.62	168.12
	(ii) Income tax credit/(expense) relating to items that will be reclassified to profit and loss		(0.57)	(58.75)
	Total other comprehensive income/(loss), net of taxes		**282.35**	**442.99**
XV.	**Total comprehensive income/(loss) for the year (XIII+XIV)**		**(1,108.51)**	**(1,952.45)**
XVI.	**Earnings/(loss) per share (EPS)**	39		
	Earnings/(loss) per share from continuing operations (EPS)			
	(A) Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	(4.54)	(6.31)
	(ii) Diluted	₹	(4.54)	(6.31)
	(B) 'A' Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	(4.54)	(6.31)
	(ii) Diluted	₹	(4.54)	(6.31)
	Earnings/(loss) per share from discontinued operations (EPS)			
	(A) Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	0.90	(0.28)
	(ii) Diluted	₹	0.90	(0.28)
	(B) 'A' Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	1.00	(0.28)
	(ii) Diluted	₹	1.00	(0.28)
	Earnings/(loss) per share from continuing and discontinued operations (EPS)			
	(A) Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	(3.63)	(6.59)
	(ii) Diluted	₹	(3.63)	(6.59)
	(B) 'A' Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	(3.63)	(6.59)
	(ii) Diluted	₹	(3.63)	(6.59)

See accompanying notes to financial statements

In terms of our report attached

For and on behalf of the Board

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

P B BALAJI
Group Chief Financial Officer

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVTXO1213
Place: Mumbai
Date: May 12, 2022

GIRISH WAGH *[DIN: 03119361]*
Executive Director

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

Place: Mumbai

Date: May 12, 2022

Cash Flow Statement

(₹ in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities:		
(Loss) for the year from continuing operations	(1,739.23)	(2,295.44)
Profit/(Loss) for the year from discontinued operations	348.37	(100.00)
Adjustments for:		
Depreciation and amortisation expense	2,724.93	3,681.61
Allowances for trade and other receivables	42.71	102.69
Inventory write down (net)	25.25	45.58
Provision/(reversal) for loan given to/investment and cost of closure in subsidiary companies/joint venture (net)	(699.15)	123.36
Employee separation cost	-	188.20
Impairment losses/(reversal) in passenger vehicle business	-	(1,182.41)
Provision/(reversal) for Onerous Contracts and related supplier claims	-	(663.00)
Share-based payments	18.04	9.04
Marked-to-market loss/(gain) on investments measured at Fair value through profit and loss	(10.16)	(5.20)
Write off/provision (reversal) for tangible/intangible assets (including under development)	-	114.00
(Profit)/Loss on sale of assets (net) (including assets scrapped/written off)	(70.95)	(126.09)
Profit on sale of investments at FVTPL (net)	(109.82)	(72.80)
Tax expense (net)	143.32	82.87
Finance costs	2,300.73	2,358.54
Interest income	(323.59)	(196.24)
Dividend income	(80.08)	(20.45)
Foreign exchange (gain)/loss (net)	112.69	(83.44)
	4,073.92	**4,356.26**
Cash flows from operating activities before changes in following assets and liabilities	2,683.06	1,960.82
Trade receivables	(1,015.62)	(141.51)
Loans and advances and other financial assets	(245.40)	(175.97)
Other current and non-current assets	(240.50)	34.11
Inventories	(1,201.08)	(765.37)
Trade payables and acceptances	5,285.19	4,964.54
Other current and non-current liabilities	(56.72)	1,075.59
Other financial liabilities	289.73	31.69
Provisions	(60.79)	(240.33)
Cash generated from/(used in) operations	**5,437.87**	**6,743.57**
Income taxes paid (net)	(155.94)	(63.25)
Net cash from/(used in) operating activities	**5,281.93**	**6,680.32**
Cash flows from investing activities:		
Payments for property, plant and equipments	(1,191.03)	(1,162.95)
Payments for other intangible assets	(639.64)	(693.35)
Proceeds from sale of property, plant and equipments	99.57	178.36
Investments in Mutual Fund (purchased)/sold (net)	(3,560.47)	(614.95)
Advance towards investments in subsidiary companies	(870.91)	-
Proceeds from sale of defence business	234.09	-
Sale of business to subsidiary company	-	10.30
Purchase of unquoted investment- others	-	(57.60)
Purchase of stake in joint venture	-	(0.02)
Loan given to subsidiary companies/payment for costs of closure in subsidiary companies	(51.10)	(56.59)
Sale of quoted investment- others	-	4.36

Cash Flow Statement

(₹ in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
(Increase)/decrease in short term inter corporate deposit (net)	30.00	(30.00)
Deposits/restricted deposits with financial institution	(600.00)	(1,000.00)
Realisation of deposits with financial institution	1,300.00	750.00
Deposits/restricted deposits with banks	(540.87)	(3,342.52)
Realisation of deposits/restricted deposits with banks	2,259.30	2,849.64
Interest received	301.49	153.55
Dividend received	80.08	20.45
Net cash used in investing activities	**(3,149.49)**	**(2,991.32)**
Cash flows from financing activities		
Proceeds from issue of shares/conversion of warrants (net of issue expenses)	12.23	2,602.51
Proceeds from Share Application pending allotment	6.38	-
Proceeds from long-term borrowings (net of issue expenses)	1,999.79	4,667.65
Repayment of long-term borrowings	(3,482.07)	(4,562.91)
Proceeds/(payment) from Option settlement of long term borrowings	(97.77)	35.01
Repayment of matured fixed deposits	-	(0.48)
Proceeds from short-term borrowings	5,137.27	4,068.21
Repayment of short-term borrowings	(4,936.80)	(5,874.81)
Net change in other short-term borrowings (with maturity up to three months)	3,270.78	(1,785.86)
Repayment of lease liabilities (including interest)	(151.63)	(192.32)
Dividend paid	(1.53)	(1.56)
Interest paid [including discounting charges paid, ₹492.62 crores (March 31, 2021 ₹438.43 crores)]	(2,272.49)	(2,427.35)
Net cash from/(used in) financing activities	**(515.84)**	**(3,471.91)**
Net increase in cash and cash equivalents	1,616.60	217.09
Cash and cash equivalents as at April 1, (opening balance)	2,365.54	2,145.30
Cash outflow as a part of slump sale of PV undertaking (refer note 46)	(1,200.00)	-
Adjustment due to conversion of joint operation into joint venture (refer note 7)	(341.21)	-
Effect of foreign exchange on cash and cash equivalents	9.30	3.15
Cash and cash equivalents as at March 31, (closing balance)	**2,450.23**	**2,365.54**
Non-cash transactions:		
Liability towards property, plant and equipment and other intangible assets purchased on credit/ deferred credit	**185.40**	**410.15**

In terms of our report attached

For and on behalf of the Board

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

P B BALAJI
Group Chief Financial Officer

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVTXO1213
Place: Mumbai

GIRISH WAGH *[DIN: 03119361]*
Executive Director

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

Date: May 12, 2022

Place: Mumbai

Date: May 12, 2022

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

A. EQUITY SHARE CAPITAL

(₹ in crores)

Particulars	As at March 31, 2022
Balance as at April 1, 2021	765.81
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2021	765.81
Proceeds from issue of shares on exercise of stock options by employees	0.07
Balance as at March 31, 2022	**765.88**

B. OTHER EQUITY (REFER NOTE 21)

Particulars	Securities premium	Share based payments reserve	Share application money pending allotment	Capital redemption reserve	Debenture redemption reserve	Capital reserve (on merger)/(sale of business) (net)	Retained earnings	Other components of equity			Total other equity
								Equity instruments through OCI	Hedging reserve	Cost of hedging reserve	
Balance as at April 1, 2021	25,618.63	22.18	-	2.28	904.44	(350.15)	(8,092.95)	287.70	(101.17)	(0.80)	18,290.16
Changes in accounting policies or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	**25,618.63**	**22.18**	**-**	**2.28**	**904.44**	**(350.15)**	**(8,092.95)**	**287.70**	**(101.17)**	**(0.80)**	**18,290.16**
Loss for the year	-	-	-	-	-	-	(1,390.86)	-	-	-	(1,390.86)
Remeasurement gain /(loss) on defined benefit obligations (net)	-	-	-	-	-	-	(37.03)	-	-	-	(37.03)
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	318.33	87.37	(86.32)	319.38
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(1,427.89)**	**318.33**	**87.37**	**(86.32)**	**(1,108.51)**
Share-based payments	-	18.04	-	-	-	-	-	-	-	-	18.04
Money received on exercise of stock options by employees	12.15	-	6.39	-	-	-	-	-	-	-	18.54
Exercise of stock option by employees	1.95	(1.95)	-	-	-	-	-	-	-	-	-
Reduction of share capital in accordance with approved Scheme of Arrangement (refer note 46 (ii))	(11,173.59)	-	-	-	-	-	11,173.59	-	-	-	-
Excess of consideration received over the carrying value of net assets transferred of PV undertaking (refer note 46)	-	-	-	-	-	1,960.04	-	-	-	-	1,960.04
Transfer from debenture redemption reserve	-	-	-	-	(493.30)	-	493.30	-	-	-	-
Balance as at March 31, 2022	**14,459.14**	**38.27**	**6.39**	**2.28**	**411.14**	**1,609.89**	**2,146.06**	**606.03**	**(13.80)**	**(87.12)**	**19,178.27**

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

For and on behalf of the Board

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVTXO1213
Place: Mumbai

Date: May 12, 2022

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

Place: Mumbai

P B BALAJI
Group Chief Financial Officer

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

Date: May 12, 2022

Statement of Changes in Equity for the year ended March 31, 2021

A. EQUITY SHARE CAPITAL

(₹ in crores)

Particulars	As at March 31, 2022
Balance as at April 1, 2020	719.54
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2020	719.54
Proceeds from issue of shares	46.27
Balance as at March 31, 2021	**765.81**

B. OTHER EQUITY (REFER NOTE 21)

(₹ in crores)

Particulars	Securities premium	Share based payments reserve	Money received against Share Warrants	Capital redemption reserve	Debenture redemption reserve	Capital reserve (on merger)/ (sale of business) (net)	Retained earnings	Other components of equity			Total other equity
								Equity instruments through OCI	Hedging reserve	Cost of hedging reserve	
Balance as at April 1, 2020	22,194.89	13.14	867.50	2.28	1,038.84	(359.37)	(5,821.83)	(56.00)	(168.55)	(42.79)	17,668.11
Changes in accounting policies or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2020	**22,194.89**	**13.14**	**867.50**	**2.28**	**1,038.84**	**(359.37)**	**(5,821.83)**	**(56.00)**	**(168.55)**	**(42.79)**	**17,668.11**
Loss for the year	-	-	-	-	-	-	(2,395.44)	-	-	-	(2,395.44)
Remeasurement gain /(loss) on defined benefit obligations (net)							(14.44)	-	-	-	(14.44)
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	348.06	67.38	41.99	457.43
Total comprehensive income/(loss) for the year	**-**	**-**		**-**	**-**	**-**	**(2,409.88)**	**348.06**	**67.38**	**41.99**	**(1,952.45)**
Share-based payments	-	9.04	-	-	-	-	-	-	-	-	9.04
Issue of shares pursuant to preferential allotment/conversion of share warrants	3,423.74	-	(867.50)	-	-	-	-	-	-	-	2,556.24
Realised gain on investments held at fair value through Other comprehensive income	-	-	-	-	-	-	4.36	(4.36)	-	-	-
Sale of business to a subsidiary company [refer note 49 (iii)]	-	-	-	-	-	9.22	-	-	-	-	9.22
Transfer from debenture redemption reserve	-	-	-	-	(134.40)	-	134.40	-	-	-	-
Balance as at March 31, 2021	**25,618.63**	**22.18**	**-**	**2.28**	**904.44**	**(350.15)**	**(8,092.95)**	**287.70**	**(101.17)**	**(0.80)**	**18,290.16**

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVTXO1213
Place: Mumbai

Date: May 12, 2022

For and on behalf of the Board

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

Place: Mumbai

P B BALAJI
Group Chief Financial Officer

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

Date: May 12, 2022

Notes Forming Part of Financial Statements

1. BACKGROUND AND OPERATIONS

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

The Company is a public limited Company incorporated and domiciled in India and has its registered office at Mumbai, India. As at March 31, 2022, Tata Sons Pvt Limited, together with its subsidiaries owns 46.33% of the Ordinary shares and 7.66% of 'A' Ordinary shares of the Company, and has the ability to significantly influence the Company's operations.

These standalone financial statements were approved by the Board of Directors and authorised for issue on May 12, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

Joint operations

Certain of the Company's activities, are conducted through joint operations, which are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. As per Ind AS 111 - Joint arrangements, in its separate financial statements, the Company being a joint operator has recognised its share of the assets, liabilities, income and expenses of these joint operations incurred jointly with the other partners, along with its share of income from the sale of the output and any assets, liabilities and expenses that it has incurred in relation to the joint operation.

Although not required by Ind AS, the Company has provided in note 47 additional information of Tata Motors Limited on a standalone basis excluding its interest in its two Joint Operations viz. Tata Cummins Private Limited and Fiat India Automobiles Private Limited (which ceased to be a joint operation w.e.f. January 1, 2022 (refer note 7)).

c. Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

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

i) Note 3 and Note 5 - Property, plant and equipment and Intangible assets- useful life and impairment

ii) Note 29 - Recoverability/recognition of deferred tax assets

iii) Note 28 - Provision for product warranty

iv) Note 45- Assets and obligations relating to employee benefits

v) Estimation of uncertainties relating to the global health pandemic from COVID-19.

The World Health Organisation in February 2020 declared COVID-19 as a pandemic. Covid-19 pandemic has rapidly spread throughout the world, including India. Governments in India and across the world have taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's

Notes Forming Part of Financial Statements

manufacturing plants and offices had to operate under restrictions for a certain period of time during the year. The pandemic has impacted the Company operationally including on commodity prices, supply chain matters (including semiconductor supplies) and consumer demand. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial statements including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, intangible assets under development and the net realisable values of other assets. However, given the effect of the pandemic and restrictions on the overall economic activity and in particular on the automotive industry, the impact assessment of COVID-19 on the abovementioned financial statement captions is subject to significant estimation uncertainties due to its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

d. Cost recognition

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

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

e. Foreign currency

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

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

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

f. Goodwill

Cash generating units to which goodwill is allocated are tested for impairment annually at each balance sheet date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to the other assets of the unit pro rata on the basis of carrying amount of each asset in the unit. Goodwill impairment loss recognised is not reversed in subsequent period.

g. Dividends

Any dividend declared by Tata Motors Limited is based on the profits available for distribution as reported in the statutory financial statements of Tata Motors Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India or Indian GAAP or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Tata Motors Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable. The amount available for distribution is ₹Nil as at March 31, 2022 (₹Nil as at March 31, 2021).

Notes Forming Part of Financial Statements

h. Segments

The Company primarily operates in the automotive business. The automotive business comprises two reportable segments i.e. commercial vehicles and passenger vehicles (Upto December 31, 2021 - refer note 46). Post transfer of net assets of PV undertaking, the Company operates in a single segment of commercial vehicles. The Company has opted for an exemption as per para 4 of Ind AS 108. Segment information is thus given in the consolidated financial statements of the Company.

i. Going concern

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

The Company has performed an assessment of its financial position as at March 31, 2022 and forecasts of the Company for a period of eighteen months from the date of these financial statements (the 'Going Concern Assessment Period' and the 'Foreseeable Future').

In developing these forecasts, the Company has modelled a base case, which has been further sensitised using severe but plausible downside scenarios. The base case covers the Going Concern Assessment Period and considers the estimated on-going impact of the COVID-19 global pandemic and the Russia-Ukraine conflict as well as a cautious view of the impact of near-term supply chain challenges related to global semi-conductor shortages. It also accounts for other end-market and operational factors throughout the Going Concern Assessment Period. The base case assumes continued recovery in industry volumes based upon external industry forecasts. This has been further sensitized using more severe but plausible scenarios considering external market commentaries and other factors impacting the global economy and automotive industry. Management do not consider more extreme scenarios than the ones assessed to be plausible.

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

Based on the evaluation described above, management believes that the Company has sufficient financial resources available to it at the date of approval of these financial statements and that it will be able to continue as a 'going concern' in the foreseeable future and for a period up to September 30, 2023.

j. Impairment

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

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

Notes Forming Part of Financial Statements

k. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

i. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

ii. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

iii. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

iv. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

v. Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 2023.

Notes Forming Part of Financial Statements

3. PROPERTY, PLANT AND EQUIPMENT

(a) Accounting policy

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

Freehold land is measured at cost and is not depreciated.

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

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

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

Estimated useful lives of assets are as follows:

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

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

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

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

Notes Forming Part of Financial Statements

(b) Property, plant and equipment

(₹ in crores)

	Owned assets						Given on lease		Total
	Land	Buildings	Plant, machinery and equipments	Furniture and fixtures	Vehicles	Computers & other IT assets	Plant, machinery and equipments	Buildings	
Cost as at April 1, 2021	4,869.08	3,925.12	31,358.48	225.86	264.14	522.77	37.66	4.02	41,207.13
Additions (refer note (ii) below)	-	51.82	1,175.92	0.36	31.64	36.18	-	-	1,295.92
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	(786.74)	(819.42)	(12,708.01)	(67.12)	(21.07)	(67.54)	(2.36)	-	(14,472.26)
Adjustments due to conversion of Joint Operation to Joint Venture (refer note 7)	-	(360.97)	(2,800.70)	(22.87)	(12.60)	(15.00)	-	-	(3,212.14)
Disposals/adjustments	-	(9.05)	(333.40)	(6.33)	(88.66)	(14.95)	-	-	(452.39)
Cost as at March 31, 2022	**4,082.34**	**2,787.50**	**16,692.29**	**129.90**	**173.45**	**461.46**	**35.30**	**4.02**	**24,366.26**
Accumulated depreciation as at April 1, 2021	-	(1,443.92)	(19,873.20)	(153.56)	(176.68)	(379.14)	(26.13)	(1.03)	(22,053.65)
Depreciation for the year	-	(82.25)	(790.56)	(5.90)	(31.02)	(39.91)	(1.39)	(0.08)	(951.11)
Depreciation for discontinued operations (refer note 46)	-	(19.42)	(450.77)	(3.21)	(4.78)	(1.47)	-	-	(479.65)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	-	334.75	8,182.04	36.07	13.49	60.75	0.51	-	8,627.61
Adjustments due to conversion of Joint Operation to Joint Venture (refer note 7)	-	148.28	1,632.45	18.11	6.49	14.45	-	-	1,819.78
Disposal/adjustments	-	2.26	326.43	3.98	72.55	(1.02)	-	-	404.20
Accumulated depreciation as at March 31, 2022	**-**	**(1,060.30)**	**(10,973.61)**	**(104.51)**	**(119.95)**	**(346.34)**	**(27.01)**	**(1.11)**	**(12,632.82)**
Net carrying amount as at March 31, 2022	**4,082.34**	**1,727.20**	**5,718.68**	**25.39**	**53.50**	**115.12**	**8.29**	**2.91**	**11,733.44**
Cost as at April 1, 2020	4,869.08	3,831.14	29,974.32	256.25	302.71	644.13	38.04	4.02	39,919.69
Additions	-	119.48	1,708.36	5.20	7.20	23.06	-	-	1,863.30
Sale of business to a subsidiary company [refer note 49(iii)]	-	(0.20)	(0.46)	(0.42)	(1.10)	(1.25)	-	-	(3.43)
Disposals/adjustments	-	(25.30)	(323.74)	(35.17)	(44.67)	(143.17)	(0.38)	-	(572.44)
Cost as at March 31, 2021	**4,869.08**	**3,925.12**	**31,358.48**	**225.86**	**264.14**	**522.77**	**37.66**	**4.02**	**41,207.13**
Accumulated depreciation as at April 1, 2021	-	(1,391.84)	(18,826.47)	(169.90)	(161.05)	(473.95)	(24.88)	(0.93)	(21,049.02)
Depreciation for the year	-	(118.55)	(1,665.60)	(12.52)	(51.18)	(46.58)	(1.61)	(0.10)	(1,896.14)
Reversal of Impairment loss	-	56.88	468.83	0.63	1.65	2.76	-	-	530.75
Sale of business to a subsidiary company [refer note 49(iii)]	-	0.06	0.25	0.30	0.56	0.93	-	-	2.10
Disposal/adjustments	-	9.53	149.79	27.93	33.34	137.70	0.36	-	358.65
Accumulated depreciation as at March 31, 2021	**-**	**(1,443.92)**	**(19,873.20)**	**(153.56)**	**(176.68)**	**(379.14)**	**(26.13)**	**(1.03)**	**(22,053.65)**
Net carrying amount as at March 31, 2021	**4,869.08**	**2,481.20**	**11,485.28**	**72.30**	**87.46**	**143.63**	**11.53**	**2.99**	**19,153.47**

Note:

i. Buildings include ₹8,131.00 (as at March 31, 2021 ₹8,631.00) being value of investments in shares of Co-operative Housing Societies.

ii. Additions include assets of ₹152.51 crores capitalized during August 24, 2021 to December 31, 2021 which is pertaining to PV undertaking. (refer note 46)

Notes Forming Part of Financial Statements

(c) Capital work-in-progress

(₹ in crores)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning	1,400.82	1,755.51
Additions	1,341.40	1,440.24
Capitalised during the year	(1,295.92)	(1,863.30)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	(733.65)	-
Adjustments due to conversion of Joint Operation to Joint Venture (refer note 7)	(127.44)	-
(Write off)/(Provision)/reversal of impairment	-	68.37
Balance at the end	**585.21**	**1,400.82**

Note:

Additions include assets of ₹ 275.41 crores purchased during August 24, 2021 to December 31, 2021 which is pertaining to PV undertaking. (refer note 46)

(d) Ageing of Capital work-in-progress

(₹ in crores)

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

	As at March 31, 2021				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	804.06	424.96	122.92	48.48	1,400.42
Projects temporarily suspended	-	-	-	0.39	0.39
As at March 31, 2021	**804.06**	**424.96**	**122.92**	**48.87**	**1,400.82**

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

(₹ in crores)

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

	As at March 31, 2021 To be completed				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress					
Project 1	272.29	141.00	-	-	413.29
Project 2	97.86	25.23	-	-	123.09
Project 3	-	74.85	-	-	74.85
Project 4	-	54.68	-	-	54.68
Other Projects*	41.08	203.51	-	-	244.59
	411.23	**499.27**	**-**	**-**	**910.49**

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

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

Notes Forming Part of Financial Statements

4. LEASES

(a) Accounting policy

Lessee:

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

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

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

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

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

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

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

Lessor:

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

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

Notes Forming Part of Financial Statements

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

(b) The Company leases a number of buildings, plant and equipment, IT hardware and software assets, certain of which have a renewal and/or purchase option in the normal course of the business. Extension and termination options are included in a number of leases across the Company. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option. The Company re-assesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control. It is recognised that there is potential for lease term assumptions to change in the future due to the effects of the COVID-19 pandemic, and this will continue to be monitored by the Company where relevant. The Company's leases mature between 2022 and 2032. The weighted average rate applied is 8.22 % (2021: 8.58%).

The following amounts are included in the Balance Sheet :

(₹ in crores)

	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	58.58	96.47
Non-current lease liabilities	237.84	593.74
Total lease liabilities	**296.42**	**690.21**

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

(₹ in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on lease liabilities	49.00	46.47
Variable lease payment not included in the measurement of lease liabilities	- *	- *
Income from sub-leasing of right-of-use assets	0.45	-
Expenses related to short-term leases	1.46	1.27
Expenses related to low-value assets, excluding short-term leases of low-value assets	13.87	3.95

*less than ₹ 50,000/-

Notes Forming Part of Financial Statements

(₹ in crores)

Right of use assets	Land	Buildings	Plant, machinery and equipments	Furniture, Fixtures and Office Equipments	Vehicles	Computers & other IT assets	Total
Cost as at April 1, 2021	91.77	339.10	624.98	-	40.50	203.49	1,299.84
Additions (refer note (ii) below)	-	94.35	41.41	-	96.62	1.75	234.13
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	(29.66)	(139.22)	(813.41)	-	(25.11)	(8.02)	(1,015.42)
Adjustments due to conversion of Joint Operation to Joint Venture (refer note 7)	(6.75)	(0.73)	274.31	-	-	(3.38)	263.46
Disposals/adjustments	-	(74.23)	(12.15)	-	(9.74)	(6.78)	(102.90)
Cost as at March 31, 2022	**55.36**	**219.27**	**115.15**	**-**	**102.27**	**187.07**	**679.11**
Accumulated amortisation as at April 1, 2021	(2.29)	(125.85)	(209.31)	-	(2.75)	(191.05)	(531.25)
Amortisation for the year	(0.66)	(43.10)	(5.79)	-	-	(3.02)	(52.57)
Amortisation for discontinued operations (refer note 46)	(0.21)	(7.98)	(17.29)	-	-	(0.67)	(26.14)
Amortisation - considered as employee cost	-	-	-	-	(17.21)	-	(17.21)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	0.94	48.22	186.18	-	2.14	5.82	243.30
Adjustments due to conversion of Joint Operation to Joint Venture (refer note 7)	0.25	0.44	(27.32)	-	-	1.13	(25.50)
Disposal/adjustments	-	55.07	0.16	-	0.71	6.78	62.72
Accumulated amortisation as at March 31, 2022	**(1.97)**	**(73.20)**	**(73.36)**	**-**	**(17.11)**	**(181.01)**	**(346.65)**
Net carrying amount as at March 31, 2022	**53.39**	**146.07**	**41.78**	**-**	**85.16**	**6.05**	**332.45**
Cost as at April 1, 2020	91.77	320.79	504.08	4.31	-	193.39	1,114.34
Additions	-	89.95	217.03	-	40.50	9.60	357.08
Sale of business to a subsidiary company [refer note 49 (iii)]	-	-	-	(4.31)	-	(1.08)	(5.39)
Disposals/adjustments	-	(71.64)	(96.13)	-	-	1.58	(166.19)
Cost as at March 31, 2021	**91.77**	**339.10**	**624.98**	**-**	**40.50**	**203.49**	**1,299.84**
Accumulated amortisation as at April 1, 2020	(1.16)	(92.82)	(162.41)	(3.23)	-	(185.14)	(444.76)
Amortisation for the year	(1.13)	(74.84)	(92.25)	(0.43)	-	(6.84)	(175.49)
Amortisation - considered as employee cost	-	-	-	-	(2.75)	-	(2.75)
Reversal of Impairment Loss	-	6.81	31.33	-	-	0.05	38.19
Sale of business to a subsidiary company [refer note 49 (iii)]	-	-	-	3.66	-	0.88	4.54
Disposal/adjustments	-	35.00	14.02	-	-	-	49.02
Accumulated amortisation as at March 31, 2021	**(2.29)**	**(125.85)**	**(209.31)**	**-**	**(2.75)**	**(191.05)**	**(531.25)**
Net carrying amount as at March 31, 2021	**89.48**	**213.25**	**415.67**	**-**	**37.75**	**12.44**	**768.59**

Note:

i. The Company has committed towards leases of plant, machinery and equipments which have not yet commenced, for ₹ Nil as on March 31, 2022 (₹30.00 crores as on March 31, 2021). There are no leases with residual value guarantees.

ii. Additions and adjustments include assets of ₹97.82 crores capitalized during August 24, 2021 to December 31, 2021 which is pertaining to PV undertaking. (refer note 46)

Notes Forming Part of Financial Statements

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

The average effective interest rate contracted approximates between 5.09 % to 8.10% (2021: 8.10%) per annum.

The following amounts are included in the Balance Sheet :

(₹ in crores)

	As at March 31, 2022	As at March 31, 2021
Current lease receivables (refer note 13)	31.54	36.16
Non-current lease receivables (refer note 12)	399.01	207.13
Total lease receivables	**430.55**	**243.29**

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

(₹ in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Sales Revenue for finance leases	278.58	137.75
Finance income on the net investment in finance leases	25.90	1.62
Income relating to variable lease payments not included in the net investment in finance leases	-	-

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

(₹ in crores)

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

(₹ in crores)

	As at March 31, 2021				
	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due beyond 5th Year	Total contractual cash flows
Finance lease receivables	36.16	22.17	100.93	84.03	243.29

Notes Forming Part of Financial Statements

5. OTHER INTANGIBLE ASSETS

(a) Accounting policy

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

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

	Estimated amortisation period
Technological know-how	8 to 10 years
Software	4 years

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

Internally generated intangible asset

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

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

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

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

Product development costs is amortised over the life of the related product, being a period of 24 months to 120 months.

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

Derecognition of intangible assets

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

Notes Forming Part of Financial Statements

(b) Intangible assets consist of the following:

(₹ in crores)

	Technical know how	Computer Software	Product development	Total
Cost as at April 1, 2021	478.15	614.30	11,536.76	12,629.21
Additions	-	25.83	1,203.39	1,229.22
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	-	(82.68)	(7,886.38)	(7,969.06)
Adjustments due to conversion of Joint Operation to Joint Venture (refer note 7)	-	(38.91)	(456.84)	(495.75)
Cost as at March 31, 2022	**478.15**	**518.54**	**4,396.93**	**5,393.62**
Accumulated amortisation as at April 1, 2021	(317.39)	(568.10)	(5,341.78)	(6,227.27)
Amortisation for the year	(46.23)	(19.52)	(691.14)	(756.89)
Amortisation for discontinued operations (refer note 46)	-	(2.73)	(455.84)	(458.57)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	-	79.31	3,584.77	3,664.08
Adjustments due to conversion of Joint Operation to Joint Venture (refer note 7)	-	33.61	361.29	394.90
Accumulated amortisation as at March 31, 2022	**(363.62)**	**(477.43)**	**(2,542.70)**	**(3,383.75)**
Net carrying amount as at March 31, 2022	**114.54**	**41.11**	**1,854.23**	**2,009.87**
Cost as at April 1, 2020	478.15	605.13	9,533.50	10,616.78
Additions	-	10.93	2,003.26	2,014.19
Sale of business to a subsidiary company [refer note 50(iii)]	-	(1.76)	-	(1.76)
Cost as at March 31, 2021	**478.15**	**614.30**	**11,536.76**	**12,629.21**
Accumulated amortisation as at April 1, 2020	(267.42)	(545.54)	(4,235.18)	(5,048.14)
Amortisation for the year	(49.96)	(24.32)	(1,535.71)	(1,609.99)
Reversal of Impairment loss	-	-	429.10	429.10
Sale of business to a subsidiary company [refer note 50(iii)]	-	1.76	-	1.76
Accumulated amortisation as at March 31, 2021	**(317.39)**	**(568.10)**	**(5,341.78)**	**(6,227.27)**
Net carrying amount as at March 31, 2021	**160.77**	**46.20**	**6,194.98**	**6,401.95**

(c) Intangible assets under development

(₹ in crores)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning	1,605.64	2,739.29
Additions (refer note below)	700.57	764.52
Capitalised during the year	(1,229.22)	(2,014.19)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	(190.58)	-
Adjustments due to conversion of Joint Operation to Joint Venture (refer note 7)	(4.38)	-
Reversal of impairment	-	116.01
Balance at the end	**882.03**	**1,605.64**

Note:

Additions include assets of ₹99.96 crores purchased during August 24, 2021 to December 31, 2021 which is pertaining to PV undertaking. (refer note 46)

Notes Forming Part of Financial Statements

(d) Ageing of intangible assets under development

(₹ in crores)

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

	As at March 31, 2021				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	497.73	293.36	195.29	264.98	1,251.35
Projects temporarily suspended	12.65	73.44	65.92	202.28	354.29
As at March 31, 2021	**510.38**	**366.80**	**261.21**	**467.26**	**1,605.64**

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

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

	As at March 31, 2021				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	-	67.64	-	-	67.64
Project 2	594.76	-	-	-	594.76
Other Projects*	50.14	45.90	10.57	-	106.61
Projects temporarily suspended					
Project 1	-	-	-	61.31	61.31
Project 2	-	-	-	206.91	206.91
Project 3	-	53.58	-	-	53.58
Other Projects*	9.68	-	-	-	9.68
	654.58	**167.12**	**10.57**	**268.22**	**1,100.49**

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

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

Notes Forming Part of Financial Statements

6. INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES MEASURED AT COST - NON-CURRENT

(a) Accounting policy

Investments in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 – Separate Financial Statements.

(b) Investments in subsidiaries, joint ventu res and associates consist of the following:

(₹ in crores)

Number		Face value per unit	Description	As at March 31, 2022		As at March 31, 2021	
			Equity shares				
			i) Subsidiaries				
			Unquoted				
9,41,70,00,000		10	Tata Motors Passenger Vehicles Limited (Formarly TML Business Analytics Services Limited) (9,41,70,00,000 shares received on slump sale of PV undertaking) (refer note 46)	9,417.00		-	
70,00,00,000		10	Tata Passenger Electric Mobility Limited (70,00,00,000 shares issued during the year)	743.36		-	
3,03,00,600		10	Tata Technologies Limited	224.10		224.10	
16,36,97,694		10	TML Business Services Ltd	434.65		209.63	
50,000		10	TML CV Mobility Solutions Limited (50,000 shares issued during the year)	0.05		-	
			Tata Motors European Technical Centre PLC, (UK) (Transferred to Tata Motors Passenger Vehicles Limited during FY 2021-22)	-		474.90	
7,900		-	Tata Technologies Inc, (USA)	0.63		0.63	
1,64,82,83,442		10	TMF Holdings Limited	3,594.95		3,570.08	
135,087,096		10	Tata Marcopolo Motors Ltd (4,83,87,096 shares issued during the year)	161.70		86.70	
-		-	TML Distribution Company Ltd [Merged with TML Business Services Ltd]	-		225.00	
2,51,16,59,418			TML Holdings Pte Ltd, (Singapore) [Note 4 and 5 below]	10,158.52		10,158.52	
1,26,34,523	(EUR)	31.28	Tata Hispano Motors Carrocera S.A., (Spain) [1,25,00,000 shares issued during the year]	61.56		17.97	
1,220	(IDR)	8,855	PT Tata Motors Indonesia	0.01		0.01	
2,12,000	(MAD)	1,000	Tata Hispano Motors Carroceries Maghreb S.A., (Morocco) [10,000 shares issued during the year]	57.72		49.59	
1,83,59,203	(SGD)	1	Tata Precision Industries Pte. Ltd, (Singapore)	40.53		40.53	
			Trilix Srl., Turin (Italy) (Transferred to Tata Motors Passenger Vehicles Limited) [Note 6 below]	-		19.91	
50,00,000		10	Tata Motors Insurance Broking and Advisory Services Ltd	19.31		19.31	
1,00,000	(NGN)	1	TMNL Motor Services Nigeria Ltd	0.00 #		0.00 #	
98,97,908		10	Brabo Robotics and Automation Ltd	13.00		13.00	
5,000,000		10	JT Special Vehicles Pvt. Limited	2.52		2.52	
				24,929.61		15,112.40	
			Advance towards investments	0.01		-	
			Less: Provision for impairment	(206.28)	**24,723.34**	(824.60)	**14,287.80**
			ii) Associates				
			Quoted				
29,82,214		10	Automobile Corporation of Goa Ltd	108.22		108.22	

Notes Forming Part of Financial Statements

(₹ in crores)

Number		Face value per unit	Description	As at March 31, 2022		As at March 31, 2021	
			Unquoted				
16,000	(TK)	1,000	NITA Co. Ltd (Bangladesh)	1.27		1.27	
4,54,28,572		10	Tata Hitachi Construction Machinery Company Private Ltd	238.50		238.50	
5,23,33,170		10	Tata AutoComp Systems Ltd	77.47	**425.46**	77.47	**425.46**
			(iii) Joint Venture (JV)				
			Unquoted				
12,22,57,983		100	Fiat India Automobiles Private Ltd [Refer Note 8]		**2,334.65**		**-**
			(iv) Subsidiaries				
			Cumulative convertible preference shares (unquoted)				
4,34,00,000		100	TMF Holdings Limited		**434.00**		**434.00**
			Total		**27,917.45**		**15,147.26**

Less than ₹ 50,000

Notes:

		2022	2021
(1)	Market Value of quoted investments	278.55	121.35

(2) Includes option pricing value for call/ put option provided by the Company towards perpetual debt issued by TMF Holdings Limited.

(3) The Company has given a letter of comfort to Bank of China, Shanghai Branch for RMB 5 billion (₹5,977.00 crores as at March 31, 2022) against loan granted by the bank to Jaguar Land Rover (China) Investment Co. Ltd.

(4) The Company has given a letter of comfort to State Bank of India, Bahrain for USD 100 milion (₹757.89 crores as on March 31, 2022) against Credit Facility given to TML Holding PTE Ltd., Singapore and a letter of comfort to Bank of Baroda, London for GBP 100 milion (₹994.23 crores as on March 31, 2022) against the SBLC Facility extended to TML Holding PTE Ltd., Singapore.

(5) The Company has given a letter of comfort to Citi Corp International for USD 425 milion (₹3,221.02 crores as on March 31, 2022) given to TML Holding PTE Ltd., Singapore against ECB Bonds.

(6) The Company has given a letter of comfort to Unicredit S.P.A., Italy for EUR 1.5 milion (₹ 12.63 crores as on March 31, 2022) against Credit Facility given to Trilix S.R.L. The Company will not dilute its stake in Trilix S.R.L. below 51% during the tenor of the facility.

7. INVESTMENTS IN JOINT ARRANGEMENT:

(i) Fiat India Automobiles Private Limited conversion of Joint operation to Joint venture:

Certain of the Company's activities were condutcted through joint operation namely Fiat India Automobiles Private Limited ("FIAPL"). FIAPL manufactures certain models of passengers cars and powertrains used in the passenger cars.

Pursuant to the Scheme of Arrangement between the Company and Tata Motors Passenger Vehicles Limited (TMPVL), the PV undertaking of the Company has been transferred as a going concern, on a slump sale basis effective January 1, 2022. The economic benefits arising out of the assets of FIAPL has been transferred to TMPVL, whilst the ownership of equity shares of FIAPL continues to be retained by Tata Motors Limited and thus the above arrangement has been classified as joint venture effective January 1, 2022 in the financial statements. Accordingly, the proportionate net assets and liabilities as at January 1, 2022 has been considered as deemed cost of investment in joint venture in the financial statements.

The following tables sets out the summarised financial information of Fiat India Automobiles Private Limited :

(₹ in crores)

	As at January 1, 2022
Non-Current Assets	2,225.30
Current Assets	2,252.15
Total Assets	**4,477.45**
Non-Current Liabilities	569.92
Current Liabilities	1,572.89
Total Liabilities	**2,142.81**
Investments in joint venture (Fiat India Automobiles Private Limited)	**2,334.64**

Notes Forming Part of Financial Statements

8. INVESTMENTS-NON-CURRENT

(₹ in crores)

Number	Face value per unit	Description	As at March 31, 2022		As at March 31, 2021	
		Investment in equity shares measured at fair value through other comprehensive income				
		Quoted				
54,96,295	10	Tata Steel Ltd		718.49		446.23
		Unquoted				
75,000	1,000	Tata International Ltd	111.58		150.69	
1,383	1,000	Tata Services Ltd	0.14		0.14	
350	900	The Associated Building Company Ltd	0.01		0.01	
1,03,10,242	100	Tata Industries Ltd	191.26		183.19	
33,600	100	Kulkarni Engineering Associates Ltd	-		-	
12,375	1,000	Tata Sons Pvt Ltd	95.20		95.20	
2,25,00,001	10	Haldia Petrochemicals Ltd	199.80		74.70	
2,40,000	10	Oriental Floratech (India) Pvt. Ltd	-		-	
43,26,651	15	Tata Capital Ltd	22.41		17.44	
50,000	10	NICCO Jubilee Park Ltd.	0.05	620.45	0.05	521.42
		Total		**1,338.94**		**967.65**

Note:

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

(Amount in ₹)

Number	Face value per unit	Description	As at March 31, 2022	As at March 31, 2021
50	5	Jamshedpur Co-operative Stores Ltd.	250	250
16,56,517	(M$) 1	Tatab Industries Sdn. Bhd., (Malaysia)	1	1
4	25000	ICICI Money Multiplier Bond	1	1
100	10	Optel Telecommunications	1,995	1,995

b)

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(1)	Book Value of quoted investments	718.49	446.23
(2)	Book Value of unquoted investments	620.45	521.42
(3)	Market Value of quoted investments	718.49	446.23

Notes Forming Part of Financial Statements

9. INVESTMENTS-CURRENT

(₹ in crores)

Number	Face value per unit	Description	As at March 31, 2022	As at March 31, 2021
		Investments in Mutual funds measured at Fair value through profit and loss		
		Unquoted		
-	-	Mutual funds	5,143.08	1,578.26
		Total	**5,143.08**	**1,578.26**

Note:

(₹ in crores)

	As at March 31, 2022	As at March 31, 2021
Book Value of unquoted investments	5,143.08	1,578.26

10. LOANS AND ADVANCES- NON CURRENT

(₹ in crores)

		As at March 31, 2022		As at March 31, 2021	
Unsecured :					
(a)	Loans to employees, considered good		12.01		24.26
(b)	Loan to subsidiaries				
	Considered good	12.04		12.04	
	Credit impaired	607.26		616.59	
		619.30		628.63	
	Less : Allowances for credit impaired balances	(607.26)	12.04	(616.59)	12.04
(c)	Dues from subsidiary companies, credit impaired				
	Tata Hispano Motors Carrocera S.A.	53.74		53.74	
	Less : Allowances for credit impaired balances	(53.74)	-	(53.74)	-
(d)	Others				
	Considered good	24.38		36.09	
	Credit impaired	2.60		2.60	
		26.98		38.69	
	Less : Allowances for credit impaired balances	(2.60)	24.38	(2.60)	36.09
	Total		**48.43**		**72.39**

Notes Forming Part of Financial Statements

11. LOANS AND ADVANCES- CURRENT

(₹ in crores)

		As at March 31, 2022		As at March 31, 2021	
Secured :					
	Finance receivables		13.42		13.44
	(net of allowances for credit impaired balances of ₹**5.25 crores** and ₹5.27 crores as at March 31, 2022 and 2021, respectively)				
Unsecured :					
(a)	Advances and other receivables		98.52		79.87
	(net of allowances for credit impaired balances of ₹**72.02 crores** and ₹73.41 crores as at March 31, 2022 and 2021, respectively)				
(b)	Intercorporate deposits				
	Considered good		-		30.00
(c)	Dues from subsidiary companies (Note below)				
	Considered good	27.43		18.36	
	Credit impaired	0.20		0.20	
		27.63		18.56	
	Less : Allowances for credit impaired balances	(0.20)	27.43	(0.20)	18.36
(d)	Loan to subsidiary companies				
	Tata Motors European Technical Centre Plc, (UK)				
	Considered good		-		42.82
	Total		**139.37**		**184.49**

Note:

		As at March 31, 2022	As at March 31, 2021
Dues from subsidiary company:			
(a)	Tata Motors Passenger Vehicles Limited (formerly known as TML Business Analytics Services Limited)	19.69	16.33
(b)	PT Tata Motors Indonesia	-	0.90
(c)	TML Business Services Ltd	5.03	-
(d)	Tata Motors (SA) (Proprietary) Ltd	1.08	1.08
(e)	Tata Motors Nigeria Ltd	0.20	0.20
(f)	Jaguar Land Rover Ltd	0.67	-
(g)	Brabo Robotics and Automation Ltd	-	0.05
(h)	Tata Passenger Electric Mobility Limited	0.44	-
(i)	TML CV Mobility Solutions Limited	0.52	-
		27.63	**18.56**

Notes Forming Part of Financial Statements

12. OTHER FINANCIAL ASSETS - NON-CURRENT

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Derivative financial instruments	675.60	750.19
(b)	Restricted deposits	8.62	4.02
(c)	Finance lease receivable	399.01	207.13
(d)	Government incentives	843.66	852.93
(e)	Recoverable from suppliers	32.26	30.00
(f)	Security deposits	32.38	53.66
(g)	Others	0.99	1.27
	Total	**1,992.52**	**1,899.20**

13. OTHER FINANCIAL ASSETS - CURRENT

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Derivative financial instruments	45.50	19.25
(b)	Interest accrued on loans and deposits	7.51	17.95
(c)	Deposit with financial institutions (refer note below)	300.00	1,000.00
(d)	Finance lease receivable	31.54	36.16
(e)	Government incentives	348.54	501.11
(f)	Recoverable from suppliers	74.93	170.59
(g)	Security deposits	1.49	0.93
	Total	**809.51**	**1,745.99**

Note:

Earmarked deposits with financial institutions as at March 31, 2022 of ₹**Nil** (as at March 31, 2021 ₹100.00 crores) is held as security in relation to repayment of borrowings.

14. OTHER NON-CURRENT ASSETS

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Capital advances	76.78	201.12
(b)	Taxes recoverable, statutory deposits and dues from government (net of allowances for credit impaired balances of ₹**31.66 crores** and ₹31.66 as at March 31, 2022 and 2021, respectively)	494.39	598.70
(c)	Recoverable from Insurance companies	85.86	166.72
(d)	Others	5.21	7.16
	Total	**662.24**	**973.70**

Notes Forming Part of Financial Statements

15. OTHER CURRENT ASSETS

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Advance to suppliers and contractors	514.39	439.13
	(net of allowances for credit impaired balances of ₹**39.34 crores** and ₹58.21 crores as at March 31, 2022 and 2021, respectively)		
(b)	Taxes recoverable, statutory deposits and dues from government (net of allowances for credit impaired balances of ₹**83.66 crores** and ₹83.19 crores as at March 31, 2022 and 2021, respectively)	392.52	530.26
(c)	Prepaid expenses	161.80	127.37
(d)	Recoverable from Insurance companies	0.23	18.89
(e)	Employee benefits	1.18	43.66
(f)	Others	21.83	7.58
	Total	**1,091.95**	**1,166.89**

16. INVENTORIES

(a) Accounting policy

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

(b) Inventories consist of the following:

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Raw materials and components	1,263.95	2,063.96
(b)	Work-in-progress	427.66	523.34
(c)	Finished goods	1,786.87	1,486.93
(d)	Stores and spare parts	135.22	177.91
(e)	Consumable tools	21.15	35.23
(f)	Goods-in-transit - Raw materials and components	83.64	264.34
	Total	**3,718.49**	**4,551.71**

During the year ended March 31, 2022 and 2021, the Company recorded inventory write-down expenses of ₹**25.25 crores** and ₹40.16 crores, respectively.

Cost of inventories (including cost of purchased products) recognized as expense during the year ended March 31, 2022 and 2021 amounted to ₹ **43,334.20 crores** and ₹ 44,043.06 crores, respectively.

17. TRADE RECEIVABLES (UNSECURED)

(₹ in crores)

	As at March 31, 2022	As at March 31, 2021
Receivables considered good	2,111.78	2,087.51
Credit impaired receivables	430.24	584.78
	2,542.02	2,672.29
Less : Allowance for credit impaired receivables	(430.24)	(584.78)
Total	**2,111.78**	**2,087.51**

Notes Forming Part of Financial Statements

18. ALLOWANCE FOR TRADE RECEIVABLES, LOANS AND OTHER RECEIVABLES

(₹ in crores)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning	1,511.80	1,499.01
Allowances made during the year *	42.71	102.69
Provision for loan/intercorporate deposits given to subsidiary companies	4.04	23.05
Written off	(62.89)	(112.95)
Transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	(169.69)	-
Balance at the end	**1,325.97**	**1,511.80**

* Includes ₹**32.26 crores** netted off in revenue (₹29.32 crores as at March 31, 2021)

19. CASH AND CASH EQUIVALENTS

(a) Accounting policy

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

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

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Cash on hand	0.03	0.05
(b)	Cheques on hand	110.28	10.50
(c)	Balances with banks (refer note below)	330.63	808.49
(d)	Deposits with banks	2,009.29	1,546.50
		2,450.23	**2,365.54**
Note:			
	Includes remittances in transit	-	173.50

20. OTHER BANK BALANCES

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
With upto 12 months maturity:			
(a)	Earmarked balances with banks (refer note (i) and (ii) below)	155.15	450.85
(b)	Bank deposits	0.05	1,502.55
	Total	**155.20**	**1,953.40**

Note:

(i) Earmarked balances with banks as at March 31, 2022 of ₹**135.00 crores** (as at March 31, 2021 ₹316.83 crores) is held as security in relation to repayment of borrowings.

(ii) Earmarked balances with banks as at March 31, 2021 includes ₹73.47 crores towards Company's contribution for Family Pension from October 1, 2019, in lieu of Tata Motors Pension Trust exemption surrender application pending with Employee Provident Fund Organization. Subsequent to March 31, 2021, these balances are transferred to Tata Motors Pension Trust.

Notes Forming Part of Financial Statements

21. EQUITY SHARE CAPITAL

(₹ in crores)

			As at March 31, 2022	As at March 31, 2021
(a)	**Authorised:**			
	(i)	400,00,00,000 Ordinary shares of ₹2 each	800.00	800.00
		(as at March 31, 2021: 400,00,00,000 Ordinary shares of ₹2 each)		
	(ii)	100,00,00,000 'A' Ordinary shares of ₹2 each	200.00	200.00
		(as at March 31, 2021: 100 ,00,00,000 'A' Ordinary shares of ₹2 each)		
	(iii)	30,00,00,000 Convertible Cumulative Preference shares of ₹100 each	3,000.00	3,000.00
		(as at March 31, 2021: 30,00,00,000 shares of ₹100 each)		
		Total	**4,000.00**	**4,000.00**
(b)	**Issued: [Note (h) and (i)]**			
	(i)	3,32,11,54,566 Ordinary shares of ₹2 each	664.23	664.16
		(as at March 31, 2021: 3,32,08,00,324 Ordinary shares of ₹2 each)		
	(ii)	50,87,36,110 'A' Ordinary shares of ₹2 each	101.75	101.75
		(as at March 31, 2021: 50,87,36,110 'A' Ordinary shares of ₹2 each)		
		Total	**765.98**	**765.91**
(c)	**Subscribed and called up: [Note (h)]**			
	(i)	3,32,06,62,007 Ordinary shares of ₹2 each	664.13	664.06
		(as at March 31, 2021: 3,32,03,07,765 Ordinary shares of ₹2 each)		
	(ii)	50,85,02,896 'A' Ordinary shares of ₹2 each	101.70	101.70
		(as at March 31, 2021: 50,85,02,896 'A' Ordinary shares of ₹2 each)		
			765.83	**765.76**
(d)	**Calls unpaid - Ordinary shares**			
	310 Ordinary shares of ₹2 each (₹1 outstanding on each) and 260 Ordinary shares of ₹2 each (₹0.50 outstanding on each)		(0.00) *	(0.00)
	(as at March 31, 2021: 310 Ordinary shares of ₹2 each (₹1 outstanding on each) and 260 Ordinary shares of ₹2 each (₹0.50 outstanding on each)			
(e)	**Paid-up (c+d):**		**765.83**	**765.76**
(f)	**Forfeited - Ordinary shares**		0.05	0.05
	Total (e+f)		**765.88**	**765.81**

(g)	The movement of number of shares and share capital		Year ended March 31, 2022		Year ended March 31, 2021	
			(No. of shares)	(₹ in crores)	(No. of shares)	(₹ in crores)
	(i)	**Ordinary shares**				
		Balance as at April 1	332,03,07,765	664.06	308,89,73,894	617.79
		Add: Preferential allotment of shares/conversion of share warrants (Refer Note (h) below)	-	-	23,13,33,871	46.27
		Add: Allotment of shares on exercise of stock options by employees	354,242	0.07	-	-
		Balance as at March 31	**332,06,62,007**	**664.13**	**332,03,07,765**	**664.06**
	(ii)	**'A' Ordinary shares**				
		Balance as at April 1	50,85,02,896	101.70	50,85,02,896	101.70
		Balance as at March 31	**50,85,02,896**	**101.70**	**50,85,02,896**	**101.70**

*less than ₹ 50,000/-

Notes Forming Part of Financial Statements

(h) During the year ended March 31, 2020, the Company has allotted 20,16,23,407 Ordinary Shares at a price of ₹150 per Ordinary Share aggregating to ₹3,024.35 crores and 23,13,33,871 Convertible Warrants ('Warrants'), each carrying a right to subscribe to one Ordinary Share per Warrant, at a price of ₹150 per Warrant ('Warrant Price'), aggregating to ₹3,470.00 crores on a preferential basis to Tata Sons Private Limited. An amount equivalent to 25% of the Warrant Price was paid at the time of subscription and the balance 75% of the Warrant Price was payable by the Warrant holder against each Warrant at the time of allotment of Ordinary Shares pursuant to exercise of the options attached to Warrant(s) to subscribe to Ordinary Share(s) by June 2021.The Company has fully utilised the amount of ₹3,891.85 crores towards repayment of debt, and other general corporate purposes of the Company and its subsidiaries.

During the year ended March 31, 2021, on exercise of options by Tata Sons Pvt Ltd and on receipt of the balance subscription money of ₹2,602.51 crores, the Company has fully converted 23,13,33,871 convertible warrants into Ordinary Shares. As at March 31, 2022 the Company has fully utilised amount towards repayment of debt, and other general corporate purposes of the Company.

(i) The entitlements to 4,92,559 Ordinary shares of ₹2 each (as at March 31, 2021 : 4,92,559 Ordinary shares of ₹2 each) and 2,33,214 'A' Ordinary shares of ₹2 each (as at March 31, 2021: 2,33,214 'A' Ordinary shares of ₹2 each) are subject matter of various suits filed in the courts / forums by third parties for which final order is awaited and hence kept in abeyance.

(j) Rights, preferences and restrictions attached to shares :

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

- The Company has two classes of shares – the Ordinary shares and the 'A' Ordinary shares both of ₹2 each (together referred to as shares). In respect of every Ordinary share (whether fully or partly paid), voting rights shall be in the same proportion as the capital paid up on such Ordinary share bears to the total paid up Ordinary share capital of the Company. In case of every 'A' Ordinary share, if any resolution is put to vote on a poll or by postal ballot at any general meeting of shareholders, the holder shall be entitled to one vote for every ten 'A' Ordinary shares held as per the terms of its issue and if a resolution is put to vote on a show of hands, the holder of 'A' Ordinary shares shall be entitled to the same number of votes as available to holders of Ordinary shares.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also declare an interim dividend. The holders of 'A' Ordinary shares shall be entitled to receive dividend for each financial year at five percentage point more than the aggregate rate of dividend declared on Ordinary shares for that financial year.
- In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(ii) American Depository Shares (ADSs) and Global Depository Shares (GDSs) :

- Each ADS and GDS underlying the ADR and GDR respectively represents five Ordinary shares of ₹2 each. A holder of ADS and GDS is not entitled to attend or vote at shareholders meetings. An ADS holder is entitled to issue voting instructions to the Depository with respect to the Ordinary shares represented by ADSs only in accordance with the provisions of the Company's ADSs deposit agreement and Indian Law. The depository for the ADSs and GDSs shall exercise voting rights in respect of the deposited shares by issue of an appropriate proxy or power of attorney in terms of the respective deposit agreements.
- Shares issued upon conversion of ADSs and GDSs will rank pari passu with the existing Ordinary shares of ₹2 each in all respects including entitlement of the dividend declared.

Notes Forming Part of Financial Statements

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

		As at March 31, 2022		As at March 31, 2021	
		% of Issued Share Capital	No. of Shares	% of Issued Share Capital	No. of Shares
(i)	**Ordinary shares :**				
	(a) Tata Sons Private Limited	43.73%	1,45,21,13,801	43.73%	1,45,21,13,801
	(b) Citibank N.A. as Depository	#	17,09,78,800	#	35,37,15,165
(ii)	**'A' Ordinary shares :**				
	(a) Tata Sons Private Limited	7.57%	3,85,11,281	7.57%	3,85,11,281
	(b) ICICI Prudential Equity & Debt Fund	**15.86%**	**8,06,52,318**	**14.26%**	**7,25,19,454**

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

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

(a) The Company has not issued any shares without payment being received in cash.

(b) The Company has not issued any bonus shares.

(c) The Company has not undertaken any buy-back of shares.

(m) Disclosure of Shareholding of Promoters

Promoter name		As at March 31, 2022		As at March 31, 2021		% change during the year
		No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	
(i)	Ordinary shares :					
	Tata Sons Private Limited	1,45,21,13,801	43.73%	1,45,21,13,801	43.73%	-
(ii)	'A' Ordinary shares :					
	Tata Sons Private Limited	38,511,281	7.57%	38,511,281	7.57%	-

Promoter name		As at March 31, 2021		As at March 31, 2020		% change during the year
		No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	
(i)	Ordinary shares :					
	Tata Sons Private Limited	1,45,21,13,801	43.73%	1,220,779,930	39.52%	4.21%
(ii)	'A' Ordinary shares :					
	Tata Sons Private Limited	**38,511,281**	**7.57%**	**26,722,401**	**5.26%**	**2.31%**

22. A) OTHER COMPONENTS OF EQUITY

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

(₹ in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	287.70	(56.00)
Other comprehensive income/(loss) for the year	371.29	365.84
Income tax relating to gain/loss arising on other comprehensive income where applicable	(52.96)	(17.78)
Profit on sale of equity investment reclassified to retained earnings	-	(4.36)
Balance at the end	**606.03**	**287.70**

Notes Forming Part of Financial Statements

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

(₹ in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	(101.17)	(168.55)
Gain/(loss) recognised on cash flow hedges	136.87	63.58
Income tax relating to gain/loss recognised on cash flow hedges	(47.83)	(22.22)
(Gain)/loss reclassified to profit or loss	(2.57)	39.99
Income tax relating to gain/loss reclassified to profit or loss	0.90	(13.97)
Balance at the end	**(13.80)**	**(101.17)**

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

(₹ in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	(0.80)	(42.79)
Gain/(loss) recognised on cash flow hedges	(133.90)	(1.22)
Income tax relating to gain/loss recognised on cash flow hedges	46.78	0.42
(Gain)/loss reclassified to profit and loss	1.22	65.77
Income tax relating to gain/loss reclassified to profit and loss	(0.42)	(22.98)
Balance at the end	**(87.12)**	**(0.80)**

(d) Summary of Other components of equity:

(₹ in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Equity instruments through other comprehensive income	606.03	287.70
Hedging reserve	(13.80)	(101.17)
Cost of hedging reserve	(87.12)	(0.80)
Total	**505.11**	**185.72**

(B) NOTES TO RESERVES

a) Capital redemption reserve

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

b) Debenture redemption reserve (DRR)

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

c) Securities premium

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

Notes Forming Part of Financial Statements

d) Retained earnings

Retained earnings are the profits that the Company has earned till date.

e) Capital reserve

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

f) Dividends

The final dividend is recommended by the Board of Directors and is recorded in the books of accounts upon its approval by the Shareholders. For the year ended March 31, 2022 and 2021, considering the accumulated losses in the Tata Motors Limited Standalone, no dividend was permitted to be paid to the members, as per the Companies Act, 2013 and the rules framed thereunder.

g) Share-based payments reserve

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

23. LONG-TERM BORROWINGS

(₹ in crores)

			As at March 31, 2022	As at March 31, 2021
Secured:				
(a)	Privately placed Non-Convertible Debentures (refer note I (ii))		998.64	997.46
(b)	Term loans:			
	(i)	from banks	-	521.07
	(ii)	from financial institutions (refer note I (i) (a))	1,345.11	2,992.85
	(iii)	others (refer note I (i) (b))	40.64	214.01
			2,384.39	**4,725.39**
Unsecured:				
(a)	Privately placed Non-Convertible Debentures (refer note I (ii))		2,895.88	2,799.75
(b)	Term loan from banks			
	(i)	Buyer's line of credit (at floating interest rate) (refer note I (v))	2,883.33	3,083.33
	(ii)	External commercial borrowings (ECB)	1,788.35	1,721.12
		(at floating interest rate) (refer note I (iv))		
(c)	Senior Notes (refer note I (iii))		4,150.79	3,997.18
			11,718.35	**11,601.38**
Total			**14,102.74**	**16,326.77**

24. SHORT-TERM BORROWINGS

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
Secured:			
Loans from banks (refer note II (i))		568.14	1,301.69
		568.14	**1,301.69**
Unsecured:			
(a)	Loans from banks (refer note II (i))	75.80	82.97
(b)	Inter corporate deposits from subsidiaries and associates (refer note II (ii))	4,466.00	467.00
(c)	Commercial paper (refer note II (iii))	895.03	690.84
		5,436.83	**1,240.81**
Current maturities of long-term borrowings (refer note (IV) below)		3,124.94	2,879.45
Total		**9,129.91**	**5,421.95**

Notes Forming Part of Financial Statements

I. Information regarding long-term borrowings

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

(a) The term loan of ₹**2,400.00 crores** from HDFC Ltd, (recorded in books at ₹2,395.11 crores) included within Long-term borrowings of ₹**1,345.11 crores** in note 23 and included within Current maturities of Long-term borrowings of ₹**1,050.00 crores** in note 24, is due for repayment from the quarter ending June 30, 2022 to quarter ending June 30, 2026, along with a simple interest of 7.50% p.a. The loan is secured by a charge over Company's leasehold land together with building structures, plant and machinery, fixtures and other assets.

(b) The term loan of ₹**112.82 crores** (recorded in books at ₹40.64 crores) is due for repayment from the quarter ending June 30, 2030 to March 31, 2034, along with a simple interest of 0.01% p.a. The loan is secured by bank guarantee for the due performance of the conditions as per the terms of the agreement.

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

(₹ in crores)

Non-Convertible Debentures (NCDs)	Redeemable on	Principal
Secured :		
8.80% Non-Convertible Debentures (2023)	May 26, 2023	1,000.00
Debt issue cost		(1.36)
Total		**998.64**

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

(₹ in crores)

Non-Convertible Debentures (NCDs)	Redeemable on	Principal
Unsecured :		
8.50% Non-Convertible Debentures (2027)	January 29, 2027	250.00
8.50% Non-Convertible Debentures (2026)	December 30, 2026	250.00
6.60% Non-Convertible Debentures (2026)	May 29, 2026	500.00
6.95% Non-Convertible Debentures (2026)	March 31, 2026	500.00
9.77% Non-Convertible Debentures (2024)	September 12, 2024	200.00
9.81% Non-Convertible Debentures (2024)	August 20, 2024	300.00
9.54% Non-Convertible Debentures (2024)	June 28, 2024	100.00
9.35% Non-Convertible Debentures (2023)	November 10, 2023	400.00
9.31% Non-Convertible Debentures (2023)	September 29, 2023	200.00
9.27% Non-Convertible Debentures (2023)	June 30, 2023	200.00
9.60% Non-Convertible Debentures (2022)	October 29, 2022	400.00*
7.50% Non-Convertible Debentures (E27H Series)	June 22, 2022	500.00*
Debt issue cost		(4.17)
Total		**3,795.83**

* Classified as Current maturities of long-term borrowings (refer note 24) being maturity before March 31, 2023

(iii) Schedule of repayment of Senior Notes:

(₹ in crores)

	Redeemable on	Currency	Amount (in million)	As at March 31, 2022	As at March 31, 2021
5.750% Senior Notes	October 30, 2024	USD	250	1,886.33	1,816.07
5.875% Senior Notes	May 20, 2025	USD	300	2,264.46	2,181.11
				4,150.79	**3,997.18**

Notes Forming Part of Financial Statements

(iv) The external commercial borrowings of USD 250 million (₹**1,788.35 crores**) bearing floating interest rate of 3 months LIBOR+128bps is due for repayment in June 2025.

(v) The buyer's line of credit from banks bearing floating interest ranging from 6.30% to 8.85%, amounting to ₹**2,883.33 crores** is repayable within a maximum period of seven years from the drawdown dates. All the repayments are due from period ending April 28, 2023 to November 30, 2026. The Buyer's line of credit of ₹**1,175.00 crores** classified under Short Term Borrowings-current being maturity before March 31, 2023.

II. Information regarding short-term borrowings

(i) Loans, cash credits, overdrafts and buyers line of credit from banks bearing fixed interest rate from 4.00% to 7.45% are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase / leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

(ii) Inter-corporate deposits from subsidiaries and associates are unsecured bearing interest rate at 5% to 7.75%.

(iii) Commercial paper are unsecured short-term papers issued at discount bearing no coupon interest. The yield on commercial paper issued by the Company ranges from 4.58% to 4.67%

III. Collateral

(₹ in crores)

Assets pledged as collateral/security against borrowings	As at March 31, 2022	As at March 31, 2021
Inventory	648.00	1,560.51
Other financial assets	-	100.00
Property, plant and equipment	4,250.00	6,302.59
Total	**4,898.00**	**7,963.10**

(i) The quarterly returns or statements filed by the Company for working capital limits with such banks and financial institutions are in agreement with the books of account of the Company except for statements filed for quarters during the year ended March 31, 2022, where differences were noted between the amount as per books of account for respective quarters and amount as reported in the quarterly statements. The differences were in case of Debtors amounting to ₹ 689 crores (amount reported ₹ 3,166 crores vs amount per books of account ₹ 2,477 crores), ₹ 490 crores (amount reported ₹ 2,799 crores vs amount per books of account ₹ 2,309 crores) and ₹ 758 crores (amount reported ₹ 3,191 crores vs amount per books of account ₹ 2,433 crores) for the quarter ended June 30, 2021, September 30, 2021 and December 31, 2021 respectively. Further, Creditors had a difference of ₹ 38 crores (amount reported ₹ 3,246 crores vs amount per books of account ₹ 3,208 crores) for the quarter ended June 30, 2021; and Inventory had a difference of ₹ 44 crores (amount reported ₹ 5,472 crores vs amount per books of account ₹ 5,516 crores) for the quarter ended September 30, 2021. These statements were subsequently rectified after year ended March 31, 2022 and submitted to the respective banks.

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

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

(₹ in crores)

Sr No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i)	Incremental borrowing done (a)	2,000.00	4,500.00
(ii)	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	500.00	1,125.00
(iii)	Actual borrowings done through debt securities (c)	1,000.00	1,000.00
(iv)	Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c)	-	125.00
(v)	Reasons for short fall, if any, in mandatory borrowings through debt securities	-	COVID 19- shallow market

Notes Forming Part of Financial Statements

IV. Details of Current maturities of long-term borrowings :

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(i)	Non Convertible Debentures (Unsecured) (refer note I (ii))	899.94	2,399.89
(ii)	Loans from financial institutions (Secured)(refer note I (i) (b))	1,050.00	-
(iii)	Loans from Banks (Secured)	-	187.89
(iv)	Buyers Credit (Capex) (Unsecured) (refer note I (v))	1,175.00	291.67
		3,124.94	**2,879.45**

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

(₹ in crores)

	Short-term borrowings	Long-term * borrowings	Total
Balance at April 1, 2020	6,121.36	19,323.41	25,444.77
Proceeds from issuance of debt	4,068.21	4,667.65	8,735.86
Repayment of financing	(7,660.67)	(4,562.91)	(12,223.58)
Foreign exchange	-	(202.01)	(202.01)
Amortisation / EIR adjustments of prepaid borrowings (net)	13.60	(19.92)	(6.32)
Balance at March 31, 2021	**2,542.50**	**19,206.22**	**21,748.72**
Balance at March 31, 2021	2,542.50	19,206.22	21,748.72
Proceeds from issuance of debt	5,137.27	1,999.79	7,137.06
Repayment of financing	(1,666.02)	(3,482.07)	(5,148.09)
Foreign exchange	-	211.00	211.00
Amortisation / EIR adjustments of prepaid borrowings (net)	3.72	(163.70)	(159.98)
Adjustments due to conversion of Joint Operation to Joint Venture	(12.50)	(543.56)	(556.06)
Balance at March 31, 2022	**6,004.97**	**17,227.68**	**23,232.65**

*includes current maturities of long term borrowings

Notes Forming Part of Financial Statements

25. TRADE PAYABLES

(₹ in crores)

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

(₹ in crores)

	As at March 31, 2021					
	Not due	Overdue				Total
		Up to 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	105.02	38.17	6.39	3.74	13.91	167.23
Total	**105.02**	**38.17**	**6.39**	**3.74**	**13.91**	**167.23**
Outstanding dues other than micro and small enterprises						
(a) Disputed dues	148.47	49.79	-	-	-	198.26
(b) Undisputed dues	6,287.69	1,193.74	116.14	62.45	89.50	7,749.52
Total	**6,436.16**	**1,243.53**	**116.14**	**62.45**	**89.50**	**7,947.78**
Balance as at March 31, 2021	**6,541.18**	**1,281.70**	**122.53**	**66.19**	**103.41**	**8,115.01**

26. OTHER FINANCIAL LIABILITIES – NON-CURRENT

(₹ in crores)

	As at March 31, 2022	As at March 31, 2021
(a) Derivative financial instruments	77.00	166.49
(b) Liability towards employee separation scheme	109.50	132.67
(c) Option premium payable	209.28	293.55
(d) Others	64.59	66.93
Total	**460.37**	**659.64**

Notes Forming Part of Financial Statements

27. OTHER FINANCIAL LIABILITIES – CURRENT

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Interest accrued but not due on borrowings	348.48	368.36
(b)	Liability for capital expenditure (refer note below)	119.38	231.38
(c)	Deposits and retention money	452.06	588.63
(d)	Derivative financial instruments	2.79	9.27
(e)	Liability towards Investors Education and Protection Fund under Section 125 of the Companies Act, 2013 not due		
	(i) Unpaid dividends	1.48	3.01
	(ii) Unpaid matured deposits and interest thereon	-	0.13
	(iii) Unpaid debentures and interest thereon	0.18	0.18
(f)	Liability towards employee separation scheme	29.18	33.63
(g)	Option premium payable	95.02	110.33
(h)	Liability for factoring sales	37.37	24.95
(i)	Others	27.32	6.25
	Total	**1,113.26**	**1,376.12**

Includes ₹**21.49 crores** (₹22.48 crores as at March 31, 2021) outstanding towards principal and interest provision on dues of micro enterprises and small enterprises as per MSMED ACT 2006.

28. PROVISIONS

(a) Accounting policy

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

Product warranty expenses

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

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

Provision for onerous obligations

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

Notes Forming Part of Financial Statements

(b) Provisions-non current

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Employee benefits obligations	771.45	719.72
(b)	Warranty	702.66	652.17
(c)	Annual maintenance contract (AMC)	-	0.05
	Total	**1,474.11**	**1,371.94**

(c) Provisions-current

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Warranty	572.96	872.38
(b)	Provision for onerous contract and related supplier claims	8.22	117.44
(c)	Employee benefits obligations	11.85	36.64
(d)	Others	15.03	17.08
	Total	**608.06**	**1,043.54**

Note

Onerous contract and Warranty provision movement

(₹ in crores)

	Year ended March 31, 2022	
	Onerous contract	Warranty
Balance at the beginning	117.44	1,524.55
Provision/(reversal) made during the year	-	755.07
Transferred to Tata Motors Passenger Vehicles Limited (refer note 46)	(103.50)	(200.71)
Provision used during the year	(5.72)	(805.97)
Impact of discounting	-	2.68
Balance at the end	**8.22**	**1,275.62**
Current	8.22	572.96
Non-current	-	702.66

29. INCOME TAXES

(a) Accounting policy

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

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognised to the extent it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and

Notes Forming Part of Financial Statements

the Company intends to settle its current tax assets and liabilities on a net basis. Deferred tax liabilities on taxable temporary differences arising from investments in subsidiaries, branches and associated companies and interests in joint arrangements are not recognised if the Company is able to control the timing of the reversal and it is probable that the temporary difference will not reverse in the foreseeable future.

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

(₹ in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(Loss) before tax from continuing operations	(1,640.05)	(2,274.72)
Profit/(Loss) before tax from discontinued operations	392.51	(37.85)
Profit/(Loss) before tax	(1,247.54)	(2,312.57)
Income tax expense at tax rates applicable to individual entities	(440.02)	(817.29)
Provision for impairment in subsidiary,jv companies/exceptional (others)	(244.31)	43.11
Undistributed earnings of joint operations	47.41	63.92
Deferred tax assets not recognized as realisation is not probable	(585.31)	852.94
Utilisation/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	-	(129.39)
Profit on sale of investments in a subsidiary company and other investments	(0.88)	1.52
Impact of change in statutory tax rates	-	(1.33)
Profit on Sale of PV undertaking	1,282.92	-
Others	83.51	69.39
Income tax expense reported in statement of profit and loss	**143.32**	**82.87**

Note:

1. Tata Motors Limited (TML) has presently, decided not to opt for the New Tax Regime inserted by Section 115BAA of the Income-tax Act, 1961 and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance') which is applicable from Financial Year beginning April 1, 2019. TML has accordingly applied the existing tax rates in the financial statements for the year ended March 31, 2022.
2. Tata Cummins Ltd. has from FY 2019-20, adopted and shifted to the New Tax Regime, under Section 115BAA as inserted in the Income-tax Act, 1961.

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

(₹ in crores)

	Opening balance	Recognised in profit and loss	Recognised in/ reclassified from OCI	Adjustments due to conversion of Joint Operation to Joint Venture	Movement due to assets and libilities transferred to Tata Motors Passenger Vehicles Ltd	Closing balance
Deferred tax assets:						
Unabsorbed depreciation	2,454.41	(115.18)	-	(40.09)	(77.40)	2,221.74
Business loss carry forwards	1,715.83	13.30	-	-	(1,729.13)	-
Expenses deductible in future years:						
- provisions, allowances for doubtful receivables and others	488.57	(11.09)	-	(0.68)	(72.33)	404.47
Compensated absences and retirement benefits	159.35	(21.51)	20.64	(0.19)	-	158.29
Minimum alternate tax carry-forward	0.77	-	-	-	-	0.77
Derivative financial instruments	119.90	(12.85)	(0.57)	-	-	106.48
Unrealised profit on inventory	2.97	1.10	-	(4.91)	-	(0.84)
Others	119.59	(2.37)	-	(16.05)	(1.25)	99.92
Total deferred tax assets	5,061.39	(148.60)	20.07	(61.92)	(1,880.11)	2,990.83

Notes Forming Part of Financial Statements

	Opening balance	Recognised in profit and loss	Recognised in/ reclassified from OCI	Adjustments due to conversion of Joint Operation to Joint Venture	Movement due to assets and libilities transferred to Tata Motors Passenger Vehicles Ltd	Closing balance
Deferred tax liabilities:						
Property, plant and equipment	2,603.99	44.42	-	(55.55)	(517.52)	2,075.35
Intangible assets	2,451.61	(300.13)	-	(1.28)	(1,362.59)	787.61
Undistributed earnings in joint operations	222.28	47.41	-	(178.76)	-	90.93
Others	50.01	107.70	52.97	-	-	210.67
Total deferred tax liabilities	5,327.89	(100.60)	52.97	(235.59)	(1,880.11)	3,164.55
Net Deferred tax assets / (liabilities)	**(266.50)**	**(48.00)**	**(32.90)**	**173.67**	**-**	**(173.72)**

As at March 31, 2022, unrecognised deferred tax assets amount to ₹**2,783.03 crores** and ₹**7,658.11 crores** which can be carried forward indefinitely and up to a specified period, respectively. These relate primarily to depreciation carry forwards, other deductible temporary differences and business losses. The deferred tax asset has not been recognised on the basis that its recovery is not probable in the foreseeable future.

As at March 31, 2022 unrecognised deferred tax assets expire unutilised based on the year of origination as follows:

March 31,	(₹ in crores)
2023	831.70
2024	698.06
2025	2,291.75
2026	614.19
2027	893.13
Thereafter	2,329.28

Significant components of deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

(₹ in crores)

	Opening balance	Recognised in profit and loss	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:				
Unabsorbed depreciation	2,533.36	(78.95)	-	2,454.41
Business loss carry forwards	1,232.38	483.45	-	1,715.83
Expenses deductible in future years:				-
- provisions, allowances for doubtful receivables and others	691.40	(202.83)	-	488.57
Compensated absences and retirement benefits	199.37	(49.19)	9.17	159.35
Minimum alternate tax carry-forward	3.33	(2.56)	-	0.77
Derivative financial instruments	113.37	65.27	(58.74)	119.90
Unrealised profit on inventory	1.80	1.17	-	2.97
Others	61.49	58.10	-	119.59
Total deferred tax assets	**4,836.50**	**274.46**	**(49.57)**	**5,061.39**
Deferred tax liabilities:				
Property, plant and equipment	2,078.12	525.87	-	2,603.99
Intangible assets	2,740.08	(288.47)	-	2,451.61
Undistributed earnings in joint operations	158.36	63.92	-	222.28
Others	58.53	(26.30)	17.78	50.01
Total deferred tax liabilities	**5,035.09**	**275.02**	**17.78**	**5,327.89**
Deferred tax liabilities	**(198.59)**	**(0.56)**	**(67.35)**	**(266.50)**

Notes Forming Part of Financial Statements

30. OTHER NON-CURRENT LIABILITIES

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Contract liabilities (note (a) below)	430.95	305.43
(b)	Government incentives (note (b) below)	32.81	41.65
(c)	Employee Benefit Obligations - Funded	39.45	175.55
(d)	Others	10.92	10.92
	Total	**514.13**	**533.55**

31. OTHER CURRENT LIABILITIES

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Contract liabilities (note (a) below)	922.20	1,146.92
(b)	Statutory dues (GST,VAT, Excise, Service Tax, Octroi etc)	933.09	928.33
(c)	Government incentives (note (b) below)	153.84	116.09
(d)	Others	38.14	96.16
	Total	**2,047.27**	**2,287.50**

Note:

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	**Contract liabilities**		
	Opening contract liabilities	1,452.35	790.24
	Amount recognised in revenue	(363.24)	(375.26)
	Assets transferred to Tata Motors Passenger Vehicles Limited	(383.84)	-
	Amount received in advance during the year	800.00	1,043.55
	Amount refunded to customers	(152.12)	(6.18)
	Closing contract liabilities	**1,353.15**	**1,452.35**

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
Advances received from customers	Current	763.48	982.45
Deferred revenue	Current	158.72	164.47
	Non-current	430.95	305.43
		1,353.15	**1,452.35**

Performance obligations in respect of amount received in respect of future maintenance service and extended warranty will be fulfilled over a period of 6 years from year ending March 31, 2022 till March 31, 2027.

(b) Government incentives include ₹143.16 crores as at March 31, 2022 (₹101.01 crores as at March 31, 2021) grants relating to property, plant and equipment related to duty saved on import of capital goods and spares under the Exports Promotion Capital Goods (EPCG) scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.

Notes Forming Part of Financial Statements

32. REVENUE RECOGNITION

(a) Accounting policy

The Company generates revenue principally from-

i) Sale of products - commercial and passenger vehicles and vehicle parts

The Company recognises revenues on the sale of products, net of discounts, sales incentives, customer bonuses and rebates granted, when products are delivered to dealers or when delivered to a carrier for export sales, which is when control including risks and rewards and title of ownership pass to the customer.

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

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

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

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

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

When the Company sells products that are bundled with maintenance service or extended period of warranty, such services are treated as a separate performance obligation only if the service or warranty is optional to the customer or includes an additional service component. In such cases, the transaction price allocated towards such maintenance service or extended period of warranty is recognised as a contract liability until the service obligation has been met.

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

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

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

(b) Revenue From Operations

(₹ in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Sale of products (refer note 1 and 2 below)		
	(i) Vehicles	39,555.18	25,187.45
	(ii) Spare parts	4,881.81	3,100.58
	(iii) Miscellaneous products	1,733.92	1,126.69
	Total Sale of products	**46,170.91**	**29,414.72**
(b)	Sale of services	710.06	354.35
	Revenue	**46,880.97**	**29,769.07**
(c)	Other operating revenues (refer note 3 below)	382.71	405.96
	Total	**47,263.68**	**30,175.03**

Notes Forming Part of Financial Statements

(₹ in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
Note:			
(1)	Includes variable marketing expenses netted off against revenue	(9,963.06)	(5,791.37)
(2)	Includes exchange gain/(loss) (net) on hedges reclassified from hedge reserve to statement of profit and loss	(0.98)	(0.92)
(3)	Includes profit on sale of properties	65.48	143.44

33. OTHER INCOME

(a) Accounting policy

Government Grants and Incentives

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

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

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

(b) Other income

(₹ in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Interest income	276.57	148.30
(b)	Dividend income (refer note below)	80.08	20.45
(c)	Government incentives	183.29	173.24
(d)	Profit on sale of investments at FVTPL	109.82	72.80
(e)	MTM – Investments measured at FVTPL	10.16	5.20
	Total	**659.91**	**419.99**
Note:			
Includes :			
(a)	Dividend from subsidiary companies and associates	53.03	2.79
(b)	From investment measured at FVTOCI	27.05	17.66

34. EMPLOYEE BENEFITS EXPENSE

(₹ in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Salaries, wages and bonus *	2,993.01	2,857.45
(b)	Contribution to provident fund and other funds	218.75	217.62
(c)	Staff welfare expenses	389.75	266.46
	Total	**3,601.51**	**3,341.53**

* The amount of ₹**16.73 crores** and ₹9.04 crores has accrued in salaries, wages and bonus for the year ended March 31, 2022 and March 31, 2021, respectively towards share based payments.

Notes Forming Part of Financial Statements

Share based payments

Accounting policy

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

Equity-settled share option plan

(i) Tata Motors Limited Employees Stock Option Scheme 2018

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

	Year ended March 31, 2022	Year ended March 31, 2021
Option exercisable at the beginning of the year	6,804,003	7,222,897
Granted during the year	335,209	-
Forfeited/Expired during the year	(122,419)	(418,894)
Exercised during the year	(354,242)	-
Option exercisable at the end of the year	6,662,551	6,804,003
Number of shares to be issued for outstanding options (conditional on performance measures)	9,993,827 / 3,331,276	1,02,06,005 / 34,02,002
Maximum	9,993,827	1,02,06,005
Minimum	3,331,276	34,02,002
Share price for options exercised during the year	392 - 530	NA
Remaining contractual life	3 - 15 months	3 - 27 months

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

Assumption factor	Year ended March 31, 2022	Year ended March 31, 2021
Risk free rate	7%-8%	7%-8%
Expected life of option	2-4 years	2-4 years
Expected volatility	33%- 37%	33%- 37%
Share price	170.6	170.6

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

Notes Forming Part of Financial Statements

Share based payments

Share-based Long Term Incentive Scheme 2021

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

As per the scheme, the number of shares that will vest is conditional upon certain performance measures determined by NRC. The performance is measured over vesting period of the options granted. The performance measures under this scheme include growth in sales, earnings and free cash flow. The options granted under this scheme is exercisable by employees till one year from date of its vesting. The Company has granted options at an exercise price of ₹338/- for ESOs and ₹2/- for PSUs. Option granted will vest after 3 years from date of grant. Number of shares that will vest range from 0.5 to 1.2 per option granted depending on performance measures.

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

Reconciliation of outstanding ESOs/ PSUs	ESOs	PSUs
	No of options	No of options
(i) Option exercisable at the beginning of the year	-	-
(ii) granted during the year	839,650	964,569
(iii) forfeited during the year	-	-
(iv) exercised during the year	-	-
(v) Option exercisable at the end of the year	839,650	964,569
(vi) Remaining contractual life	28 Months	28 Months

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

Assumption factor	ESOs	PSUs
Risk free interest rate	0.05	0.05
Expected life of option	3.8 years	3.8 years
Expected volatility	0.51	0.51
Share price	376.40	376.40

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

35. FINANCE COSTS

(₹ in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Interest	1,818.74	2,012.68
	Add: Exchange fluctuation considered as interest cost	1.31	-
	Less: Transferred to capital account	(114.79)	(190.48)
		1,705.26	1,822.20
(b)	Discounting charges	416.47	288.62
	Total	**2,121.73**	**2,110.83**

Note:

The weighted average rate for capitalisation of interest relating to general borrowings were approximately **6.82%** and 7.44% for the years ended March 31, 2022 and 2021, respectively.

Notes Forming Part of Financial Statements

36. OTHER EXPENSES

(₹ in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Processing charges	1,039.05	789.06
(b)	Consumption of stores & spare parts	406.36	311.78
(c)	Power and fuel	344.78	247.89
(d)	Freight, transportation, port charges etc.	1,025.95	656.35
(e)	Publicity	321.49	138.08
(f)	Warranty expenses ^	717.36	373.61
(g)	Information technology/computer expenses	705.47	656.18
(h)	Allowances made/(reversed) for trade and other receivables (net)	32.70	77.19
(i)	Works operation and other expenses (note below)	1,425.55	944.62
	Total	**6,018.71**	**4,194.74**
^	Net of estimated recovery from suppliers	(78.37)	(20.65)

Note:
Works operation and other expenses include:

(₹ in crores)

			Year ended March 31, 2022	Year ended March 31, 2021
(a)	**Auditors' Remuneration (excluding GST)**			
	(i)	Audit Fees	5.51	7.93
	(ii)	Audit fees for financial statements as per IFRS (including SOX certification) ^	3.39	3.41
	(iii)	In other Capacities :		
		Tax Audit / Transfer Pricing Audit	0.58	0.62
		Taxation Matters	0.05	-
	(iv)	Other Services	0.38	0.82
	(v)	Reimbursement of travelling and out-of-pocket expenses	0.09	0.41
^ Amount paid to KPMG Assurance and Consulting Services LLP				
(b)	**Cost Auditors' Remuneration (excluding GST)**			
		Cost Audit Fees	0.25	0.25

(c) Corporate Social Responsibility (CSR) expenditure

		Year ended March 31, 2022	Year ended March 31, 2021
Amount required to be spent by the Company during the year		-	-
Amount of expenditure incurred on*:			
(i)	Construction/acquisition of any assets	-	-
(ii)	On purposes other than (i) above	23.70	23.99
Shortfall at the end of the year		-	-
Total of previous year shortfall		-	-
Reason for shortfall		NA	NA
Nature of CSR activities		Education, skilling, health, environmental sustainability, Rural Development, COVID-19 relief activities	

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

Notes Forming Part of Financial Statements

(d) Works operation and other expenses include remuneration payable to non- executive independent directors aggregating ₹**2.35 crores** (₹1.70 crores for the year March 31, 2021).

37. AMOUNT TRANSFERRED TO CAPITAL AND OTHER ACCOUNTS

(₹ in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Capital work in progress	(101.67)	(50.90)
(b)	Intangible asset under development	(322.76)	(353.93)
(c)	Product development/Engineering expenses	(480.99)	(390.10)
	Total	**(905.42)**	**(794.93)**

38. COMMITMENTS AND CONTINGENCIES

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

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

Litigation

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

Income Tax

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

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

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

As at March 31, 2022, there are contingent liabilities towards matters and/or disputes pending in appeal amounting to ₹**216.10 crores** (₹101.89 crores as at March 31, 2021).

Customs, Excise Duty and Service Tax

As at March 31, 2022, there are pending litigation for various matters relating to customs, excise duty and service taxes involving demands, including interest and penalties, of ₹**610.78 crores** (₹580.45 crores as at March 31, 2021). These demands challenged the basis of valuation of the Company's products and denied the Company's claims of Central Value Added Tax, or CENVAT credit on inputs. The details of the demands for more than ₹100 crores are as follows:

Notes Forming Part of Financial Statements

As at March 31, 2022, the Excise Authorities have raised a demand and penalty of ₹**268.27 crores**, (₹268.27 crores as at March 31, 2021), due to the classification of certain chassis (as goods transport vehicles instead of dumpers) which were sent to automotive body builders by the Company, which the Excise Authorities claim requires the payment of the National Calamity Contingent Duty (NCCD). The Company has obtained a technical expert certificate on the classification. The appeal is pending before the Custom Excise & Service Tax Appellate Tribunal.

Sales Tax/VAT

The total sales tax demands (including interest and penalty), that are being contested by the Company amount to ₹**1,225.74 crores** as at March 31, 2022 (₹1,359.51 crores as at March 31, 2021). The details of the demands for more than ₹100 crores are as follows:

The Sales Tax Authorities have raised demand of ₹**324.00 crores** as at March 31, 2022 (₹326.85 crores as at March 31, 2021) towards rejection of certain statutory forms for concessional lower/nil tax rate (Form F and Form C) on technical grounds and few other issues such as late submission, single form issued against different months / quarters dispatches / sales, etc. and denial of exemption from tax in absence of proof of export for certain years. The Company has contended that the benefit cannot be denied on technicalities, which are being complied with. The matter is pending at various levels.

The Sales Tax authorities have denied input tax credit and levied interest and penalty thereon due to varied reasons aggregating to ₹**283.62 crores** as at March 31, 2022 (₹270.50 crores as at March 31, 2021). The reasons for disallowing credit was mainly due to Taxes not paid by Vendors, incorrect method of calculation of set off as per the department, alleging suppression of sales as per the department etc. The matter is contested in appeal.

The Sales Tax authorities have raised demand for Check post/ Entry Tax liability at various states amounting to ₹**501.38 crores** as at March 31, 2022 (₹434.59 crores as at March 31, 2021). The company is contesting this issue.

Other Taxes and Dues

Other amounts for which the Company may contingently be liable aggregate to ₹**242.66 crores** as at March 31, 2022 (₹231.53 crores as at March 31, 2021). Following are the cases involving more than ₹100 crores:

As at March 31, 2022, property tax amounting to ₹**100.07 crores** (₹95.75 crores as at March 31, 2021) has been demanded by the local municipal authorities in respect of vacant land of the Company in the plant in Pimpri (including residential land), Chinchwad and Chikhali. The Company had filed Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against an unfavorable decision of the Bombay High Court. The Hon'ble Supreme Court of India had disposed of the SLP and remanded the matter back to the local municipal corporation for fresh adjudication. After fresh hearing, the municipal authority again passed the same order as it had passed earlier, which the Company has challenged before the Civil Court. The Civil Court has passed an injunction order restraining the municipal authority from taking any action of recovery.

Other claims

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

The Company has, consequent to an Order of the Hon'ble Supreme Court of India in the case of R.C.Gupta Ors. Vs Regional Provident Fund Organisation and Ors., evaluated the impact on its employee pension scheme and concluded that this is not applicable to the Company based on external legal opinion and hence it is not probable that there will be an outflow of resources. Further a Supreme Court of India bench, allowed the review petitions filed by the Employees Provident Fund Organisation (EPFO) and decided to reconsider the previous order that permitted grant of Provident Fund pension on last drawn salary. The Supreme Court has recalled its 2019 order which had paved way for pension on last drawn salary for employees by removing the current salary ceiling of ₹15,000.

Notes Forming Part of Financial Statements

Commitments

The Company has entered into various contracts with vendors and contractors for the acquisition of plant and machinery, equipment and various civil contracts of a capital nature amounting to ₹**587.13 crores** as at March 31, 2022 (₹957.16 crores as at March 31, 2021), which are yet to be executed.

The Company has entered into various contracts with vendors and contractors for the acquisition of intangible assets of a capital nature amounting to ₹**102.29 crores** as at March 31, 2022, (₹99.64 crores as at March 31, 2021), which are yet to be executed.

39. EARNINGS/(LOSS) PER SHARE ("EPS")

(a) Accounting policy

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

(b) EPS - Continuing operations

			Year ended March 31, 2022	Year ended March 31, 2021
(a)	Profit/(loss) after tax	₹ crores	(1,739.23)	(2,295.44)
(b)	The weighted average number of Ordinary shares for Basic EPS	Nos.	3,320,402,491	3,128,268,742
(c)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	508,502,896
(d)	The nominal value per share (Ordinary and 'A' Ordinary)	₹	2	2
(e)	Share of profit / (loss) for Ordinary shares for Basic EPS	₹ crores	(1,508.25)	(1,974.49)
(f)	Share of profit / (loss) for 'A' Ordinary shares for Basic EPS *	₹ crores	(230.98)	(320.95)
(g)	Earnings per Ordinary share (Basic)	₹	(4.54)	(6.31)
(h)	Earnings per 'A' Ordinary share (Basic)	₹	(4.54)	(6.31)
(i)	Profit after tax for Diluted EPS	₹ crores	#	#
(j)	The weighted average number of Ordinary shares for Basic EPS	Nos.	#	#
(k)	Add: Adjustment for shares held in abeyance	Nos.	#	#
(l)	Add: Adjustment for Options relating to warrants	Nos.	#	#
(m)	The weighted average number of Ordinary shares for Diluted EPS	Nos.	#	#
(n)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	#	#
(o)	Add: Adjustment for 'A' Ordinary shares held in abeyance	Nos.	#	#
(p)	The weighted average number of 'A' Ordinary shares for Diluted EPS	Nos.	#	#
(q)	Share of profit for Ordinary shares for Diluted EPS	₹ crores	#	#
(r)	Share of profit for 'A' Ordinary shares for Diluted EPS *	₹ crores	#	#
(s)	Earnings per Ordinary share (Diluted)	₹	(4.54)	(6.31)
(t)	Earnings per 'A' Ordinary share (Diluted)	₹	(4.54)	(6.31)

Notes Forming Part of Financial Statements

(c) EPS - DISCONTINUED OPERATIONS

			Year ended March 31, 2022	Year ended March 31, 2021
(a)	Profit/(loss) after tax	₹ crores	348.37	(100.00)
(b)	The weighted average number of Ordinary shares for Basic EPS	Nos.	3,320,402,491	3,128,268,742
(c)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	508,502,896
(d)	The nominal value per share (Ordinary and 'A' Ordinary)	₹	2	2
(e)	Share of profit / (loss) for Ordinary shares for Basic EPS	₹ crores	297.69	(86.02)
(f)	Share of profit / (loss) for 'A' Ordinary shares for Basic EPS *	₹ crores	50.68	(13.98)
(g)	Earnings per Ordinary share (Basic)	₹	0.90	(0.28)
(h)	Earnings per 'A' Ordinary share (Basic)	₹	1.00	(0.28)
(i)	Profit after tax for Diluted EPS	₹ crores	348.37	#
(j)	The weighted average number of Ordinary shares for Basic EPS	Nos.	3,320,402,491	#
(k)	Add: Adjustment for shares held in abeyance	Nos.	492,559	#
(l)	Add: Adjustment for Options relating to warrants	Nos.	498,268	#
(m)	The weighted average number of Ordinary shares for Diluted EPS	Nos.	3,321,393,318	#
(n)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	#
(o)	Add: Adjustment for 'A' Ordinary shares held in abeyance	Nos.	233,214	#
(p)	The weighted average number of 'A' Ordinary shares for Diluted EPS	Nos.	508,736,110	#
(q)	Share of profit for Ordinary shares for Diluted EPS	₹ crores	297.69	#
(r)	Share of profit for 'A' Ordinary shares for Diluted EPS *	₹ crores	50.68	#
(s)	Earnings per Ordinary share (Diluted)	₹	0.90	(0.28)
(t)	Earnings per 'A' Ordinary share (Diluted)	₹	1.00	(0.28)

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

\# Since there is a loss for the year ended March 31, 2022 and March 31, 2021, potential equity shares are not considered as dilutive and hence Diluted EPS is same as Basic EPS.

40. CAPITAL MANAGEMENT

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

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

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

Total borrowings includes all long and short-term borrowings as disclosed in notes 23 and 24 to the financial statements. Equity comprises all components excluding (profit)/loss on cash flow hedges.

Notes Forming Part of Financial Statements

The following table summarises the capital of the Company:

(₹ in crores)

	As at March 31, 2022	As at March 31, 2021
Equity	20,045.07	19,157.94
Short-term borrowings and current maturities of long-term borrowings	9,129.91	5,421.95
Long-term borrowings	14,102.74	16,326.77
Total borrowings	23,232.65	21,748.72
Total capital (Debt + Equity)	**43,277.72**	**40,906.66**
Total equity as reported in balance sheet	19,944.15	19,055.97
Hedging reserve	13.80	101.17
Cost of Hedge reserve	87.12	0.80
Equity as reported above	**20,045.07**	**19,157.94**

40. FINANCIAL INSTRUMENTS

(a) Accounting policy

(i) Recognition:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

Initial measurement

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in profit or loss.

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

Classification and measurement – financial assets

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

Financial assets are classified into three categories

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

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

Notes Forming Part of Financial Statements

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

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

Financial assets at fair value through other comprehensive income (Debt instruments): Financial assets having contractual terms that give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows as well as to sell the financial asset, are classified in this category. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in other comprehensive income apart from any expected credit losses or foreign exchange gains or losses, which are recognised in profit or loss.

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

Classification and measurement – financial liabilities:

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

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

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

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

(ii) Determination of fair value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

Notes Forming Part of Financial Statements

(iii) Derecognition of financial assets and financial liabilities:

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity is transferred to the statement of profit and loss unless it was an equity instrument electively held at fair value through other comprehensive income. In this case, any cumulative gain or loss in equity is transferred to retained earnings. Financial assets are written off when there is no reasonable expectation of recovery. The Company reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities.

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

(iv) Impairment of financial assets:

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

(v) Hedge accounting:

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

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

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

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

For forwards and options, forward premium and the time value are not considered part of the hedge. These are treated as cost of hedge and the changes in fair value attributable to forward premium is recognised in the other comprehensive income along with the changes in fair value determined to be effective portion of the hedge.

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

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Amounts accumulated in equity are reclassified to the statement of profit and loss in the periods

Notes Forming Part of Financial Statements

in which the forecast transactions affect profit or loss or as an adjustment to a non-financial item (e.g. inventory) when that item is recognised on the balance sheet. These deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of goods sold). For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in equity is retained there until the forecast transaction occurs.

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

(b) Disclosures on financial instruments

(a) Financial assets and liabilities

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

(₹ in crores)

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

Notes Forming Part of Financial Statements

(₹ in crores)

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

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2021.

Financial assets	Cash, and other financial assets at amortised cost	Investments - FVTOCI	Investments - FVTPL	Derivatives other than in hedging relationship (at fair value through profit or loss)	Derivatives in hedging relationship (at fair value)	Total carrying value	Total fair value
(a) Investments - non-current	-	967.65	-	-	-	967.65	967.65
(b) Investments - current	-	-	1,578.26	-	-	1,578.26	1,578.26
(c) Trade receivables	2,087.51	-	-	-	-	2,087.51	2,087.51
(d) Cash and cash equivalents	2,365.54	-	-	-	-	2,365.54	2,365.54
(e) Other bank balances	1,953.40	-	-	-	-	1,953.40	1,953.40
(f) Loans and advances - non-current	72.39	-	-	-	-	72.39	72.39
(g) Loans and advances - current	184.49	-	-	-	-	184.49	184.49
(h) Other financial assets - non-current	1,149.01	-	-	243.55	506.64	1,899.20	1,899.20
(i) Other financial assets - current	1,726.74	-	-	15.94	3.31	1,745.99	1,745.99
Total	**9,539.08**	**967.65**	**1,578.26**	**259.49**	**509.95**	**12,854.43**	**12,854.43**

Financial liabilities	Derivatives other than in hedging relationship (at fair value)	Derivatives in hedging relationship (at fair value)	Other financial liabilities (at amortised cost)	Total carrying value	Total fair value
(a) Long-term borrowings (including Current maturities of long-term borrowings)	-	-	16,326.77	16,326.77	17,482.36
(b) Lease liabilities- non current	-	-	593.74	593.74	593.74
(c) Short-term borrowings	-	-	5,421.95	5,421.95	5,421.95
(d) Lease liabilities- current	-	-	96.47	96.47	96.47
(e) Trade payables	-	-	8,115.01	8,115.01	8,115.01
(f) Acceptances	-	-	7,873.12	7,873.12	7,873.12
(g) Other financial liabilities - non-current	(52.59)	219.08	493.15	659.64	659.64
(h) Other financial liabilities - current	(14.60)	23.87	1,366.85	1,376.12	1,376.12
Total	**(67.19)**	**242.95**	**40,287.06**	**40,462.82**	**41,618.41**

Notes Forming Part of Financial Statements

Fair Value Hierarchy

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

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

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

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

There has been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2022 and 2021.

Costs of certain unquoted equity instruments have been considered as an appropriate estimate of fair value because these investments are subject to a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments at FVTOCI as the directors believes this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value in profit or loss.

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

(₹ in crores)

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

		As at March 31, 2021			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
(a)	Investments	2,024.49	-	521.42	2,545.91
(b)	Derivative assets	-	769.44	-	769.44
	Total	2,024.49	769.44	521.42	3,315.35
Financial liabilities measured at fair value					
(a)	Derivative liabilities	-	175.76	-	175.76
	Total	-	175.76	-	175.76

Notes Forming Part of Financial Statements

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

(₹ in crores)

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

		As at March 31, 2021			
		Level 1	Level 2	Level 3	Total
Financial liabilities not measured at fair value					
(a)	Long-term borrowings (including Current maturities of long-term borrowings)	4,244.63	13,237.73	-	17,482.36
(b)	Short-term borrowings	-	5,421.95	-	5,421.95
(c)	Option premium accrual	-	383.77	-	383.77
	Total	**4,244.63**	**19,043.45**	**-**	**23,288.08**

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

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

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

(b) Offsetting

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

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

Notes Forming Part of Financial Statements

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

(₹ in crores)

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

The following table discloses the amounts that have been offset in arriving at the balance sheet presentation and the amounts that are available for offset only under certain conditions as at March 31, 2021:

(₹ in crores)

	Gross amount recognised	Gross amount recognised as set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to an enforceable master netting arrangement		Net amount after offsetting
				Financial instruments	Cash collateral (received/ pledged)	
Financial assets						
(a) Derivative financial instruments	769.44	-	769.44	(7.40)	-	762.04
(b) Trade receivables	2,364.24	(276.73)	2,087.51	-	-	2,087.51
(c) Loans and advances-current	185.89	(1.40)	184.49	-	-	184.49
Total	**3,319.57**	**(278.13)**	**3,041.44**	**(7.40)**	**-**	**3,034.04**
Financial liabilities						
(a) Derivative financial instruments	175.76	-	175.76	(7.40)	-	168.36
(b) Trade payables	8,390.53	(275.52)	8,115.01	-	-	8,115.01
(c) Other financial liabilities	2.61	(2.61)	-	-	-	-
Total	**8,568.90**	**(278.13)**	**8,290.77**	**(7.40)**	**-**	**8,283.37**

(c) Financial risk management

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

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

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

Notes Forming Part of Financial Statements

(i) Market risk

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

(a) Foreign currency exchange rate risk:

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

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

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

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

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

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

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

(₹ in crores)

	U.S. dollar	Euro	GBP	Chinese Yuan	Others [1]	Total
Financial assets	267.59	12.92	5.74	0.21	34.81	321.27
Financial liabilities	6,126.39	123.10	81.59	0.62	3.50	6,335.20

[1] Others mainly include currencies such as the South african rand, Singapore Dollar, Thai bahts and Bangladesh taka.

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

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives disclosed at clause (iv) below) as of March 31, 2021:

(₹ in crores)

	U.S. dollar	Euro	GBP	ZAR	Others [2]	Total
Financial assets	248.18	16.94	104.53	0.06	29.04	398.75
Financial liabilities	6,769.43	212.30	185.88	13.14	12.03	7,192.78

[2] Others mainly include currencies such as the Russian ruble, Japanese yen, Swiss franc, Indonesian Rupiahs, Thai bahts and Korean won.

Notes Forming Part of Financial Statements

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately ₹39.88 crores and ₹719.28 crores for financial assets and financial liabilities respectively for the year ended March 31, 2021.

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

(b) Interest rate risk

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

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

As at March 31, 2022 and 2021, financial liabilities of ₹**5,954.82 crores** and ₹5,843.60 crores, respectively, were subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of ₹**59.55 crores** and ₹58.44 crores for the year ended March 31, 2022 and 2021, respectively.

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

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

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

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

(c) Equity Price risk

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

The fair value of some of the Company's investments measured at fair value through other comprehensive income exposes the Company to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Company's investment in quoted equity securities as of March 31, 2022 and 2021 was ₹**718.49 crores** and ₹446.23 crores, respectively. A 10% change in equity price as of March 31, 2022 and 2021 would result in a pre- tax impact of ₹**71.85** crores and ₹44.62 crores, respectively.

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

(ii) Credit risk

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

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

Notes Forming Part of Financial Statements

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹**13,568.58 crores** and ₹12,119.25 crores as at March 31, 2022 and 2021, respectively, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, finance receivables, margin money and other financial assets excluding equity investments.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including short term deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at March 31, 2022, and March 31,2021, that defaults in payment obligations will occur.

Credit quality of financial assets and impairment loss

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

(₹ in crores)

	Trade receivables	As at March 31, 2022							As at March 31, 2021						
			Overdue							Overdue					
		Not due	Up to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total	Not due	Up to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
	Undisputed														
(a)	Considered good	1,145.96	387.22	14.54	81.73	86.70	395.13	2,111.28	1,021.59	487.77	55.24	168.01	78.60	267.21	2,078.42
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Credit impaired	33.33	27.55	42.53	16.34	27.87	118.41	266.03	8.74	31.00	31.52	49.43	20.90	259.02	400.61
	Disputed														
(a)	Considered good	-	-	-	-	0.50	-	0.50	-	-	-	-	-	9.09	9.09
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Credit impaired	-	-	-	0.41	5.85	157.95	164.21	-	-	0.21	5.82	3.34	174.80	184.17
	Total	**1,179.29**	**414.77**	**57.07**	**98.48**	**120.92**	**671.49**	**2,542.02**	**1,030.33**	**518.77**	**86.97**	**223.26**	**102.84**	**710.12**	**2,672.29**
	Less: Allowance for credit impaired balances							(430.24)							(584.78)
	Total							**2,111.78**							**2,087.51**

Trade receivables overdue more than six months include ₹**513.90 crores** as at March 31, 2022 (₹538.91 crores as at March 31, 2021) outstanding from Government organizations in India, which are considered recoverable.

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

Notes Forming Part of Financial Statements

(iii) Liquidity risk

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

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

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

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

(₹ in crores)

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

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2021:

(₹ in crores)

Financial liabilities		Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a)	Trade payables	8,115.01	8,115.01	-	-	-	8,115.01
(b)	Acceptances	7,873.12	7,873.12	-	-	-	7,873.12
(c)	Borrowings and interest thereon	22,117.08	6,998.65	4,031.24	13,447.83	2,341.92	26,819.64
(d)	Other financial liabilities	1,491.64	1,093.49	142.11	296.38	100.19	1,632.17
(e)	Lease liabilities	690.21	191.53	178.15	288.04	233.49	891.21
(f)	Derivative liabilities	175.76	9.27	-	201.54	-	210.81
	Total	**40,462.82**	**24,281.07**	**4,351.50**	**14,233.79**	**2,675.60**	**45,541.96**

(iv) Derivative financial instruments and risk management

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

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

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

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

The fair value of derivative financial instruments is as follows:

(₹ in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Foreign currency forward exchange contracts and options	687.18	746.85
(b)	Commodity Derivatives	26.16	13.32
(c)	Interest rate derivatives	(72.03)	(166.49)
	Total	**641.31**	**593.68**

The gain/(loss) due to fluctuation in foreign currency exchange rates on derivative contracts, recognised in the income statement was ₹**48.78 crores** and ₹(184.97) crores for the years ended March 31, 2022 and 2021, respectively.

(v) Commodity Price Risk

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

The (gain)/loss on commodity derivative contracts, recognised in the statement of profit and loss was ₹**17.96 crores** and ₹(40.39) crores for the years ended March 31, 2022 and 2021, respectively.

41. RELATED-PARTY TRANSACTIONS

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

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

Notes Forming Part of Financial Statements

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

(₹ in crores)

	Subsidiaries	Joint Arrangements and Joint Venture	Associates and its subsidiaries	Tata Sons Pvt Ltd, its subsidiaries and joint arrangements	Total
A) Transactions					
Purchase of products	1,007.25	5,565.39	3,272.49	22.82	9,867.95
Sale of products	538.10	1,693.00	379.29	920.00	3,530.39
Services received	871.76	0.31	10.95	196.30	1,079.32
Services rendered	449.82	5.23	10.48	25.96	491.49
Bills discounted	336.14	-	-	3,697.86	4,034.00
Purchase of property, plant and equipment	5.91	-	25.99	8.42	40.32
Sale of business	-	-	-	234.09	234.09
Finance given (including loans and equity)	10,342.14	-	-	-	10,342.14
Finance given, taken back (including loans and equity)	55.00	-	-	-	55.00
Finance taken (including loans and equity)	10,605.49	-	148.00	-	10,753.49
Finance taken, paid back (including loans and equity)	6,602.49	-	152.00	-	6,754.49
Interest (income)/expense, dividend (income)/paid, net	7.48	(4.50)	5.87	73.70	82.55
Borrowing towards lease Liability	-	41.40	-	-	41.40
Repayment towards lease liability	-	17.27	-	-	17.27
(B) Balances					
Amounts receivable in respect of loans and interest thereon	619.49	-	-	-	619.49
Amounts payable in respect of loans and interest thereon	4,375.00	-	91.00	2.90	4,468.90
Amount payable in respect of Lease Liability	-	-	-	-	-
Trade and other receivables	98.26	83.85	50.35	157.35	389.81
Trade payables	150.71	111.92	75.11	28.54	366.28
Acceptances	235.96	-	-	1,529.72	1,765.68
Assets / deposits given/taken as security	0.11	-	-	-	0.11
Provision for amount receivable (including loans)	661.00	-	-	-	661.00

Notes Forming Part of Financial Statements

The following table summarises related-party transactions and balances for the year ended / as at March 31, 2021:

(₹ in crores)

	Subsidiaries	Joint Arrangements	Associates and its subsidiaries	Tata Sons Pvt Ltd, its subsidiaries and joint arrangements	Total
A) Transactions					
Purchase of products	344.77	3,868.63	1,967.89	22.75	6,204.04
Sale of products	379.47	1,179.01	144.51	567.86	2,270.85
Services received	984.83	0.74	9.18	170.52	1,165.27
Services rendered	204.69	4.49	8.30	0.48	217.96
Bills discounted	216.91	-	-	5,947.23	6,164.14
Purchase of property, plant and equipment	1.42	-	24.82	3.66	29.90
Sale of property, plant and equipment	-	-	-	34.21	34.21
Sale of business	10.30	-	-	-	10.30
Finance given (including loans and equity)	93.07	-	-	41.25	134.32
Finance given, taken back (including loans and equity)	40.00	-	-	-	40.00
Finance taken (including loans and equity)	1,407.25	-	211.00	2,602.51	4,220.76
Finance taken, paid back (including loans and equity)	1,126.75	-	162.00	-	1,288.75
Interest (income)/expense, dividend (income)/paid, net	9.75	18.37	5.69	59.80	93.61
Borrowing towards lease Liability	-	167.99	-	-	167.99
Repayment towards lease liability	-	14.14	-	-	14.14
(B) Balances					
Amounts receivable in respect of loans and interest thereon	701.70	-	-	-	701.70
Amounts payable in respect of loans and interest thereon	372.00	-	95.00	4.83	471.83
Amount payable in respect of Lease Liability	-	265.85	-	-	265.85
Trade and other receivables	272.16	-	39.22	79.71	391.09
Trade payables	427.45	156.94	60.96	67.01	712.36
Acceptances	42.13	-	-	929.07	971.20
Assets / deposits given/taken as security	3.30	-	-	-	3.30
Provision for amount receivable (including loans)	708.93	-	-	-	708.93

Notes Forming Part of Financial Statements

Details of significant transactions are given below:

(₹ in crores)

	Name of Related Party	Nature of relationship	Year ended March 31, 2022	Year ended March 31, 2021
i)	Bill discounted			
	Tata Capital	Tata Sons Pvt Ltd, its subsidiaries and joint arrangements	3,697.86	5,947.23
ii)	Preferential allotment			
	Tata Sons Pvt Ltd	Parent company	-	2,602.51
iii)	Slump sale of PV undertaking (Refer note 46)			
	Tata Motors Passenger Vehicles Limited (formerly known as TML Business Analytics Services Limited)	Subsidiary	9,417.00	-
iv)	Finance taken (including loans and equity)	Subsidiaries		
	Tata Motors Passenger Vehicles Limited (formerly known as TML Business Analytics Services Limited)		6,055.00	-
	Tata Passenger Electric Mobility Limited		2,875.00	-
v)	Finance taken, paid back (including loans and equity)	Subsidiaries		
	Tata Motors Passenger Vehicles Limited (formerly known as TML Business Analytics Services Limited)		4,285.00	-
	Tata Passenger Electric Mobility Limited		375.00	-
vi)	Finance given (including loans and equity) - Investment in Subsidiaries			
	Tata Passenger Electric Mobility Limited	Subsidiary	743.36	-

Compensation of key management personnel:	Year ended March 31, 2022	Year ended March 31, 2021
Short-term benefits	29.84	26.65
Post-employment benefits*	1.44	2.00
Employees stock option plan	2.46	0.68

The compensation of erstwhile CEO and Managing Director is ₹**16.97 crores** and ₹20.58 crores for the year ended March 31, 2022 and 2021, respectively. This compensation for the year ended March 31, 2022, includes ₹9.63 crores of performance bonus and long term incentive for the year ended March 31, 2021, approved in the quarter ended June 30, 2021. This compensation for the year ended March 31, 2021, includes ₹ 2.83 crores of performance bonus and long term incentive for the year ended March 31, 2020, approved in the year ended March 31, 2021.

The compensation of Executive Director is ₹**3.34 crores** for the year ended March 31, 2022.

* Excludes provision for encashable leave and gratuity for certain key management personnels as a separate actuarial valuation is not available.

Refer note 45 for information on transactions with post employment benefit plans.

Notes Forming Part of Financial Statements

42. DISCLOSURES REQUIRED BY SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 (4) OF THE COMPANIES ACT, 2013

(a) Amount of loans / advances in nature of loans outstanding from subsidiaries as at March 31, 2022, on a standalone basis.

(₹ in crores)

		Outstanding as at March 31, 2022 / March 31, 2021	Maximum amount outstanding during the year
	Name of the Company		
(i)	**Subsidiaries:**		
	Tata Motors European Technical Centre Plc., UK	-	-
	[Tata Motors European Technical Centre has utilised this loan for investment in National Automotive Innovation Centre set up jointly with University of Warwick and Jaguar Land Rover Ltd and carried an interest rate of 12 months LIBOR+ 3% prevailing rate (3.8625% p.a - 3.9224% p.a)]	42.82	42.82
	Tata Hispano Motors Carrocera S.A.	**561.10**	**561.10**
	(Tata Hispano Motors Carrocera S.A. has utilised this loan for meeting its capex requirement, grant repayemnt and general corporate purposes, which is fully provided)	556.86	556.86
	Tata Hispano Motors Carrocеries Maghreb SA	**58.39**	**58.39**
	(Tata Hispano Motors Carrocеries Maghreb SA has utilised this loan for general corporate purposes, which is partly provided)	58.39	58.39
(ii)	Details of Investments made are given in notes 6, 7, 8 and 9.		

43. DETAILS OF SIGNIFICANT INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

		% direct holding	
Name of the Company	**Country of incorporation/ Place of business**	**as at March 31, 2022**	**as at March 31, 2021**
Subsidiaries			
Tata Motors Passenger Vehicles Limited (Formarly TML Business Analytics Services Limited)	India	100.00	-
Tata Passenger Electric Mobility Limited	India	100.00	-
TML CV Mobility Solutions Limited	India	100.00	-
TML Business Services Ltd	India	100.00	100.00
Tata Motors Insurance Broking and Advisory Services Ltd	India	100.00	100.00
Tata Motors European Technical Centre Plc	UK	-	100.00
Tata Technologies Ltd	India	74.43	74.43
TMF Holdings Ltd	India	100.00	100.00
Tata Marcopolo Motors Ltd	India	61.86	51.00
TML Holdings Pte Ltd	Singapore	100.00	100.00
Tata Hispano Motors Carrocera S.A	Spain	100.00	100.00
Tata Hispano Motors Carrocеries Maghreb S.A	Morocco	100.00	100.00
Trilix S.r.l	Italy	-	100.00
Brabo Robotics and Automation Limited	India	100.00	100.00
Tata Precision Industries Pte Ltd	Singapore	78.39	78.39
JT Special Vehicles Pvt. Limited	India	100.00	100.00
Associates			
Automobile Corporation of Goa Limited	India	48.98	48.98
Nita Co. Ltd	Bangladesh	40.00	40.00
Tata AutoComp Systems Ltd	India	26.00	26.00
Tata Hitachi Construction Machinery Company Private Ltd	India	39.74	39.74
Joint Venture (JV) [Note 7]			
Fiat India Automobiles Private Ltd	India	50.00	-

Notes Forming Part of Financial Statements

44. TRANSACTIONS WITH STRUCK OFF COMPANIES

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

(₹ in crores)

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Jessica Motors Pvt. Ltd.	Warranty/AMC claims	-	0.01	External customer
Axis Systems Private Limited	Material purchase	(0.69)	(0.03)	External vendor
Aargee Equipments Pvt Ltd	Material purchase	(0.34)	(0.00) #	External vendor
Akshay industries Private Limited	Services availed	(0.19)	(0.01)	External vendor
Anil Enterprises Private Limited	Material purchase	(0.01)	-	External vendor
Durga Automobiles Private Limited	Services availed	(0.09)	-	External vendor
Harsh Enterprises Private Limited	Material purchase	(0.00) #	-	External vendor
Interface Micro Systems Private Limited	Material purchase	(10.24)	(0.07)	External vendor
K K Enterprises Pvt Ltd	Material purchase	(0.01)	-	External vendor
Karnavati Motors Private Limited	Services availed	(0.02)	-	External vendor
Lala Enterprises Pvt Ltd	Services availed	(0.18)	(0.00) #	External vendor
Murarka Trading Company Pvt Ltd	Material purchase	(1.16)	(0.05)	External vendor
Madhavi Constructions Private Limited	Services availed	(1.24)	-	External vendor
Microtech Industries Limited	Material purchase	(0.05)	(0.00) #	External vendor
Prakash Industries Limited	Material purchase	(8.64)	(0.06)	External vendor
Prakash Motors Private Limited	Services availed	(0.03)	-	External vendor
Pratap Motors Private Limited	Services availed	(0.08)	(0.00) #	External vendor
Rushi Motors Private Limited	Services availed	(5.09)	(0.06)	External vendor
Rudraksha Electricals Private Limited	Material purchase	(0.06)	-	External vendor
Sanch Marketing Private Limited	Material purchase	(0.01)	-	External vendor
Shiva Motors Pvt Ltd	Services availed	(0.20)	-	External vendor
Savitri Motors Private Limited	Services availed	(0.02)	(0.01)	External vendor
Suprabha Enterprises Private Limited	Material purchase	(0.52)	(0.03)	External vendor
Sarna Motors Private Limited	Services availed	(0.01)	-	External vendor
Shanti Motors Pvt Ltd	Services availed	(0.01)	-	External vendor
Shah Associates Private Limited	Material purchase	(0.17)	(0.01)	External vendor
Shreya Industries Private Limited	Material purchase	(0.16)	(0.06)	External vendor
Super Transports Private Limited	Services availed	(0.00) #	-	External vendor
Sandeep Automobiles Private Limited	Services availed	(0.07)	(0.00) #	External vendor
Tara Tools Private Limited	Material purchase	(0.25)	(0.12)	External vendor
Total Solutions Private Limited	Material purchase	(0.00) #	-	External vendor
Unique Marketing Private Limited	Material purchase	(0.00) #	-	External vendor
V Solutions Privatelimited	Services availed	(0.01)	-	External vendor
Yadav Motors Private Limited	Services availed	(0.04)	0.00 #	External vendor
Zenith Motors Private Limited	Services availed	(0.00) #	-	External vendor
Active Automobiles Private Limited	Services availed	-	(0.00) #	External vendor
Akhileshwar Packaging (India) Private Limited	Services availed	-	(0.05)	External vendor
Constant Security Services Private Ltd	Services availed	-	0.00 #	External vendor
Parikh Inn Private Limited	Services availed	-	0.00 #	External vendor
Friends Auto(India)Pvt Ltd	Material purchase	-	0.18	External vendor
Riddhi Motors Private Limited	Services availed	-	(0.00) #	External vendor
S I Enterprises Private Limited	Material purchase	-	0.15	External vendor
Shri Ganesh Industries India Private Ltd	Services availed	-	(0.00) #	External vendor
Vaishnavi Motors Private Limited	Services availed	-	0.00 #	External vendor

less than ₹ 50,000 /-

Notes Forming Part of Financial Statements

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2021:

(₹ in crores)

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Jessica Motors Private Limited	Warranty/AMC claims	-	0.01	External customer
Abm India Private Limited	Vehicles sales	0.08	0.08	External customer
Active Automobiles Private Limited	Services availed	0.00 #	(0.00) #	External vendor
Axis Systems Private Limited	Material purchase	(0.12)	(0.41)	External vendor
Aargee Equipments Private Limited	Material purchase	(0.28)	(0.09)	External vendor
Akshay Industries Private Limited	Services availed	(0.02)	(0.00) #	External vendor
Anil Enterprises Private Limited	Material purchase	(0.02)	(0.00) #	External vendor
Durga Automobiles Private Limited	Services availed	(0.15)	(0.00) #	External vendor
Harsh Enterprises Private Limited	Material purchase	(0.00) #	-	External vendor
Interface Micro Systems Private Limited	Material purchase	(2.74)	0.00 #	External vendor
K K Enterprises Pvt ltd	Material purchase	(0.00) #	-	External vendor
Karnavati Motors Private Limited	Services availed	(0.00) #	-	External vendor
Lokesh Auto Private Limited	Material purchase	(0.02)	-	External vendor
Lala Enterprises Pvt Ltd	Services availed	(0.16)	-	External vendor
Murarka Trading Company Pvt Ltd	Material purchase	(1.32)	(0.07)	External vendor
Madhavi Constructions Private Limited	Services availed	(0.51)	-	External vendor
Microtech Industries Limited	Material purchase	(0.02)	(0.00) #	External vendor
Prakash Industries Limited	Material purchase	(3.65)	(0.06)	External vendor
Prakash Motors Private Limited	Services availed	(0.06)	-	External vendor
Pratap Motors Private Limited	Services availed	(0.03)	-	External vendor
Riddhi Motors Private Limited	Services availed	(0.00) #	0.00 #	External vendor
Rushi Motors Private Limited	Services availed	(2.23)	(0.01)	External vendor
Rudraksha Electricals Private Limited	Material purchase	(0.00) #	(0.00) #	External vendor
Sanch Marketing Private Limited	Material purchase	(0.01)	-	External vendor
Shiva Motors Pvt Ltd	Services availed	(0.28)	-	External vendor
Savitri Motors Private Limited	Services availed	(0.03)	-	External vendor
Suprabha Enterprises Private Limited	Material purchase	(0.10)	(0.03)	External vendor
Shanti Motors Pvt Ltd	Services availed	(0.01)	(0.09)	External vendor
Shah Associates Private Limited	Material purchase	(0.15)	-	External vendor
Shreya Industries Private Limited	Material purchase	(0.07)	(0.01)	External vendor
Super Transports Private Limited	Services availed	(0.04)	(0.00) #	External vendor
Sandeep Automobiles Private Limited	Services availed	(0.12)	0.00 #	External vendor
Tara Tools Private Limited	Material purchase	(0.20)	(0.01)	External vendor
V Solutions Private Limited	Services availed	(0.00) #	-	External vendor
Yadav Motors Private Limited	Services availed	(0.13)	-	External vendor
Akhileshwar Packaging (India) Private Limited	Services availed	-	(0.05)	External vendor
Constant Security Services Private Ltd	Services availed	-	0.00 #	External vendor
Parikh Inn Private Limited	Material purchase	-	0.00 #	External vendor
Friends Auto(India)Ltd	Material purchase	-	0.18	External vendor
Jessica Motors Private Limited	Services availed	-	(0.01)	External vendor
Kent Engineering Private Limited	Material purchase	-	(0.01)	External vendor
Landmark Motors Private Limited	Services availed	-	(0.00) #	External vendor
S I Enterprises Private Limited	Material purchase	-	0.15	External vendor
Vaishnavi Motors Private Limited	Services availed	-	(0.00) #	External vendor

less than ₹ 50,000 /-

Notes Forming Part of Financial Statements

45. EMPLOYEE BENEFITS

(a) Accounting policy

(i) Gratuity

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

(ii) Superannuation

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

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

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

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

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

(iii) Bhavishya kalyan yojana (BKY)

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

(iv) Provident fund and family pension

In accordance with Indian law, eligible employees of Tata Motors Limited and its Joint operations are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, as specified under the law, are made to the provident fund and pension fund set up as an irrevocable trust by Tata Motors Limited for its employees. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation.

Given the investment pattern prescribed by the authorities, most investments of provident fund have historically been in debt securities, thereby giving secure returns. However, due to a ratings downgrade and potential bond default of some of the companies, the total liability of principal and interest guarantee has been actuarially valued as a defined benefit.

Notes Forming Part of Financial Statements

(v) Post-retirement medicare scheme

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

(vi) Compensated absences

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

(vii) Remeasurement gains and losses

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

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

(viii) Measurement date

The measurement date of retirement plans is March 31.

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

The present value of the post-employment benefit obligations depends on a number of factors, it is determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate, inflation and mortality assumptions.Any changes in these assumptions will impact upon the carrying amount of post-employment benefit obligations. Key assumptions and sensitivities for post employment benefit obligations are disclosed in note 45.

(b) Employee benefits consists of the following:

(i) Defined Benefit Plan

Pension and post retirement medical plans

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

Notes Forming Part of Financial Statements

(₹ in crores)

	Pension Benifit		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Change in defined benefit obligations :				
Defined benefit obligation, beginning of the year	1,189.05	1,175.83	171.78	156.43
Current service cost	70.07	75.79	7.79	7.67
Interest cost	74.31	76.65	11.03	10.49
Remeasurements (gains) / losses	-	-	-	-
Actuarial losses arising from changes in demographic assumptions	4.25	(2.62)	5.86	-
Actuarial losses arising from changes in financial assumptions	7.12	(0.11)	26.24	5.89
Actuarial (gains) / losses arising from changes in experience adjustments	77.40	(11.38)	32.70	0.17
Transfer in/(out) of liability	(256.65)	(6.95)	(11.83)	-
Benefits paid from plan assets	(67.75)	(111.65)	-	-
Benefits paid directly by employer	(10.26)	(6.51)	(16.87)	(8.87)
Past service cost- plan amendments	30.47	-	22.94	-
Adjustments due to conversion of Joint Operation to Joint Venture [refer note 7]	(14.84)	-	-	-
Defined benefit obligation, end of the year	**1,103.17**	**1,189.05**	**249.65**	**171.78**
Change in plan assets:				
Fair value of plan assets, beginning of the year	1,100.28	1,012.60	-	-
Adjustments due to conversion of Joint Operation to Joint Venture [refer note 7]	(14.10)	-	-	-
Interest income	70.40	69.19	-	-
Remeasurements losses	-	-	-	-
Return on plan assets, (excluding amount included in net Interest expense)	9.13	33.58	-	-
Employer’s contributions	42.55	103.09	-	-
Transfer in/(out) of liability	(225.05)	(6.54)	-	-
Benefits paid	(67.75)	(111.65)	-	-
Fair value of plan assets, end of the year	**915.46**	**1,100.28**	**-**	**-**
Amount recognised in the balance sheet consists of:				
Present value of defined benefit obligation	1,103.17	1,189.05	249.65	171.78
Fair value of plan assets	915.46	1,100.28	-	-
Asset ceiling	(3.34)	(2.85)	-	-
Net liability	**(184.37)**	**(85.92)**	**(249.65)**	**(171.78)**
Amounts in the balance sheet:				
Non–current assets	0.10	41.96	-	-
Non–current liabilities	(184.47)	(127.88)	(249.65)	(171.78)
Net liability	(184.37)	(85.92)	(249.65)	(171.78)

Notes Forming Part of Financial Statements

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

(₹ in crores)

	Pension Benefits	
	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	887.73	14.17
Fair value of plan assets	863.41	13.59

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

	Pension Benefits	
	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	48.87	1,042.15
Fair value of plan assets	52.05	1,086.69

Information for unfunded plans:

	Pension Benefits		Post retirement medical Benefits	
	Year ended March 31,		As at March 31,	
	2022	2021	2022	2021
Defined benefit obligation	**166.57**	132.73	**249.65**	171.78

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

	Pension Benefits		Post retirement medical Benefits	
	Year ended March 31,		Year ended March 31,	
	2022	2021	2022	2021
Service cost	70.07	75.79	7.79	7.67
Net interest cost	3.92	7.46	11.03	10.49
Past service cost- plan amendments	30.47	-	22.94	-
Net periodic cost	**104.45**	**83.25**	**41.76**	**18.16**

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

	Pension Benefits		Post retirement medical Benefits	
	Year ended March 31,		Year ended March 31,	
	2022	2021	2022	2021
Remeasurements				
Return on plan assets, (excluding amount included in net Interest expense)	(9.13)	(33.58)	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	4.25	(2.62)	5.86	-
Actuarial (gains)/losses arising from changes in financial assumptions	7.12	(0.11)	26.24	5.89
Asset ceiling	0.49	2.85	-	-
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	77.40	(11.38)	32.70	0.17
Total recognised in other comprehensive income	**80.12**	**(44.85)**	**64.81**	**6.06**
Total recognised in statement of comprehensive income	**184.57**	**38.40**	**106.57**	**24.22**

Notes Forming Part of Financial Statements

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

	Pension Benefits		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Discount rate	6.50% - 7.10%	6.10%-6.90%	7.20%	6.90%
Rate of increase in compensation level of covered employees	6.00% - 9.00%	5.75% - 10.00%	NA	NA
Increase in health care cost	NA	NA	6.00%	6.00%

Plan Assets

The fair value of Company's pension plan asset as of March 31, 2022 and 2021 by category are as follows:

	Pension benefits	
	As at March 31,	
	2022	2021
Asset category:		
Cash and cash equivalents	2.50%	5.00%
Debt instruments (quoted)	66.63%	65.91%
Debt instruments (unquoted)	0.00%	0.37%
Equity instruments (quoted)	8.04%	5.85%
Deposits with Insurance companies	22.83%	22.87%
	100.00%	**100.00%**

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

The weighted average duration of the defined benefit obligation as at March 31, 2022 is **11.7 years** (March 31, 2021 : 13.1 years).

The Company expects to contribute ₹59.33 crores to the funded pension plans in Fiscal 2023.

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

Assumption	Change in assumption	Impact on defined benefit obligation	Impact on service cost and interest cost
Discount rate	Increase by 1%	₹ 104.95 crores	₹ 17.20 crores
	Decrease by 1%	₹ 120.75 crores	₹ 18.50 crores
Salary escalation rate	Increase by 1%	₹ 83.13 crores	₹ 16.93 crores
	Decrease by 1%	₹ 75.20 crores	₹ 15.03 crores
Health care cost	Increase by 1%	₹ 28.20 crores	₹ 5.46 crores
	Decrease by 1%	₹ 23.79 crores	₹ 4.53 crores

Notes Forming Part of Financial Statements

Provident Fund

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

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Change in benefit obligations:		
Defined benefit obligations at the beginning	4,320.88	3,865.99
Service cost	125.22	127.88
Employee contribution	287.68	298.48
Acquisitions (credit) / cost	(799.07)	(118.74)
Interest expense	353.32	327.79
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	(78.83)	9.20
Actuarial (gains) / losses arising from demographic assumptions	3.31	-
Actuarial (gains) / losses arising from changes in financial assumptions	143.83	41.99
Benefits paid	(316.32)	(231.71)
Defined benefit obligations at the end	**4,040.00**	**4,320.88**
Change in plan assets:		
Fair value of plan assets at the beginning	4,235.50	3,845.14
Acquisition Adjustment	(799.07)	(118.74)
Interest income	347.83	324.44
Return on plan assets excluding amounts included in interest income	227.47	(8.23)
Contributions (employer and employee)	412.67	424.60
Benefits paid	(316.32)	(231.71)
Fair value of plan assets at the end	**4,108.08**	**4,235.50**

Amount recognised in the balance sheet consists of	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	4,040.00	4,320.88
Fair value of plan assets	4,108.08	4,235.50
Effect of asset ceiling	(71.90)	-
Net liability	3.82	85.38
Non-Current liability	**3.82**	**85.38**

Notes Forming Part of Financial Statements

(₹ in crores)

Net periodic cost for Provident Fund consists of following components:	For the year ended March 31, 2022	For the year ended March 31, 2021
Service cost	125.22	127.88
Net interest cost / (income)	5.48	3.35
Net periodic cost	**130.70**	**131.23**

Other changes in plan assets and benefit obligation recognised in other comprehensive income.	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurements		
Return on plan assets, (excluding amount included in net Interest expense)	(227.47)	8.23
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	(78.83)	9.20
Actuarial (gains) / losses arising from changes in financial assumptions	143.83	41.99
Actuarial (gains) / losses arising from demographic assumptions	3.31	-
Effect of asset ceiling	71.90	2.99
Total recognised in other comprehensive income	**(87.26)**	**62.41**
Total recognised in statement of profit and loss and other comprehensive income	**43.44**	**193.64**

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

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.10%	6.90%
Expected rate of return on plan assets	8.00%	8.20% to 8.40%
Remaining term to maturity of portfolio	13.5	19.7

The breakup of the plan assets into various categories as at March 31, 2021 is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Central and State government bonds	42.7%	45.0%
Public sector undertakings and Private sector bonds	32.3%	33.8%
Others	25.0%	21.2%
Total	**100.0%**	**100.0%**

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

As at March 31, 2022, the defined benefit obligation would be affected by approximately ₹**291.50 crores** on account of a 1.00% decrease in the expected rate of return on plan assets.

The Company expects to contribute ₹**59.33** crores to the defined benefit provident fund plan in Fiscal 2023.

(ii) The Company's contribution to defined contribution plan aggregated to ₹**77.79 crores** and ₹78.79 crores for the years ended March 31, 2022 and 2021, respectively.

Notes Forming Part of Financial Statements

46. DISCONTINUED OPERATIONS

The Board of Directors had, at its meeting held on July 31, 2020 , approved (subject to the requisite regulatory and other approvals) a Scheme of Arrangement between Tata Motors Limited and Tata Motors Passenger Vehicles Limited (formerly known as TML Business Analytics Services Limited) (Transferee Company) for:

(i) Transfer of the PV Undertaking of the Company as a going concern, on a slump sale basis as defined under Section 2(42C) of the Income-tax Act, 1961, to the Transferee Company for a lump sum consideration of ₹9,417.00 crores through issuance of equity shares; and

(ii) Reduction of its share capital without extinguishing or reducing its liability on any of its shares by writing down a portion of its securities premium account to the extent of ₹11,173.59 crores, with a corresponding adjustment to the accumulated losses of the Company.

The Scheme of Arrangement has been approved by the National Company Law Tribunal, Mumbai Bench on August 24, 2021. The Company has received all other necessary regulatory approvals and the scheme is effective from January 1, 2022. The Company has accounted for transfer of net assets (as calculated below) in accordance with the accounting principles generally accepted in India and has recognised the excess of consideration received over the carrying value of net assets transferred, amounting to ₹**1,960.04 crores** in Capital Reserve.

Net Assets of PV undertaking are as follows:

(₹ in crores)

	As at January 1, 2022
Non-Current Assets	12,598.43
Current Assets	3,108.14
Total Assets associated with PV undertaking	**15,706.57**
Non-Current Liabilities	1,074.43
Current Liabilities	7,175.18
Total Liabilities directly associated with PV undertaking	**8,249.61**
Net Assets directly associated with PV undertaking	**7,456.96**

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

(₹ in crores)

		Period ended December 31, 2021	Year ended March 31, 2021
I.	Revenue from operations	21,376.71	16,856.44
II.	Other Income	411.77	422.96
III.	Total Income (I+II)	**21,788.48**	17,279.40
IV.	Expenses	**21,955.88**	19,016.88
V.	Profit/(loss) before exceptional items and tax (III-IV)	**(167.40)**	(1,737.48)
VI	Exceptional items	(559.91)	(1,699.63)
VII.	Profit/(loss) before tax from discontinued operations (V-VI)	**392.51**	(37.85)
VIII.	Tax expense/(credit) (net) from discontinued operations	44.14	62.15
IX.	Profit/(loss) for the year from discontinued operations (VII-VIII)	**348.37**	(100.00)

(i) The results of PV undertaking along with joint operation Fiat India Automobiles Private Limited (FIAPL) has been disclosed as discontinued operations.

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

Notes Forming Part of Financial Statements

(iii) As part of slump sale, the investments in wholly owned subsidiaries of the Company engaged in designing services namely Tata Motors European Technical Centre PLC (TMETC) and Trilix S.r.l (Trilix) have been transferred to Tata Motors Passenger Vehicle Limited (a wholly owned subsidiary of the Company) w.e.f. January 1, 2022. These two subsidiaries (TMETC and Trilix) are being transferred to Tata Passenger Electric Mobility Ltd., a wholly owned subsidiary of the Company. Considering the business plans for these subsidiaries, the Company reassessed their investment carrying value and accordingly provision for impairment towards these investments is reversed amounting to ₹526.64 crores and ₹33.27 crores in TMETC and Trilix, respectively. This reversal is included in profit/(loss) before and after tax from discontinued operations and it is an exceptional item.

Net Cash flow attributable to PV Undertaking are as follows:	Period ended December 31, 2021	Year ended March 31, 2021
Cash flow from/(used in) Operating activities	2,689.36	890.94
Cash flow from/(used in) Investing activities	(847.73)	(927.77)
Cash flow from/(used in) Financing activities	(383.01)	(303.93)
Net increase/(decrease) in cash and cash equivalent	**1,458.62**	(340.76)

47. ADDITIONAL INFORMATION

The financial statements include the Company's proportionate share of assets, liabilities, income and expenditure in its Joint Operations, namely Tata Cummins Private Limited and Fiat India Automobile Private Limited. Refer note 7 for change in classification of Fiat India Automobile Private Limited effective January 1, 2022. Below are supplementary details of Tata Motors Limited on standalone basis excluding interest in the aforesaid Joint Operations:

A. Balance Sheet

(₹ in crores)

	As at March 31, 2022	As at March 31, 2021
I. ASSETS		
(1) NON-CURRENT ASSETS		
(a) Property, plant and equipment	11,201.05	17,143.04
(b) Capital work-in-progress	561.34	1,324.21
(c) Right of use assets	329.85	979.48
(d) Other intangible assets	1,914.76	6,156.56
(e) Intangible assets under development	879.77	1,604.23
(f) Investments in subsidiaries, joint arrangements and associates	27,239.85	16,804.30
(g) Financial assets		
(i) Investments	1,338.94	967.65
(ii) Loans and advances	48.11	72.08
(iii) Other financial assets	1,977.74	1,659.85
(h) Non-current tax assets (net)	720.22	651.91
(i) Other non-current assets	652.68	836.77
	46,864.31	**48,200.08**
(2) CURRENT ASSETS		
(a) Inventories	3,412.51	3,911.75
(b) Financial assets		
(i) Investments	5,067.48	1,470.41
(ii) Trade receivables	2,006.57	1,778.19
(iii) Cash and cash equivalents	2,425.92	1,666.16
(iv) Bank balances other than (iii) above	155.15	1,951.53
(v) Loans and advances	137.24	180.33
(vi) Other financial assets	831.90	1,645.04
(c) Assets classified as held-for-sale	-	220.80
(d) Other current assets	1,075.39	1,051.53
	15,112.16	**13,875.74**
TOTAL ASSETS	**61,976.47**	**62,075.82**

Notes Forming Part of Financial Statements

(₹ in crores)

	As at March 31, 2022	As at March 31, 2021
II. EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	765.88	765.81
(b) Other equity	17,887.97	17,231.97
	18,653.85	**17,997.78**
LIABILITIES		
(1) NON-CURRENT LIABILITIES		
(a) Financial liabilities		
(i) Borrowings	14,102.74	15,805.70
(ii) Lease liabilities	237.84	806.93
(iii) Other financial liabilities	460.37	646.08
(b) Provisions	1,416.66	1,316.38
(c) Other non-current liabilities	477.21	485.21
	16,694.82	**19,060.30**
(2) CURRENT LIABILITIES		
(a) Financial liabilities		
(i) Borrowings	9,054.11	5,177.92
(ii) Lease liabilities	58.58	107.81
(iii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	136.86	142.29
(b) Total outstanding dues of creditors other than micro and small enterprises	5,722.51	7,079.42
(iv) Acceptances	7,883.96	7,873.12
(v) Other financial liabilities	1,098.31	1,263.64
(b) Provisions	638.24	1,166.36
(c) Current tax liabilities (net)	31.36	12.57
(d) Other current liabilities	2,003.87	2,194.61
	26,627.80	**25,017.74**
TOTAL EQUITY AND LIABILITIES	**61,976.47**	**62,075.82**

Notes Forming Part of Financial Statements

B. Statement of Profit and Loss

(₹ in crores)

	Particulars	2022	2021
	Revenue from operations		
	Revenue	46,286.03	29,415.36
	Other operating revenue	382.89	406.41
I.	Total revenue from operations	46,668.92	29,821.77
II.	Other Income	683.46	392.41
III.	**Total Income (I+II)**	**47,352.38**	**30,214.18**
IV.	**Expenses**		
	(a) Cost of materials consumed	31,669.81	19,062.28
	(b) Purchases of products for sale	5,030.01	3,156.80
	(c) Changes in inventories of finished goods, work-in-progress and products for sale	(386.24)	(610.43)
	(d) Employee benefits expense	3,465.71	3,226.28
	(e) Finance costs	2,113.36	2,099.56
	(f) Foreign exchange loss (net)	135.78	29.54
	(g) Depreciation and amortisation expense	1,678.28	1,655.48
	(h) Product development/Engineering expenses	593.90	348.71
	(i) Other expenses	5,833.73	4,099.92
	(j) Amount transferred to capital and other accounts	(903.16)	(794.93)
	Total Expenses (IV)	**49,231.18**	**32,273.19**
V.	**Profit/(loss) before exceptional items and tax (III-IV)**	(1,878.80)	(2,059.01)
VI.	Exceptional items		
	(a) Employee separation cost	8.35	184.19
	(b) Cost of slump sale of PV undertaking	50.00	-
	(c) Provision/(Reversal) for loan given to/investment in subsidiary companies	(139.24)	123.36
	(d) Others	(2.52)	-
VII.	**Profit/(loss) before tax (V-VI)**	**(1,795.39)**	**(2,366.56)**
VIII.	**Tax expense/(credit) (net)**		
	(a) Current tax (including Minimum Alternate Tax)	(0.28)	-
	(b) Deferred tax	(31.77)	(65.28)
	Total tax expense	**(32.05)**	**(65.28)**
IX.	**Profit/(loss) for the year from continuing operations (VII-VIII)**	**(1,763.34)**	(2,301.28)
X.	**Profit/(loss) before tax for the year from discontinued operations**	**143.81**	(385.79)
XI.	**Tax expense/(credit) (net) of discontinued operations**		
	(a) Current tax (including Minimum Alternate Tax)	-	-
	(b) Deferred tax	-	-
	Total tax expense	**-**	**-**
XII.	**Profit/(loss) for the year after tax from discontinued operations (X-XI)**	143.81	(385.79)
XIII.	**Profit/(loss) for the year (IX+XII)**	**(1,619.53)**	(2,687.07)
X.	**Other comprehensive income/(loss):**		
	(A) (i) Items that will not be reclassified to profit and loss:		
	(a) Remeasurement losses on defined benefit obligations (net)	(62.24)	(32.18)
	(b) Equity instruments at fair value through other comprehensive income	371.29	365.84
	(ii) Income tax credit/(expense) relating to items that will not be reclassified to profit and loss	(31.20)	(6.53)

Notes Forming Part of Financial Statements

(₹ in crores)

Particulars				2022	2021
	(B)	(i)	Items that will be reclassified to profit and loss - gains/(losses) in cash flow hedges	1.62	168.12
		(ii)	Income tax credit/(expense) relating to items that will be reclassified to profit and loss	(0.57)	(58.75)
	Total other comprehensive income/(loss), net of taxes			**278.90**	**436.50**
XI.	**Total comprehensive income/(loss) for the year (XIII+XIV)**			**(1,340.63)**	**(2,250.57)**
XII.	**Earnings/(loss) per share (EPS)**				
	Earnings/(loss) per share from continuing operations (EPS)				
	(A)	Ordinary shares:			
		(i)	Basic ₹	(4.61)	(6.33)
		(ii)	Diluted ₹	(4.61)	(6.33)
	(B)	'A' Ordinary shares:			
		(i)	Basic ₹	(4.61)	(6.33)
		(ii)	Diluted ₹	(4.61)	(6.33)
	Earnings/(loss) per share from discontinued operations (EPS)				
	(A)	Ordinary shares (face value of ₹ 2 each) :			
		(i)	Basic ₹	0.36	(1.06)
		(ii)	Diluted ₹	0.36	(1.06)
	(B)	'A' Ordinary shares (face value of ₹ 2 each) :			
		(i)	Basic ₹	0.46	(1.06)
		(ii)	Diluted ₹	0.46	(1.06)
	Earnings/(loss) per share from continuing and discontinued operations (EPS)				
	(A)	Ordinary shares (face value of ₹ 2 each) :			
		(i)	Basic ₹	(4.23)	(7.39)
		(ii)	Diluted ₹	(4.23)	(7.39)
	(B)	'A' Ordinary shares (face value of ₹ 2 each) :			
		(i)	Basic ₹	(4.23)	(7.39)
		(ii)	Diluted ₹	(4.23)	(7.39)

Notes Forming Part of Financial Statements

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

i) Equity Share Capital

(₹ in crores)

Particulars	
Balance as at April 1, 2021	765.81
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2021	765.81
Proceeds from issue of shares	0.07
Balance as at March 31, 2022	765.88

ii) Other Equity

(₹ in crores)

Particulars	Securities premium	Share based payments reserve	Share application money pending allotment	Capital redemption reserve	Debenture redemption resereve	Capital reserve (on merger)/ (sale of business) (net)	General Reserve	Retained earnings		Other components of equity (OCI)			Total other equity
								Undistributable (Ind AS 101)	Distributable	Equity instruments through OCI	Hedging reserve	Cost of hedging reserve	
Balance as at April 1, 2021	25,618.63	22.18	-	2.28	904.44	(350.15)	1,726.83	627.03	(11,505.01)	287.70	(101.17)	(0.80)	17,231.97
Changes in accounting policies or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	**25,618.63**	**22.18**	**-**	**2.28**	**904.44**	**(350.15)**	**1,726.83**	**627.03**	**(11,505.01)**	**287.70**	**(101.17)**	**(0.80)**	**17,231.97**
Loss for the year	-	-	-	-	-	-	-	-	(1,619.53)	-	-	-	(1,619.53)
Remeasurement gain /(loss) on defined benefit obligations (net)	-	-	-	-	-	-	-	-	(40.49)	-	-	-	(40.49)
Other comprehensive income /(loss) for the year	-	-	-	-	-	-	-	-	-	318.33	87.37	(86.32)	319.38
Total comprehensive income/(loss) for the year	-	-	-	-	-	-	-	-	(1,660.02)	318.33	87.37	(86.32)	(1,340.64)
Share-based payments	-	18.05	-	-	-	-	-	-	-	-	-	-	18.05
Money received on exercise of stock options by employees	12.15	-	6.39	-	-	-	-	-	-	-	-	-	18.54
Exercise of stock option by employees	1.95	(1.95)	-	-	-	-	-	-	-	-	-	-	-
Reduction of share capital in accordance with approved Scheme of Arrangement (refer note 46 (ii))	(11,173.59)	-	-	-	-	-	-	-	11,173.59	-	-	-	-
Excess of consideration received over the carrying value of net assets transferred of PV undertaking (refer note 46)	-	-	-	-	-	1,960.04	-	-	-	-	-	-	1,960.05
Transfer from debenture redemption reserve	-	-	-	-	(493.30)	-	-	-	493.30	-	-	-	-
Balance as at March 31, 2022	**14,459.14**	**38.28**	**6.39**	**2.28**	**411.14**	**1,609.89**	**1,726.83**	**627.03**	**(1,498.14)**	**606.03**	**(13.80)**	**(87.12)**	**17,887.97**

Notes Forming Part of Financial Statements

D. Statement of Changes in Equity for the period ended March 31, 2021

i) Equity Share Capital

(₹ in crores)

Particulars	Equity Share Capital
Balance as at April 1, 2020	719.54
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2020	719.54
Proceeds from issue of shares	46.27
Balance as at March 31, 2021	765.81

ii) Other Equity

(₹ in crores)

Particulars	Securities premium	Share based payment reserve	Money received against Share Warrants	Capital redemption reserve	Debenture redemption reserve	Capital reserve (on merger)	General Reserve	Undistributable (Ind AS 101)	Distributable	Equity instruments through OCI	Hedging reserve	Cost of Hedging reserve	Total other equity
							Retained earnings			Other components of equity (OCI)			
Balance as at April 1, 2020	22,194.89	13.14	867.50	2.28	1,038.84	(359.37)	1,726.83	627.03	(8,935.77)	(56.00)	(168.55)	(42.79)	16,908.03
Changes in accounting policies or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2020	**22,194.89**	**13.14**	**867.50**	**2.28**	**1,038.84**	**(359.37)**	**1,726.83**	**627.03**	**(8,935.77)**	**(56.00)**	**(168.55)**	**(42.79)**	**16,908.03**
Loss for the year	-	-	-	-	-	-	-	-	(2,687.07)	-	-	-	(2,687.07)
Remeasurement gain /(loss) on defined benefit obligations (net)							-	-	(20.93)				(20.93)
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	-	348.06	67.38	41.99	457.43
Total comprehensive income/ (loss) for the year	-	-	-	-	-	-	-	-	(2,708.00)	348.06	67.38	41.99	(2,250.57)
Share-based payments	-	9.04	-	-	-	-	-	-	-	-	-	-	9.04
Issue of shares pursuant to preferential allotment/ conversion of share warrants	3,423.74	-	(867.50)	-	-	-	-	-	-	-	-	-	2,556.24
Realised gain on investments held at fair value through Other comprehensive income	-	-	-	-	-	-	-	-	4.36	(4.36)	-	-	-
Sale of business to a subsidiary company [refer note 50 (iii)]	-	-	-	-	-	9.22	-	-	-	-	-	-	9.22
Transfer from debenture redemption reserve	-	-	-	-	(134.40)	-	-	-	134.40	-	-	-	-
Balance as at March 31, 2021	**25,618.63**	**22.18**	**-**	**2.28**	**904.44**	**(350.15)**	**1,726.83**	**627.03**	**(11,505.01)**	**287.70**	**(101.17)**	**(0.80)**	**17,231.97**

Notes Forming Part of Financial Statements

48. RATIO

Sr No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Change	Reason for change
a)	Debt Equity Ratio (number of times)	1.16	1.06	9.43%	
	[Total Debt(i)/ Shareholders' Equity(ii)]				
b)	Debt Service Coverage Ratio (number of times)	0.01	0.02	(26.58%)	Due to higher borrowings despite reduction in loss
	[(Profit/(loss) before exceptional items and tax+Interest on Borrowings)/(Interest on Borrowings + Repayment of Borrowings(iii))]				
c)	Current ratio (number of times)	0.58	0.61	(4.92%)	
	[Current assets (excluding Assets classified as held for sale) / Current liabilities (excluding Liabilities directly associated with Assets Classified as Held For Sale]				
d)	Trade receivable turnover (number of times)	25.88	19.32	33.95%	Due to higher revenue.
	[Revenue from operations / Average Trade receivables]				
e)	Inventory turnover (number of times)	10.60	8.20	29.27%	Higher raw material consumed in line with higher revenue.
	[Raw material consumed(v) / average inventory(vi)]				
f)	Trade payable turnover (number of times)	2.87	1.80	58.87%	Higher raw material consumed in line with higher revenue.
	[Cost of material consumed(viii) / Average Trade payables]				
g)	Net capital turnover (number of times)	(5.98)	(6.14)	(2.55%)	
	[Revenue from operations / Working capital(iv)]				
h)	Net profit margin (%)	(2.94%)	(7.94%)	(62.93%)	Due to reduction in losses for the year
	[Net profit after tax / Revenue from continuing operations]				
i)	Return on equity (number of times)	(0.07)	(0.13)	(44.88%)	Due to reduction in losses for the year
	[Net profit after tax / Average shareholders' equity]				
j)	Return on capital employed (number of times)	0.01	0.00	162.08%	Due to higher profit before interest and tax for the year
	[Profit before interest and tax / Capital employed(vii)]				
k)	Return on investments (number of times)	(0.05)	(0.14)	(61.76%)	Due to reduction in losses for the year
	[Net profit after tax / Average investments]				

1. Previous period amounts of assets and liabilties were recomputed excluding PV undertaking (Refer note 46) and Fiat India Automobiles Private Limited (Refer note 7) to make the ratios comparable with current periods.

Notes:

i Total debts includes non current and current borrowings

ii Equity = Equity share capital + Other equity

iii Repayment of borrowings includes repayment of long-term borrowings, proceeds from short-term borrowings, repayment of short-term borrowings and net change in other short-term borrowings (with maturity up to three months).

iv Working capital = Current assets (excluding Assets classified as held for sale) - Current liabilities (excluding current maturities of long term debt, interest accrued on borrowings and liabilities directly associated with assets classified as held for sale).

v Raw material consumed includes Cost of materials consumed, Purchases of products for sale and Changes in inventories of finished goods, work-in-progress and products for sale.

vi Inventory includes Raw materials and components, Work-in-progress, Finished goods, Stores and spare parts, Consumable tools and Goods-in-transit - Raw materials and components.

vii Capital employed includes Shareholders' Equity, non current and current borrowings.

viii Includes Cost of material consumed and Purchases of products for sale.

Notes Forming Part of Financial Statements

49. OTHER STATUTORY INFORMATION :

(I) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(II) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(III) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(IV) The Company ('funding party') has paid ₹700 crores on December 28, 2021 towards subscription of share capital of Tata Passenger Electric Mobility Limited ('Intermediary). This amount paid to Intermediary is further utilised in Tata Motors Passenger Vehicles Limited ('ultimate beneficiary') by way of acquiring shares of Tata Motors European Technical Centre Plc (being wholly owned subsidiary of Tata Motors Passenger Vehicles Limited). The Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999), to the extent applicable, the Companies Act, 2013 for such transaction and this transaction is not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

Except for the above,the Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(V) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(VI) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

VII) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

VIII) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

IX) The Company does not have any transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

X) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

50. OTHER NOTES:

(i) Micro, Small and Medium Enterprises Development Act, 2006

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

(₹ in crores)

	Particulars		As at March 31, 2022	As at March 31, 2021
(a)	Amounts outstanding but not due (including capital creditors) as at March 31,		158.71	185.64
(b)	Amounts due but unpaid as at March 31,	- Principal	8.89	4.07
(c)	Amounts paid after appointed date during the year	- Principal	335.52	237.39
(d)	Amount of interest accrued and unpaid as at March 31,	- Interest	5.44	4.64
(e)	Amount of estimated interest due and payable for the period from April 1,2022 to actual date of payment or May 13, 2022 (whichever is earlier)	- Interest	0.11	0.26

(ii) The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has

Notes Forming Part of Financial Statements

been made in books of account.

(iii) During the year ended March 31, 2021, the Company has transferred its Global Delivery Centre / Process Shared Service business ('GDC Business') unit to subsidiary company TML Business Services Limited (TMLBSL) on a slump sale basis for a lump sum consideration of ₹10.30 crores. The difference between the consideration paid and net assets of GDC business of ₹9.22 crores, has been credited to Capital reserve (on merger/sale of business).

(iv) During the year ended March 31, 2021, the Company and Marcopolo S.A. have entered into a share purchase agreement where the Company will purchase the balance 49% shareholding in Tata Marcopolo Motors Ltd (TMML) for a cash consideration of ₹99.96 crores, subject to certain closing conditions to be complied by both Parties. On completion of the transaction, TMML will become a wholly owned subsidiary of the Company.

(v) In view of the recent amendments made in schedule III of the Companies Act 2013, below changes have been done in the comparative period (as at March 31, 2021).

i. Security deposits (Current ₹ 0.93 crores and Non current ₹ 53.66 crores) that were earlier shown under loans and advances are now shown under other financial assets.

ii. Current maturities of long-term borrowings ₹ 2,879.45 crores that were earlier shown under other current financial liabilities are now shown under short term borrowings.

Further, there has been regrouping of comparative amounts for certain Government Incentives ₹ 213.71 crores which has been reclassified from other non-current assets to other financial assets – Non-current, which is not material qualitatively and quantitively to the Company's prior period financial statements.

(vi) In April 2021, the Company has completed the sale of certain assets related to defence business to Tata Advanced Systems Limited (TASL) for sale consideration of ₹234.09 crores againts the Net Assets of ₹231.57 crores resulting in a gain of ₹2.52 crores recorded as an exceptional item in Statement of Profit and Loss.

(vii) Tata Motors Limited at its Board meeting held on October 12, 2021, approved the incorporation of a wholly owned subsidiary ("TML EV Co") to undertake its passenger electric mobility business and executed a Securities Subscription Agreement with India Markets Rio Pte Ltd, an entity affiliated with TPG Rise Climate (the climate investing strategy of TPG's global impact investing platform TPG Rise) for an aggregate investment of ₹7,500 crores in TML EV Co over the period of 18 months from the date of completion of the first tranche. Accordingly, Tata Passenger Electric Mobility Limited (TPEML) is formed on December 21, 2021.

The Proposed Transaction involves the primary investment of ₹7,500 crores by TPG Rise Climate in TML EV Co in tranches; and issuance and allotment of compulsorily convertible preference shares, having face value of ₹1,000, by TML EV Co to TPG Rise Climate in lieu of such investment. The remittances will be disbursed in two tranches, the first tranch of ₹3,750 crores was received in March,2022.

(viii) 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.

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVTXO1213
Place: Mumbai

Date: May 12, 2022

For and on behalf of the Board

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

Place: Mumbai

P B BALAJI
Group Chief Financial Officer

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

Date: May 12, 2022

Independent Auditor's Report

To the Members of Tata Motors Limited

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of Tata Motors Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures and joint operations, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate/consolidated financial statements / financial information of such subsidiaries, associates, joint ventures and joint operations as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates, joint ventures and joint operations as at 31 March 2022, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

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

EMPHASIS OF MATTER

We draw your attention to Note 2(f) to these consolidated financial statements, which describes the economic and social consequences/disruption the Group is facing as a result of COVID-19 which is impacting supply chains / consumer demand / financial markets /commodity prices / personnel available for work.

KEY AUDIT MATTERS

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

Description of Key Audit Matter

Key audit matter	How the matter was addressed in our audit
1) JLR Group Going concern, as reported by the component auditor of Jaguar Land Rover Automotive Plc (hereinafter referred to as JLR Group).	
Disclosure Quality The financial statements explain how the Board of JLR Group has formed a judgement that it is appropriate to adopt the going concern basis of preparation for the JLR Group. That judgement is based on an evaluation of the inherent risks to the JLR Group's business model, in particular, risks associated with the global coronavirus pandemic, subsequent supply shortages, the increasing price of key commodities and how those risks might affect the JLR Group's financial resources or ability to continue operations over the going concern period of assessment.	The auditor of the component (JLR Group) considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the Directors' sensitivities over the level of available financial resources and covenant thresholds indicated by the JLR Group's financial forecasts taking account of severe, but plausible, adverse effects that could arise from these risks individually and collectively.

Key audit matter	How the matter was addressed in our audit
1) JLR Group Going concern, as reported by the component auditor of Jaguar Land Rover Automotive Plc (hereinafter referred to as JLR Group).	
The risks most likely to adversely affect the JLR Group's available financial resources and compliance with covenant thresholds over this period were: ▪ The impact on JLR Group's supply chain and consequent production capability from semiconductor shortages, coronavirus and related supply shortages and supplier continuity risks; and ▪ The impact of increasing prices of key commodities passed through the supply chain. The risk for our audit is whether or not those risks are such that they amount to a material uncertainty that may cast significant doubt about the ability to continue as a going concern. Had they been such, then that fact would have been required to be disclosed. (Refer note 2(e) of the consolidated financial statements)	Their procedures also included: ▪ **Assessment of management's process**: Evaluated management's process to produce forecasts, including the assessment of internal and external factors used to determine the severe but plausible downward scenarios adopted and management's reverse stress test. ▪ **Funding assessment:** Evaluated JLR Group's financing facilities to ensure that the available terms and covenants associated with these facilities, were completely and accurately reflected in the cash flow forecasts; ▪ **Key dependency assessment**: Evaluated whether the key assumptions underpinning the forecast cash flows, which the Directors have used to support the going concern basis of preparation and to assess whether JLR Group can meet its financial commitments as they fall due, were realistic, achievable and consistent with the external environment and other matters identified in the audit. The key assumptions include sales volumes together with fixed and variable costs. ▪ **Historical comparisons:** Evaluated the historical cash flow forecasting accuracy of JLR Group by comparing historical cash flows to actual results reported, as well as assessing the accuracy of key assumptions previously applied. ▪ **Benchmarking assumptions**: Assessed the appropriateness of JLR Group's key assumptions used in the cash flow forecasts, by benchmarking them to externally derived data, with particular focus on sales volumes. ▪ **Sensitivity analysis:** Considered sensitivities over the key assumptions underlying the JLR Group's cash flow forecasts and their impact on the level of available financial resources. ▪ **Assessing transparency** – Assessed the completeness and accuracy of the matters disclosed in the going concern disclosure by considering whether it is consistent with their knowledge of the business.
2) Impairment of property plant and equipment, intangible, and right-of-use non-current assets, as reported by the component auditor of JLR Group	
Forecast based assessment There is a risk that the carrying value of property, plant and equipment (PPE), intangible assets, and right-of-use assets (ROUAs) may be higher than therecoverable amount. Where a review for impairment, or reversal of impairment, is conducted, the recoverable amount is determined based on the higher of 'value in use' or 'fair value less costs of disposal'.	The audit procedures applied by the auditor of the component (JLR Group) included: ▪ **Historical accuracy**: Evaluated historical forecasting accuracy of discounted cash flow forecasts, including key assumptions, by comparing them to the actual results.

Key audit matter	How the matter was addressed in our audit
2) Impairment of property plant and equipment, intangible, and right-of-use non-current assets, as reported by the component auditor of JLR Group	
The JLR Group holds a significant amount of property, plant and equipment and intangible assets on its balance sheet. Property, plant and equipment, intangible assets and right of use assets are at risk of being impaired as cash flow forecasts may contain optimistic expectations of terminal value variable profit and terminal value capital expenditure. The JLR Group has also announced its 'Reimagine' Strategy which has led to the termination of the mid Modular Longitudinal Architecture ('MLA') development programme. The effects of these matters is that as part of risk assessment, the component auditors determined that the calculation of the value in use of property, plant and equipment, intangible assets, and right-of-use assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than the materiality for the consolidated financial statements as a whole, and possibly many times that amount. (Refer 7 of the consolidated financial statements)	▪ **Historical comparisons**: Assessed appropriateness of JLR Group's key assumptions used in the discounted cash flow forecasts by comparing those, where appropriate, to historical trends in terminal value variable profit and terminal value capital expenditure. ▪ **Benchmarking assumptions**: Assessed appropriateness of the JLR Group's estimated value in use amount by comparing the implied trading multiples to market multiples of comparative companies with the assistance of their valuation specialists. Assessed appropriateness of JLR Group's assumptions used in the cash flow projections by comparing the key assumption of sales volumes to externally derived data. Compared JLR Group's discount rate and long-term growth rate to external benchmark data and comparative companies and reperformed the discount rate calculation using the Capital Asset Pricing Model with the assistance of their valuation specialists. ▪ **Sensitivity analysis**: Performed a sensitivity analysis on key assumptions, to independently estimate a range for comparison, taking account of the JLR Group's Reimagine strategy. ▪ **Comparing valuations**: Assessed the JLR Group's reconciliation between the estimated market capitalization of the JLR Group, by reference to the overall market capitalization of the Holding Company and compared to the estimated recoverable amount of the cash generating unit. ▪ **Impairment reversal**: Assessed whether the JLR Group's estimated value in use was indicative of an impairment reversal. ▪ **Assessing transparency:** Assessed the adequacy of JLR Group's disclosures in the financial statements and ensured that the disclosure reflects the reasonably possible changes in key assumptions that erode the headroom in the recoverable amount compared to the cash generating unit carrying value to nil.
3) Capitalisation of product engineering assets, as reported by the component auditor of JLR Group	
Subjective judgement There is a key judgement in determining whether the nature of product engineering costs satisfy the criteria for capitalization to "Intangible assets under development" and when this capitalization should commence. The consolidated financial statements disclose that had the value of central overheads not been classified as directly attributable it would have reduced the amount capitalized by ` 529.41 crores (31 March 2021 – ` 806.12 crores). (Refer note 6 of the consolidated financial statements)	The audit procedures applied by the auditor of the component (JLR Group) included: ▪ **Personnel Interviews**: Corroborated judgements made by the Directors around the timing of capitalisation of product engineering costs through discussions with project level staff. ▪ **Component auditor's sector experience** – Critically assessed the Directors' judgements regarding identified directly attributable costs against both the accounting standards and their own experience or practical application of these standards in other companies; ▪ **Tests of details**: For a sample of identified directly attributable costs, agreed that the coding of those costs was consistent with their nature. ▪ **Assessing transparency**: Assessed the adequacy of the JLR Group's disclosures in respect of key judgements made relating to the nature of the costs capitalised and the point at which capitalisation commences.

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">4) Valuation of defined benefit plan obligations, as reported by the component auditor of JLR Group</td></tr>
<tr><td>Subjective valuation

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

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

(Refer note 39 of the consolidated financial statements)</td><td>The audit procedures applied by the auditor of the component (JLR Group) included:

▪ Control operation: Tested controls over the assumptions applied in the valuation and inspected the JLR Group's annual validation of the assumptions used by its actuarial expert. Tested the JLR Group's controls operating over selection and monitoring of its actuarial expert for competence and objectivity.

▪ Benchmarking assumptions: Challenged, with the support of their own actuarial specialists, the key assumptions applied to the valuation of the liabilities, being the discount rate, inflation rate and mortality/ life expectancy against externally derived data.

▪ Assessing transparency: Considered the adequacy of the disclosures in respect of the sensitivity of the JLR Group's net defined benefit plan asset to these assumptions.</td></tr>
<tr><td colspan="2">5) Impairment of loans to customers, as reported by the component auditor of TMF Holdings Limited ("TMFL Group")</td></tr>
<tr><td>The estimation of Expected Credit Loss (ECL) on financial instrument involves significant judgements and estimates. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecast of future economic conditions which could impact the credit quality of TMFL Group's loans and advances.

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

(Refer note 42 of the consolidated financial statements)</td><td>The audit procedures applied by the auditor of the component included:

• Review of the TMFL Group's accounting policies for impairment of loan assets in terms of accounting principles laid down in Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued from time to time.

• Review of implementation of policy relating to Resolution Framework for COVID-19 related stress announced by RBI.

• Understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation so as to evaluate the reasonableness of the management estimates.

• Assessed the criteria for staging of loans based on their past due status. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages.

• Performed analytical reviews of disaggregated data to observe any unusual trends warranting additional audit procedures.

• Assessed the additional considerations applied by the management for staging of loans as SICR or default categories in view of the TMFL Group's policy on one-time restructuring.

• Tested the ECL model, including assumptions and underlying computation.

• Tested assumptions used by the management in determining the overlay for macro-economic factors (including COVID-19 pandemic).

• Assessed disclosures included in the financial statements in respect of expected credit losses.</td></tr>
</table>

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 our auditors' 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' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the consolidated 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 Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant

doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures and joint operations to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements / financial information of such entities or business activities within the Group and its associates and joint ventures and joint operations to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements / financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 / financial information of one joint operation, whose financial statements / financial information reflect total assets (before consolidation adjustments) of ` 9,273.94 crores as at 31 March 2022, total revenues (before consolidation adjustments) of ` 15,023.54 crores and net cash outflows (before consolidation adjustments) amounting to ` 722.88 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint operation, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint operation is based solely on the audit report of the other auditor.

We did not audit financial statements / financial information of one subsidiary and 76 step down subsidiaries whose financial statements / financial information reflect total assets (before consolidation adjustments) of ` 281,177.99 crores as at 31 March 2022, total revenues (before consolidation adjustments) of `196,734.98 crores and net cash inflows (before consolidation adjustments) (net) amounting to ` 3,455.03 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of ` 206.37 crores for the year ended 31 March 2022, in respect of five associates and two joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, step down subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, step down subsidiaries, joint ventures and associates is based solely on the audit reports of the other auditors.

Certain of these subsidiaries and step down 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 management has converted the financial statements of such subsidiaries and step-down 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 Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and step down subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

(b) The financial statements / financial information of six subsidiaries and eight step-down subsidiaries, whose financial statements / financial information reflect total assets (before consolidation adjustments) of ` 554.31 crores as at 31 March 2022, total revenues (before consolidation adjustments) of ` 363.72 crores and net cash inflows (before consolidation adjustments) (net) amounting to ` 38.11 crores for the year ended on that date, as considered in the consolidated financial statements have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) (net) of ` 10.77 crores for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of three associates and two joint ventures, whose financial statements / financial information have not been audited by us or by other auditors.

These unaudited financial statements / financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, step down subsidiaries, associates and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, step down subsidiaries, associates and joint ventures, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (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 / consolidated financial statements of such subsidiaries, step down subsidiaries, associates, joint operations and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies, joint venture companies and joint operation companies incorporated in India, none of the directors of the Group companies, its associate companies, joint venture companies and joint operation companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate / consolidated financial statements of the subsidiaries, associates and joint ventures and joint operations, as noted in the 'Other Matters' paragraph:

   a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group, its associates and joint ventures and joint operations. Refer Note 40 to the consolidated financial statements.

   b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 49(g) to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures and joint operations.

c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India during the year ended 31 March 2022, except in case of one associate company namely Automobile Corporation of Goa Limited as follows:

Amount – ` Crores	Due date of payment	Actual date of payment	Delay in days
0.16	9 August 2021	12 August 2021	3 days

d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 48(d), 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 or its subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in note 48(e) , no funds have been received by the Holding Company or its subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) The Holding Company has neither declared nor paid any dividend during the year. The dividend declared or paid during the year by the subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditors' report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, associate companies and joint venture companies and joint operation companies to its directors is in accordance with the provisions of Section 197 of the Act, except in case of one associate company namely Tata Toyo Radiators Limited wherein, the excess remuneration of ` . 0.23 crores paid to its whole time directors is subject to the approval of its shareholders, which it proposes to obtain in its forthcoming Annual General Meeting. Except as stated above, the remuneration paid to any director by the Holding Company and its subsidiary companies, associate companies and joint venture companies and joint operation companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Shiraz Vastani
Partner
Membership No. 103334
UDIN - 22103334AIVVDP2581

Place: Mumbai
Date: 12 May 2022

Annexure A to the Independent Auditors' Report on the Consolidated Financial Statements of Tata Motors Limited for the year ended 31 March 2022

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

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate / Joint operation	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Tata Motors Limited	L28920MH1945PLC004520	Holding Company	Clause (ii)(b),(iii)(c), (iii)(d), (ix)(d) and (xi)(a)
2	Tata Motors Finance Solutions Limited	U65910MH1992PLC187184	Subsidiary	Clause (iii)(c) and (xi)(a)
3	Tata Motors Finance Limited	U45200MH1989PLC050444	Subsidiary	Clause (iii)(c) and (xi)(a)
4	Fiat India Automobiles Private Limited	U28900PN1997PTC130940	Joint operation	Clause (ii)(b)
5	Automobile Corporation of Goa Limited	L35911GA1980PLC000400	Associate	Clause (i)(c), (ii)(b) and (xvii)
6	Brabo Robotics and Automation Limited	U29309MH2019PLC328152	Subsidiary	Clause (xvii)
7	Tata Motors Passenger Vehicles Limited	U72900MH2020PLC339230	Subsidiary	Clause (ii)(b) and (ix)(d)
8	Tata Passenger Electric Mobility Limited	U34100MH2021PLC373648	Subsidiary	Clause (xvii)
9	Tata Marcopolo Motors Limited	U34101MH2006PLC164771	Subsidiary	Clause (xvii)
10	Automotive Stampings and Assemblies Limited	L28932PN1990PLC016314	Associate	Clause (xix)

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

Name of the entities	CIN	Subsidiary/ JV/ Associate
JT Special Vehicles Pvt Ltd	U34102MH2016PTC339515	Subsidiary
TML CV Mobility Solutions Limited	U50500MH2021PLC361754	Subsidiary
Jaguar Land Rover India Limited	U34200MH2012FLC237194	Subsidiary
Tata HAL Technologies Limited	U93000KA2008PLC046588	Joint venture
Loginomic Tech Solutions Private Limited	U74900KA2015PTC080558	Joint venture
Tata Hitachi Construction Machinery Company Private Limited	U85110KA1998PTC024588	Associate
Tata Precision Industries (India) Limited	U29120MP1995PLC009773	Associate
Taco Prestolite Electric Private Limited	U74140PN2015FTC207678	Associate

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Shiraz Vastani
Partner
Membership No. 103334
UDIN - 22103334AIVVDP2581

Place: Mumbai
Date: 12 May 2022

Annexure B to the Independent Auditors' Report on the Consolidated Financial Statements of Tata Motors Limited for the year ended 31 March 2022

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 Companies Act, 2013 ("the Act")

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

OPINION

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Tata Motors Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its joint operations, its associates and its joint ventures, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its joint operations, its associates and its joint ventures , have , in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 consolidated 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one subsidiary, two step down subsidiaries and one joint operation, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For B S R & Co. LLP
Chartered Accountants

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

Shiraz Vastani
Partner
Membership No. 103334
UDIN - 22103334AIVVDP2581

Place: Mumbai
Date: 12 May 2022

Consolidated Balance Sheet

(` in crores)

Particulars				Notes	As at March 31, 2022	As at March 31, 2021
I.	ASSETS					
	(1)	Non-current assets				
		(a)	Property, plant and equipment	3 (b)	80,900.13	79,640.05
		(b)	Capital work-in-progress	3 (c)	3,529.04	8,377.14
		(c)	Right of use assets	4	6,686.02	6,490.66
		(d)	Goodwill	5	807.17	803.72
		(e)	Other intangible assets	6 (b)	50,462.13	51,773.18
		(f)	Intangible assets under development	6 (c)	6,722.05	12,586.79
		(g)	Investment in equity accounted investees	9	4,349.39	4,200.79
		(h)	Financial assets:			
			(i) Other investments	10	2,320.92	1,368.30
			(ii) Finance receivables	18	11,135.85	16,846.82
			(iii) Loans and advances	12	843.35	1,034.89
			(iv) Other financial assets	13	5,179.49	6,197.39
		(i)	Deferred tax assets (net)	22	3,870.85	4,520.35
		(j)	Non-current tax assets (net)		1,196.79	1,003.30
		(k)	Other non-current assets	20	5,639.21	1,394.78
					183,642.39	**196,238.16**
	(2)	Current assets				
		(a)	Inventories	14	35,240.34	36,088.59
		(b)	Financial assets:			
			(i) Other investments	11	22,709.22	19,051.19
			(ii) Trade receivables	15	12,442.12	12,679.08
			(iii) Cash and cash equivalents	16	38,159.01	31,700.01
			(iv) Bank balances other than (iii) above	17	2,510.18	15,092.45
			(v) Finance receivables	18	22,095.35	17,868.09
			(vi) Loans and advances	12	1,671.93	1,610.61
			(vii) Other financial assets	13	3,799.82	5,413.11
		(c)	Current tax assets (net)		259.84	865.31
		(d)	Assets classified as held-for-sale		523.85	220.80
		(e)	Other current assets	21	7,565.88	6,298.40
					146,977.54	**146,887.64**
			TOTAL ASSETS		**330,619.93**	**343,125.80**
II.	EQUITY AND LIABILITIES					
		Equity				
		(a)	Equity share capital	23	765.88	765.81
		(b)	Other equity	24	**43,795.36**	**54,480.91**
			Equity attributable to owners of Tata Motors Limited		44,561.24	55,246.72
			Non-controlling interests		4,271.06	1,573.49
					48,832.30	**56,820.21**
		Liabilities				
	(1)	Non-current liabilities				
		(a)	Financial liabilities:			
			(i) Borrowings	26	97,759.17	93,112.77
			(ii) Lease liabilities		5,962.44	5,412.06
			(iii) Other financial liabilities	28	5,333.66	2,556.35
		(b)	Provisions	31	12,955.89	13,606.76
		(c)	Deferred tax liabilities (net)	22	1,558.44	1,555.89
		(d)	Other non-current liabilities	32	7,535.22	12,312.58
					131,104.82	**128,556.41**
	(2)	Current liabilities				
		(a)	Financial liabilities:			
			(i) Borrowings	27	41,917.87	42,791.74
			(ii) Lease liabilities		809.55	814.00
			(iii) Trade payables	30		
			(a) Total outstanding dues of micro and small enterprises		183.92	186.21
			(b) Total outstanding dues of creditors other than micro and small enterprises		59,786.46	67,993.63
			(iv) Acceptances		9,779.95	7,860.31
			(v) Other financial liabilities	29	14,420.24	13,725.64
		(b)	Provisions	31	10,766.31	12,848.03
		(c)	Current tax liabilities (net)		1,253.85	1,086.44
		(d)	Liabilities directly associated with Assets held-for-sale		3.12	-
		(e)	Other current liabilities	33	11,761.54	10,443.18
					150,682.81	**157,749.18**
			TOTAL EQUITY AND LIABILITIES		**330,619.93**	**343,125.80**

See accompanying notes to consolidated financial statements

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVVDP2581
Place: Mumbai

Date: May 12, 2022

For and on behalf of the Board
N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

P B BALAJI
Group Chief Financial Officer

GIRISH WAGH *[DIN: 03119361]*
Executive Director

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

Place: Mumbai

Date: May 12, 2022

TATA

Consolidated Statement of Profit and Loss

(` in crores)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
I. Revenue from operations	34		
(a) Revenue		275,235.23	246,972.17
(b) Other operating revenues		3,218.39	2,822.58
Total revenue from operations		**278,453.62**	**249,794.75**
II. Other income (includes government incentives)	35	3,053.63	2,643.19
III. Total Income (I+II)		**281,507.25**	**252,437.94**
IV. Expenses:			
(a) Cost of materials consumed			
(i) Cost of materials consumed		159,598.06	141,392.43
(ii) Basis adjustment on hedge accounted derivatives		1,322.50	(35.16)
(b) Purchase of products for sale		18,374.77	12,250.09
(c) Changes in inventories of finished goods, work-in-progress and products for sale		1,590.49	4,684.16
(d) Employee benefits expense	36	30,808.52	27,648.48
(e) Finance costs	37	9,311.86	8,097.17
(f) Compulsorily convertible preference share measured at Fair Value		14.45	-
(g) Foreign exchange (gain)/loss (net)		78.68	(1,732.15)
(h) Depreciation and amortisation expense		24,835.69	23,546.71
(i) Product development/engineering expenses		9,209.50	5,226.63
(j) Other expenses	38	47,133.85	40,921.97
(k) Amount transferred to capital and other account		(14,397.29)	(12,849.13)
Total Expenses (IV)		**287,881.08**	**249,151.20**
V. Profit/ (loss) before exceptional items and tax (III-IV)		(6,373.83)	3,286.74
VI. Exceptional Items:			
(a) Defined benefit pension plan amendment past service cost		-	84.81
(b) Employee separation cost		9.83	459.90
(c) Restructuring cost at JLR - Assets written downs, employee and third party obligations		-	14,994.30
(d) Write off/provision for tangible/intangible assets (including under development)	8 (b)	-	114.00
(e) Reversal of Impairment in passenger vehicle business	8(a)	-	(1,182.41)
(f) Reversal for onerous contracts and related supplier claims		-	(663.00)
(g) Reversal for cost of closure of operation of a subsidary		(21.47)	(46.58)
(h) Reversal of Impairment in subsidiaries	8(c)	(86.26)	-
(i) Cost of slump sale of passenger vehicle undertaking		301.34	
(j) Provision for Russia market	49(e)	428.66	-
(k) Others	49(c)	(2.52)	-
VII. Profit/(loss) before tax (V-VI)		**(7,003.41)**	**(10,474.28)**
VIII. Tax expense/(credit) (net):			
(a) Current tax (including Minimum Alternate Tax)		2,669.98	1,710.18
(b) Deferred tax		1,561.31	831.68
Total tax expense/(credit) (net)	22	**4,231.29**	**2,541.86**
IX. Profit/(loss) for the year from continuing operations (VII-VIII)	9	(11,234.70)	(13,016.14)
X. Share of profit/(loss) of joint ventures and associates (net)		(74.06)	(378.96)
XI. Profit/(loss) for the year (IX+X)		**(11,308.76)**	**(13,395.10)**
Attributable to:			
(a) Shareholders of the Company		(11,441.47)	(13,451.39)
(b) Non-controlling interests		132.71	56.29
XII. Other comprehensive income/(loss):			
(A) (i) Items that will not be reclassified to profit or loss:			
(a) Remeasurement gain/(losses) on defined benefit obligations (net)		7,083.47	(7,285.87)
(b) Equity instruments at fair value through other comprehensive income (net)		392.46	415.86
(c) Share of other comprehensive income in equity accounted investees (net)		4.77	3.02
(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit or loss		(963.79)	1,369.11
(B) (i) Items that will be reclassified to profit or loss:			
(a) Exchange differences in translating the financial statements of foreign operations		(325.94)	3,720.98
(b) Gains/(losses) in cash flow hedges (including forecast inventory purchases)		(9,093.01)	5,439.35
(c) Gains/(losses) on finance receivables held at fair value through other comprehensive income (net)		198.16	206.90
(d) Share of other comprehensive income in equity accounted investees (net)		217.89	150.01
(ii) Income tax (expense)/credit relating to items that will be reclassified to profit or loss		2,030.80	(1,100.02)
Total other comprehensive income/(loss) for the period (net of tax)		**(455.19)**	**2,919.34**
Attributable to:			
(a) Shareholders of the Company		(455.81)	2,900.19
(b) Non-controlling interests		0.62	19.15
XIII. Total comprehensive income/(loss) for the period (net of tax) (XI+XII)		**(11,763.95)**	**(10,475.76)**
Attributable to:			
(a) Shareholders of the Company		(11,897.28)	(10,551.20)
(b) Non-controlling interests		133.33	75.44
XIV. Earnings per equity share (EPS)	46		
(a) Ordinary shares (face value of ` 2 each):			
(i) Basic EPS		(29.88)	(36.99)
(ii) Diluted EPS		(29.88)	(36.99)
(b) 'A' Ordinary shares (face value of ` 2 each):			
(i) Basic EPS		(29.88)	(36.99)
(ii) Diluted EPS		(29.88)	(36.99)

See accompanying notes to consolidated financial statements

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVVDP2581
Place: Mumbai

Date: May 12, 2022

For and on behalf of the Board

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

P B BALAJI
Group Chief Financial Officer

GIRISH WAGH *[DIN: 03119361]*
Executive Director

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

Place: Mumbai

Date: May 12, 2022

Consolidated Cash Flow Statement

(` in crores)

	Year ended March 31, 2022	2021
Cash flows from operating activities:		
Profit/(Loss) for the year	(11,308.76)	(13,395.10)
Adjustments for:		
Depreciation and amortisation expense	24,835.69	23,546.71
Allowances for finance receivables	1,307.59	957.93
(Reversal)/provision for trade and other receivables	-	50.01
Inventory write-down	-	129.19
Reversal for costs of closure of operations of a subsidiary company	(3.32)	(51.99)
Write off/provision (reversal) for tangible/intangible assets (including under development)	-	114.00
Restructuring cost at JLR - Assets written downs, employee and third party obligations	-	14,994.30
Reversal of Impairment in subsidiaries	(104.42)	-
Reversal of Impairment in passenger vehicle business	-	(1,182.41)
Reversal for onerous contracts and related supplier claims	-	(663.00)
Defined benefit pension plan amendment past service cost	-	84.81
Employee separation cost	-	430.76
Accrual for share-based payments	18.05	9.04
Marked-to-market gain on investments measured at fair value through profit or loss	-	(19.91)
Loss on sale of assets (including assets scrapped/written off) (net)	94.19	265.59
Profit on sale of investments (net)	(266.56)	(177.26)
Share of loss of joint ventures and associates (net)	74.06	378.96
Tax expense (net)	4,231.29	2,541.86
Finance costs	9,326.31	8,097.17
Interest income	(625.22)	(492.53)
Dividend income	(34.22)	(18.37)
Foreign exchange gain (net)	(878.51)	(4,402.12)
Cash flows from operating activities before changes in following assets and liabilities	**26,666.17**	**31,197.64**
Finance receivables	(75.63)	(4,386.94)
Trade receivables	412.34	(1,118.35)
Loans and advances and other financial assets	129.26	(1,308.92)
Other current and non-current assets	(5,312.17)	3,853.53
Inventories	597.40	3,814.50
Trade payables and acceptances	(7,011.86)	5,748.15
Other current and non-current liabilities	(3,065.37)	2,217.87
Other financial liabilities	(178.55)	(1,168.39)
Provisions	4,030.88	(7,744.02)
Cash from operations	**16,192.47**	**31,105.07**
Income tax paid (net)	(1,909.64)	(2,104.56)
Net cash from operating activities	**14,282.83**	**29,000.51**
Cash flows from investing activities:		
Payments for property, plant and equipments	(9,039.40)	(11,775.65)
Payments for other intangible assets	(6,129.02)	(8,429.75)
Proceeds from sale of property, plant and equipments	230.10	350.58
Investments in mutual fund (purchased)/sold (net)	(2,968.54)	(7,432.85)
Disposal of subsidiary companies	(98.45)	-
Investment in equity accounted investees	-	(9.90)
Investment in Government securities	(1,228.21)	-
Investments - others	(39.71)	(97.30)
Proceeds from sale of investments in other companies	103.55	225.82

Consolidated Cash Flow Statement

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Proceeds from disposal of defence business	234.09	-
Interest received	652.94	427.51
Dividend received	32.01	18.37
Dividend received from equity accounted investees	-	1.51
Deposit/restricted deposits with financial institution	(600.00)	(1,000.00)
Realisation of deposit with financial institution	1,300.00	750.00
Deposits/restricted deposits with banks	(13,203.08)	(38,243.27)
Realisation of deposits/restricted deposits with banks	25,978.60	39,088.68
Net cash used in investing activities	**(4,775.12)**	**(26,126.25)**
Cash flows from financing activities:		
Proceeds from issue of shares, warrants and share application pending allotment (net of issue expenses)	18.59	2,602.51
Proceeds from issuance of compulsorily convertible preference shares	3,750.00	-
Proceeds from long-term borrowings	31,308.62	29,642.36
Repayment of long-term borrowings	(23,355.80)	(18,629.61)
Proceeds/(payment) from option settlement of long term borrowings	(97.77)	35.01
Repayment of matured fixed deposits	-	(0.48)
Proceeds from short-term borrowings	16,866.24	20,807.15
Repayment of short-term borrowings	(19,460.45)	(11,078.93)
Net change in other short-term borrowings (with maturity up to three months)	(1,975.59)	(4,544.27)
Repayment of lease liability (including interest)	(1,558.95)	(1,477.28)
Dividend paid to non-controlling interest shareholders of subsidiaries	(98.39)	(28.75)
Proceeds from issuance /(payment) for acquisition of shares from non-controlling interest	-	0.24
Dividend paid (including transferred to IEPF)	(1.53)	(1.56)
Proceeds from issuance of perpetual debt instrument classified as equity by a subsidiary (net)	476.28	700.75
Interest paid [including discounting charges paid ` **1,082.52 crores** (March 31, 2021 ` 1,201.20 crores)]	(9,251.42)	(8,122.94)
Net cash (used in)/from financing activities	**(3,380.17)**	**9,904.20**
Net increase in cash and cash equivalents	6,127.54	12,778.46
Cash and cash equivalents as at April 1, (opening balance)	31,700.01	18,467.80
Effect of foreign exchange on cash and cash equivalents	331.46	453.75
Cash and cash equivalents as at March 31, (closing balance)	**38,159.01**	**31,700.01**
Non-cash transactions:		
Liability towards property, plant and equipment and intangible asests purchased on credit/deferred credit	4,547.68	5,367.84

See accompanying notes to the consolidated financial statements

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVVDP2581
Place: Mumbai

Date: May 12, 2022

For and on behalf of the Board
N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

P B BALAJI
Group Chief Financial Officer

GIRISH WAGH *[DIN: 03119361]*
Executive Director

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

Place: Mumbai

Date: May 12, 2022

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

A. EQUITY SHARE CAPITAL

(` in crores)

Particulars	Equity Share Capital
Balance as at April 1, 2021	**765.81**
Proceeds from issuance of shares	0.07
Balance as at March 31, 2022	**765.88**

B. OTHER EQUITY

(` in crores)

Particulars	Reserves										Other components of equity							
	Securities Premium	Share-based payments reserve	Share application money pending allotment	Capital redemption reserve	Deneture reddemption reserve	Reserve for research and human resource development	Special reserve	Earned surplus reserve	Capital Reserve	Retained earnings	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Hedging Reserve	Cost of hedging reserve	Currency translation reserve	Attributable to Owners of Tata Motors Limited	Non-controlling interests	Total other equity
Opening balance as at April 1, 2021	25,296.63	22.18	-	2.28	904.44	200.74	578.86	45.65	1,164.20	16,582.83	256.78	320.88	311.35	66.88	8,727.21	54,480.91	1,573.49	56,054.40
Profit/(Loss) for the period	-	-	-	-	-	-	-	-	-	(11,441.47)	-	-	-	-	-	(11,441.47)	132.71	(11,308.76)
Remeasurement gains/(losses) on defined benefit obligations (net)	-	-	-	-	-	-	-	-	-	6,176.72	-	-	-	-	-	6,176.72	-	6,176.72
Other comprehensive income /(loss) for the period	-	-	-	-	-	-	-	-	-	-	142.96	342.34	(6,937.65)	(69.36)	(110.82)	(6,632.53)	0.62	(6,631.91)
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-	-	(5,264.75)	142.96	342.34	(6,937.65)	(69.36)	(110.82)	(11,897.28)	133.33	(11,763.95)
Amounts recognized in inventory	-	-	-	-	-	-	-	-	-	-	-	-	1,106.71	68.43	-	1,175.14	-	1,175.14
Distribution to Minority	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(146.06)	(146.06)
Issue of perpetual instrument classified as equity by a subsidiary (refer note below)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	485.00	485.00
Liability for buy back of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(245.79)	(245.79)
Proceeds from Compulsory Convertible Preference Shares (net of Debt issue cost) (refer note 49 (d))	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	2,471.09	2,471.09
Share based payments	-	18.05	-	-	-	-	-	-	-	-	-	-	-	-	-	18.05	-	18.05
Money received on exercise of stock options by employees	12.15	-	6.39	-	-	-	-	-	-	-	-	-	-	-	-	18.54	-	18.54
Exercise of stock option by employees	1.95	(1.95)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer (from)/to retained earnings (Refer note 49 (f))	(11,173.59)	-	-	-	(493.30)	-	38.39	-	-	11,628.50	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	14,137.14	38.28	6.39	2.28	411.14	200.74	617.25	45.65	1,164.20	22,946.58	399.74	663.22	(5,519.59)	65.95	8,616.39	43,795.36	4,271.06	48,066.42

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

See accompanying notes to consolidated financial statements

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SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVVDP2581
Place: Mumbai

Date: May 12, 2022

For and on behalf of the Board
N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

Place: Mumbai

P B BALAJI
Group Chief Financial Officer

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

Date: May 12, 2022

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

A. EQUITY SHARE CAPITAL

(` in crores)

Particulars	Equity Share Capital
Balance as at April 1, 2020	**719.54**
Proceeds from issue of shares	46.27
Balance as at March 31, 2021	**765.81**

B. OTHER EQUITY

(` in crores)

Particulars	Reserves												Other components of equity					
	Securities Premium	Share-based payments reserve	Share Warrants	Capital redemption reserve	Debenture redemption reserve	Reserve for research and human resource development	Special reserve	Earned surplus reserve	Capital Reserve	Retained earnings	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Hedging Reserve	Cost of hedging reserve	Currency translation reserve	Attributable to Owners of Tata Motors Limited	Non-controlling interests	Total other equity
Balance as at April 1, 2020	**21,872.89**	**13.14**	**867.50**	**2.28**	**1,038.84**	**200.74**	**490.15**	**45.65**	**1,164.20**	**35,882.82**	**88.63**	**(77.37)**	**(3,891.90)**	**(213.28)**	**4,874.70**	**62,358.99**	**813.56**	**63,172.55**
Loss for the period	-	-	-	-	-	-	-	-	-	(13,451.39)	-	-	-	-	-	(13,451.39)	56.29	(13,395.10)
Remeasurement gains and (losses) on defined benefit obligations (net)										(5,901.17)	-	-	-	-	-	(5,901.17)	-	(5,901.17)
Other comprehensive income /(loss) for the period	-	-	-	-	-	-	-	-	-	-	168.15	402.61	4,146.66	231.43	3,852.51	8,801.36	19.15	8,820.51
Total comprehensive income/(loss) for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(19,352.56)**	**168.15**	**402.61**	**4,146.66**	**231.43**	**3,852.51**	**(10,551.20)**	**75.44**	**(10,475.76)**
Amounts recognized in inventory	-	-	-	-	-	-	-	-	-	-	-	-	56.59	48.73	-	105.32	-	105.32
Issue of shares pursuant to conversion of share warrants	3,423.74	-	(867.50)	-	-	-	-	-	-	-	-	-	-	-	-	2,556.24	-	2,556.24
Realised gain on investments held at fair value through Other comprehensive income	-	-	-	-	-	-	-	-	-	4.36	-	(4.36)	-	-	-	-	-	-
Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	2.52	-	-	-	-	-	2.52	-	2.52
Distribution to Minority	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(28.75)	(28.75)
Issue of perpetual instrument classified as equity by a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	713.00	713.00
Shares issued to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.24	0.24
Share based payments	-	9.04	-	-	-	-	-	-	-	-	-	-	-	-	-	9.04	-	9.04
Transfer (from)/to retained earnings	-	-	-	-	(134.40)	-	88.71	-	-	45.69	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	**25,296.63**	**22.18**	**-**	**2.28**	**904.44**	**200.74**	**578.86**	**45.65**	**1,164.20**	**16,582.83**	**256.78**	**320.88**	**311.35**	**66.88**	**8,727.21**	**54,480.91**	**1,573.49**	**56,054.40**

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

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVVDP2581
Place: Mumbai

Date: May 12, 2022

For and on behalf of the Board
N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

Place: Mumbai

P B BALAJI
Group Chief Financial Officer

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

Date: May 12, 2022

Notes Forming Part of Consolidated Financial Statements

1. BACKGROUND AND OPERATIONS

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

Tata Motors Limited is a public limited Company incorporated and domiciled in India and has its registered office in Mumbai, India. As at March 31, 2022, Tata Sons Private Limited together with its subsidiaries, owns 46.33% of the Ordinary shares and 7.66% of 'A' Ordinary shares of the Company, and has the ability to significantly influence the Company's operation.

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

The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 12, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

c. Basis of consolidation

Subsidiaries

The consolidated financial statements include Tata Motors Limited and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power to direct relevant activities of the investee. Relevant activities are those activities that significantly affect an entity's returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable and other contractual arrangements that may influence control are taken into account. The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

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

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance. Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Interests in joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an

Notes Forming Part of Consolidated Financial Statements

arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint operations

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

Joint ventures

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

Associates

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

Equity method of accounting (equity accounted investees)

An interest in an associate or joint venture is accounted for using the equity method from the date the investee becomes an associate or a joint venture and are recognised initially at cost. The carrying value of investment in associates and joint ventures includes goodwill identified on date of acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Company's share of profits or losses, other comprehensive income and equity movements of equity accounted investments, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investment, the carrying amount of that interest (including any long-term interests in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has incurred constructive or legal obligations or has made payments on behalf of the investee.

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

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

d. Business combination

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

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

e. Going Concern

These financial statements have been prepared on a Going Concern basis.

The Company has performed an assessment of its financial position as at March 31, 2022 and forecasts of the Company and JLR for a period of twelve months from the date of authorisation of these financial statements (the 'Going Concern Assessment Period' and the 'Foreseeable Future').

The Company and JLR have assessed their projected cash flows over the going concern assessment period. The base case uses the most recent Board-approved forecasts that include the going concern assessment period. The base case takes into account the Group's expectations of the continued supply chain challenges relating to semiconductor shortages, the on-going impacts of the

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Covid-19 pandemic and the Russia-Ukraine conflict as well as the prevailing financial conditions including the impact of inflationary pressures on material costs. For JLR, the base case also assumes an improvement in volumes in the going concern assessment period, reflecting gradual improvement in semiconductor supply and proactive management of semi-conductor supplies to maximise production of higher margin products. For the company, the base case assumes continued recovery in industry volumes based upon external industry forecasts for India.

For the Company, the base case has been further sensitized using more severe but plausible scenarios considering external market commentaries and other factors impacting the global economy and automotive industry. For JLR, a reverse stress test against the base case has been carried out to determine the decline in wholesale volume over a twelve-month period that would result in a liquidity level that breaches financing covenants. The reverse stress test assumes continued supply constraints result in demand that exceeds supply over the twelve-month period and assumes optimisation of supply to maximise production of higher margin products. In order to reach a liquidity level that breaches covenants, it would require a sustained decline in wholesale volumes of more than 60% compared to base case over a twelve-month period. JLR does not consider this scenario to be plausible given the reverse stress test volumes are significantly lower than those achieved during the peak of the Covid-19 pandemic and the quarters most severely impacted by the semiconductor shortages. JLR has also considered other severe but plausible downside scenarios and expected volumes under each of these scenarios is much higher than under the reverse stress test. Management do not consider more extreme scenarios than the ones assessed to be plausible.

Within the going concern assessment period there is a GBP 1 Billion quarter-end liquidity covenant attached to the UK Export Finance loan of JLR for the entire period and to the Revolving Credit Facility (RCF) of JLR from July 2022. Further, there is a reduction in the RCF facility from GBP 2 billion to GBP 1.5 billion from July 2022.

In evaluating the forecasts, the Company and JLR have taken into consideration both the sufficiency of liquidity to meet obligations as they fall due as well as potential impact on compliance with financial covenants during the forecast period. These forecasts indicate that the Company and JLR will have sufficient liquidity to operate and discharge their liabilities as they become due, without breaching any relevant covenants, taking into account only cash generated from operations and the funding facilities existing on the date of authorization of these financial statements and as at March 31, 2022, including the presently undrawn revolving credit facilities.

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

f. Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

i) Note 3, 6, 7 and 8 - Property, plant and equipment and intangible assets – Useful lives and impairment
ii) Note 5 - Impairment of goodwill
iii) Note 22 - Recoverability/recognition of deferred tax assets
iv) Note 31 - Provision for product warranty
v) Note 39 - Assets and obligations relating to employee benefits
vi) Note 18 - Allowances for credit losses for finance receivables
vii) Estimated discounts / incentives required to be paid to dealers on retail of vehicles
viii) Note 2(e) – Going concern assessment
ix) Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

Covid-19 pandemic has rapidly spread throughout the world, including India. Governments in India and across the world have taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's manufacturing plants and offices had to be closed down / operate under restrictions for a certain period of time. Lockdowns / restrictions have impacted the Company

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operationally including on commodity prices, supply chain matters (including semiconductor supplies), consumer demand and recoveries of loans under its vehicle financing business. The Company is monitoring the situation closely taking into account the directives from the various Governments. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, intangible assets under development, allowances for losses for finance receivables and the net realisable values of other assets. However, given the effect of these lockdowns and restrictions on the overall economic activity and in particular on the automotive industry, the impact assessment of COVID-19 on the abovementioned financial statement captions is subject to significant estimation uncertainties due to its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

g. Cost recognition

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

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

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

h. Foreign currency

These consolidated financial statements are presented in Indian rupees, which is the functional currency of Tata Motors Limited. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognised in the consolidated statement of profit and loss except to the extent, exchange differences on foreign currency borrowings which are capitalized when they are regarded as an adjustment to interest costs.

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

i. Impairment

i) Goodwill

Cash generating units to which goodwill is allocated are tested for impairment annually at each balance sheet date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to the other assets of the unit pro rata on the basis of carrying amount of each asset in the unit. Goodwill impairment loss recognised is not reversed in subsequent period.

ii) Property, plant and equipment and other intangible assets

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

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

iii) Equity accounted investments: Joint ventures and associates:

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

Notes Forming Part of Consolidated Financial Statements

carrying amount of the investment. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash generating unit) for which the estimates of future cash flows have not been adjusted. Cash flow projections are developed generally for five years using data from the Company's latest internal forecasts and extrapolated beyond five years using estimated long-term growth rates.

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

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

j. Dividends

Any dividend declared by Tata Motors Limited is based on the profits available for distribution as reported in the statutory financial statements of Tata Motors Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India or Indian GAAP or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Tata Motors Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable. The amount available for distribution is ` Nil as at March 31, 2022 (` Nil as at March 31, 2021).

k. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

i) **Ind AS 103 – Reference to Conceptual Framework** - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

ii) **Ind AS 16 – Proceeds before intended use** - The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

iii) **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract -** The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

iv) **Ind AS 109 – Annual Improvements to Ind AS (2021)** - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

v) **Ind AS 116 – Annual Improvements to Ind AS (2021)** - The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2023.

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(l) The following subsidiary companies are considered in the consolidated financial statements:

Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2022	As at March 31, 2021
	Direct Subsidiaries			
1	TML Business Services Limited	India	100.00	100.00
2	Tata Motors Insurance Broking and Advisory Services Limited	India	100.00	100.00
3	Tata Technologies Limited	India	74.42	74.42
4	TMF Holdings Limited	India	100.00	100.00
5	Tata Marcopolo Motors Limited	India	61.86	51.00
6	TML Holdings Pte. Limited	Singapore	100.00	100.00
7	TML Distribution Company Limited (merged with TML Business Services Limited)	India	-	100.00
8	Tata Hispano Motors Carrocera S.A.	Spain	100.00	100.00
9	Tata Hispano Motors Carrocerries Maghreb SA	Morocco	100.00	100.00
10	Tata Precision Industries Pte. Limited	Singapore	78.39	78.39
11	Brabo Robotics and Automation Limited	India	100.00	100.00
12	JT Special Vehicles Pvt. Limited	India	100.00	100.00
13	TML CV Mobility Solutions Limited (Incorporated on June 7, 2021)	India	100.00	-
14	Tata Passenger Electric Mobility Limited. (Incorporated on December 21, 2021)	India	100.00	-
15	Tata Motors Passenger Vehicles Limited (Formerly known as TML Business Analytics Services Limited)	India	100.00	100.00
	Indirect Subsidiaries *			
16	Tata Motors European Technical Centre PLC	UK	100.00	100.00
17	Trilix S.r.l.	Italy	100.00	100.00
18	Tata Daewoo Commercial Vehicle Company Limited	South Korea	100.00	100.00
19	Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited	South Korea	100.00	100.00
20	Tata Motors (Thailand) Limited	Thailand	97.21	97.21
21	Tata Motors (SA) (Proprietary) Limited	South Africa	60.00	60.00
22	PT Tata Motors Indonesia	Indonesia	100.00	100.00
23	Tata Technologies (Thailand) Limited	Thailand	74.42	74.42
24	Tata Technologies Pte Limited	Singapore	74.42	74.42
25	INCAT International Plc.	UK	74.42	74.42
26	Tata Technologies Europe Limited	UK	74.42	74.42
27	Tata Technologies Nordics AB	UK	74.42	74.42
28	Tata Technologies GmbH	Germany	74.42	74.42
29	Tata Technologies Inc. (Formerly known as INCAT GmbH)	USA	74.48	74.48
30	Tata Technologies de Mexico, S.A. de C.V.	Mexico	74.48	74.48
31	Cambric Limited	USA	74.48	74.48
32	Tata Technologies SRL Romania	Romania	74.48	74.48
33	Tata Manufacturing Technologies (Shanghai) Limited	China	74.42	74.42
34	Jaguar Land Rover Automotive Plc	UK	100.00	100.00
35	Jaguar Land Rover Limited	UK	100.00	100.00
36	Jaguar Land Rover Austria GmbH	Austria	100.00	100.00
37	Jaguar Land Rover Belux NV	Belgium	100.00	100.00
38	Jaguar Land Rover Japan Limited	Japan	100.00	100.00
39	Jaguar Cars South Africa (Pty) Limited	South Africa	100.00	100.00
40	JLR Nominee Company Limited	UK	100.00	100.00
41	The Daimler Motor Company Limited	UK	100.00	100.00
42	Daimler Transport Vehicles Limited	UK	100.00	100.00
43	S.S. Cars Limited	UK	100.00	100.00

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Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries As at March 31, 2022	As at March 31, 2021
44	The Lanchester Motor Company Limited	UK	100.00	100.00
45	Jaguar Land Rover Deutschland GmbH	Germany	100.00	100.00
46	Jaguar Land Rover Classic Deutschland GmbH	Germany	100.00	100.00
47	Jaguar Land Rover Holdings Limited	UK	100.00	100.00
48	Jaguar Land Rover North America LLC	USA	100.00	100.00
49	Land Rover Ireland Limited	Ireland	100.00	100.00
50	Jaguar Land Rover Nederland BV	Netherlands	100.00	100.00
51	Jaguar Land Rover Portugal - Veiculos e Pecas, Lda.	Portugal	100.00	100.00
52	Jaguar Land Rover Australia Pty Limited	Australia	100.00	100.00
53	Jaguar Land Rover Italia Spa	Italy	100.00	100.00
54	Jaguar Land Rover Espana SL	Spain	100.00	100.00
55	Jaguar Land Rover Korea Company Limited	South Korea	100.00	100.00
56	Jaguar Land Rover (China) Investment Co. Limited	China	100.00	100.00
57	Jaguar Land Rover Canada ULC	Canada	100.00	100.00
58	Jaguar Land Rover France, SAS	France	100.00	100.00
59	Jaguar Land Rover (South Africa) (pty) Limited	South Africa	100.00	100.00
60	Jaguar e Land Rover Brasil industria e Comercio de Veiculos LTDA	Brazil	100.00	100.00
61	Limited Liability Company "Jaguar Land Rover" (Russia)	Russia	100.00	100.00
62	Jaguar Land Rover (South Africa) Holdings Limited	UK	100.00	100.00
63	Jaguar Land Rover India Limited	India	100.00	100.00
64	Jaguar Cars Limited	UK	100.00	100.00
65	Land Rover Exports Limited	UK	100.00	100.00
66	Jaguar Land Rover Pension Trustees Limited	UK	100.00	100.00
67	Jaguar Racing Limited	UK	100.00	100.00
68	InMotion Ventures Limited	UK	100.00	100.00
69	In-Car Ventures Limited	UK	100.00	100.00
70	InMotion Ventures 2 Limited	UK	100.00	100.00
71	InMotion Ventures 3 Limited	UK	100.00	100.00
72	Shanghai Jaguar Land Rover Automotive Services Company Limited	China	100.00	100.00
73	Jaguar Land Rover Slovakia s.r.o	Slovakia	100.00	100.00
74	Jaguar Land Rover Singapore Pte. Ltd	Singapore	100.00	100.00
75	Jaguar Land Rover Columbia S.A.S	Columbia	100.00	100.00
76	PT Tata Motors Distribusi Indonesia	Indonesia	100.00	100.00
77	Tata Motors Finance Solutions Limited	India	100.00	100.00
78	Tata Motors Finance Limited	India	100.00	100.00
79	TMNL Motor Services Nigeria Limited (Name Striked-off w.e.f. December 15, 2021)	Nigeria	-	100.00
80	Jaguar Land Rover Ireland (Services) Limited	Ireland	100.00	100.00
81	Spark44 (JV) Limited	UK	-	50.50
82	Spark44 Pty. Ltd.	Australia	-	50.50
83	Spark44 GMBH	Germany	-	50.50
84	Spark44 LLC	USA	-	50.50
85	Spark44 Shanghai Limited	China	-	50.50
86	Spark44 DMCC	UAE	-	50.50
87	Spark44 Demand Creation Partners Limited	India	-	50.50
88	Spark44 Limited (London & Birmingham)	UK	-	50.50
89	Spark44 Pte Ltd	Singapore	-	50.50
90	Spark44 Communication SL	Spain	-	50.50
91	Spark44 SRL	Italy	-	50.50

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Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2022	As at March 31, 2021
92	Spark44 Seoul Limited	Korea	-	50.50
93	Spark44 Japan KK	Japan	-	50.50
94	Spark44 Canada Inc	Canada	-	50.50
95	Spark44 South Africa (Pty) Limited	South Africa	-	50.50
96	Spark44 Colombia S.A.S.	Columbia	-	50.50
97	Spark44 Taiwan Limited	Taiwan	-	50.50
98	Jaguar Land Rover Taiwan Company Limited	Taiwan	100.00	100.00
99	Jaguar Land Rover Servicios Mexico,S.A. de C.V.	Mexico	100.00	100.00
100	Jaguar Land Rover Mexico,S.A.P.I. de C.V.	Mexico	100.00	100.00
101	Jaguar Land Rover Hungary KFT	Hungary	100.00	100.00
102	Jaguar Land Rover Classic USA LLC	USA	100.00	100.00
103	Jaguar Land Rover Ventures Limited	UK	100.00	100.00
104	Bowler Motors Limited	UK	100.00	100.00
105	Jaguar Land Rover (Ningbo) Trading Co. Limited	China	100.00	100.00

* Effective holding % of the Company directly and through its subsidiaries.

The following Jointly controlled companies are considered in the consolidated financial statements:

Sr No.	Name of the jointly controlled company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2022	As at March 31, 2021
Joint Operations				
1	Fiat India Automobiles Private Limited	India	50.00	50.00
2	Tata Cummins Private Limited	India	50.00	50.00
Joint Ventures				
3	Tata HAL Technologies Limited **	India	37.21	37.21
4	Chery Jaguar Land Rover Automotive Company Limited	China	50.00	50.00
5	Loginomic Tech Solutions Private Limited ("TruckEasy")	India	26.00	26.00
6	Jaguar Land Rover Switzerland AG	Switzerland	30.00	30.00

** Effective holding % of the Company as it is a Joint Venture of Tata Technologies Ltd

The following associates companies are considered in the consolidated financial statements:

Sr No.	Name of the associate company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2022	As at March 31, 2021
1	Automobile Corporation of Goa Limited	India	49.77	49.77
2	Nita Company Limited	Bangladesh	40.00	40.00
3	Tata Hitachi Construction Machinery Company Private Limited	India	39.99	39.99
4	Tata Precision Industries (India) Limited	India	39.19	39.19
5	Tata AutoComp Systems Limited	India	26.00	26.00
6	Jaguar Cars Finance Limited	UK	49.90	49.90
7	Cloud Car Inc	USA	26.30	26.30
8	Synaptiv Limited	UK	37.50	37.50
9	DriveClubService Pte. Ltd.	Singapore	25.07	25.07
10	Inchcape JLR Europe Limited (w.e.f April 30, 2021)	UK	30.00	-

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3. PROPERTY, PLANT AND EQUIPMENT

(a) Accounting policy

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

Freehold land is measured at cost and is not depreciated.

Heritage assets, comprising antique vehicles purchased by the Company, are not depreciated as they are considered to have a residual value in excess of cost.

Residual values are re-assessed on an annual basis.

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

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

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

Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life (years)
Buildings, Roads, Bridge and culverts	4 to 60 years
Plant, machinery and equipment	3 to 30 years
Computers and other IT assets	3 to 6 years
Vehicles	3 to 11 years
Furniture, fixtures and office appliances	3 to 21 years

The useful lives and method of deprecation is reviewed at least at each year-end. Changes in expected useful lives are treated as change in accounting estimates.

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

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

Notes Forming Part of Consolidated Financial Statements

(b) Property, plant and equipment

(` in crores)

	Owned assets							Given on lease				
	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computers	Heritage Assets	Land	Buildings	Plant and equipment	Vehicles	Total
Cost as at April 1, 2021	**7,513.05**	**28,534.98**	**137,463.16**	**1,814.99**	**498.44**	**2,755.67**	**353.68**	**25.03**	**36.49**	**5.16**	**170.88**	**179,171.53**
Additions	12.26	599.05	12,467.83	121.10	41.29	226.91	5.08	-	-	-	13.69	13,487.21
Assets classified as held for sale	(21.19)	(95.89)	-	-	-	-	(46.49)	(3.67)	(1.10)	-	-	(168.34)
Disposal/Adjustments	-	(43.21)	(1,230.33)	(74.50)	(126.84)	(20.34)	(8.87)	-	(0.16)	-	(42.44)	(1,546.69)
Currency translation differences	(47.31)	(350.85)	(1,675.75)	(45.89)	(1.71)	(29.09)	(1.74)	0.22	0.37	-	-	(2,151.75)
Cost as at March 31, 2022	**7,456.81**	**28,644.08**	**147,024.91**	**1,815.70**	**411.18**	**2,933.15**	**301.66**	**21.58**	**35.60**	**5.16**	**142.13**	**188,791.96**
Accumulated depreciation as at April 1, 2021	**-**	**6,992.50**	**89,067.35**	**1,191.86**	**310.10**	**1,755.22**	**167.09**	**-**	**3.75**	**4.12**	**39.49**	**99,531.48**
Depreciation for the year	-	1,306.19	9,354.53	101.74	61.19	218.60	-	-	0.03	-	25.84	11,068.12
Assets classified as held for sale	-	(62.52)	-	-	-	-	(27.33)	-	(0.53)	-	-	(90.38)
Disposal/Adjustments	-	(17.49)	(1,200.32)	(55.07)	(75.11)	(15.56)	-	-	-	-	(17.48)	(1,381.03)
Provision/(Reversal) for impairment/Write off	-	-	(26.40)	(6.35)	(0.06)	(2.46)	-	-	-	-	-	(35.27)
Currency translation differences	-	(107.44)	(1,120.95)	3.33	(1.83)	(1.54)	27.33	-	0.01	-	-	(1,201.09)
Accumulated depreciation as at March 31, 2022	**-**	**8,111.24**	**96,074.21**	**1,235.51**	**294.29**	**1,954.26**	**167.09**	**-**	**3.26**	**4.12**	**47.85**	**107,891.83**
Net carrying amount as at March 31, 2022	**7,456.81**	**20,532.84**	**50,950.70**	**580.19**	**116.89**	**978.89**	**134.57**	**21.58**	**32.34**	**1.04**	**94.28**	**80,900.13**
Cost as at April 1, 2020	**7,401.49**	**26,661.69**	**122,979.80**	**1,757.39**	**498.40**	**2,717.94**	**376.22**	**23.50**	**33.96**	**5.16**	**116.40**	**162,571.95**
Additions	5.50	419.57	7,914.02	32.76	67.47	55.82	-	-	-	-	58.81	8,553.95
Additions through business acquisitions	-	-	0.07	0.23	0.30	0.09	-	-	-	-	-	0.69
Disposal/Adjustments	(79.72)	(74.94)	(476.41)	(74.37)	(80.89)	(154.47)	(37.28)	-	-	-	(4.33)	(982.41)
Currency translation differences	185.78	1,528.66	7,045.68	98.98	13.16	136.29	14.74	1.53	2.53	-	-	9,027.35
Cost as at March 31, 2021	**7,513.05**	**28,534.98**	**137,463.16**	**1,814.99**	**498.44**	**2,755.67**	**353.68**	**25.03**	**36.49**	**5.16**	**170.88**	**179,171.53**
Accumulated depreciation as at April 1, 2020	**-**	**5,502.00**	**76,027.00**	**1,093.04**	**257.71**	**1,619.34**	**167.09**	**-**	**3.55**	**4.12**	**15.27**	**84,689.12**
Depreciation for the year	-	1,232.23	9,195.14	104.80	95.47	218.34	-	-	0.16	-	26.82	10,872.96
Reversal of Impairment loss	-	(56.88)	(468.83)	(0.63)	(1.65)	(2.76)	-	-	-	-	-	(530.75)
Additions through business acquisitions	-	-	0.03	0.03	0.04	0.04	-	-	-	-	-	0.14
Disposal/Adjustments	-	(43.98)	(299.03)	(63.08)	(48.95)	(144.23)	-	-	-	-	(2.60)	(601.87)
Writeoff/impairment of assets	-	39.52	23.89	-	-	0.45	-	-	-	-	-	63.86
Currency translation differences	-	319.61	4,589.15	57.70	7.48	64.04	-	-	0.04	-	-	5,038.02
Accumulated depreciation as at March 31, 2021	**-**	**6,992.50**	**89,067.35**	**1,191.86**	**310.10**	**1,755.22**	**167.09**	**-**	**3.75**	**4.12**	**39.49**	**99,531.48**
Net carrying amount as at March 31, 2021	**7,513.05**	**21,542.48**	**48,395.81**	**623.13**	**188.34**	**1,000.45**	**186.59**	**25.03**	**32.74**	**1.04**	**131.39**	**79,640.05**

Notes Forming Part of Consolidated Financial Statements

3. (c) Capital Work-in-Progess

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	8,377.14	8,599.56
Additions	8,354.02	9,592.57
Transferred to cost of Property, plant and equipment	(13,145.37)	(8,114.42)
(Provision)/Reversal for impairment/(Write off) (Net)	(72.28)	(2,229.48)
Currency translation impact	15.53	528.91
Balance at the end	**3,529.04**	**8,377.14**

3. (d) Ageing of tangible assets under development

(` in crores)

	As at March 31, 2022				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,619.97	770.66	320.13	317.70	3,028.46
Projects temporarily suspended	32.81	34.97	28.47	404.33	500.58
As at March 31, 2022	**1,652.78**	**805.63**	**348.60**	**722.03**	**3,529.04**

	As at March 31, 2021				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,234.44	3,301.81	1,215.75	885.62	7,637.62
Projects temporarily suspended	78.09	49.75	437.27	174.41	739.52
As at March 31, 2021	**2,312.53**	**3,351.56**	**1,653.02**	**1,060.03**	**8,377.14**

3. (e) Expected Completion schedule of intangible assets under development where cost and time overrun has exceeded original plan

(` in crores)

	As at March 31, 2022				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress					
Various Projects*	1,901.38	41.21	-	-	1,942.59
Project Temporarily suspended					
Project 1	434.22				434.22
Various Projects*	29.84	-	-	-	29.84
	2,365.44	**41.21**	**-**	**-**	**2,406.65**

	As at March 31, 2021				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress					
Project 1	2,445.39	-	-	-	2,445.39
Project 2	1,003.33	-	-	-	1,003.33
Various Projects*	1,169.21	1,023.17	-	-	2,192.38
Project Temporarily suspended					
Various Projects*	-	701.83	-	-	701.83
Total	**4,617.93**	**1,724.99**	**-**	**-**	**6,342.93**

*Individual projects less than 10% of total Capital work-in-progress have been clubbed togather in various projects.

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

Notes Forming Part of Consolidated Financial Statements

4 LEASES

(a) Accounting policy

Lessee:

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

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

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

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

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets (lease of assets worth less than `0.03 crores) . The Company associates the lease payments associated with these leases as an expense on a straight line basis over the lease term.

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

Lessor:

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

Notes Forming Part of Consolidated Financial Statements

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

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

(b) The Company leases a number of buildings, plant and equipment, IT hardware and software assets, certain of which have a renewal and/or purchase option in the normal course of the business. Extension and termination options are included in a number of leases across the Company. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option. The Company re-assesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control. It is recognised that there is potential for lease term assumptions to change in the future due to the effects of the COVID-19 pandemic, and this will continue to be monitored by the Company where relevant. The Company's leases mature between 2021 and 2049.

When measuring lease liability, the Group discounted lease payments using its incremental borrowing rate. The weighted-average rate applied is 5.77% per annum.

The following amounts are included in the Consolidated Balance Sheet

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	809.55	814.00
Non-current lease liabilities	5,962.44	5,412.06
Total lease liabilities	**6,771.99**	**6,226.06**

The following amounts are recognised in the consolidated statement of Profit & Loss:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on lease liabilities	541.76	495.98
Variable lease payment not included in the measurement of lease liabilities	3.57	0.06
Income from sub-leasing of right-of-use assets	0.99	-
Expenses related to short-term leases	115.58	94.91
Expenses related to low-value assets, excluding short-term leases of low-value assets	**115.14**	**75.69**

Notes Forming Part of Consolidated Financial Statements

(` in crores)

	Land	Buildings	Plant, machinery and equipments	Furniture, Fixtures and Office Appliances	Vehicles	Computers & other IT assets	Other Assets	Total
Cost as at April 1, 2021	**306.01**	**6,965.05**	**1,404.59**	**141.48**	**175.36**	**416.47**	**39.81**	**9,448.77**
Additions	-	1,077.89	180.88	33.18	149.39	43.97	10.74	1,496.05
Disposals/adjustments	-	(157.10)	(12.14)	-	(8.46)	(7.02)	-	(184.72)
Currency translation differences	(2.52)	(99.98)	(12.77)	(6.47)	(2.92)	(3.85)	(0.78)	(129.29)
Cost as at March 31, 2022	**303.49**	**7,785.86**	**1,560.56**	**168.19**	**313.37**	**449.57**	**49.77**	**10,630.81**
Accumulated amortisation as at April 1, 2021	**81.85**	**1,725.41**	**670.50**	**29.27**	**92.74**	**338.76**	**19.58**	**2,958.11**
Amortisation for the year	39.74	708.72	247.67	35.08	21.78	46.21	16.82	1,116.02
Amortisation - considered as employee cost	-	-	-	-	20.80	-	-	20.80
Reversal of Impairment Loss	-	(3.76)	-	-	-	-	-	(3.76)
Disposal/adjustments	-	(86.40)	(0.16)	-	(3.25)	(7.02)	-	(96.83)
Currency translation differences	(1.78)	(31.04)	(9.28)	(1.49)	(2.32)	(2.98)	(0.66)	(49.55)
Accumulated amortisation as at March 31, 2022	**119.81**	**2,312.93**	**908.73**	**62.86**	**129.75**	**374.97**	**35.74**	**3,944.79**
Net carrying amount as at March 31, 2022	**183.68**	**5,472.93**	**651.83**	**105.33**	**183.62**	**74.60**	**14.03**	**6,686.02**

Cost as at April 1, 2020	**273.14**	**6,003.16**	**1,177.71**	**133.01**	**102.35**	**336.15**	**36.15**	**8,061.67**
Additions	20.66	672.87	290.23	1.74	67.09	67.18	0.83	1,120.60
Disposals/adjustments	-	(116.98)	(112.82)	-	(1.08)	-	-	(230.88)
Currency translation differences	12.21	406.00	49.47	6.73	7.00	13.14	2.83	497.38
Cost as at March 31, 2021	**306.01**	**6,965.05**	**1,404.59**	**141.48**	**175.36**	**416.47**	**39.81**	**9,448.77**
Accumulated amortisation as at April 1, 2020	**35.38**	**1,002.48**	**433.22**	**13.98**	**34.09**	**257.99**	**9.19**	**1,786.33**
Amortisation for the year	42.87	718.00	261.43	14.47	53.27	72.68	9.32	1,172.04
Amortisation - considered as employee cost	-	-	-	-	2.75	-	-	2.75
Reversal of Impairment Loss	-	(6.81)	(31.32)	-	-	(0.05)	-	(38.18)
Disposal/adjustments	-	(60.77)	(17.42)	-	(0.52)	-	-	(78.71)
Currency translation differences	3.60	72.51	24.59	0.82	3.15	8.14	1.07	113.88
Accumulated amortisation as at March 31, 2021	**81.85**	**1,725.41**	**670.50**	**29.27**	**92.74**	**338.76**	**19.58**	**2,958.11**
Net carrying amount as at March 31, 2021	**224.16**	**5,239.64**	**734.09**	**112.21**	**82.62**	**77.71**	**20.23**	**6,490.66**

The Company has committed towards leases of Plant Machinery and Equipments which have not yet commenced for ` **22.00 crores** as on March 31, 2022 (` 30.00 crores as on March 31, 2021). There are no leases with residual value guarantees.

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

The average effective interest rate contracted approximates 3.67 % and 8.1% (2021: 8.1 %) per annum.

(` in crores)

The following amounts are included in the Consolidated Balance Sheet :	**As at March 31, 2022**	**As at March 31, 2021**
Current lease receivables	28.92	23.86
Non-current lease receivables	430.70	126.90
Total lease receivables	**459.62**	**150.76**

The following amounts are recognised in the statement of profit and loss :	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Sales Revenue for finance leases	278.58	137.75
Finance income on the net investment in finance leases	26.02	1.62

Notes Forming Part of Consolidated Financial Statements

The table below provides details regarding the contractual maturities of finance lease liabilities as at March 31, 2022:

(` in crores)

	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due beyond 5th Year	Total contractual cash flows
Finance lease receivables	28.93	33.49	114.86	282.34	459.62

The table below provides details regarding the contractual maturities of finance lease liabilities as at March 31, 2021:

	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due beyond 5th Year	Total contractual cash flows
Finance lease receivables	23.86	9.51	33.36	84.03	150.76

5. GOODWILL

(` in crores)

	As at March 31, 2022	As at March 31, 2022
Balance at the beginning	803.72	777.06
Currency translation differences	3.45	26.66
Balance at the end	**807.17**	**803.72**

(` in crores)

	As at March 31, 2022	As at March 31, 2022
The carrying amount of goodwill has been allocated to CGU as follows:		
Passenger vehicles - automotive and related activity segment (Tata and other brand vehicles)	99.09	99.09
Others - software consultancy and service	708.08	704.63
Total	**807.17**	**803.72**

The recoverable amount has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

As at March 31, 2022, the estimated cash flows for a period of 5 years were developed using internal forecasts, and a pre-tax discount rate of 14.61%.The cash flows beyond 5 years have been extrapolated assuming 2% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Notes Forming Part of Consolidated Financial Statements

6. OTHER INTANGIBLE ASSETS

(a) Accounting policy

Intangible assets purchased, including those acquired in business combinations, are measured at cost which is the fair value as of the date of acquisition where applicable less accumulated amortization and impairment, if any. Intangible assets with indefinite lives are reviewed annually to determine whether an indefinite-life assessment continues to be supportable. If not, the change in the useful-life assessment from indefinite to finite is made on a prospective basis.

For intangible assets with finite lives, amortization is provided on a straight-line basis over the estimated useful lives of the acquired intangible assets as per the estimated amortization period below

Type of Asset	Estimated amortization period
Patents and technological know-how	2 to 12 years
Computer software	1 to 8 years
Customer related intangibles - Dealer network	20 years
Intellectual property rights	3 to 10 years

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

Internally generated intangible asset

Research costs are charged to the consolidated statement of profit and loss in the year in which they are incurred.

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

The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use. Interest cost incurred is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

Product development costs is amortised on a straight-line basis over a period of 24 months to 120 months.

Product development expenditure is measured at cost less accumulated amortisation and impairment, if any.

Notes Forming Part of Consolidated Financial Statements

(b) Other intangible assets

(` in crores)

	Software	Patents and technological know how	Customer related	Intellectual property rights and other intangibles	Indefinite life trade marks and patents	Product development	Total
Cost as at April 1, 2021	**9,599.96**	**1,732.13**	**662.80**	**395.46**	**6,230.72**	**105,647.26**	**124,268.33**
Additions	273.14	35.16	-	2.61	-	11,645.36	11,956.27
Asset fully amortised not in use	(53.10)	-	-	(22.79)	-	(10,758.43)	(10,834.32)
Currency translation differences	(123.72)	(20.60)	(8.94)	(8.24)	(82.99)	(1,279.71)	(1,524.20)
Cost as at March 31, 2022	**9,696.28**	**1,746.69**	**653.86**	**367.04**	**6,147.73**	**105,254.48**	**123,866.08**
Accumulated amortisation as at April 1, 2021	**6,897.44**	**1,612.38**	**461.97**	**243.45**	**1,481.74**	**61,798.17**	**72,495.15**
Amortization for the year	730.75	39.32	25.89	31.57	-	11,824.02	12,651.55
Asset fully amortised not in use	(53.10)	-	-	(22.79)	-	(10,758.43)	(10,834.32)
Currency translation differences	(98.01)	(20.09)	(6.84)	(3.03)	(19.73)	(760.73)	(908.43)
Accumulated amortisation as at March 31, 2022	**7,477.08**	**1,631.61**	**481.02**	**249.20**	**1,462.01**	**62,103.03**	**73,403.95**
Net carrying amount as at March 31, 2022	**2,219.20**	**115.08**	**172.84**	**117.84**	**4,685.72**	**43,151.45**	**50,462.13**
Cost as at April 1, 2020	**8,172.29**	**1,624.84**	**616.12**	**371.17**	**5,783.60**	**82,599.86**	**99,167.88**
Additions	844.86	0.79	-	-	-	16,735.88	17,581.53
Additions through business acquisitions	1.10	-	-	-	-	-	1.10
Disposal/Adjustments	(1.73)	-	-	-	-	-	(1.73)
Fully amortized not in use	(22.94)	-	-	-	-	-	(22.94)
Currency translation differences	606.38	106.50	46.68	24.29	447.12	6,311.52	7,542.49
Cost as at March 31, 2021	**9,599.96**	**1,732.13**	**662.80**	**395.46**	**6,230.72**	**105,647.26**	**124,268.33**
Accumulated amortisation as at April 1, 2020	**5,664.52**	**1,481.58**	**405.40**	**202.39**	**1,375.45**	**47,866.63**	**56,995.97**
Amortization for the year	829.74	24.69	24.80	26.83	-	10,595.65	11,501.71
Additions through business acquisitions	0.20	-	-	-	-	-	0.20
Provision/(Reversal) for impairment/Write off	0.24	-	-	-	-	(429.10)	(428.86)
Asset fully amortised not in use	(22.94)	-	-	-	-	-	(22.94)
Currency translation differences	425.68	106.11	31.77	14.23	106.29	3,764.99	4,449.07
Accumulated amortisation as at March 31, 2021	**6,897.44**	**1,612.38**	**461.97**	**243.45**	**1,481.74**	**61,798.17**	**72,495.15**
Net carrying amount as at March 31, 2021	**2,702.52**	**119.75**	**200.83**	**152.01**	**4,748.98**	**43,849.09**	**51,773.18**

(c) Intangible assets under development

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	12,586.79	27,022.73
Additions	6,060.61	8,632.21
Transferred to cost of other intangible assets	(11,813.07)	(16,857.14)
Provision for impairment/Write off	(91.81)	(7,555.32)
Currency translation impact	(20.47)	1,344.31
Balance at the end	**6,722.05**	**12,586.79**

* the additions during the year include allocation of central overheads amounting to ` **529.41 crores** (` 806.12 crores as at March 31, 2021).

Notes Forming Part of Consolidated Financial Statements

(d) The useful life of trademarks and brands in respect of the acquired Jaguar Land Rover businesses have been determined to be indefinite as the Company expects to generate future economic benefits indefinitely from these assets.

(e) Ageing of intangible assets under development

(` in crores)

	As at March 31, 2022				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,158.92	1,874.02	1,243.66	168.42	6,445.02
Projects temporarily suspended	2.29	8.21	38.47	228.06	277.03
As at March 31, 2022	**3,161.21**	**1,882.23**	**1,282.13**	**396.48**	**6,722.05**

	As at March 31, 2021				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,585.59	4,046.75	2,093.59	1,417.70	12,143.63
Projects temporarily suspended	19.16	154.95	66.77	202.28	443.16
As at March 31, 2021	**4,604.75**	**4,201.70**	**2,160.36**	**1,619.98**	**12,586.79**

(f) Expected Completion schedule of intangible assets under development where cost and time overrun has exceeded original plan

(` in crores)

	As at March 31, 2022				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	2,241.40	-	-	-	2,241.40
Project 2	844.68				844.68
Project 3	731.03				731.03
Various Projects*	1,265.03	4.18	-	-	1,269.21
Projects temporarily suspended					
Various Projects*	-	6.52	-	270.36	276.88
Total	**5,082.14**	**10.70**	**-**	**270.36**	**5,363.20**

	As at March 31, 2021				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	7,895.24	-	-	-	7,895.24
Various Projects*	1,390.14	120.06	-	10.57	1,520.77
Projects temporarily suspended					
Various Projects*	30.75	53.58	-	336.03	420.36
Total	**9,316.13**	**173.64**	**-**	**346.60**	**9,836.37**

* Individual projects less than 10% of total Intangible assets under development have been clubbed togather in various projects.

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

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7. IMPAIRMENT ASSESSMENT OF JAGUAR LAND ROVER BUSINESS

The operations of its subsidiary Jaguar Land Rover (JLR), excluding equity accounted investments, represents a single cash-generating unit ("CGU"). This is because of the closely connected nature of the cash flows and the degree of integrated development and manufacturing activities.

In response to the annual requirement of accounting standard, management performed an impairment assessment as at March 31, 2022.

For the year ended March 31, 2022 assessment, the recoverable value was determined using the value in use ("VIU") approach. No impairment was identified as the CGU recoverable amount exceeded its carrying amount by `**5,965.40 crores (£600 million )** (`27,206.70 crores (£2,700 million) in the year ended March 31, 2021). The impairment loss recorded in the previous year was not reversed because the underlying reasons for the increased headroom (including the unwind of the discount rate and the impact of depreciation and amortisation of impaired assets) do not support this.

JLR has considered it appropriate to undertake the impairment assessment with reference to the latest business plan that was in effect as at the reporting date. The business plan includes a five-year cash flow forecast and contains growth rates that are primarily a function of the JLR's Cycle Plan assumptions, historic performance and management's expectation of future market developments through to 2026/27.

In forecasting the future cash flows management have given due consideration to recent performance and variable profit optimisation efforts and have further 'risk-adjusted' some of the assumptions in the business plan, in line with the requirements of accounting standard. Additionally, management has considered other risks that have arisen due to the current economic uncertainty and the near-term supply chain challenges related to global chip shortages which has significantly impacted the JLR in FY22 .

The approach and key assumptions used to determine JLR's CGU VIU were as follows:

Volumes and variable profit – Due to the importance of product mix to the business' cash flow the management considers volume and variable profit to be a key assumption. Whilst years 1 to 5 of the business plan is largely driven from the updated portfolioas a result of the Reimagine strategy announced in the previous year, which especially results in a change in product portfolio in the outer years of the business plan.

Terminal value capital expenditure – the 5-year cash flows timing and amount are based on the latest Cycle Plan. The terminal value has been derived based the management's best estimate of a maintenance level of capital expenditure which has been derived from depreciation and amortisation expectations and funding requirements in responses to longer-term industry trends which are anticipated in the VIU calculation.

Discount rate – is regarded as a key assumption as the rate which drives the discounted cashflows used to determine the VIU of the CGU. The discount rate has been assessed based on the Capital Asset Pricing Model and a market participant after tax cost of debt. These inputs are based on a typical build up approach.

Sensitivity to Key Assumptions

The key assumptions that impact the value in use are those that

(i) involve a significant amount of judgement and estimation and

(ii) drive significant changes to the recoverable amount when flexed under reasonably possible outcomes. As a significant portion of the recoverable amount lies in the VIU terminal value, management have focussed disclosures on reasonably possible changes that impact the terminal value.

Given the inherent uncertainty about how risk may arise, and the interaction of volumes and cost management, management consider a net impact on terminal period cash flows to be the best means of indicating the sensitivity of the model to such changes in the terminal period.

Notes Forming Part of Consolidated Financial Statements

The value of key assumptions used to calculate the recoverable amount are as follows:

	As at March 31, 2022	As at March 31, 2021
Pre-tax discount rate	13.4%	13.6%
Terminal value variable profit (%GVR)	24.8%	21.4%
Terminal value capital expenditures (%GVR)	10.0%	8.9%

The table below shows the amount by which the value assigned to the key assumptions must change for the recoverable amount of the CGU to be equal to its carrying amount:

	As at March 31, 2022		As at March 31, 2021	
	Revised Assumption	% Change	Revised Assumption	% Change
Pre-tax discount rate	8.4%	14.6%	NA	NA
Terminal value variable profit (%GVR)	-1.7%	24.4%	20.1%	-6.3%
Terminal value capital expenditures (%GVR)	**3.5%**	**10.3%**	**10.2%**	**15.1%**

8. REVERSAL OF IMPAIRMENT FOR PASSENGER VEHICLE SEGMENT AND OTHER PROVISIONS

(a) Reversal of impairment for passenger vehicle segment

The Company tests its passenger vehicle cash generating unit (CGU) for impairment at least annually and more frequently when there is an indication of impairment. An impairment loss is recognized if the recoverable amount is lower than the carrying value. The company also periodically assesses if there are any triggers for reversal of previously recognised impairment loss. A reversal of impairment loss is recognised if there is a trigger for reversal and the recoverable value exceeds the carrying value.

As at March 31, 2021, the Company identified certain triggers for reversal of the previously recorded impairment based on both external and internal indicators. Accordingly, the Company reassessed its estimated and determined the recoverable value for this CGU considering the significant improvement in absolute and relative performance and outlook of the business when compared with the assumed performance at the time when the impairment loss was recorded. Based on this reassessment, the Company has reversed the initially recognised impairment for this CGU.

The key drivers for this improved performance include :

1 New and improved product portfolio

2 Product positioning in segments where the Company did not have a presence earlier

3 Revamp of dealer and service network

4 Capacity de-bottlenecking

5 Cost reduction initiatives

In addition to the above, the post COVID pent up demand was a tailwind and the changing consumer preference towards personal mobility as well as changes to the economic outlook have improved the outlook on the industry. A combination of these factors enabled the Company to enhance it's market share to 8.1% for the year ended March 31, 2021 as compared to 4.8% for the year ended March 31, 2020.

Notes Forming Part of Consolidated Financial Statements

The recoverable value was determined using the Fair value less cost of Disposal ("FVLCD"). CGU's FVLCD has been valued using Comparable Company Market Multiple method (CCM). The average of enterprise value to sales multiple of Comparable Companies applied to actual sales of the CGU for year ended March 31, 2021 has been considered as the FVLCD as per CCM. The fair value of the CGU is as follows:

(₹ in crores)

	As at March 31, 2021
Recoverable amount	14,618.60

The approach and key (unobservable) assumptions used to determine the CGU's FVLCD were as follows:

The carrying value of the CGU was `5,853.39 crores as at March 31, 2021, compared with the recoverable value of `14,618.60 crores, determined by FVCLD and `10,588.00 crores as per VIU.

	As at March 31, 2021
Enterprise value to Sales multiple	1.27

The impairment reversal in the year ended March 31, 2021 was as follows:

(₹ in crores)

	As at March 31, 2021
Property, plant and equipment (refer note 3 (a))	(530.74)
Capital work-in-progress (refer note 3 (b))	(68.37)
Right of use assets (refer note 4)	(38.19)
Other intangible assets (refer note 6 (a))	(429.10)
Intangible assets under development (refer note 6 (b))	(116.01)
Total	**(1,182.41)**

Sensitivity to key assumptions

The change in the following assumptions used in the impairment review would, in isolation, lead to a change in FVCLD as at March 31, 2021 (although it should be noted that these sensitivities do not take account of potential mitigating actions):

(₹ in crores)

	As at March 31, 2021
Decrease in Enterprise value (EV) to Sales multiple by 10%	1,461.86

(b) Other provisions

As at previous year March 31, 2021, the Company had reassessed the onerous provision created and based on the revised volume outlook a reversal of provision aggregating `777.00 crores had been accounted. During the year ended March 31, 2021, the Company had also made provision for estimated supplier claims of `114.00 crores, which were under negotations with supplier.

(c) Impairment of assets in subsidiaries

As part of slump sale (passenger vehicle undertaking), the investments in wholly owned subsidiaries of the Company engaged in designing services namely Tata Motors European Technical Centre PLC (TMETC) and Trilix S.r.l (Trilix) have been transferred to Tata Motors Passenger Vehicle Limited, a wholly owned subsidiary of the Company, w.e.f. January 1, 2022. These subsidiaries are being transferred to Tata Passenger Electric Mobility Ltd., a wholly owned subsidiary of the Company. Considering the business plans for these subsidiaries, the Company reassessed the recoverable value of assets belonging to its subsidiaries TMETC and Trilix and accordingly provision for impairment towards the assets is reversed amounting to `**38.18 crores** (GBP 3.8 million) and `**48.08 crores** (EURO 5.6 million) in TMETC and Trilix, respectively.

Notes Forming Part of Consolidated Financial Statements

9. INVESTMENTS IN EQUITY ACCOUNTED INVESTEES:

(a) Associates:

The Company has no material associates as at March 31, 2022. The aggregate summarized financial information in respect of the Company's immaterial associates that are accounted for using the equity method is set forth below.

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Carrying amount of the Company's interest in associates	1,159.81	1,023.07

	As at March 31, 2022	As at March 31, 2021
Company's share of profit/(loss) in associates *	131.40	(16.41)
Company's share of other comprehensive income in associates	5.14	4.89
Company's share of total comprehensive income in associates	136.54	(11.52)

(i) Fair value of investment in an equity accounted associate for which published price quotation is available, which is a level 1 input, was ` **283.07 crores** and ` 124.10 crores as at March 31, 2022 and 2021, respectively. The carrying amount as at March 31, 2022 and 2021 was ` **140.72 crores** and ` 138.25 crores, respectively.

(b) Joint ventures:

(i) Details of the Company's material joint venture is as follows:

Name of joint venture	Principal activity	Principal place of the business	% holding as at March 31,	
			2022	2021
Chery Jaguar Land Rover Automotive Co. Limited (Chery)	Manufacture and assembly of vehicles	China	50%	50%

Chery is a limited liability company, whose legal form confers separation between the parties to the joint arrangement. There is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint venture have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, Chery is classified as a joint venture. Chery is not publicly listed.

The following tables sets out the summarised financial information of Chery after adjusting for material differences in accounting policies:

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Current assets	6,253.93	5,718.76
Non-current assets	14,343.24	14,581.18
Current liabilities	(13,722.53)	(13,750.20)
Non-current liabilities	(421.66)	(115.73)
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	3,887.42	3,249.70
Current financial liabilities (excluding trade and other payables and provisions)	(4,441.11)	(5,049.57)
Non-current financial liabilities (excluding trade and other payables and provisions)	(384.50)	(39.18)
Share of net assets of material joint venture	3,226.49	3,217.01
Other consolidation adjustments	(46.82)	(49.33)
Carrying amount of the Company's interest in joint venture	3,179.67	3,167.68
Revenue	16,988.45	18,058.00

Notes Forming Part of Consolidated Financial Statements

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Net loss	(369.59)	(822.09)
Total comprehensive loss for the year	(369.59)	(822.09)
The above net income includes the following:		
Depreciation and amortization	(1,842.37)	(1,989.81)
Interest income	50.89	72.08
Interest expense (net)	(173.04)	(203.08)
income tax expense/(credit)	203.58	306.07

Reconciliation of above summarized financial information to the carrying amount of the interest in the joint venture recognized in the consolidated financial statements:

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Net assets of the joint venture	6,452.98	6,434.01
Proportion of the Company's interest in joint venture	3,226.49	3,217.01
Other consolidation adjustments	(46.82)	(49.33)
Carrying amount of the Company's interest in joint venture	3,179.67	3,167.68

(ii) The aggregate summarized financial information in respect of the Company's immaterial joint ventures that are accounted for using the equity method is set forth below.

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Carrying amount of the Company's interest in joint ventures	9.91	10.04

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Company's share of profit/(loss) in immaterial joint ventures*	-	-
Company's share of other comprehensive income in immaterial joint ventures	(0.13)	0.15
Company's share of total comprehensive income in immaterial joint ventures	(0.13)	0.15

(c) Summary of carrying amount of the Company's interest in equity accounted investees:

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Carrying amount in immaterial associates	1,159.81	1,023.07
Carrying amount in material joint venture	3,179.67	3,167.68
Carrying amount in immaterial joint ventures	9.91	10.04
Total	**4,349.39**	**4,200.79**

Notes Forming Part of Consolidated Financial Statements

(d) Summary of Company's share of profit/(loss) in equity accounted investees:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Share of profit/(loss) in immaterial associates	131.40	(16.41)
Share of profit/(loss) in material joint venture	(184.80)	(411.05)
Share of profit/(loss) on other adjustments in material joint venture	(20.66)	48.50
Share of profit/(loss) in immaterial joint ventures	-	-
Total	**(74.06)**	**(378.96)**

(e) Summary of Company's share of other comprehensive income in equity accounted investees:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Share of other comprehensive income in immaterial associates	4.77	3.02
Currency translation differences-immaterial associates	0.37	1.87
Currency translation differences-material joint venture	217.65	147.99
Currency translation differences-immaterial joint ventures	(0.13)	0.15
Total	**222.66**	**153.03**

* Company's share of profit/(loss) of the equity accounted investees has been determined after giving effect for the subsequent amortization/depreciation and other adjustments arising on account of fair value adjustments made to the identifiable net assets of the equity accounted investee as at the date of acquisition and other adjustment arising under the equity method of accounting.

10 OTHER INVESTMENTS - NON-CURRENT

(` in crores)

	As at March 31, 2022	As at March 31, 2021
(a) Investments - measured at Fair value through Other Comprehensive Income		
Quoted:		
Equity shares	802.91	499.39
Unquoted:		
Equity shares	669.71	580.77
Total	**1,472.62**	**1,080.16**
(b) Investments - measured at Fair value through profit or loss		
Unquoted:		
(i) Non-cumulative redeemable preference shares	0.40	0.40
(ii) Cumulative redeemable preference shares	1.50	1.50
(iii) Equity shares	248.60	183.83
(iv) Convertible debentures	55.19	93.73
(v) Others	-	8.68
Total	**305.69**	**288.14**
(c) Investments - measured at amortised cost		
Quoted:		
(i) Investment in government securities	542.61	-
Total	**542.61**	**-**
Total (a+b+c)	**2,320.92**	**1,368.30**
Aggregate book value of quoted investments	1,345.52	499.39
Aggregate market value of quoted investments	1,345.52	499.39
Aggregate book value of unquoted investments	975.40	868.91

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11 OTHER INVESTMENTS - CURRENT

(` in crores)

	As at March 31, 2022	As at March 31, 2021
(a) Investments - measured at Fair value through profit and loss		
Unquoted:		
(i) Mutual funds	5,752.62	2,972.35
(ii) Convertible debentures	51.50	-
Total	**5,804.12**	**2,972.35**
(b) Investments - measured at amortised cost		
Quoted:		
Investment in government securities	685.62	-
Unquoted:		
Mutual funds	16,219.48	16,078.84
Total	**16,905.10**	**16,078.84**
Total (a+b)	**22,709.22**	**19,051.19**
Aggregate book value of unquoted investments	22,023.60	19,051.19
Aggregate book value of quoted investments	685.62	-
Aggregate market value of quoted investments	685.62	-

12. LOANS AND ADVANCES

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Non-current		
Secured, considered good:		
(a) Loans to channel partners (Net of allowances for credit impaired balances ` **16.99 crores** and ` Nil as at March 31, 2022 and March 31, 2021, respectively.	691.83	706.36
Unsecured, considered good:		
(a) Loans to employees	28.97	24.60
(b) Deposits (Net of allowances for credit impaired balances ` **1.75 crores** and ` 1.14 crores as at March 31, 2022 and March 31, 2021, respectively.)	60.48	22.78
(c) Advances to channel partners (Net of allowances for credit impaired balances ` **27.22 crores** and ` 15.15 crores as at March 31, 2022 and March 31, 2021, respectively.)	44.75	140.45
(d) Loans to channel partners	13.29	135.41
(e) Others	4.03	5.29
Total	**843.35**	**1,034.89**
Current		
Secured, considered good:		
(a) Loans to channel partners	73.77	104.36
Unsecured, considered good:		
(a) Advances to supplier, contractors etc. (Net of allowances for credit impaired balances ` **89.39 crores** and ` 92.58 crores as at March 31, 2022 and March 31,2021, respectively)	1,546.74	1,403.95
(b) Loans to channel partners	47.12	98.00
(c) Inter corporate deposits	4.30	4.30
Total	**1,671.93**	**1,610.61**

Notes Forming Part of Consolidated Financial Statements

13. OTHER FINANCIAL ASSETS

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Non-current		
(a) Derivative financial instruments	2,017.59	3,261.22
(b) Security deposits	152.00	169.70
(c) Interest accrued on loans and deposits	25.50	54.57
(d) Deposits with banks	83.24	80.40
(e) Restricted deposits	209.98	324.46
(f) Margin money / cash collateral with banks	363.84	534.68
(g) Government grant receivables	1,224.10	879.38
(h) Recoverable from suppliers	664.82	761.13
(i) Lease receivables	430.70	126.90
(j) Other deposits	7.72	4.95
Total	**5,179.49**	**6,197.39**
Margin money with banks in restricted cash deposits consists of collateral provided for transfer of finance receivables. Restricted deposits as at March 31, 2022 and March 31, 2021 includes `**64.14 crores** and `47.55 crores, respectively, held as a deposit in relation to ongoing legal cases.		
Current		
(a) Derivative financial instruments	1,918.49	2,851.42
(b) Security deposits	136.67	138.79
(c) Interest accrued on loans and deposits	27.49	53.64
(d) Government grant receivable	522.75	561.02
(e) Deposit with financial institutions	300.00	1,000.00
(f) Recoverable from suppliers	626.08	784.38
(g) Lease receivables	28.92	23.86
(h) Others	239.42	-
Total	**3,799.82**	**5,413.11**

Deposits with financial institutions as at March 31,2022 of ` **Nil** (as at March 31, 2021 `100.00 crores) is held as security in relation to repayment of borrowings.

14. INVENTORIES

(A) Accounting Policy

Inventories (other than those recognised consequent to the sale of vehicles subject to repurchase arrangements) are valued at the lower of cost and net realisable value. Cost of raw materials, components and consumables are ascertained on a first in first out basis. Cost, including fixed and variable production overheads, are allocated to work-in-progress and finished goods determined on a full absorption cost basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses. Inventories include vehicles sold subject to repurchase arrangements. These vehicles are carried at cost to the Company and are amortised in changes in inventories of finished goods to their residual values (i.e., estimated second hand sale value) over the term of the arrangement.

Notes Forming Part of Consolidated Financial Statements

(B) Inventories consist of the following:

(` in crores)

	As at March 31, 2022	As at March 31, 2021
(a) Raw materials and components	4,032.42	3,029.64
(b) Work-in-progress	5,596.54	4,373.48
(c) Finished goods	23,885.39	27,313.14
(d) Stores and spare parts	208.02	185.33
(e) Consumable tools	468.33	485.07
(f) Goods-in-transit - Raw materials and components	1,049.64	701.93
Total	**35,240.34**	**36,088.59**

Note:

(i) Inventories of finished goods include `**3,589.18 crores** and `4,171.69 crores as at March 31, 2022 and March 31, 2021 respectively, relating to vehicles sold subject to repurchase arrangements.

(ii) Cost of inventories (including cost of purchased products) recognized as expense during the year ended March 31, 2022 and 2020 amounted to `**2,06,761.79 crores** and `1,82,360.88 crores, respectively.

(ii) During the year ended March 31, 2022 and 2021, the Company recorded inventory write-down expense of `**125.34 crores** and `129.19 crores, respectively.

15. TRADE RECEIVABLES (UNSECURED)

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Receivables considered good	12,442.12	12,679.08
Credit impaired receivables	851.56	989.19
	13,293.68	13,668.27
Less : Allowance for credit impaired receivables	(851.56)	(989.19)
Total	**12,442.12**	**12,679.08**

16. CASH AND CASH EQUIVALENTS

(A) Accounting Policy

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

(B) Cash and cash equivalents consist of the following:

(` in crores)

	As at March 31, 2022	As at March 31, 2021
(a) Cash on hand	11.47	11.11
(b) Cheques on hand	156.24	27.92
(c) Balances with banks	10,310.66	8,679.66
(d) Deposits with banks	27,680.64	22,981.32
Total	**38,159.01**	**31,700.01**

Notes Forming Part of Consolidated Financial Statements

17. BANK BALANCES

(` in crores)

	As at March 31, 2022	As at March 31, 2021
With upto 12 months maturity:		
(a) Earmarked balances with banks (refer notes below)	472.60	746.45
(b) Bank deposits	2,037.58	14,346.00
Total	**2,510.18**	**15,092.45**

Notes:

(i) Earmarked balances with bank includes `**316.71 crores** and `491.27 crores as at March 31, 2022 and March 31, 2021, respectively held as security in relation to interest and repayment of bank borrowings. Out of these deposits, `**180.71 crores** and `174.44 crores as at March 31, 2022 and March 31, 2021, respectively are pledged till the maturity of the respective borrowings.

(ii) Earmarked balances with banks as at March 31, 2021 includes `73.47 crores towards Company's contribution for Family Pension from October 1, 2019, in lieu of Tata Motors Pension Trust exemption surrender application pending with Employee Provident Fund Organization.

18. FINANCE RECEIVABLES

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Finance receivables	35,038.63	35,962.59
Less: allowance for credit losses	(1,807.43)	(1,247.68)
Total	**33,231.20**	**34,714.91**
Current portion	22,095.35	17,868.09
Non-current portion	11,135.85	16,846.82
Total	**33,231.20**	**34,714.91**

Changes in the allowance for credit losses in finance receivables are as follows:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	1,247.68	651.38
Allowances made during the year	1,307.59	957.93
Written off	(747.84)	(361.63)
Balance at the end	**1,807.43**	**1,247.68**

Notes Forming Part of Consolidated Financial Statements

19. ALLOWANCE FOR TRADE AND OTHER RECEIVABLES

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Change in the allowances for trade and other receivables are as follows:		
Balance at the beginning	1,274.38	1,360.68
Allowances /(reversal) made during the year*	151.26	50.01
Written off	(259.22)	(150.16)
Foreign exchange translation differences	(10.61)	13.85
Balance at the end	**1,155.81**	**1,274.38**

* Includes `32.26 crores and `29.32 crores netted off in revenues as at March 31, 2022 and March 31, 2021, respectively.

20. OTHER NON-CURRENT ASSETS

(` in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Capital advances	217.43	219.92
(b)	Taxes recoverable, statutory deposits and dues from government (net of allowances for credit impaired balances of `**31.66 crores** and `31.66 crores as at March 31, 2022 and March 31, 2021, respectively)	621.59	694.64
(c)	Prepaid expenses	282.53	183.11
(d)	Recoverable from insurance companies	199.74	291.05
(e)	Employee benefits	4,316.94	5.09
(f)	Others	0.98	0.97
	Total	**5,639.21**	**1,394.78**

21. OTHER CURRENT ASSETS

(` in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Advances and other receivables (Net of allowances for credit impaired balances `**53.59** crores and `61.48 crores as at March 31, 2022 and March 31, 2021, respectively.)	815.21	517.55
(b)	GST/VAT, other Taxes recoverable, statutory deposits and dues from government (Net of allowances for credit impaired balances `**83.66 crores** and `83.18 crores as at March 31, 2022 and March 31, 2021, respectively.)	4,031.28	4,175.18
(c)	Prepaid expenses	2,029.30	1,220.13
(d)	Employee benefits	-	43.93
(e)	Others	690.09	341.61
	Total	**7,565.88**	**6,298.40**

Notes Forming Part of Consolidated Financial Statements

22. INCOME TAXES

(A) Accounting Policy

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the consolidated statement of profit and loss except when they relate to items that are recognised outside of profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination the tax effect is included in the accounting for the business combination. Current income taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognised to the extent it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forwards and unused tax credits could be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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

(B) The domestic and foreign components of profit/(loss) before income tax is as follows:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(loss) before income taxes		
India	(2,887.49)	(1,988.16)
Other than India	(4,115.92)	(8,486.12)
Total	**(7,003.41)**	**(10,474.28)**

The domestic and foreign components of income tax expense is as follows:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Current taxes		
India	339.73	136.36
Other than India	2,330.25	1,573.82
Deferred taxes		
India	(12.43)	14.65
Other than India	1,573.74	817.03
Total income tax expense	**4,231.29**	**2,541.86**

Notes Forming Part of Consolidated Financial Statements

The reconciliation of income tax expense calculated as per tax rates applicable to individual entities with income tax expense/(credit) reported in the consolidated statement of profit & loss is as follows:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(Loss) before tax	(7,003.41)	(10,474.28)
Income tax expense at tax rates applicable to individual entities	(947.68)	(1,882.53)
Additional deduction for patent, research and product development cost	(1.34)	1.66
Items (net) not deductible for tax/not liable to tax :		
- foreign currency (gain)/loss relating to loans and deposits (net), foreign currency (gain)/loss arising on account of Integral foreign operations.	(3.83)	4.95
- interest and other expenses relating to borrowings for investment	63.86	31.57
- Write-down of assets not qualifying for tax relief	-	429.56
- Others	160.76	63.47
Undistributed earnings of subsidiaries, joint operations and equity accounted investees	407.25	310.93
Deferred tax assets not recognized because realisation is not probable	2,942.88	3,682.48
Previously recognised deferred tax assets written down	(6.34)	(0.10)
Utilization/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	(140.03)	(347.16)
Impact of change in statutory tax rates	2.04	92.96
Profit on sale of passenger vehicle undertaking (Common control transaction)	1,282.92	-
Profit on sale of Defence Business / investments	(0.88)	1.52
Others	471.68	152.55
Income tax expense reported in consolidated statement of profit & loss	**4,231.29**	**2,541.86**

Note :

1. The UK Finance Act 2016 was enacted during the year ended March 31, 2017, which included provisions for a reduction in the UK corporation tax rate to 17% with effect from April 1, 2020. Subsequently a change to the main UK corporation tax rate, announced in 2020, was substantively enacted as at March 31, 2020. The rate applicable from April 1, 2020 now remains at 19% rather than previously enacted reduction to 17%. A further change to the main UK corporation tax rate from 19% to 25% with effect from April 1, 2023 was announced in the Budget on March 3, 2021, and was substantively enacted on May 24, 2021.

   Accordingly, JLR UK deferred tax has been provided at a rate of 25% on assets (2021: 19%) and 25% on liabilities (2021: 19%), recognising the applicable tax rate at the point when the timing difference is expected to reverse.

2. Despite a loss during the year ended March 31, 2022, a tax charge of `**3,756.01 crores** (GBP 367 million) was incurred at Jaguar Land Rover as a result of inability to recognise UK deferred tax assets arising in the period due to current UK loss profile amounting to `**3,380.26 crores** (GBP 331 million).

3. Tata Motors Limited (TML) has presently, decided not to opt for the New Tax Regime inserted as per section 115BAA of the Income-tax Act, 1961 and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial Year beginning April 1, 2019. TML has accordingly applied the existing tax rates in the financial statements for the year ended March 31, 2022.

Notes Forming Part of Consolidated Financial Statements

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

(` in crores)

	Opening balance	Recognized in profit or loss	Recognized in/reclassified from other comprehensive income		Movement due to common control business combination **	Closing balance
			Translation	Other than translation		
Deferred tax assets:						
Unabsorbed depreciation	2,459.91	(154.31)	-	-	(77.40)	2,228.20
Business loss carry forwards	2,495.13	(481.77)	16.04	-	(1,729.13)	300.27
Expenses deductible in future years:		-	-	-	-	
- provisions, allowances for doubtful receivables and others	3,481.29	(356.53)	93.21	0.08	(72.33)	3,145.72
Compensated absences and retirement benefits	964.55	(920.70)	331.55	(1,204.20)	-	(828.80)
Minimum alternate tax carry-forward	0.05	50.81	-	-	-	50.86
Property, plant and equipment	7,733.08	3,328.57	(234.78)	-	-	10,826.87
Derivative financial instruments	(116.18)	(318.57)	(581.93)	2,364.93	-	1,348.25
Unrealised profit on inventory	1,074.89	(308.20)	(2.18)	-	-	764.51
Others	726.82	(539.63)	11.97	5.32	(1.25)	203.23
Total deferred tax assets	**18,819.54**	**299.67**	**(366.12)**	**1,166.13**	**(1,880.11)**	**18,039.11**
Deferred tax liabilities:						
Property, plant and equipment	2,558.77	58.07	0.12	-	(517.52)	2,099.44
Intangible assets	11,270.53	1,631.72	(196.09)	-	(1,362.59)	11,343.57
Undistributed earnings in subsidiaries, joint operations and equity accounted investees	1,764.30	52.00 *	(12.13)	-	-	1,804.17
Fair valuation of retained interest in a subsidiary subsequent to disposal of controlling equity interest	16.95	-	-	-	-	16.95
Others	244.53	119.19	(0.27)	99.12	-	462.57
Total deferred tax liabilities	**15,855.08**	**1,860.98**	**(208.37)**	**99.12**	**(1,880.11)**	**15,726.70**
Net assets/(liabilities)	**2,964.46**	**(1,561.31)**	**(157.75)**	**1,067.01**	**-**	**2,312.41**
Deferred tax assets						3,870.85
Deferred tax liabilities						1,558.44

* Net off ` **372.54** crores reversed on dividend distribution by subsidiaries.

** Tata Motors Limited has transferred its Passenger Vehicle Business into a subsidiary. This has resulted in movement of balances at legal entity.

As at March 31, 2022, unrecognized deferred tax assets amount to `**14,598.19 crores** and `**8,492.75 crores**, which can be carried forward indefinitely and up to a specified period, respectively. These relate primarily to depeciation carry forwards, other deductible temporary differences and business losses. The deferred tax asset has not been recognized on the basis that its recovery is not probable in the foreseeable future.

Unrecognized deferred tax assets expire unutilized based on the year of origination as follows:

March 31,	**(` in crores)**
2023	865.28
2024	750.16
2025	2,436.16
2026	667.41
2027	933.78
Thereafter	2,839.96

The Company has not recognized deferred tax liability on undistributed profits of certain subsidiaries amounting to `**28,735.73 crores** and `30,821.39 crores as at March 31, 2022 and 2021 respectively, because it is able to control the timing of the reversal of temporary differences associated with such undistributed profits and it is probable that such differences will not reverse in the foreseeable future.

Notes Forming Part of Consolidated Financial Statements

Significant components of deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

(` in crores)

	Opening balance	Recognized in profit or loss	Recognized in/reclassified from other comprehensive income		Closing balance
			Translation	Other than translation	
Deferred tax assets:					
Unabsorbed depreciation	2,555.97	(94.45)	(1.60)	(0.01)	2,459.91
Business loss carry forwards	3,440.17	(977.26)	32.22	-	2,495.13
Expenses deductible in future years:					
- provisions, allowances for doubtful receivables and others	4,421.31	(971.49)	31.45	0.02	3,481.29
Compensated absences and retirement benefits	(417.73)	(14.35)	(110.52)	1,507.15	964.55
Minimum alternate tax carry-forward	67.15	(67.10)	-	-	0.05
Property, plant and equipment	5,941.73	1,222.39	568.96	-	7,733.08
Derivative financial instruments	775.71	177.15	105.70	(1,174.74)	(116.18)
Unrealised profit on inventory	1,216.72	(217.18)	75.35	-	1,074.89
Others	1,533.69	(836.96)	31.68	(1.59)	726.82
Total deferred tax assets	**19,534.72**	**(1,779.25)**	**733.24**	**330.83**	**18,819.54**
Deferred tax liabilities:					
Property, plant and equipment	2,011.34	547.49	(0.06)	-	2,558.77
Intangible assets	12,193.58	(1,565.16)	642.11	-	11,270.53
Undistributed earnings of subsidiaries, joint operations and equity accounted investees	1,588.17	95.27*	80.86	-	1,764.30
Fair valuation of retained interest in a subsidiary subsequent to disposal of controlling equity interest	16.95	-	-	-	16.95
Others	208.65	(25.17)	(0.69)	61.74	244.53
Total deferred tax liabilities	**16,018.69**	**(947.57)**	**722.22**	**61.74**	**15,855.08**
Net assets/(liabilities)	**3,516.03**	**(831.68)**	**11.02**	**269.09**	**2,964.46**
Deferred tax assets					4,520.35
Deferred tax liabilities					1,555.89

* Net off ` 215.66 crores reversed on dividend distribution by subsidiaries.

23. EQUITY SHARE CAPITAL

(` in crores)

			As at March 31, 2022	As at March 31, 2021
(a)	**Authorised:**			
	(i)	**400,00,00,000** Ordinary shares of ` 2 each	800.00	800.00
		(as at March 31, 2021: 400,00,00,000 Ordinary shares of ` 2 each)		
	(ii)	**100,00,00,000** A' Ordinary shares of ` 2 each	200.00	200.00
		(as at March 31, 2021: 100,00,00,000 'A' Ordinary shares of ` 2 each)		
	(iii)	**30,00,00,000** Convertible Cumulative Preference shares of ` 100 each	3,000.00	3,000.00
		(as at March 31, 2021: 30,00,00,000 shares of ` 100 each)		
		Total	**4,000.00**	**4,000.00**
(b)	**Issued [Note (j)]:**			
	(i)	**3,32,11,54,566** Ordinary shares of ` 2 each	664.23	664.16
		(as at March 31, 2021: 3,32,08,00,324 Ordinary shares of ` 2 each)		
	(ii)	**50,87,36,110** 'A' Ordinary shares of ` 2 each	101.75	101.75
		(as at March 31, 2021: 50,87,36,110 'A' Ordinary shares of ` 2 each)		

Notes Forming Part of Consolidated Financial Statements

(` in crores)

			As at March 31, 2022	As at March 31, 2021
		Total	765.98	765.91
(c)	Subscribed and called up:			
	(i)	**3,32,06,62,007** Ordinary shares of ` 2 each	664.13	664.06
		(as at March 31, 2021: 3,32,03,07,765 Ordinary shares of ` 2 each)		
	(ii)	**50,85,02,896** 'A' Ordinary shares of ` 2 each	101.70	101.70
		(as at March 31, 2021: 50,85,02,896 'A' Ordinary shares of ` 2 each)		
			765.83	765.76
(d)	Calls unpaid - Ordinary shares		(0.00) *	(0.00)
		310 Ordinary shares of ` 2 each (` 1 outstanding on each) and 260 Ordinary shares of ` 2 each (` 0.50 outstanding on each)		
		(as at March 31, 2021: 310 Ordinary shares of ` 2 each (` 1 outstanding on each) and 260 Ordinary shares of ` 2 each (` 0.50 outstanding on each))		
(e)	Paid-up (c+d):		765.83	765.76
(f)	Forfeited - Ordinary shares		0.05	0.05
	Total (e + f)		**765.88**	**765.81**

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

		(No. of shares)	(` in crores)	(No. of shares)	(` in crores)
		Year ended March 31, 2022		Year ended March 31, 2021	
(i)	**Ordinary shares**				
	Balance as at April 1	3,320,307,765	664.06	3,088,973,894	617.79
	Add: Preferential allotment of shares/conversion of share warrants (Refer Note (h) below)	-	-	231,333,871	46.27
	Add: Allotment of shares on exercise of stock options by employees	354,242	0.07	-	-
	Balance as at March 31	**3,320,662,007**	**664.13**	**3,320,307,765**	**664.06**
(ii)	**'A' Ordinary shares**				
	Balance as at April 1	508,502,896	101.70	508,502,896	101.70
	Balance as at March 31	**508,502,896**	**101.70**	**508,502,896**	**101.70**

* less than ` 50,000/-

(h) During the year ended March 31, 2020, the Company has allotted 20,16,23,407 Ordinary Shares at a price of ` 150 per Ordinary Share aggregating to ` 3,024.35 crores and 23,13,33,871 Convertible Warrants ('Warrants'), each carrying a right to subscribe to one Ordinary Share per Warrant, at a price of ` 150 per Warrant ('Warrant Price'), aggregating to ` 3,470.00 crores on a preferential basis to Tata Sons Private Limited. An amount equivalent to 25% of the Warrant Price was paid at the time of subscription and the balance 75% of the Warrant Price was payable by the Warrant holder against each Warrant at the time of allotment of Ordinary Shares pursuant to exercise of the options attached to Warrant(s) to subscribe to Ordinary Share(s), by June 2021. The Company has fully utilized the amount of ` 3,891.85 crores towards repayment of debt, and other general corporate purposes of the Company and its subsidiaries.

During the year ended March 31, 2021, on exercise of options by Tata Sons Private Ltd and on receipt of balance subscription money of ` 2,602.51 crores, the Company has fully converted 23,13,33,871 convertible warrants into Ordinary Shares. As at March 31, 2022 the Company has fully utilised amount towards repayment of debt, and other general corporate purposes of the Company.

(i) The entitlements to **4,92,559** Ordinary shares of ` 2 each (as at March 31, 2021 : 4,92,559 Ordinary shares of ` 2 each) and **2,33,214** 'A' Ordinary shares of ` 2 each (as at March 31, 2021: 233,214 'A' Ordinary shares of ` 2 each) are subject matter of various suits filed in the courts / forums by third parties for which final order is awaited and hence kept in abeyance.

Notes Forming Part of Consolidated Financial Statements

(j) Rights, preferences and restrictions attached to shares :

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

- The Company has two classes of shares – the Ordinary shares and the 'A' Ordinary shares both of `2 each (together referred to as shares). In respect of every Ordinary share (whether fully or partly paid), voting rights shall be in the same proportion as the capital paid up on such Ordinary share bears to the total paid up Ordinary share capital of the Company. In case of every 'A' Ordinary share, if any resolution is put to vote on a poll or by postal ballot at any general meeting of shareholders, the holder shall be entitled to one vote for every ten 'A' Ordinary shares held as per the terms of its issue and if a resolution is put to vote on a show of hands, the holder of 'A' Ordinary shares shall be entitled to the same number of votes as available to holders of Ordinary shares.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also declare an interim dividend. The holders of 'A' Ordinary shares shall be entitled to receive dividend for each financial year at five percentage point more than the aggregate rate of dividend declared on Ordinary shares for that financial year.
- In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(ii) American Depositary Shares (ADSs) and Global Depositary Shares (GDSs) :

- Each ADS and GDS underlying the ADR and GDR respectively represents five Ordinary shares of `2 each. A holder of ADS and GDS is not entitled to attend or vote at shareholders meetings. An ADS holder is entitled to issue voting instructions to the Depositary with respect to the Ordinary shares represented by ADSs only in accordance with the provisions of the Company's ADSs deposit agreement and Indian Law. The depositary for the ADSs and GDSs shall exercise voting rights in respect of the deposited shares by issue of an appropriate proxy or power of attorney in terms of the respective deposit agreements.
- Shares issued upon conversion of ADSs and GDSs will rank pari passu with the existing Ordinary shares of `2 each in all respects including entitlement of the dividend declared.

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

		As at March 31, 2022		As at March 31, 2021	
		% Issued Share Capital	Number of Shares	% Issued Share Capital	Number of Shares
(i)	Ordinary shares :				
	(a) Tata Sons Private Limited	43.73%	1,45,21,13,801	43.73%	1,45,21,13,801
	(b) Citibank N A as Depository	#	17,09,78,800	#	35,37,15,165
(ii)	'A' Ordinary shares :				
	(a) Tata Sons Private Limited	7.57%	3,85,11,281	7.57%	38,511,281.00
	(b) ICICI Prudential Balanced Advantage Fund	15.86%	8,06,52,318	14.26%	7,25,19,454

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

* Less than 5%

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

(a) The Company has not issued any shares without payment being received in cash.

(b) The Company has not issued any bonus shares.

(c) The Company has not undertaken any buy-back of shares.

Notes Forming Part of Consolidated Financial Statements

24. OTHER COMPONENTS OF EQUITY

(a) The movement of Currency translation reserve is as follows:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	8,727.21	4,874.70
Exchange differences arising on translating the net assets of foreign operations (net)	(328.71)	3,702.50
Net change in translation reserve - equity accounted investees (net)	217.89	150.01
Balance at the end	**8,616.39**	**8,727.21**

(b) The movement of Equity instruments held as fair value through other comprehensive income(FVTOCI) is as follows:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	320.88	(77.37)
Other Comprehensive income for the year	395.30	420.66
Income tax relating to gain/(loss) recognised on equity investments, where applicable	(52.96)	(18.05)
Profit on sale of equity investments reclassified to retained earnings	-	(4.36)
Balance at the end	**663.22**	**320.88**

(c) The movement of gain/(loss) on debt instruments held as fair value through other comprehensive income (FVTOCI) is as follows:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	256.78	88.63
Other Comprehensive income for the year	219.75	258.47
Income tax relating to gain/(loss) recognised on debt instrument, where applicable	(76.79)	(90.32)
Balance at the end	**399.74**	**256.78**

(d) The movement of Hedging reserve is as follows:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	311.35	(3,891.90)
Gain/(loss) recognised on cash flow hedges	(8,392.07)	3,995.16
Income tax relating to gain/(loss) recognized on cash flow hedges	1,949.36	(773.08)
(Gain)/loss reclassified to profit or loss	(621.37)	1,145.59
Income tax relating to gain/(loss) reclassified to profit or loss	126.43	(221.01)
Amounts reclassified from hedge reserve to inventory	1,366.28	69.87
Income tax related to amounts reclassified from hedge reserve to inventory	(259.57)	(13.28)
Balance at the end	**(5,519.59)**	**311.35**
Of the above balance related to :		
Continued Hedges	(5,423.58)	240.82
Discontinued Hedges	(96.01)	70.53

Notes Forming Part of Consolidated Financial Statements

(e) The movement of Cost of hedging reserve is as follows:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning	66.88	(213.28)
Gain/(loss) recognised on cash flow hedges	139.93	349.36
Income tax relating to gain/(loss) recognized on cash flow hedges	(30.26)	(70.79)
(Gain)/loss reclassified to profit or loss	(219.50)	(50.76)
Income tax relating to gain/(loss) reclassified to profit or loss	40.47	3.62
Amounts removed from hedge reserve and recognised in inventory	84.50	60.17
Income tax related to amounts removed from hedge reserve and recognised in inventory	(16.08)	(11.43)
Balance at the end	**65.95**	**66.88**
Of the above balance related to :		
Continued Hedges	61.18	66.88
Discontinued Hedges	4.77	-

(f) Summary of Other components of equity:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Currency translation reserve	8,616.39	8,727.21
Equity instruments through FVTOCI	663.22	320.88
Debt instruments through FVTOCI	399.74	256.78
Hedging reserve	(5,519.59)	311.35
Cost of hedging reserve	65.95	66.88
Total	**4,225.71**	**9,683.10**

25. NOTES TO RESERVES AND SURPLUS

(a) Securities premium

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

(b) Retained earnings

Retained earnings are the profits that the Company has earned till date.

(c) Capital redemption reserve

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

(d) Debenture redemption reserve (DRR)

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

Notes Forming Part of Consolidated Financial Statements

(e) Reserve for research and human resource development

In terms of Article 9 of the Act on Special Taxation Restriction in Korea, Tata Daewoo Commercial Vehicle Company Limited (TDCV, a subsidiary of Tata Motors Limited) is entitled for deferment of tax in respect of expenditures incurred on product development cost subject to fulfillment of certain conditions, by way of deduction from the taxable income, provided that TDCV appropriates an equivalent amount from "Retained Earnings" to "Reserve for Research and Human Resource Development".

The deferment is for a period of three years and from the fourth year onwards one-third of the reserve is offered to tax and an equal amount is then transferred from the reserve to "Retained earnings available for appropriation".

(f) Special reserve

The special reserve represents the reserve created by two subsidiaries of Tata Motors Limited pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act") and related regulations applicable to those companies. Under the RBI Act, a non-banking finance company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purposes specified by the RBI.

(g) Earned surplus reserve

Under the Korean commercial code, TDCV is required to appropriate at least 10% of cash dividend declared each year to a legal reserve until such reserves equal to 50% of capital stock. This reserve may not be utilized for cash dividends, but may only be used to offset against future deficits, if any, or may be transferred to capital stock.

(h) Hedge Reserve

Effective portion of fair value gain/(loss) on all financial insturments designated in cash flow hedge relationship are accumulated in hedge reserve.

(i) Cost of hedge reserve

Fair value gain/(loss) attributable to cost of hedge on all financials instruments designated in cash flow hedge relationship are accumulated in cost of hedge reserve.

(j) Capital Reserve

The capital reserve represents the excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration.

(k) Dividends

The final dividend is recommended by the Board of Directors and is recorded in the books of accounts upon its approval by the Shareholders.For the year ended March 31, 2022 and 2021 , considering the accumulated losses in the Tata Motors Limited Standalone, no dividend was permitted to be paid to the members, as per the Companies Act, 2013 and the rules framed thereunder.

(l) Share-based payments reserve

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

(m) Reserve for Equity instruments through other comprehensive income

Fair value gain/loss arising on equity investment that are designated as held at fair value through Other comprehensive income is included here.

(n) Reserve for Debt instruments through other comprehensive income

Fair value gain/loss arising on debt investment that are designated as held at fair value through Other comprehensive income is included here.

Notes Forming Part of Consolidated Financial Statements

26. LONG-TERM BORROWINGS

(` in crores)

			As at March 31, 2022	As at March 31, 2021
Secured:				
(a)	Privately placed Non-Convertible Debentures		1,994.68	2,769.58
(b)	Collateralized debt obligations		332.33	1,260.87
(c)	Term loans:			
	(i)	from banks	11,213.85	12,101.89
	(ii)	from financial institutions	1,345.10	2,992.85
(d)	Others		250.73	226.11
Unsecured:				
(a)	Privately placed Non-Convertible Debentures		7,884.83	5,151.85
(b)	Perpetual Debentures		1,718.20	1,320.15
(c)	Term loans:			
	(i)	from banks	22,790.25	20,468.26
	(ii)	other parties	-	168.19
(d)	Senior notes		49,873.48	46,642.21
(e)	Others		355.72	10.81
	Total		**97,759.17**	**93,112.77**

27. SHORT-TERM BORROWINGS

(` in crores)

		As at March 31, 2022	As at March 31, 2021
Secured:			
(a)	Loans from banks	4,801.28	6,298.57
(b)	Current maturities of long-term borrowings	7,739.08	6,993.79
Unsecured:			
(a)	Loans from banks	6,478.92	7,019.31
(b)	Inter corporate deposits from associates	241.00	95.00
(c)	Commercial paper	5,857.18	8,249.91
(d)	Current maturities of long-term borrowings	16,800.41	14,135.16
	Total	**41,917.87**	**42,791.74**

1) Collaterals against borrowing

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Inventory	807.88	2,998.51
Trade receivables with a carrying amount	-	186.55
Finance receivables	25,487.73	30,574.50
Other financial assets	-	100.00
Property, plant and equipment with a carrying amount	5,828.78	6,340.57
Total	**32,124.39**	**40,200.13**

2) Current maturities of long term borrowings consist of :

Notes Forming Part of Consolidated Financial Statements

(` in crores)

			As at March 31, 2022	As at March 31, 2021
Secured:				
(i)	Privately placed Non-Convertible Debentures		778.55	681.25
(ii)	Term loans			-
	(a)	from banks	5,910.53	5,195.05
	(b)	other financial institutions	1,050.00	1,117.49
		Total	7,739.08	6,993.79
Unsecured:				
(i)	Privately placed Non-Convertible Debentures		2,454.57	3,816.98
(ii)	Collateralised debt obligation		850.21	1,712.78
(iii)	Senior Notes		7,748.41	6,216.03
(iv)	Term loans from banks and others		5,747.22	2,063.37
(v)	Others		-	326.00
		Total	16,800.41	14,135.16

Notes :

Long Term Borrowings

(A) Non convertible debentures (Secured)

(i) Rated, Listed, Secured, 8.80% Coupon, Non-Convertible Debentures amounting to `**998.64 crores** included within Long-term borrowings in note 26 are secured by a pari passu charge by way of the Company's property, plant and equipment. It bears Interest rate of 8.80% and maturity being in May 2023.

(ii) Privately placed non-convertible debentures amounting to `**996.04 crores** included within Long-term borrowings in note 26 and `**778.55 crores** included within Current maturities of long-term borrowings in note 27 are fully secured by :

(a) First pari passu charge on residential flat of Tata Motors Finance Limited (TMFL) an indirect subsidiary of the Company

(b) Pari - passu charge is created in favour of debenture trustee on :

- All receivables of TMFL arising out of loan and lease transactions,

- All book debts, trade advances forming part of movable property of TML.

(c) Any other security as identified by TMFL and acceptable to the debenture trustee.

It bears interest rate ranging from 7% to 9.59% and maturity ranging from April 2022 to May 2023.

Notes Forming Part of Consolidated Financial Statements

(B) Collateralised debt obligations (Secured)

Collateralised debt obligation represent amount received against finance receivables securitised/assigned, which does not qualify for derecognition.The repayments are due from financial year ending March 31, 2023 to March 31, 2026.

(C) Long-term loan from banks/financial institution and Government (Secured)

(` in crores)

	Amount included in Long-Term Borrowings (note 26)	Amount included in Current Maturities of Long-Term Borrowings (note 27)	Collateral, Interest rates and Maturity
Term loans from bank			
1	7,950.16	4,667.53	Pari-passu charge in favour of the security trustee on all receivables arising out of loan, lease transactions and trade advances, all other book debts, receivables from pass through certificates in which company has invested; and such other current assets as may be identified from time to time and accepted by the relevant lender/ security trustee. The maturity ranges from April 22 to December 26.
2	2,911.56	1,032.55	Charge created on all receivables arising out of loan, trade advances, and all other book debts, receivables from pass through certificates in which company has invested; and such other current assets as may be identified from time to time and accepted by the relevant lender. The maturity ranges from April 22 to June 26.
3	336.95	206.88	First charge over fixed assets procured from its loan/jeep project. It bears floating interest rate based on LIBOR and MCLR. Due for repayment from May 2023 to September 2025.
4	15.18	3.57	Pari passu first charge on fixed assets.It bears floating interest rate currently at 7.85%. Due for repayment from March 2023 to May 2027.
Total	**11,213.85**	**5,910.53**	
Term loan from others			
1	1,345.10	1,050.00	The term loan amounting to `1,345.10 crores from HDFC Ltd included within long-term borrowing in note 26 and ` 1,050.00 crores included within current maturities of long term borrowings in note 27 is due for repayment from April, 2022 to June, 2026, along with a simple interest of 7.50% p.a. The loan is secured by a charge over Company's leasehold land together with building structures, plant and machinery, fixtures and other assets.
2	193.84	-	The loan is secured by a second and subservient charge (creation of charge is under process) over Company's freehold land together with immovable properties, plant and machinery and other movable assets (excluding stock and book debts) situated at Sanand plant in the State of Gujarat. The loan is due for repayment from the quarter ending March 31,2033 to quarter ending March 31, 2039, along with simple interest at the rate of 0.10% p.a
3	56.89	-	The loan is secured by bank gurantee for the due performance of the conditions as per the terms of the agreement.The loan is due for repayment from the quarter ending June 30, 2030 to March 31, 2036, along with a simple interest of 0.01% p.a.
Total	**1,595.83**	**1,050.00**	

(D) Short-term borrowings

Loans, cash credits, overdrafts and buyers line of credit from banks are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase / leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

LONG-TERM BORROWINGS: TERMS

(A) Senior notes (Euro MTF listed debt)

The senior notes of Jaguar Land Rover Automotive Plc (JLR) are listed on the Euro MTF market, which is a listed market regulated by the Luxembourg Stock Exchange.

Notes Forming Part of Consolidated Financial Statements

Details of the tranches of the senior notes outstanding are as follows:

(` in crores)

Particulars	Currency	Amount (in million)	As at March 31, 2022	As at March 31, 2021
5.500% Senior Notes due 2029	EUR	500	3,756.72	-
4.500% Senior Notes due 2028	EUR	500	4,189.43	-
5.875% Senior Notes due 2028	USD	650	4,874.58	4,708.24
4.500% Senior Notes due 2027	USD	500	3,761.73	3,875.56
6.875% Senior Notes due 2026	EUR	500	4,256.19	4,339.10
4.500% Senior Notes due 2026	EUR	500	3,537.02	4,021.45
7.750% Senior Notes due 2025	USD	700	5,255.28	5,072.99
5.875% Senior Notes due 2024	EUR	500	4,198.12	4,265.71
2.200% Senior Notes due 2024	EUR	650	5,472.73	5,562.90
3.875% Senior Notes due 2023	GBP	400	3,971.51 *	4,019.38
5.625% Senior Notes due 2023	USD	500	3,776.90 *	3,645.58
5.000% Senior Notes due 2022	GBP	400	-	4,022.51
			47,050.21	**43,533.42**

* Classified as other current liabilities being maturity before March 31, 2023.

(B) Senior notes (SGX-ST listed debt)

The senior notes of Tata Motors Limited and TML Holdings Pte Ltd are listed on the SGX-ST market, which is a listed market regulated by the Singapore Stock Exchange.

Details of the tranches of the senior notes outstanding at March 31, 2022 are as follows:

(` in crores)

Particulars:	Currency	Amount (in million)	As at March 31, 2022	As at March 31, 2021
4.350% Senior Notes due 2026	USD	425	3,199.46	-
5.875% Senior Notes due 2025	USD	300	2,273.92	2,181.11
5.750% Senior Notes due 2024	USD	250	1,876.86	1,816.07
5.500% Senior Notes due 2024	USD	300	2,261.25	2,175.93
4.000% Senior Notes due 2023	GBP	98	960.19	958.19
5.750% Senior Notes due 2021	USD	300	-	2,193.52
			10,571.68	**9,324.82**

(C) Non convertible debentures (unsecured) amounting to ` **7,884.83 crores** included within long-term borrowing in note 26 and ` **2,454.57 crores** included within current maturities of long term borrowings in note 27 bear interest rate ranging from 6.60% to 11.50% and maturity ranging from May 2022 to May 2029.

(D) Perpetual debenture amounting to ` **1,718.20 crores** included within long-term borrowing in note 26 bear interest rate ranging from 7.30% to 8.75% having simultaneous call/put option after 4/5th year from the date of issuance.

(E) Loan from banks/ financial institutions (unsecured) consists of :

(i) Term loans amounting to `**12,050.80 crores** included within long-term borrowings in note 26 and ` **4,242.01 crores** included within current maturities of long term borrowings in note 27 bearing floating interest rate based on marginal cost of funds lending rate (MCLR) of respective bank having maturity ranging from July, 2022 to March 2027.

(ii) External commercial borrowings in foreign currencies amounting to ` **1,788.35 crores** included within long-term borrowing in note 26 bearing floating interest rate currently of 3.92% and maturity in June 2025.

Notes Forming Part of Consolidated Financial Statements

(iii) Foreign currency term loan amounting to ` **2,966.67 crores** included within long-term borrowing in note 26 bearing floating interest rate that are linked to LIBOR maturity ranging from July 2023 to July 2025.

(iv) Foreign currency syndicate loan amounting to ` **5,984.43 crores** included within long-term borrowing in note 26 and ` **1,505.21 crores** included within current maturities of long term borrowings in note 27 bearing floating interest rate that are linked to LIBOR maturity ranging from October 2022 to January 2025.

(F) Short Term Borrowings : Terms

(i) Short-term loan from banks and other parties(financial institutions) consits of cash credit, overdrafts, short term loan, bill discounting amounting to ` **7,115.46 crores** bearing fixed rate of interest ranging from 0.84% to 7.75% and ` **4,406.80 crores** bear floating rate of interest based on MCLR of respective banks and other benchmark rates.

(ii) Commercial paper are unsecured short term papers issued at discount bearing no coupon interest. The yield on commercial paper issued by the Company ranges from 4.15 % to 7.33 %.

(G) Reconciliation of movements of liabilities to cash flows arising from financing activities

(` in crores)

	Short-term borrowings	Long-term borrowings	Total
Balance at April 1, 2020	**16,362.53**	**102,447.99**	**118,810.52**
Proceeds from issuance of debt	20,807.15	29,642.36	50,449.51
Repayment of financing	(15,623.20)	(18,629.61)	(34,252.81)
Current portion reclass to short term borrowings	21,128.95	(21,128.95)	-
Foreign exchange	265.32	506.22	771.54
Amortisation / EIR adjustment of prepaid borrowing costs (net)	(149.01)	274.76	125.75
Balance at March 31, 2021	**42,791.74**	**93,112.77**	**135,904.51**
Proceeds from issuance of debt	16,866.24	35,058.62	51,924.86
Repayment of financing	(21,436.04)	(25,012.52)	(46,448.56)
Reclassification of long-term debt	3,410.44	(3,410.44)	-
Foreign exchange	(82.24)	(507.71)	(589.95)
Amortisation / EIR adjustment of prepaid borrowing costs (net)	367.77	(1,481.55)	(1,113.78)
Balance at March 31, 2022	**41,917.87**	**97,759.17**	**139,677.04**

28. OTHER FINANCIAL LIABILITIES – NON-CURRENT

(` in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Derivative financial instruments	3,415.54	2,059.43
(b)	Liability towards employee separation scheme	109.50	132.67
(c)	Option premium liability	209.28	273.44
(d)	Compulsorily convertible preference shares - liability portion (refer note 49(d))	1,250.00	-
(e)	Others	349.34	90.81
	Total	**5,333.66**	**2,556.35**

Notes Forming Part of Consolidated Financial Statements

29. OTHER FINANCIAL LIABILITIES – CURRENT

(` in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Interest accrued but not due on borrowings	1,746.37	1,602.80
(b)	Liability towards vehicles sold under repurchase arrangements	2,658.14	3,622.88
(c)	Liability for capital expenditure (Refer note below)	4,412.53	5,189.24
(d)	Deposits and retention money	562.59	604.89
(e)	Derivative financial instruments	4,443.42	2,420.18
(f)	Liability towards Investors Education and Protection Fund under Section 125 of the Companies Act, 2013 (IEPF) not due	3.35	5.28
(g)	Option premium liability	95.02	110.33
(h)	Others	498.82	170.04
	Total	**14,420.24**	**13,725.64**

Note:
Includes ` **21.49 crores** (` 22.48 crores as at March 31, 2021) outstanding towards principal and interest provision on dues of micro enterprises and small enterprises as per MSMED ACT 2006.

30. TRADE PAYABLES

(` in crores)

		As at March 31, 2022					
			Overdue				
		Not Due	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues of micro and small enterprises							
(a)	Disputed dues	-	-	-	-	-	-
(b)	Undisputed dues	122.62	42.08	2.61	5.75	10.86	183.92
	Total	**122.62**	**42.08**	**2.61**	**5.75**	**10.86**	**183.92**
Outstanding dues other than micro and small enterprises							
(a)	Disputed dues	34.83	19.18	0.02	0.13	3.38	57.54
(b)	Undisputed dues	50,550.55	8,918.04	84.98	26.82	148.53	59,728.92
	Total	**50,585.38**	**8,937.22**	**85.00**	**26.95**	**151.91**	**59,786.46**

		As at March 31, 2021					
			Overdue				
		Not Due	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues of micro and small enterprises							
(a)	Disputed dues	-	-	-	-	-	-
(b)	Undisputed dues	123.95	38.22	6.39	3.74	13.91	186.21
	Total	**123.95**	**38.22**	**6.39**	**3.74**	**13.91**	**186.21**
Outstanding dues other than micro and small enterprises							
(a)	Disputed dues	180.14	70.45	0.17	0.31	2.74	253.81
(b)	Undisputed dues	64,949.56	2,209.62	178.29	124.89	277.46	67,739.82
	Total	**65,129.70**	**2,280.07**	**178.46**	**125.20**	**280.20**	**67,993.63**

Notes Forming Part of Consolidated Financial Statements

31. PROVISIONS

(A) Accounting Policy

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

Product warranty expenses

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

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

Provision for onerous obligations

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

Residual risk

In certain markets, the Company is responsible for the residual risk arising on vehicles sold by dealers under leasing arrangements. The provision is based on the latest available market expectations of future residual value trends. The timing of the outflows will be at the end of the lease arrangements being typically up to three years.

The potential effects of the COVID-19 pandemic, particularly the estimated decline and subsequent recovery in the used vehicle market, were included in the Company's methodology applied in estimating the residual value exposure for the year ended March 31, 2022. These assessments were performed with reference to both internal and external market inputs.

Legal and product liability

Legal and product liability provision is recorded in respect of compliance with regulations and known litigations which impact the Company. The product liability claim primarily relates to motor accident claims, consumer complaints, dealer terminations, personal injury claims and compliance with emission and battery disposal regulations.

The timing of outflows will vary depending on when claims are received and settled, which is not known with certainty. The assumptions made, especially the assumption about the outcome of legal proceedings, are subject to a high degree of uncertainty. The appropriateness of assumptions is regularly reviewed, based on assessments undertaken both by management and external experts, such as lawyers. If new developments arise in the future that result in a different assessment, provisions are adjusted accordingly.

Environmental liability

Environmental liability relates to various environmental remediation cost such as asbestos removal and land clean up. The timing of when these costs will be incurred is not known with certainty.

Notes Forming Part of Consolidated Financial Statements

(B) Provisions consists of following:

(` in crores)

		As at March 31, 2022	As at March 31, 2021
Non-current			
(a)	Employee benefits obligations	1,118.73	979.99
(b)	Product warranty	10,952.76	11,187.88
(c)	Legal and product liability	396.80	717.36
(d)	Provision for residual risk	193.05	425.13
(e)	Provision for environmental liability	225.86	225.59
(f)	Other provisions	68.69	70.81
	Total	**12,955.89**	**13,606.76**
Current			
(a)	Employee benefit obligations	96.67	1,071.93
(b)	Product warranty	6,780.86	7,415.99
(c)	Legal and product liability	2,504.65	1,995.82
(d)	Provision for residual risk	121.75	242.25
(e)	Provision for environmental liability	28.92	35.15
(f)	Provision for Onerous Contracts and related supplier claims	117.90	117.44
(g)	Restructuring Provision	1,103.62	1,951.92
(h)	Other provisions	11.94	17.53
	Total	**10,766.31**	**12,848.03**

(` in crores)

	Year ended March 31, 2022					
	Product warranty	Legal and product Liability	Provision for residual risk	Provision for environmental liability	Restructuring Provision	Provision for Onerous Contract and related supplier claims
Balance at the beginning	18,603.87	2,713.18	667.38	260.74	1,951.92	117.44
Provision made/(reversed) during the period	7,550.52	1,566.47	(343.45)	2.40	851.03	8.22
Provision used during the period	(8,292.16)	(1,363.14)	(10.18)	(6.64)	(1,692.05)	(7.76)
Impact of unwind of discounting	87.66	-	-	-	-	-
Impact of foreign exchange translation	(216.27)	(15.06)	1.05	(1.72)	(7.28)	-
Balance at the end	**17,733.62**	**2,901.45**	**314.80**	**254.78**	**1,103.62**	**117.90**
Current	6,780.86	2,504.65	121.75	28.92	1,103.62	117.90
Non-current	10,952.76	396.80	193.05	225.86	-	-

32. OTHER NON-CURRENT LIABILITIES

(` in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Contract liabilities (refer note below)	4,535.90	4,847.70
(b)	Government grants	2,640.60	3,308.75
(c)	Employee benefits obligations	323.74	4,091.75
(d)	Others	34.98	64.38
	Total	**7,535.22**	**12,312.58**

Notes Forming Part of Consolidated Financial Statements

33. OTHER CURRENT LIABILITIES

(` in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Contract liabilities (refer note below)	6,558.65	5,735.93
(b)	Government grants	946.92	750.34
(c)	Statutory dues (VAT, Excise, Service Tax, GST, Octroi etc)	4,143.75	3,729.69
(d)	Others	112.22	227.22
	Total	**11,761.54**	**10,443.18**

Note:

(` in crores)

			Year ended March 31, 2022	Year ended March 31, 2021
(a)	Opening contract liabilities		10,583.63	9,272.40
	Amount recognised in revenue		(4,606.19)	(3,822.93)
	Amount received in advance during the year		5,372.12	4,515.15
	Amount refunded to customers		(152.20)	(6.36)
	Currency translation		(102.81)	625.37
	Closing contract liabilities		**11,094.55**	**10,583.63**
(b)	Contract liabilities include			
	Advances received from customers	Current	3,497.23	2,418.27
	Deferred revenue	Current	3,061.42	3,317.66
		Non-current	4,535.90	4,847.70
	Total contract liabilities		**11,094.55**	**10,583.63**

(c) Government grants include:

(i) `**197.39 crores** as at March 31, 2022 (`157.75 crores as at March 31, 2021) grants relating to property, plant and equipment related to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.

(ii) `**3,390.13 crores** as at March 31, 2022 (`3,901.33 crores as at March 31, 2021) relating to Research and Development Expenditure Credit (RDEC) on qualifying expenditure incurred since April 1, 2013.

34. REVENUE FROM OPERATIONS

(A) Accounting Policy

The Company generates revenue principally from –

a) Sale of products – (i) commercial and passenger vehicles and vehicle parts and (ii) Sales of other products - certain software products and other automotive products

The Company recognizes revenues on the sale of products, net of discounts, sales incentives, customer bonuses and rebates granted, when products are delivered to dealers or when delivered to a carrier for export sales, which is when control including risks and rewards and title of ownership pass to the customer. The Company offers sales incentives in the form of variable marketing expense to customers, which vary depending on the timing and customer of any subsequent sale of the vehicle. This sales incentive is accounted for as a revenue reduction and is constrained to a level that is highly probable not to reverse the amount of revenue recognised when any associated uncertainty is subsequently resolved. The Company estimates the expected sales incentive by market and considers uncertainties including competitor pricing, ageing of retailer stock and local market conditions.

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Revenue is recognised on a bill-and-hold basis where vehicles, for example, are sold to the customer but are retained in the Company's possession at a vehicle holding compound on behalf of the customer ahead of being physically transferred to them at a future time. In such arrangements it is ensured that the customer has obtained the ultimate control of the product.

There are certain vehicles which are being given to the customers along with operations and maintenance of the same. These are considered as finance leases and accordingly, revenue is recognised at the lease commencement date at fair value of the leased asset. The cost of sales is reduced for the present value of unguaranteed residual values. In addition, initial direct costs are recognised as cost of sales at the lease commencement date.

The consideration received in respect of transport arrangements for delivering of vehicles to the customers are recognized net of their costs within revenues in the consolidated statement of profit and loss.

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

b) Sale of services - maintenance service, telematics features and extended warranties for commercial and passenger vehicles, software support services and insurance broking services.

Income from sale of maintenance services, telematics features and extended warranties, including software services are recognized as income over the relevant period of service or extended warranty.

When the Company sells products that are bundled with maintenance service, telematics features or extended period of warranty, such services are treated as a separate performance obligation only if the service or warranty is optional to the customer or includes an additional service component. In such cases, the transaction price allocated towards such maintenance service or extended period of warranty is recognized as a contract liability until the service obligation has been met.

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

For certain sale of services wherein performance obligation is satisfied over a period of time, any amount received in advance is recorded as contract liability and recognized as revenue when service is rendered to customers. Any amount of income accrued but not billed to customers in respect of such contracts is recorded as a contract asset. Such contract assets are transferred to Trade receivables on actual billing to customers.

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

Vehicle sales do not typically include allowances for returns or refunds, although in some markets there is legislative requirement for the Company as an automotive manufacturer to repurchase or reacquire a vehicle if quality issues arise that have been remedied a number of times and where the owner no longer wishes to own the vehicle as a result.

Proceeds from sale of vehicles for which the Company or any of its subsidiaries have retained buy back obligation in future is recorded as a liability – (i) Proceeds received in excess of agreed buy back price is recognized as Deferred income liability and (ii) the agreed buy back price is recognized as Buy back liability. Deferred income liability is recognized as operating lease income on time proportionate basis over date of sale and date of buy back.

c) Financing revenues - Interest income from financing transactions includes income from leasing of vehicles to customers. Finance and service charges are accrued on the unpaid principal balance of finance receivables using the effective interest method.

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(B) Revenue from Operations consists of following:

(` in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Sale of products (refer note 1 and 2 below)		
	(i) Sale of vehicles	227,178.54	206,418.72
	(ii) Sale of spare parts	28,779.29	24,419.08
	(iii) Sale of miscellaneous products	11,294.42	8,711.60
	Total Sale of products	**267,252.25**	**239,549.40**
(b)	Sale of services	3,871.12	3,374.73
(c)	Finance revenues	4,111.85	4,048.04
		275,235.22	**246,972.17**
(d)	Other operating revenues	3,218.40	2,822.58
	Total	**278,453.62**	**249,794.75**
Note:			
(1)	Includes exchange gain/(loss) (net) on hedges reclassified from hedge reserve to statement of profit or loss	779.16	(980.14)
(2)	Includes variable marketing expenses netted off against revenue	(26,910.13)	(29,388.88)

35. OTHER INCOME

(A) Accounting Policy

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

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

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

(B) Other income consists of followings:

(` in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Interest income	625.22	492.53
(b)	Dividend income from investments measured at FVTOCI	34.22	18.37
(c)	Profit on sale of investments measured at FVTPL	216.62	194.24
(d)	Incentives	2,124.71	1,918.14
(e)	Fair value gain /(loss) on investments measured at FVTPL	52.86	19.91
	Total	**3,053.63**	**2,643.19**

Note:

Incentives include exports and other incentives of `**658.61 crores** and `547.79 crores, for the year ended March 31, 2022 and 2021, respectively and `**1,466.10 crores** and `1,370.35 crores, for the year ended March 31, 2022 and 2021, respectively received by foreign subsidiaries on Tax credit on qualifying expenditure for research and development.

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36. EMPLOYEE BENEFITS EXPENSE

(` in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Salaries, wages and bonus * (refer note below)	24,092.71	21,611.09
(b)	Contribution to provident fund and other funds	2,855.92	2,764.34
(c)	Staff welfare expenses	3,859.89	3,273.05
	Total	**30,808.52**	**27,648.48**

Employee benefits expense for the year ended March 31, 2022 and 2021 is net of Government grants received by certain subsidiary companies amounting to ` **148.31 (GBP 14.45 million)** and `1,833.01 crores (GBP 188.89 million) respectively.

Share based payments

Accounting policy

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

Equity-settled share option plan

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

The Company has alloted share based incentives to certain employees during the year ended March 31, 2019, under Tata Motors Limited Employee Stock Options Scheme 2018, approved by Nomination and Remuneration Committee (NRC).

As per the scheme, the number of shares that will vest is conditional upon certain performance measures determined by NRC. The performance is measured over vesting period of the options granted which ranges from 3 to 5 years. The performance measures under this scheme include growth in sales, earnings and free cash flow. The options granted under this scheme is exercisable by employees till one year from date of its vesting.

The Company has granted options at an exercise price of `**345/-.** Option granted will vest equally each year starting from 3 years from date of grant up to 5 years from date of grant. Number of shares that will vest range from 0.5 to 1.5 per option granted depending on performance measures.

	Year ended March 31, 2022	Year ended March 31, 2021
Options outstanding at the beginning of the year	6,804,003	7,222,897
Granted during the year	335,209	-
Forfeited/Expired during the year	(122,419)	(418,894)
Exercised during the year	(354,242)	-
Outstanding at the end of the year	6,662,551	6,804,003
Number of shares to be issued for outstanding options (conditional on performance measures)		
Maximum	9,993,827	1,02,06,005
Minimum	3,331,276	34,02,002
Share price for options exercised during the year	392 - 530	NA
Remaining contractual life	3 - 15 months	3 - 27 months

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

	Year Ended March 31, 2022	Year Ended March 31, 2021
Assumption factor		
Risk free rate	7%-8%	7%-8%
Expected life of option	2-4 years	2-4 years
Expected volatility	33%- 37%	33%- 37%
Share price	170.6	170.6

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

(ii) Share-based Long Term Incentive Scheme 2021

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

As per the scheme, the number of shares that will vest is conditional upon certain performance measures determined by NRC. The performance is measured over vesting period of the options granted. The performance measures under this scheme include growth in sales, earnings and free cash flow. The options granted under this scheme is exercisable by employees till one year from date of its vesting. The Company has granted options at an exercise price of `338/- for ESOs and `2/- for PSUs. Option granted will vest after 3 years from date of grant. Number of shares that will vest range from 0.5 to 1.2 per option granted depending on performance measures.

Reconciliation of outstanding ESOs/ PSUs	ESOs No of units	PSUs No of units
(i) outstanding at the beginning of the period;	-	-
(ii) granted during the period;	839,650	964,569
(iii) forfeited during the period;	-	-
(iv) exercised during the period;	-	-
(vi) outstanding at the end of the period;	839,650	964,569
(vi) Remaining contractual life	28 months	28 months

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

Assumption factor	ESOs	PSUs
Risk free interest rate	0.053	0.053
Expected life of option	3.8 years	3.8 years
Expected volatility	0.507	0.507
Share price	376.4	376.4

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

* The amount of `**16.73** crores and `9.04 crores has accrued in salaries, wages and bonus for the year ended March 31, 2022 and March 31, 2021, respectively towards share based payments.

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37. FINANCE COSTS

(` in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Interest	8,987.39	8,405.10
	Less: Interest capitalised*	(573.71)	(1,136.17)
	Add: Exchange fluctuation considered as interest cost	2.28	-
		8,415.96	**7,268.93**
(b)	Discounting charges	895.90	828.24
	Total	**9,311.86**	**8,097.17**

* Represents borrowing costs capitalized during the period on qualifying assets (property plant and equipment and product development).

The weighted average rate for capitalization of interest relating to general borrowings was approximately **5.23%** and 5.26% for the years ended March 31, 2022 and 2021, respectively.

38. OTHER EXPENSES

(` in crores)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Processing charges	1,406.48	965.67
(b)	Consumption of stores and spare parts	1,446.09	1,279.05
(c)	Power and fuel	2,178.29	1,112.87
(d)	Information Technology (IT) related/Computer expenses	3,543.64	2,720.09
(e)	Engineering expense	3,031.17	3,308.36
(f)	MTM (gain)/loss on commodity derivatives	(1,370.57)	(1,382.09)
(g)	Warranty and product liability expenses	8,774.55	7,609.02
(h)	Freight, transportation, port charges etc.	6,277.96	5,715.79
(i)	Publicity	4,863.65	4,384.63
(j)	Allowances / (reversal) for trade and other receivables	119.00	20.69
(k)	Allowances for finance receivables	1,307.59	957.93
(l)	Works operation and other expenses	15,556.00	14,229.96
	Total	**47,133.85**	**40,921.97**

(` in crores)

Note	Year ended March 31, 2022	Year ended March 31, 2021
Works operation and other expenses :		
(a) Auditors' remuneration		
(i) Audit fees	73.53	69.97
(ii) Tax Audit fees	1.11	1.58
(iii) All other fees	5.10 *	8.17 *
TOTAL	**79.74**	**79.72**

* Includes `**1.59** crores (`6.40 crores as at March 31, 2021) fees paid for issuance of Seniors Notes.

(b) Works operation and other expenses include remuneration payable to non- executive independent directors aggregating `**2.20 crores** which is subject to approval of the shareholders, which the Company proposes to obtain in the forthcoming Annual General Meeting, in accordance with the provisions of the Companies Act, 2013.

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39. EMPLOYEE BENEFITS

(A) Accounting Policy

Pension plans

Jaguar Land Rover operate defined benefit pension plans for certain of its subsidiaries, which are contracted out of the second state pension scheme until April 5, 2016. The assets of the plan are held in separate trustee administered funds. The plans provide for monthly pension after retirement as per salary drawn and service period as set out in rules of each fund.

Contributions to the plans by the Jaguar Land Rover subsidiaries take into consideration the results of actuarial valuations. The plans with a surplus position at the year-end have been limited to the maximum economic benefit available from unconditional rights to refund from the scheme or reduction in future contributions. Where the subsidiary group is considered to have a contractual obligation to fund the pension plan above the accounting value of the liabilities, an onerous obligation is recognised. A separate defined contribution plan is available to employees of Jaguar Land Rover. Costs in respect of this plan are charged to the consolidated statement of profit and loss as incurred.

Gratuity

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

Superannuation

Tata Motors Limited and some of its subsidiaries in India have two superannuation plans, a defined benefit plan and a defined contribution plan. An eligible employee as on April 1, 1996 could elect to be a member of either plan. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range from 0.75% to 2% of the annual basic salary for each year of service. Tata Motors Limited and such subsidiaries account for superannuation benefits payable in future under the plan based on an actuarial valuation.

With effect from April 1, 2003, this plan was amended and benefits earned by covered employees have been protected as at March 31, 2003. Employees covered by this plan are prospectively entitled to benefits computed on a basis that ensures that the annual cost of providing the pension benefits would not exceed 15% of salary. During the year ended March 31, 2015, the employees covered by this plan were given a one-time option to exit from the plan prospectively. Furthermore, the employees who opted for exit were given one- time option to withdraw accumulated balances from the superannuation plan. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. Tata Motors Limited and its subsidiaries contribute up to 15% or `150,000, whichever is lower, of the eligible employees' salary to the trust every year. Such contributions are recognised as an expense when incurred. Tata Motors Limited and such subsidiaries have no further obligation beyond this contribution.

Bhavishya Kalyan Yojana (BKY)

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

Provident fund and family pension

In accordance with Indian law, eligible employees of Tata Motors Limited and some of its subsidiaries and joint operations are entitled to receive benefits in respect of provident fund, a defined contributions plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, as specified under the law, are made to the provident fund and pension fund set up as an irrevocable trust by Tata Motors Limited and its subsidiaries or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest

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declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The embedded interest rate guarantee is considered to be defined benefit

Given the investment pattern prescribed by the authorities, most investments of provident fund has historically been in debt securities, thereby giving secure returns. However, due to a ratings downgrade and potential bond default of some of the companies, the total liability of principal and interest guarantee has since been actuarially valued as a defined benefit.

Severance indemnity

Tata Daewoo Commercial Vehicle Company Limited, or TDCV, a subsidiary company incorporated in Korea; has an obligation towards severance indemnity, a defined benefit retirement plan, covering eligible employees. The plan provides for a lump sum payment to all employees with more than one year of employment equivalent to 30 days' salary payable for each completed year of service.

Post-retirement medicare scheme

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

Tata Motors Limited and such subsidiaries account for the liability for post-retirement medical scheme based on an actuarial valuation.

Compensated absences

Tata Motors Limited and some of its subsidiaries and joint operations provide for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an actuarial valuation.

Remeasurement gains and losses

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on assets (excluding interest) relating to retirement benefit plans, are recognised directly in other comprehensive income in the period in which they arise. Remeasurement recorded in other comprehensive income is not reclassified to consolidated statement of profit and loss. Actuarial gains and losses relating to long-term employee benefits are recognised in the consolidated statement of profit and loss in the period in which they arise.

Measurement date

The measurement date of retirement plans is March 31.

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

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

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(B) Employee benefits consists of following:

Defined Benefit Plan

Pension and post retirement medical plans

The following table sets out the funded and unfunded status and the amounts recognized in the financial statements for the pension and the post retirement medical plans in respect of Tata Motors, its Indian subsidiaries and joint operations:

(` in crores)

	Pension benefits		Post retirement medical benefits	
	2022	2021	2022	2021
Change in defined benefit obligations :				
Defined benefit obligation, beginning of the year	1,337.41	1,308.46	184.49	168.98
Current service cost	90.47	90.12	8.21	7.87
Interest cost	88.37	85.38	11.57	10.80
Remeasurements (gains) / losses				
Actuarial (gains) / losses arising from changes in demographic assumptions	6.81	(2.46)	6.95	-
Actuarial losses arising from changes in financial assumptions	21.73	(0.06)	32.00	5.79
Actuarial (gains) / losses arising from changes in experience adjustments	73.50	(12.98)	32.93	0.28
Benefits paid from plan assets	(83.93)	(124.19)	-	-
Benefits paid directly by employer	(10.90)	(6.86)	(17.24)	(9.23)
Past service cost - Plan amendment	32.49	-	24.46	-
Acquisition/(Divestment)	(3.78)	-	(0.25)	-
Defined benefit obligation, end of the year	**1,552.17**	**1,337.41**	**283.12**	**184.49**
Change in plan assets:				
Fair value of plan assets, beginning of the year	1,231.31	1,128.22	-	-
Acquisition/(Divestment)	(2.65)	-	-	-
Interest income	83.12	77.67	-	-
Return on plan assets, (excluding amount included in net Interest cost)	11.01	35.59	-	-
Employer's contributions	52.95	114.02	-	-
Benefits paid	(83.93)	(124.19)	-	-
Fair value of plan assets, end of the year	**1,291.81**	**1,231.31**	**-**	**-**
Amount recognized in the balance sheet consists of:				
Present value of defined benefit obligation	1,552.17	1,337.41	283.12	184.49
Fair value of plan assets	1,291.81	1,231.31	-	-
Asset ceiling	(4.19)	(2.92)	-	-
Net liability	**(256.16)**	**(103.18)**	**(283.12)**	**(184.49)**
Amounts in the balance sheet:				
Non–current assets	2.07	42.67	-	-
Non–current liabilities	(258.23)	(145.85)	(283.12)	(184.49)
Net liability	**(256.16)**	**(103.18)**	**(283.12)**	**(184.49)**

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

(` in crores)

	Pension Benefits	
	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	1,065.53	124.78
Fair value of plan assets	1,008.43	112.49

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

(` in crores)

	As at March 31,	
	Pension Benefits	
	2022	2021
Defined benefit obligation	277.13	1,073.23
Fair value of plan assets	283.39	1,118.81

Information for unfunded plans:

(` in crores)

	Pension Benefits		Post retirement medical Benefits	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	209.50	139.40	283.12	184.49

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

(` in crores)

	Pension Benefits		Post retirement medical Benefits	
	For the year ende March 31, 2022	For the year ende March 31, 2021	For the year ende March 31, 2022	For the year ende March 31, 2021
Service cost	90.47	90.12	8.21	7.87
Net interest cost	5.25	8.31	11.57	10.80
Past service cost - Plan amendment	32.49	-	24.46	-
Net periodic cost	**128.21**	**98.43**	**44.24**	**18.67**

Other changes in plan assets and benefit obligation recognized in other comprehensive income.

(` in crores)

	Pension Benefits		Post retirement medical Benefits	
	For the year ende March 31, 2022	For the year ende March 31, 2021	For the year ende March 31, 2022	For the year ende March 31, 2021
	2022	2021	2022	2021
Remeasurements				
Return on plan assets, (excluding amount included in net Interest expense)	(11.01)	(35.59)	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	6.81	(2.46)	6.95	-
Actuarial losses arising from changes in financial assumptions	21.73	(0.06)	32.00	5.79
Asset ceiling	4.19	2.92	-	-
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	73.50	(12.98)	32.93	0.28
Total recognized in other comprehensive income	**95.22**	**(48.17)**	**71.88**	**6.07**
Total recognized in consolidated statement of comprehensive income	**223.43**	**50.26**	**116.12**	**24.74**

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

	Pension Benefits		Post retirement medical Benefits	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Discount rate	6.50% - 7.10%	6.00% - 6.90%	7.20%	6.90%
Rate of increase in compensation level of covered employees	6% - 10%	5.75% - 10.00%	NA	NA
Increase in health care cost	NA	NA	6.00%	6.00%

Plan Assets

The fair value of Company's pension plan asset as of March 31, 2022 and 2021 by category are as follows:

	Pension benefits	
	Plan assets as of March 31	
	2022	2021
Asset category:		
Cash and cash equivalents	2.30%	4.50%
Debt instruments (quoted)	66.09%	64.20%
Debt instruments (unquoted)	0.13%	0.50%
Equity instruments (quoted)	7.39%	5.20%
Deposits with Insurance companies	24.09%	25.60%
	100.00%	100.00%

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

The weighted average duration of the defined benefit obligation as at March 31, 2022 is **11.69** years (2020 : 13.05 years)

The Company expects to contribute `**84.20 crores** to the funded pension plans in the year ending March 31, 2023.

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

Assumption	Change in assumption	Impact on defined benefit obligation	Impact on service cost and interest cost
Discount rate	Increase by 1%	Decrease by ` 148.42 crores	Decrease by ` 27.67 crores
	Decrease by 1%	Increase by ` 171.60 crores	Increase by ` 29.54 crores
Salary escalation rate	Increase by 1%	Increase by ` 125.53 crores	Increase by ` 27.76 crores
	Decrease by 1%	Decrease by ` 112.32 crores	Decrease by ` 24.63 crores
Health care cost	Increase by 1%	Increase by ` 33.39 crores	Increase by ` 6.59 crores
	Decrease by 1%	Decrease by ` 27.98 crores	Decrease by ` 5.43 crores

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Provident Fund

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

(` in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Change in benefit obligations:		
Defined benefit obligations at the beginning	4,559.65	4,076.38
Reduction arising from surrender of Provident Fund exemption of subsidiaries	(200.42)	
Service cost	126.89	136.48
Employee contribution	292.36	316.65
Acquisitions (credit) / cost	(804.28)	(125.66)
Interest expense	356.47	345.74
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	(78.62)	7.28
Actuarial (gains) / losses arising from demographic assumptions	3.35	-
Actuarial (gains) / losses arising from changes in financial assumptions	147.32	44.12
Benefits paid	(317.30)	(241.34)
Defined benefit obligation, end of the year	**4,085.42**	**4,559.65**
Change in plan assets:		
Fair value of plan assets at the beginning	4,470.21	4,058.50
Reduction arising from surrender of Provident Fund exemption of subsidiaries	(197.33)	-
Acquisition Adjustment	(804.28)	(125.66)
Interest income	350.92	342.20
Return on plan assets excluding amounts included in interest income	232.21	(14.73)
Contributions (employer and employee)	419.03	451.24
Benefits paid	(317.30)	(241.34)
Fair value of plan assets at the end	**4,153.46**	**4,470.21**

Amount recognized in the balance sheet consists of:

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets	4,153.46	4,470.21
Present value of defined benefit obligation	4,085.42	4,559.65
	68.04	**(89.44)**
Effect of asset ceiling	(68.45)	(0.01)
Net liability	(0.41)	(89.45)

Net periodic cost for Provident Fund consist of the following components:

(` in crores)

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Service cost	126.89	136.48
Net interest cost / (income)	5.55	3.54
Net periodic cost	132.44	140.02

Notes Forming Part of Consolidated Financial Statements

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

(` in crores)

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Remeasurements		
Return on plan assets, (excluding amount included in net Interest expense)	(232.21)	14.73
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	(78.62)	7.28
Actuarial (gains) / losses arising from changes in financial assumptions	3.35	-
Actuarial (gains) / losses arising from demographic assumptions	147.32	44.12
Reversal of OCI for previous years due to surrender of Provident Fund of subsidiaries	(3.09)	-
Adjustments for limits on net asset	71.91	0.01
Total recognised in other comprehensive income	**(91.34)**	**66.14**
Total recognised in statement of profit and loss and other comprehensive income	**41.10**	**206.16**

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

(` in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.10%	6.90%
Expected rate of return on plan assets	8.00%	8.20% to 8.40%
Remaining term to maturity of portfolio	13.50	26.77

The breakup of the plan assets into various categories is as follows:

(` in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Central and State government bonds	42.68%	45.02%
Public sector undertakings and Private sector bonds	32.25%	33.76%
Others	25.07%	21.22%
Total	**100.00%**	**100.00%**

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

As at March 31, 2022, the defined benefit obligation would be affected by approximately `298.30 crores on account of a 1% decrease in the expected rate of return on plan assets.

The Company expects to contribute `134.32 crores to the defined benefit provident fund plan in the year ending March 31, 2023.

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Net severance indemnity cost consist of the following components:

Severance indemnity plan

Severance indemnity is a funded plan of Tata Daewoo Commercial Vehicles Limited (TDCV), a subsidiary of Tata Motors Limited.

The following table sets out, the amounts recognized in the financial statements for the severance indemnity plan.

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Change in defined benefit obligation:		
Defined benefit obligation, beginning of the year	311.08	284.75
Service cost	48.21	54.67
Interest cost	6.39	4.57
Remeasurements (gains) / losses		
Actuarial (gains)/losses arising from changes in financial assumptions	(5.36)	(21.35)
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	41.22	(19.66)
Actuarial (gains) / losses arising from changes in demographic assumptions	-	15.04
Benefits paid from plan assets	(6.25)	(19.09)
Benefits paid directly by employer	(0.79)	(1.94)
Foreign currency translation	(11.75)	14.09
Defined benefit obligation, end of the year	**382.75**	**311.08**
Change in plan assets:		
Fair value of plan assets, beginning of the year	265.06	231.73
Interest income	6.35	4.01
Remeasurements (loss)		
Return on plan assets, (excluding amount included in net Interest expense)	(5.47)	(1.59)
Employer's contributions	86.25	38.44
Benefits paid	(6.25)	(19.09)
Foreign currency translation	(10.23)	11.56
Fair value of plan assets, end of the year	**335.71**	**265.06**

Amount recognized in the balance sheet consist of:

	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	382.75	311.08
Fair value of plan assets	335.71	265.06
Net liability	**(47.04)**	**(46.02)**
Amounts in the balance sheet:		
Non-current liabilities	**(47.04)**	**(46.02)**

Net severance indemnity cost consist of the following components:

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Service cost	48.21	54.67
Net interest cost	0.04	0.56
Net periodic pension cost	**48.25**	**55.23**

Notes Forming Part of Consolidated Financial Statements

Other changes in plan assets and benefit obligation recognized in other comprehensive income for severance indemnity plan:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Remeasurements (gains) / losses		
Return on plan assets, (excluding amount included in net Interest expense)	5.47	1.59
Actuarial losses arising from changes in financial assumptions	(5.36)	(21.35)
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	41.22	(19.66)
Actuarial (gains) / losses arising from changes in demographic assumptions	-	15.04
Total recognized in other comprehensive income	**41.33**	**(24.38)**
Total recognized in statement of operations and other comprehensive income	**89.58**	**30.85**

The assumptions used in accounting for the Severance indemnity plan is set out below:

	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate	2.1%	1.6%
Rate of increase in compensation level of covered employees	3.5%	3.5%

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

Assumption	Change in assumption	Impact on scheme liabilities	Impact on service cost and interest cost
Discount rate	Increase by 1%	Decrease by ` 43.41 crores	Decrease by ` 14.17 crores
	Decrease by 1%	Increase by ` 50.92crores	Increase by ` 15.81 crores
Salary escalation rate	Increase by 1%	Increase by ` 49.72 crores	Increase by ` 17.00 crores
	Decrease by 1%	Decrease by ` 43.69 crores	Decrease by ` 14.62 crores

Severance indemnity plans asset allocation by category is as follows:

	As at March 31, 2022	As at March 31, 2021
Deposit with banks	100%	100%

The weighted average duration of the defined benefit obligation as at March 31, 2022 is **11.67** years (2021 : 10.79 years)

The Company expects to contribute ` **4.37 crores** to the funded severance indemnity plans in the year ending March 31, 2023.

Jaguar Land Rover Pension plan

Jaguar Land Rover Ltd UK, have pension arrangements providing employees with defined benefits related to pay and service as set out in the rules of each fund.

The UK defined benefit schemes are administered by a separate fund that is legally separated from the Company. The trustees of the pension schemes are required by law to act in the interest of the fund and of all relevant stakeholders in the scheme, is responsible for the investment policy with regard to the assets of the schemes and all other governance matters. The board of trustees must be composed of representatives of the Company and plan participants in accordance with the plan's regulations.

Through its defined benefit pension plans the Company is exposed to a number of risks, the most significant of which are detailed below :

Asset volatility

The plan liabilities are calculated using a discount rate set with references to corporate bond yields; if plan assets under perform compared to the corporate bonds discount rate, this will create or increase a deficit. The defined benefit plans hold a significant proportion of equity type assets, which are expected to outperform corporate bonds in the long-term while providing volatility and risk in the short-term.

As the plans mature, the Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

Notes Forming Part of Consolidated Financial Statements

However, the Company believes that due to the long-term nature of the plan liabilities and the strength of the supporting group, a level of continuing equity type investments is an appropriate element of the Company's long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in corporate bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

Inflation risk

Some of the Company's pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against high inflation). The plans hold a significant proportion of assets in index linked gilts, together with other inflation hedging instruments and also assets which are more closely correlated with inflation. However an increase in inflation will also increase the deficit to some degree.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the UK defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

The following table sets out the disclosure pertaining to employee benefits of Jaguar Land Rover Limited

(` in crores)

	Pension benefits	
	As at March 31, 2022	As at March 31, 2021
Change in defined benefit obligation:		
Defined benefit obligation, beginning of the year	84,961.96	72,842.15
Service cost	1,182.31	1,271.52
Interest cost	1,794.60	1,613.80
Remeasurements (gains) / losses		
Actuarial (gains)/losses arising from changes in demographic assumptions	104.56	(203.50)
Actuarial losses/(gains) arising from changes in financial assumptions	(7,181.23)	8,431.18
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	(27.49)	(726.36)
Past service cost/(credit)	0.20	155.95
Benefits paid	(5,131.71)	(4,282.44)
Member contributions	18.94	11.64
Premium paid	(22.50)	-
Foreign currency translation	(915.93)	5,848.02
Defined benefit obligation, end of the year	**74,783.71**	**84,961.96**
Change in plan assets:		
Fair value of plan assets, beginning of the year	81,071.46	76,404.42
Interest Income	1,733.31	1,653.39
Remeasurements gains / (losses)		
Return on plan assets, (excluding amount included in net Interest expense)	92.75	215.10
Employer's contributions	2,418.48	1,431.36
Members contributions	18.94	11.26
Benefits paid	(5,131.71)	(4,282.44)
Premium paid	(22.50)	
Expenses paid	(271.93)	(215.95)
Foreign currency translation	(1,053.12)	5,854.32
Fair value of plan assets, end of the year	**78,855.68**	**81,071.46**

The actual return on the schemes' assets for the year ended March 31, 2022 was ` **1,779.68 crores** (2021: ` 1,863.20 crores).

Notes Forming Part of Consolidated Financial Statements

Amount recognized in the balance sheet consist of:

(` in crores)

	Pension benefits	
	Year ended March 31, 2022	Year ended March 31, 2021
Present value of defined benefit obligation	74,783.71	84,961.96
Fair value of plan Assets	78,855.68	81,071.46
Net (liability) /Assets	**4,071.97**	**(3,890.50)**
Amount recognized in the balance sheet consist of:		
Non- current assets	4,316.99	5.04
Non -current liabilities	(245.02)	(3,895.54)
Net (liability) /Assets	**4,071.97**	**(3,890.50)**

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

	Pension benefits	
	As at March 31, 2022	As at March 31, 2021
Current service cost	1,182.31	1,271.52
Past service cost	0.20	155.95
Administrative expenses	271.93	215.95
Net interest cost (Including onerous obligations)	61.29	(39.59)
Net periodic pension cost	**1,515.73**	**1,603.83**

Amount recognized in other comprehensive income

	Pension benefits	
	As at March 31, 2022	As at March 31, 2021
Actuarial (gains) / losses arising from changes in demographic assumptions	104.56	(203.50)
Actuarial losses / (gains) arising from changes in financial assumptions	(7,181.23)	8,431.18
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	(27.49)	(726.36)
Return on plan assets, (excluding amount included in net Interest expense)	(92.75)	(215.10)
Total recognized in other comprehensive income	**(7,196.91)**	**7,286.22**
Total recognized in statement of profit and loss and other comprehensive income	**(5,681.18)**	**8,890.05**

The assumptions used in accounting for the pension plans are set out below:

	Pension benefits	
	Year ended March 31, 2022	Year ended March 31, 2020
		2021
Discount rate	2.1%	2.1%
Expected rate of increase in benefit revaluation of covered employees	2.2%	2.2%
RPI Inflation rate	3.5%	3.1%

Notes Forming Part of Consolidated Financial Statements

For the valuation as at March 31, 2022, the mortality assumptions used are the Self- Administered Pension Schemes ("SAPS") mortality base table, S2PxA tables ("Light" table for members of the Jaguar Executive Pension Plan).

For the Jaguar Pension Plan, scaling factor of 101% to 115% have been used for male members and scaling factor of 103% to 118% have been used for female members.

For the Land Rover Pension Scheme, scaling factor of 105% to 117% have been used for male members and scaling factor of 100% to 116% have been used for female members.

For the Jaguar Executive Pension Plan, an average scaling factor of 93% to 97% has been used for male members and an average scaling factor of 91% to 96% has been used for female members.

For the valuation at March 31, 2021, the mortality assumptions used were the SAPS mortality base table, S2PxA tables ("Light" tables for members of the Jaguar Executive Pension Plan).

For the Jaguar Pension Plan, scaling factor of 111% to 117% have been used for male members and scaling factor of 101% to 112% have been used for female members.

For the Land Rover Pension Scheme, scaling factor of 107% to 111% have been used for male members and scaling factor of 101% to 109% have been used for female members.

For the Jaguar Executive Pension Plan, an average scaling factor of 94% has been used for male members and an average scaling factor of 84% has been used for female members.

For the 2022 year end calculations there is an allowance for future improvements in line with the CMI (2021) projections and an allowance for long-term improvements of **1.25**% per annum and a smoothing parameter of **7.5**, (2021: CMI (2020) projections with 1.25% per annum improvements and a smoothing parameter of 7.5))

A past service cost of ` 91.63 crores was recognised in the year ended March 31, 2021 following a further High Court ruling, published on November 20, 2020, that provided clarification on the obligations of pension plan trustees to equalise past transfer values allowing for the effect of unequal Guaranteed Minimum Pensions ('GMP') between May 17, 1990 and April 5, 1997 ("GMP equalisation").

A further past service cost of ` 71.27 crores was also recognised in the year ended March 31, 2021. This reflects benefit improvements for certain members as part of the Group restructuring programme that commenced in the year ended March 31, 2021.

The assumed life expectations on retirement at age 65 are (years)	**As at March 31, 2022**	**As at March 31, 2021**
Retiring today :		
Males	21.6	21.0
Females	23.8	23.3
Retiring in 20 years :		
Males	23.0	22.4
Females	25.7	25.2

Notes Forming Part of Consolidated Financial Statements

Pension plans asset allocation by category is as follows:

(` in crores)

	As at March 31, 2022			As at March 31, 2021		
	Quoted*	Unquoted	Total	Quoted *	Unquoted	Total
Equity Instruments						
Information Technology	-	1,266.10	1,266.10	1,345.22	-	1,345.22
Energy	-	180.87	180.87	107.82	-	107.82
Manufacturing	-	949.57	949.57	753.73	-	753.73
Financials	-	406.96	406.96	484.68	-	484.68
Others	-	1,718.27	1,718.27	2,690.44	-	2,690.44
	-	**4,521.77**	**4,521.77**	**5,381.89**	**-**	**5,381.89**
Debt Instruments						
Government	18,026.46	650.47	18,676.93	17,263.15	-	17,263.15
Corporate Bonds (Investment Grade)	11,427.73	3,084.56	14,512.29	13,877.43	2,076.78	15,954.21
Corporate Bonds (Non Investment Grade)	-	9,673.90	9,673.90	944.17	9,746.59	10,690.76
	29,454.19	**13,408.93**	**42,863.12**	**32,084.75**	**11,823.37**	**43,908.12**
Property Funds						
UK	-	3,050.31	3,050.31	-	3,058.23	3,058.23
Other	-	2,388.15	2,388.15	-	2,020.35	2,020.35
	-	**5,438.46**	**5,438.46**	**-**	**5,078.58**	**5,078.58**
Cash and cash equivalents	749.65	3,604.10	4,353.75	2,673.31	-	2,673.31
Other						
Hedge Funds	-	5,026.85	5,026.85	-	4,993.94	4,993.94
Private Markets	-	9,924.44	9,924.44	-	8,303.08	8,303.08
Alternatives	-	4,589.38	4,589.38	574.36	5,889.75	6,464.11
	-	**19,540.68**	**19,540.68**	**574.36**	**19,186.77**	**19,761.13**
Derivatives						
Foreign exchange contracts	-	(345.99)	(345.99)	-	152.16	152.16
Interest Rate and inflation swaps	-	2,483.90	2,483.90	-	3,632.60	3,632.60
Equity protection derivatives	-	-	-	-	483.67	483.67
	-	**2,137.91**	**2,137.91**	**-**	**4,268.43**	**4,268.43**
Total	**30,203.84**	**48,651.84**	**78,855.68**	**40,714.31**	**40,357.15**	**81,071.46**

* determined on the basis of quoted prices for identical assets or liabilities in active markets.

As at March 31, 2022, the schemes held Gilt Repos. The net value of these transactions is included in the value of government bonds in the table above. The value of the funding obligation for the Repo transactions is ` **14,535.70** crores at March 31, 2022 (2021: ` 20,727.47 crores, 2020: ` 24,683.78 crores).

The sensitivity analysis below is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the consolidated balance sheet.

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The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous periods.

Assumption	Change in assumption	Impact on scheme liabilities	Impact on service cost
Discount rate	Increase/decrease by 0.25%	Decrease/increase by ` 3,387.36 crores	Decrease/increase by ` 56.67 crores
Inflation rate	Increase/decrease by 0.25%	Increase/decrease by ` 1,746.87 crores	Increase/decrease by ` 9.94 crores
Mortality rate	Increase/decrease by 1 year	Increase/decrease by ` 2,650.63 crores	Increase/decrease by ` 33.80 crores

Private Equity holdings have been measured using the most recent valuations, adjusted for cash and currency movements between the last valuation date and March 31 , 2022. Given the movements in listed equity markets, the valuation of Private Equity holdings may vary significantly. The value of the Private Equity holdings in the JLR UK Plans included above is ` 6,571.89 crores as at March 31 , 2022.

Jaguar Land Rover contributes towards the UK defined benefit schemes. The April 5, 2018 valuations were completed in December 2018. As a result of these valuations it is intended to eliminate the pension scheme funding deficits over the 10 years to March 31, 2028. Whilst there is currently an additional liability over the projected benefit obligation, based on current legal advice the Group will not be required to recognise an additional obligation in the future. JLR has taken legal advice considering the documentation of the UK schemes and the regulatory environment. This confirmed the recoverability of any surplus in the scheme and JLR has based its accounting judgement on this advice.

In line with the schedule of contributions agreed following the 2018 statutory funding valuations and amended in April 2020, the current ongoing Group contribution rate for defined benefit accrual is c.21 per cent of pensionable salaries in the UK. The 2021 statutory funding valuations are expected to be completed by June 30, 2022.

The average duration of the benefit obligation at March 31, 2022 is **17.5** years (2021: 19 years).

The expected net periodic pension cost for the year ended March 31, 2023 is expected to be ` 1,123.48 crores. The Group expects to pay `1,173.20 crores to its defined benefit schemes, in total, for the year ended March 31, 2023.

Deficit contributions are paid in line with the schedule of contributions at a rate of ` 596.54 crores per year until March 31, 2024 followed by `248.56 crores per year until March 31, 2028. In addition, contributions previously due for April, May and June 2020 have been re-spread over FY22. This agreement is reflected in an updated Schedule of Contributions dated April 29, 2020.

Defined contribution plan

The Company's contribution to defined contribution plans aggregated `**1,211.49** crores, `1,509.05 crores for years ended March 31, 2022 and 2021, respectively.

40. COMMITMENTS AND CONTINGENCIES

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

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

Litigation

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

Income Tax

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

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

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

As at March 31, 2022, contingent liabilities towards matters and/or disputes pending in appeal amount to `**975.96** crores, which includes `**7.17** crores in respect of equity accounted investees (`621.35 crores, which includes `7.82 crores in respect of equity accounted investees as at March 31, 2021).

Customs, Excise Duty and Service Tax

As at March 31, 2022, there are pending litigations for various matters relating to customs, excise duty and service tax involving demands, including interest and penalties, of `**680.90** crores, which includes `**4.12** crores in respect of equity accounted investees (`642.73 crores, which includes `1.05 crores in respect of equity accounted investees as at March 31, 2021). These demands challenged the basis of valuation of the Company's products and denied the Company's claims of Central Value Added Tax, or CENVAT, credit on inputs. The details of the demands for more than `100 crores are as follows:

As at March 31, 2022, the Excise Authorities have raised a demand and penalty of `**268.27** crores, (`268.27 crores as at March 31, 2021), due to the classification of certain chassis (as goods transport vehicles instead of dumpers) which were sent to automotive body builders by the Company, which the Excise Authorities claim requires the payment of the National Calamity Contingent Duty (NCCD). The Company has obtained a technical expert certificate on the classification. The appeal is pending before the Custom Excise & Service Tax Appellate Tribunal.

Sales Tax

The total sales tax demands (including interest and penalty), that are being contested by the Company amount to `**1,398.08** crores, which includes `**10.77** crores in respect of equity accounted investees as at March 31, 2022 (`1,421.98 crores, which includes `8.96 crores in respect of equity accounted investees, as at March 31, 2021). The details of the demands for more than `100 crores are as follows:

The Sales Tax Authorities have raised demand of `**324.00** crores (`326.85 crores as at March 31, 2021) towards rejection of certain statutory forms for concessional lower/nil tax rate (Form F and Form C) on technical grounds and few other issues such as late submission, single form issued against different months / quarters dispatches / sales, etc. and denial of exemption from tax in absence of proof of export for certain years The Company has contended that the benefit cannot be denied on technicalities, which are being complied with. The matter is pending at various levels.

The Sales Tax authorities have denied input tax credit and levied interest and penalty thereon due to varied reasons aggregating to `**283.62** crores as at March 31, 2022 (`270.50 crores as at March 31, 2021). The reasons for disallowing credit was mainly due to Taxes not paid by Vendors, incorrect method of calculation of set off as per the department, alleging suppression of sales as per the department etc. The matter is contested in appeal.

The Sales Tax Authorities have raised demand for Check Post/ Entry Tax liability at various states amouting to `**501.38** crores as at March 31, 2022 (`434.59 crores as at March 31, 2021). The Company is contesting this issue.

Other Taxes and Dues

Other amounts for which the Company may contingently be liable aggregate to `**255.15** crores, which includes `**1.28** crores in respect of equity accounted investees as at March 31, 2022 (`246.96 crores, which includes `0.77 crores in respect of equity accounted investees, as at March 31, 2021).

As at March 31, 2022, property tax amounting to `**100.07** crores (`95.75 crores as at March 31, 2021) has been demanded by the local municipal authorities in respect of vacant land of the Company in the plant in Pimpri ((including residential land), Chinchwad and Chikali Pune. The Company had filed Special Leave Petition (SLP) before the Supreme Court against an unfavorable decision of the Bombay High Court. The Hon'ble Supreme Court had disposed of the SLP and remanded the matter back to the local municipal

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corporation for fresh adjudication.After fresh hearing, the municipal authority again passed the same order as it had passed earlier, which the Company has challenged before the Civil Court. The Civil Court has passed an injunction order restraining the municipal authority from taking any action of recovery.

Other claims

There are other claims against the Company, the majority of which pertain to government body investigations with regards to regulatory compliances, motor accident claims, product liability claims and consumer complaints. Some of the cases also relate to the replacement of parts of vehicles and/or the compensation for deficiencies in the services by the Company or its dealers.

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

The Company has, consequent to an Order of the Hon'ble Supreme Court of India in the case of R.C.Gupta Ors. Vs Regional Provident Fund Organisation and Ors., evaluated the impact on its employee pension scheme and concluded that this is not applicable to the Company based on external legal opinion and hence it is not probable that there will be an outflow of resources. Further a Supreme Court of India bench, allowed the review petitions filed by the Employees Provident Fund Organisation (EPFO) and decided to reconsider the previous order that permitted grant of Provident Fund pension on last drawn salary. The Supreme Court has recalled its 2019 order which had paved way for pension on last drawn salary for employees by removing the current salary ceiling of `15,000.

Commitments

The Company has entered into various contracts with vendors and contractors for the acquisition of plant and machinery, equipment and various civil contracts of a capital nature amounting to `**8,847.53** crores, as at March 31, 2022 (`9,632.52 crores as at March 31, 2021), which are yet to be executed.

The Company has entered into various contracts with vendors and contractors for the acquisition of intangible assets of a capital nature amounting to `**335.83** crores as at March 31, 2022, (`251.06 crores as at March 31, 2021), which are yet to be executed.

Under the joint venture agreement with Chery Jaguar Land Rover Automotive Co. Limited, the Company is committed to contribute `5,977.00 crores as at March 31, 2022 (`5,578.50 crores as at March 31, 2021) towards its share in the capital of the joint venture of which `**4,154.01** crores (`3,877.06 crores as at March 31, 2021) has been contributed as at March 31, 2022. As at March 31, 2022, the Company has an outstanding commitment of `**1,822.98** crores (`1,701.44 crores as at March 31, 2021).

The Company has contractual obligation towards Purchase Commitment for `**18,650.90** crores as at March 31, 2022 (`23,766.43 crores as on March 31, 2021).

41. CAPITAL MANAGEMENT

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

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

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

Total debt includes all long and short-term debts as disclosed in notes 26 and 27 to the consolidated financial statements. Equity comprises all components excluding (profit)/loss on cash flow hedges and foreign currency translation reserve.

Notes Forming Part of Consolidated Financial Statements

The following table summarizes the capital of the Company:

(` in crores)

	As at March 31, 2022	As at March 31, 2021
Equity*	45,613.11	47,661.09
Short-term borrowings and current portion of long-term debt	41,917.87	42,791.74
Long-term debt	97,759.17	93,112.77
Total debt	**139,677.04**	**135,904.51**
Total capital (Debt + Equity)	**185,290.15**	**183,565.60**

* Details of equity :

	As at March 31, 2022	As at March 31, 2021
Total equity as reported in balance sheet	48,832.30	56,820.21
Currency translation reserve attributable to		
- Shareholders of Tata Motors Limited	(8,616.39)	(8,727.21)
- Non-controlling interests	(56.44)	(53.67)
Hedging reserve and cost of hedge reserve	5,453.64	(378.24)
Equity as reported above	45,613.11	47,661.09

42. FINANCIAL INSTRUMENTS

(A). Accounting Policy

Recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument

Initial measurement

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in profit or loss.

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

Classification and measurement – financial assets

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

Financial assets are classified into three categories

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

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

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

Notes Forming Part of Consolidated Financial Statements

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

Financial assets at fair value through other comprehensive income (Debt instruments): Financial assets having contractual terms that give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows as well as to sell the financial asset, are classified in this category. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in other comprehensive income apart from any expected credit losses or foreign exchange gains or losses, which are recognised in profit or loss.

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

Classification and measurement – financial liabilities:

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

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

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

Equity instruments:

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

Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

Derecognition of financial assets and financial liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

Notes Forming Part of Consolidated Financial Statements

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

(iii) Derecognition of financial assets and financial liabilities:

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity is transferred to the statement of profit and loss unless it was an equity instrument electively held at fair value through other comprehensive income. In this case, any cumulative gain or loss in equity is transferred to retained earnings. Financial assets are written off when there is no reasonable expectation of recovery. The Company reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities.

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

(iv) Impairment of financial assets:

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

Hedge accounting

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

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

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

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

For forwards and options, forward premium and the time value are not considered part of the hedge. These are treated as cost of hedge and the changes in fair value attributable to forward premium is recognised in the other comprehensive income along with the changes in fair value determined to be effective portion of the hedge.

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

Notes Forming Part of Consolidated Financial Statements

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

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

(B) Disclosure on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the consolidated financial statements.

(a) Financial assets and liabilities

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

(` in crores)

	Financial assets	Cash and other financial assets at amortised cost	Non -Derivative Financial assets at fair value	Derivatives other than in hedging relationship (at fair value through profit or loss)	Derivatives in hedging relationship (at fair value)	Total carrying value	Total fair value
(a)	Other investments - non-current	542.61	1,778.31	-	-	2,320.92	2,320.92
(b)	Investments - current	16,905.10	5,804.12	-	-	22,709.22	22,709.22
(c)	Trade receivables	12,442.12	-	-	-	12,442.12	12,442.12
(d)	Cash and cash equivalents	38,159.01	-	-	-	38,159.01	38,159.01
(e)	Other bank balances	2,510.18	-	-	-	2,510.18	2,510.18
(f)	Loans and advances - non-current	843.35	-	-	-	843.35	843.35
(g)	Loans and advances - current	1,671.93	-	-	-	1,671.93	1,671.93
(h)	Finance receivable - current	8,005.06	14,090.29	-	-	22,095.35	22,095.35
(i)	Finance receivable - non-current	11,135.85	-	-	-	11,135.85	11,400.14
(j)	Other financial assets - non-current	3,161.90	-	1,222.99	794.60	5,179.49	5,179.49
(k)	Other financial assets - current	1,881.33	-	1,333.43	585.06	3,799.82	3,799.82
	Total	**97,258.44**	**21,672.72**	**2,556.43**	**1,379.65**	**122,867.24**	**123,131.53**

Notes Forming Part of Consolidated Financial Statements

(` in crores)

Financial liabilities		Derivatives other than in hedging relationship (at fair value)	Derivatives in hedging relationship (at fair value)	Other financial liabilities (at amortised cost)	Total carrying value	Total fair value
(a)	Long-term borrowings (including current maturities of long-term borrowings) (refer note below)	-	-	122,298.67	122,298.67	122,374.08
(b)	Lease Liability (including current)	-	-	6,771.99	6,771.99	7,063.14
(c)	Short-term borrowings	-	-	17,378.37	17,378.37	17,378.37
(d)	Trade payables	-	-	59,970.38	59,970.38	59,970.38
(e)	Acceptances	-	-	9,779.95	9,779.95	9,779.95
(f)	Other financial liabilities - non-current	529.74	2,885.80	1,918.12	5,333.66	5,333.66
(g)	Other financial liabilities - current	306.00	4,137.42	9,976.82	14,420.24	14,420.24
	Total	**835.74**	**7,023.22**	**228,094.30**	**235,953.26**	**236,319.82**

Note:

1 Includes `**7,473.56 crores** designated as hedged item in fair value hedge relationship. This includes a loss of `**678.05 crores** on account of fair value changes attributable to the hedged interest rate risk.

2 Includes `**9,183.30 crores** (£923.66 million) designated as hedging instrument in net investment hedge relationship.

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2021.

(` in crores)

Financial assets		Cash and other financial assets at amortised cost	Non -Derivative Financial assets at fair value	Derivatives other than in hedging relationship (at fair value through profit or loss)	Derivatives in hedging relationship (at fair value)	Total carrying value	Total fair value
(a)	Other investments - non-current	-	1,368.30	-	-	1,368.30	1,368.30
(b)	Investments - current	16,078.84	2,972.35	-	-	19,051.19	19,051.19
(c)	Trade receivables	12,679.08	-	-	-	12,679.08	12,679.08
(d)	Cash and cash equivalents	31,700.01	-	-	-	31,700.01	31,700.01
(e)	Other bank balances	15,092.45	-	-	-	15,092.45	15,092.45
(f)	Loans and advances - non-current	1,034.89	-	-	-	1,034.89	1,034.89
(g)	Loans and advances - current	1,610.61	-	-	-	1,610.61	1,610.61
(h)	Finance receivable - current	9,879.20	7,988.89	-	-	17,868.09	17,868.09
(i)	Finance receivable - non-current	16,846.82	-	-	-	16,846.82	17,181.68
(j)	Other financial assets - non-current	2,936.17	-	637.52	2,623.70	6,197.39	6,197.39
(k)	Other financial assets - current	2,561.69	-	759.88	2,091.54	5,413.11	5,413.11
	Total	**110,419.76**	**12,329.54**	**1,397.40**	**4,715.24**	**128,861.94**	**129,196.80**

Notes Forming Part of Consolidated Financial Statements

(` in crores)

Financial liabilities		Derivatives other than in hedging relationship (at fair value)	Derivatives in hedging relationship (at fair value)	Other financial liabilities (at amortised cost)	Total carrying value	Total fair value
(a)	Long-term borrowings (including current maturities of long-term borrowings) (note below)	-	-	114,241.72	114,241.72	109,317.56
(b)	Lease Liability (including current)	-	-	6,226.06	6,226.06	6,899.68
(c)	Short-term borrowings	-	-	21,662.79	21,662.79	21,662.79
(d)	Trade payables	-	-	68,179.84	68,179.84	68,179.84
(e)	Acceptances	-	-	7,860.31	7,860.31	7,860.31
(f)	Other financial liabilities - non-current	763.52	1,295.91	496.92	2,556.35	2,556.35
(g)	Other financial liabilities - current	686.64	1,733.54	11,305.46	13,725.64	13,725.64
	Total	**1,450.16**	**3,029.45**	**229,973.10**	**234,452.71**	**230,202.17**

Note:

1 Includes `7,900.02 crores designated as hedged item in fair value hedge relationship. This includes a loss of `10.08 crores on account of fair value changes attributable to the hedged intrest rate risk.

Fair Value Hierarchy

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

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

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

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

(` in crores)

		As at March 31, 2022			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
(a)	Investments	6,555.53	-	1,026.90	7,582.43
(b)	Derivative assets	-	3,936.08	-	3,936.08
(c)	Finance receivables	-	-	14,090.29	14,090.29
	Total	**6,555.53**	**3,936.08**	**15,117.19**	**25,608.80**
Financial liabilities measured at fair value					
(a)	Derivative laibilities	-	7,858.96	-	7,858.96
(b)	Financial Liabilities		1,250.00		
	Total	**-**	**9,108.96**	**-**	**7,858.96**

Costs of certain unquoted equity instruments have been considered as an appropriate estimate of fair value because these investments are subject to a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value in profit or loss.

Notes Forming Part of Consolidated Financial Statements

Fair values of forward derivatives and commodity swap contracts are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. Option contracts are fair valued using standard options pricing methodology, based on prevailing market interest rates and volatality.

Reconciliation of financial assets measured at fair value using significant unobservable inputs (Level 3)

(` in crores)

	As at March 31, 2022	As at March 31, 2022
Balance at the beginning	8,857.80	4,431.38
Originated / purchased during the period	10,188.79	6,152.93
Interest accrued on loans measured at FVOCI	39.88	17.71
Disposals during the period	(4,074.87)	(1,976.20)
Loan loss provision recognised/(reversed)	(138.39)	-
Fair value changes recognized through OCI	212.20	241.17
Fair value changes recognized through P& L	20.91	(8.34)
Foreign exchange translation difference	10.87	(0.85)
Balance at the end	**15,117.19**	**8,857.80**

		As at March 31, 2021			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
(a)	Investments	3,471.74	-	868.91	4,340.65
(b)	Derivative assets	-	6,112.64	-	6,112.64
(c)	Finance receivables	-	-	7,988.89	7,988.89
	Total	**3,471.74**	**6,112.64**	**8,857.80**	**18,442.18**
Financial liabilities measured at fair value					
(a)	Derivative liabilities	-	4,479.61	-	4,479.61
	Total	**-**	**4,479.61**	**-**	**4,479.61**

There have been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2022 and 2021.

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

(` in crores)

		As at March 31, 2022			
		Level 1	Level 2	Level 3	Level 4
Financial assets not measured at fair value					
(a)	Investments	17,447.71	-	-	17,447.71
(b)	Finance receivables	-	-	19,405.20	19,405.20
	Total	**17,447.71**	**-**	**19,405.20**	**36,852.91**
Financial liabilities not measured at fair value					
(a)	Long-term borrowings (including current maturities of long term borrowing)	57,188.24	65,185.84	-	122,374.08
(b)	Short-term borrowings	-	17,378.37	-	17,378.37
	Total	**57,188.24**	**82,564.21**	**-**	**139,752.45**

Notes Forming Part of Consolidated Financial Statements

(` in crores)

		As at March 31, 2021			
		Level 1	Level 2	Level 3	Level 4
Financial assets not measured at fair value					
(a)	Investments	16,078.84	-	-	16,078.84
(b)	Finance receivables	-	-	27,060.88	27,060.88
	Total	**16,078.84**	**-**	**27,060.88**	**43,139.72**
Financial liabilities not measured at fair value					
(a)	Long-term borrowings (including current maturities of long term borrowing)	54,749.83	54,567.73	-	109,317.56
(b)	Short-term borrowings	-	21,662.79	-	21,662.79
	Total	**54,749.83**	**76,230.52**	**-**	**130,980.35**

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

The fair value of finance receivables has been estimated by discounting expected cash flows using rates at which loans of similar credit quality and maturity would be made and internal assumptions such as expected credit losses and estimated collateral value for repossessed vehicles as at March 31, 2022 and 2021. Since significant unobservable inputs are applied in measuring the fair value, finance receivables are classified in Level 3.

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

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

Offsetting

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

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

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

(` in crores)

					Amounts subject to an enforceable master netting arrangement		
		Gross amount recognized	Gross amount recognized as set off in the balance sheet	Net amount presented in the balance sheet	Financial instruments	Cash collateral (received/ pledged)	Net amount after offsetting
Financial assets							
(a)	Derivative financial instruments	3,936.08	-	3,936.08	(2,816.89)	-	1,119.19
(b)	Trade receivables	12,443.76	(1.64)	12,442.12	-	-	12,442.12
(c)	Cash and cash equivalents	38,288.26	(129.25)	38,159.01	-	-	38,159.01
	Total	**54,668.10**	**(130.89)**	**54,537.21**	**(2,816.89)**	**-**	**51,720.32**
Financial liabilities							
(a)	Derivative financial instruments	7,858.96	-	7,858.96	(2,816.89)	-	5,042.07
(b)	Trade payable	59,972.02	(1.64)	59,970.38	-	-	59,970.38
(c)	Loans from banks/financial institutions (short-term & current maturities of long term debt)	42,047.12	(129.25)	41,917.87	-	-	41,917.87
	Total	**109,878.10**	**(130.89)**	**109,747.21**	**(2,816.89)**	**-**	**106,930.32**

Notes Forming Part of Consolidated Financial Statements

The following table discloses the amounts that have been offset in arriving at the balance sheet presentation and the amounts that are available for offset only under certain conditions as at March 31, 2021:

(` in crores)

					Amounts subject to an enforceable master netting arrangement		
		Gross amount recognized	Gross amount recognized as set off in the balance sheet	Net amount presented in the balance sheet	Financial instruments	Cash collateral (received/ pledged)	Net amount after offsetting
Financial assets							
(a)	Derivative financial instruments	6,112.64	-	6,112.64	(3,679.34)	-	2,433.30
(b)	Trade receivables	12,882.16	(203.08)	12,679.08	-	-	12,679.08
(c)	Cash and cash equivalents	33,881.59	(2,181.58)	31,700.01	-	-	31,700.01
	Total	**52,876.39**	**(2,384.66)**	**50,491.73**	**(3,679.34)**	**-**	**46,812.39**
Financial liabilities							
(a)	Derivative financial instruments	4,479.61	-	4,479.61	(3,679.34)	-	800.27
(b)	Trade payable	68,382.92	(203.08)	68,179.84	-	-	68,179.84
(c)	Loans from banks/financial institutions (short-term & current maturities of long term debt)	44,973.32	(2,181.58)	42,791.74	-	-	42,791.74
	Total	**117,835.85**	**(2,384.66)**	**115,451.19**	**(3,679.34)**	**-**	**111,771.85**

(b) Transfer of financial assets

The Company transfers finance receivables through securitisation transactions and direct assignments. In such transactions the Company surrenders control over the receivables, though it continues to act as an agent for the collection of receivables. Generally in such transactions, the Company also provides credit enhancements to the transferee.

Because of the existence of credit enhancements in such transactions, the Company continues to have the obligation to pay to the transferee, limited to the extent of credit enhancement provided, even if it does not collect the equivalent amounts from the original asset and hence continues to retain substantially all risks and rewards associated with the receivables, and as a result of which such transfer or assignment does not meet the derecognition criteria, resulting in the transfer not being recorded as sale. Consequently, the proceeds received from such transfers are recorded as collateralized debt obligations.

Further the Company transfers certain trade receivables under the debt factoring arrangements. These do not qualify for derecognition, due to existence of the recourse arrangement. Consequently the proceeds received from such transfers with a recourse arrangements are recorded as loans from banks / financial institutions and classified under short-term borrowings.

The carrying amount of trade receivables and finance receivables transferred along with the associated liabilities is as follows:

(` in crores)

Nature of Asset		As at March 31, 2022		As at March 31, 2022	
		Carrying amount of asset transferred	Carrying amount of associated liabilities	Carrying amount of asset transferred	Carrying amount of associated liabilities
(a)	Trade receivables	31.80	31.80	238.35	238.35
(b)	Finance receivables	1,246.48 [1]	1,181.72	3,008.43 [1]	2,972.16

[1] Net of provision of ` **23.95** crores and ` **53.49** crores as at March 31, 2022 and 2021, respectively.

(c) Cash flow hedges

As at March 31, 2022, the Company have a number of financial instruments designated in a hedging relationship. The Company and its subsidiaries use both foreign currency forward and option contracts, cross currency interest rate swaps and other currency options to hedge changes in future cash flows as a result of foreign currency and interest rate risk arising from forecasted sales and purchases and repayment of foreign currency bonds. The Company and its subsidiaries have also designated some of its U.S. dollar denominated bonds as hedging instruments in a cash flow hedging relationship to hedge the changes in future cash flows as a result of foreign currency risk arising from future anticipated sales.

Notes Forming Part of Consolidated Financial Statements

The Company also have a number of foreign currency options and other currency options, which are entered into as an economic hedge of the financial risks of the Company. These contracts do not meet the hedge accounting criteria of Ind AS 109, hence the change in fair value of these derivatives are recognized in the statement of Profit and Loss.

Options are designated on spot discounted basis. The time value of options are identified as cost of hedge. Changes in the time value of options are recognised in Cost of Hedge reserve to the extent they relate to the hedged item. Changes in the spot intrinsic value of options is recognized in Hedge reserve. Changes in fair value arising from own and counterparty credit risk in options and forward exchange contracts are considered ineffective in the hedge relationship and thus the change in fair value of options & forward exchange contracts attributable to changes in credit spread are recognised in the consolidated statement of profit and loss. Cross currency basis spread was historically included in the hedging relationship. Any ineffectiveness arising out of cross currency basis spread is recognised in the statement of profit and loss as it arises. Cross currency basis spread arising from forward exchange contracts entered after 1st January 2018 is identified as cost of hedge and accordingly changes in fair value attributable to this is recognized in cost of hedge reserve to the extent they relate to the hedged item.

Changes in fair value of foreign currency derivative and bonds, to the extent determined to be an effective hedge, is recognized in other comprehensive income and the ineffective portion of the fair value change is recognized in consolidated statement of Profit and Loss. The fair value gain/losses recorded in Hedge reserve and Cost of Hedge reserve is recognised in the consolidated statement of profit and loss when the forecasted transactions affects profit or loss. The accumulated gain/losses in hedge reserve and cost of hedge reserve are expected to be recognized in consolidated statement of profit or loss during the years ending March 31, 2021 to 2025.

It is anticipated that the hedged sales will take place over the next one to five years, at which time the amount deferred in equity will be reclassified to revenue in the consolidated statement of profit or loss.

It is anticipated that the hedged purchases will take place over the next one to five years, at which time the amount deferred in equity will be included in the carrying amount of the raw materials. On sale of the finished product, the amount previously deferred in equity and subsequently recognised in inventory will be reclassified to raw materials, components, and consumables in the consolidated statement of profit or loss.

In light of the impact of COVID-19 on forecast exposures, the Company reassessed existing hedging relationships and released amounts deferred in equity to profit and loss where appropriate

(` in crores)

	As at March 31,2022	As at March 31,2021
Fair value gain/(loss) on foreign currency derivative contracts entered for cash flow hedges of forecast sales recognized in hedging reserve	(7,877.83)	6,131.84
Fair value gain/(loss) on foreign currency derivative contracts entered for cash flow hedges of forecast inventory purchases recognized in hedging reserve	(369.06)	(1,797.52)
Fair value gain/(loss) on foreign currency bonds designated as cash flow hedges of forecast sales recognised in hedging reserve	-	-
Fair value gain/(loss) on derivatives entered for cash flow hedges of repayment of foreign currency denominated borrowings recognized in hedging reserve	(5.25)	29.41
Fair value gain/(loss) on interest rate swaps entered for cash flow hedges of payment of interest on borrowings benchmarked to LIBOR	-	(19.21)
Fair value gain/(loss) recognized in other comprehensive income during the year	(8,252.14)	4,344.52
Gain/(loss) reclassified from Hedging reserve and recognized in 'Revenue from operations' in the statement of profit and loss on occurrence of forecast sales	779.16	(980.14)
Gain/(loss) reclassified out of Hedging reserve and recorded in Inventory in the Balance sheet on occurrence of forecast purchases	-	(130.04)
Gain/(loss) reclassified from Hedging reserve and recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss for the case where on account of forecast transactions no longer expected to occur	105.10	30.11
Gain/(loss) reclassified from Hedging reserve and recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss on account of repayment of foreign currency denominated borrowings	(43.34)	(144.80)

Notes Forming Part of Consolidated Financial Statements

(` in crores)

	As at March 31,2022	As at March 31,2021
Gain/(loss) reclassified from Cost of Hedge reserve and recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss on account of forecast transactions no longer expected to occur	(0.05)	-
Gain/(loss) reclassified from equity other comprehensive income to the consolidated statement of profit or loss	840.87	(1,224.87)
Gain/(loss) on foreign currency derivatives not hedge accounted, recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss	277.32	(840.74)
Fair value gain/(loss) recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss on account of ineffectiveness arising from foreign currency basis spread on forward contracts designated in cash flow hedge relationship		
	1.67	(94.13)
	278.99	**(934.87)**

(d) Financial risk management

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

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

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

(i) Market risk

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

(a) Foreign currency exchange rate risk:

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

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

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. Furthermore, any movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues and expenditure relating to its international operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

Notes Forming Part of Consolidated Financial Statements

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

The following analysis is based on the gross exposure as of the relevant balance sheet dates, which could affect the income statement. There is no exposure to the income statement on account of translation of financial statements of consolidated foreign entities. Furthermore, the exposure as indicated below is mitigated by natural hedges resulting from anticipated revenue and cost in foreign currency expected to arise in future as well as certain derivative contracts entered into by the Company.

The following table sets forth information relating to foreign currency exposure other than risk arising from derivatives contract as of March 31, 2022:

(` in crores)

		U.S. dollar	Euro	Chinese Renminbi	GBP	Canadian dollar	Others [1]	Total
(a)	Financial assets	16,832.74	10,350.79	3,910.94	144.26	1,190.84	2,836.12	35,265.69
(b)	Financial liabilities	45,254.19	42,191.43	11,445.91	519.81	271.42	2,453.65	102,136.41

[1] Others mainly include currencies such as the Russian rouble, Singapore dollars, Swiss franc, Australian dollars, South African rand, Thai baht, Japanese Yen and Korean won.

The table below outlines the effect change in foreign currencies exposure for the year ended March 31, 2022:

Change in assumption	Impact on Company's net income before tax for financial assets	Impact on Company's net income before tax for financial liabilities
Appreciation in foreign currencies by 10%	Increase by `3,526.69 crores	Decrease by ` (10,213.64) crores
Depreciation in foreign currencies by 10%	Decrease by `(3,526.69) crores	Increase by ` 10,213.64 crores

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

The following table set forth information relating to foreign currency exposure (other than risk arising from derivatives) as of March 31, 2021:

(` in crores)

		U.S. dollar	Euro	Chinese Renminbi	GBP	Canadian dollar	Others	Total
(a)	Financial assets	18,117.49	11,398.80	3,446.88	781.74	476.15	2,652.22	36,873.28
(b)	Financial liabilities	48,042.33	43,344.41	12,033.17	5,671.40	1,325.35	2,895.62	113,312.28

(b) Interest rate risk

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

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

In its financing business, the Company enters into transactions with customers which primarily result in receivables at fixed rates. In order to manage this risk, the Company has a policy to match funding in terms of maturities and interest rates and also for certain part of the portfolio, the Company does not match funding with maturities, in order to take advantage of market opportunities.

The Company also enters into arrangements of securitization of receivables in order to reduce the impact of interest rate movements. Further, Company also enters into interest rate swap contracts with banks to manage its interest rate risk.

Notes Forming Part of Consolidated Financial Statements

As at March 31, 2022 and 2021 financial liabilities of `**51,611.40** crores and `46,589.38 crores respectively, were subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase of profit before tax) of `**516.11** crores and `465.89 crores on income for the year ended March 31, 2022 and 2021, respectively.

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

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

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

The Company uses cross currency interest rate swaps to hedge some of its exposure to interest rate arising from variable rate foreign currency denominated debt. The Company also uses cross currency interest rate swaps to convert some of its foreign currency denominated fixed rate debt to floating rate debt.

(c) Equity Price risk

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

The fair value of some of the Company's investments in equity securities exposes the Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities.

The fair value of some of the Company's investment in quoted equity securities measured at FVOCI as of March 31, 2022 and 2021, was `**802.91** crores and `499.37 crores, respectively. A 10% change in prices of these securities held as of March 31, 2022 and 2021, would result in a pre-tax impact of `**80.29** crores and `49.94 crores on equity, respectively.

(ii) Credit risk

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

Financial instruments that are subject to concentrations of credit risk, principally consist of investments in debt instruments, trade receivables, finance receivables, loans and advances and derivative financial instruments. The Company strives to promptly identify and reduce concerns about collection due to a deterioration in the financial conditions and others of its main counterparties by regularly monitoring their situation based on their financial condition.

None of the financial instruments of the Company result in material concentrations of credit risks.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ` **1,21,937.46** crores as at March 31, 2022 and `1,27,872.52 crores as at March 31, 2021, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, finance receivables, margin money and other financial assets excluding equity investments.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at March 31, 2022, and March 31,2021, that defaults in payment obligations will occur.

Credit quality of financial assets and impairment loss

Notes Forming Part of Consolidated Financial Statements

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

(` in crores)

Trade receivables		As at March 31, 2022 Not due	Up to 3 months	3 to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed									
(a)	Considered good	10,244.05	1,289.45	190.53	34.00	150.74	102.26	394.32	12,405.35
(b)	Which have significant increase in credit risk	-		-	-	-	-	-	-
(c)	Credit impaired	42.23	30.96	16.10	53.29	39.10	88.31	328.20	598.19
Disputed									
(a)	Considered good	0.53	25.85	-	-	4.66	0.21	5.52	36.77
(b)	Which have significant increase in credit risk	-		-	-	-	-	-	-
(c)	Credit impaired	8.72	3.78	0.09	0.20	2.10	5.85	232.64	253.38
	Total	**10,295.53**	**1,350.04**	**206.72**	**87.49**	**196.60**	**196.63**	**960.68**	**13,293.69**
	Less: Allowance for credit impaired balances								(851.57)
	Total								**12,442.12**

(` in crores)

Trade receivables		As at March 31, 2021 Not due	Up to 3 months	3 to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed									
(a)	Considered good	10,265.94	1,416.67	239.76	127.10	199.40	98.28	322.83	12,669.98
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(c)	Credit impaired	30.78	29.11	6.93	114.36	59.14	57.21	507.49	805.02
Disputed									
(a)	Considered good	-	-	-	-	-	-	9.10	9.10
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(c)	Credit impaired	-	-	-	0.21	5.68	3.34	174.94	184.17
	Total	**10,296.72**	**1,445.78**	**246.69**	**241.67**	**264.22**	**158.83**	**1,014.36**	**13,668.27**
	Less: Allowance for credit impaired balances								(989.19)
	Total								**12,679.08**

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

1 Trade receivables overdue more than six months include `**514.48** crores as at March 31, 2022 (`538.91 crores as at March 31, 2021), outstanding from Government organizations in India, which are considered recoverable.

The Company makes allowances for losses on its portfolio of finance receivable on the basis of expected future collection from receivables. The future collection are estimated on the basis of past collection trend which are adjusted for changes in current circumstances as well as expected changes in collection future based on expectations future with respect to certain macro economic factor like GDP growth, fuel price and inflation.

Notes Forming Part of Consolidated Financial Statements

Finance receivables [2]

(` in crores)

	As at March 31, 2022			As at March 31, 2021		
	Gross	Allowance	Net	Gross	Allowance	Net
Period (in months)						
(a) Not due [3]	33,118.67	(1,222.33)	31,896.34	34,213.19	(938.31)	33,274.88
(b) Overdue up to 3 months	546.30	(16.08)	530.22	871.10	(61.12)	809.98
(c) Overdue more than 3 months	1,373.66	(569.02)	804.64	878.30	(248.25)	630.05
Total	**35,038.63**	**(1,807.43)**	**33,231.20**	**35,962.59**	**(1,247.68)**	**34,714.91**

[2] Finance receivables originated in India.

[3] Allowance in the "Not due" category includes allowance against instalments pertaining to impaired finance receivables which have not yet fallen due.

(iii) Liquidity risk

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

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

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

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

(` in crores)

Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables and acceptances	69,750.33	69,750.33	-	-	-	69,750.33
(b) Borrowings and interest thereon	141,423.41	53,226.72	31,650.67	58,620.79	19,956.37	163,454.55
(c) Lease Liability	6,771.99	1,316.13	1,148.34	2,491.40	5,972.87	10,928.74
(d) Derivative liabilities	7,858.96	5,087.64	2,775.46	2,831.55	14.94	10,709.59
(e) Other financial liabilities	10,148.57	8,230.35	165.34	183.44	3,894.73	12,473.86
Total	**235,953.26**	**137,611.17**	**35,739.81**	**64,127.18**	**29,838.91**	**267,317.07**

Contractual maturities of borrowings includes cash flows relating to collateralized debt obligations. This represents the amount received against the transfer of finance receivables in securitization transactions and/or direct assignments, which do not qualify for derecognition. The liability of the Company in such cases is limited to the extent of credit enhancements provided. The contractual maturities of such collateralized debt obligations are as follows:

(` in crores)

Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Total contractual cash flows
Collateralized debt obligations	1,182.54	911.75	328.58	16.06	1,256.39

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The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2021:

(` in crores)

Financial liabilities		Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a)	Trade payables and acceptances	76,040.15	76,040.15	-	-	-	76,040.15
(b)	Borrowings and interest thereon	137,507.31	49,104.06	27,800.46	56,341.29	16,444.68	149,690.49
(c)	Lease Liability	6,226.06	1,307.36	1,091.91	2,446.69	4,812.38	9,658.34
(d)	Derivative liabilities	4,479.61	2,598.31	1,193.78	1,229.93	-	5,022.02
(e)	Other financial liabilities	10,199.58	9,702.66	218.32	416.76	100.19	10,437.93
	Total	**234,452.71**	**138,752.54**	**30,304.47**	**60,434.67**	**21,357.25**	**250,848.93**

The contractual maturities of such collateralized debt obligations are as follows:

(` in crores)

Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Total contractual cash flows
Collateralized debt obligations	2,973.65	1,926.47	1,030.25	355.05	3,311.77

(iv) Derivative financial instruments and risk management

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

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

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

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

The fair value of derivative financial instruments is as follows:

(` in crores)

		As at March 31, 2022	As at March 31, 2021
(a)	Foreign currency forward exchange contracts and options	(5,349.33)	1,895.72
(b)	Commodity Derivatives	1,209.85	13.32
(c)	Others including interest rate and currency swaps	216.60	(276.01)
	Total	**(3,922.88)**	**1,633.03**

Following table provides sensitivity analysis in relation to derivative contracts:

(` in crores)

	As at March 31, 2022	As at March 31, 2021
10% depreciation of foreign currency:		
Gain/(loss) in hedging reserve and cost of hedge reserve	9,550.61	4,722.70
Gain/(loss) in statement of Profit and loss	(3,352.99)	(2,258.44)
10% Appreciation of foreign currency:		
Gain/(loss) in hedging reserve and cost of hedge reserve	(11,136.42)	(5,453.51)
Gain/(loss) in statement of Profit and loss	4,857.49	2,979.77

Notes Forming Part of Consolidated Financial Statements

(v) Commodity Price Risk

The Group is exposed to commodity price risk arising from the purchase of certain raw materials such as aluminium, copper, platinum and palladium. This risk is mitigated through the use of derivative contracts and fixed-price contracts with suppliers. The derivative contracts are not hedge accounted under Ind AS 119 but are instead measured at fair value through profit or loss.

The gain/(loss) on commodity derivative contracts, recognized in the statement of Profit and Loss was `**1,370.57** crores loss and `1,382.09 crores loss for the years ended March 31, 2022 and 2021, respectively.

In respect of the Company's commodity derivative contracts, a 10% depreciation/appreciation of all commodity prices underlying such contracts, would have resulted in an approximate gain/(loss) of `592.41 crores and `397.87 crores in the statement of profit and loss for the years ended March 31, 2022 and 2021, respectively.

Exposure to gain/loss on derivative instruments offset to some extent the exposure to foreign currency risk, interest rate risk as disclosed above.

(Note: The impact is indicated on the income/loss before consequential tax impact,if any basis).

43. DISCLOSURE ON FINANCIALS INSTRUMENTS DESIGNATED AS HEDGING INSTRUMENT IN CASHFLOW HEDGE

The details of cash flow hedges entered by the Company to hedge interest rate risk arising on floating rate borrowings and by one of the Company's subsidiaries to hedge the currency fluctuation of its functional currency (GBP) against foreign currencies to hedge future cash flows arising from revenue and cost of materials is as follows:

Outstanding contracts	Average strike rate		Nominal amounts (` in crores)		Carrying value (` in crores)	
	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021
Foreign currency forwards						
Cash flow hedges - USD						
Sell - USD/ Buy - GBP						
<1 year	0.760	0.760	28,651.39	28,549.84	47.03	1,375.29
Between 1-5 years	0.736	0.765	37,125.99	31,199.37	(769.64)	1,732.26
Buy - USD/ Sell - INR						
<1 year	71.158	72.403	1,067.15	791.42	66.38	(2.27)
Cash flow hedges - Chinese Yuan						
Sell - Chinese Yuan / Buy - GBP						
<1 year	0.109	0.110	28,023.68	16,600.00	(2,335.00)	125.92
Between 1-5 years	0.112	0.109	35,010.36	6,334.03	(1,248.76)	107.34
Cash flow hedges -Euro						
Buy - Euro / Sell - GBP						
<1 year	0.887	0.911	28,756.03	27,160.55	(1,105.89)	(1,375.88)
Between 1-5 years	0.886	0.910	12,464.61	19,139.50	(46.73)	(819.19)
Cash flow hedges - Other						
<1 year	0.000	0.000	9,399.29	12,258.07	(167.98)	246.26
Between 1-5 years	0.000	0.000	8,651.33	8,528.43	(277.69)	74.85
Cash flow hedges of foreign exchange risk on recognised debt						
Cross currency interest rate swaps						
Buy - USD / Sell - GBP						
Between 1-5 years	1.30	1.30	757.89	731.20	154.88	(48.97)
>5 years	0.759	0.759	3,774.33	3825.28	9.13	75.30

Notes Forming Part of Consolidated Financial Statements

Outstanding contracts	Average strike rate		Nominal amounts (` in crores)		Carrying value (` in crores)	
	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021
Buy - Euro / Sell - GBP						
>5 years	0.891	0.891	4,430.46	4,490.26	(382.97)	(138.06)
Buy - USD / Sell - INR						
Between 1-5 years	71.860	71.440	829.32	1,895.75	1.47	(20.76)
>5 years	83.520	83.520	4,073.65	3,929.97	432.50	506.64
Total foreign currency derivative instruments			**203,015.46**	**165,433.67**	**(5,623.26)**	**1,838.73**

Cash flow hedges of interest rate risk arising on floating rate borrowings

	Average strike rate		Nominal amounts (USD in million)		Carrying value (` in crores)	
	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021
Interest rate swaps linked to LIBOR						
>5 years	2.86%	2.86%	237.50	237.50	(20.31)	(152.93)
Total derivatives designated in hedge relationship					**(5,643.57)**	**1,685.80**

Non derivatives designated in hedge relationship

	Average strike rate		Nominal amounts (GBP in million)		Carrying value (` in crores)	
	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021
Net Investment Hedge - GBP	-	-	923.66	625.00	-	-

44. SEGMENT REPORTING

The Company primarily operates in the automotive business. The automotive business includes all activities relating to development, design, manufacture, assembly and sale of vehicles including financing thereof, as well as sale of related parts, accessories and services. The Company provides financing for vehicles sold by dealers in India. The vehicle financing is intended to drive sale of vehicles by providing financing to the dealers' customers and as such is an integral part of automotive business. The operating results for Vehicle Financing has been adjusted only for finance cost for the borrowings sourced by this segment.

Operating segments consist of :

a) Automotive: The Automotive segment consists of four reportable sub-segments: Tata Commercial Vehicles, Tata Passenger Vehicles, Jaguar Land Rover and Vehicle Financing.

b) Others: Others consist of IT services and Insurance Broking services.

Other operating segments do not meet the quantitative thresholds for disclosure and have been aggregated.

These segment information is provided to and reviewed by Chief Operating Decision Maker (CODM).

Notes Forming Part of Consolidated Financial Statements

(` in crores)

For the year ended/as at March 31, 2022	Automotive and related activity										
	Tata and other brand vehicle[1]				Vehicle Financing	Jaguar Land Rover	Intra-segment eliminations	Total	Others	Inter-segment eliminations	Total
	Commercial vehicle	Passenger vehicle	Unallocable	Total							
Revenues:											
External revenue	52,497.46	30,986.90	224.15	83,708.51	4,374.42	187,696.74	-	275,779.67	2,673.95	-	278,453.62
Inter-segment/intra-segment revenue	(210.16)	528.00	90.20	408.04	210.16	-	(618.20)	-	1,135.18	(1,135.18)	-
Total revenues	**52,287.30**	**31,514.90**	**314.35**	**84,116.55**	**4,584.58**	**187,696.74**	**(618.20)**	**275,779.67**	**3,809.13**	**(1,135.18)**	**278,453.62**
Earnings before other income (excluding Incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax :	210.21	(660.13)	(62.47)	(512.39)	2,465.74	(439.39)	(90.20)	1,423.76	624.73	53.75	2,102.24
Finance costs pertaining to borrowings sourced by vehicle financing segment	-	-	-	-	(2,718.93)	-	-	(2,718.93)	-	-	(2,718.93)
Segment results	**210.21**	**(660.13)**	**(62.47)**	**(512.39)**	**(253.19)**	**(439.39)**	**(90.20)**	**(1,295.17)**	**624.73**	**53.75**	**(616.69)**
Reconciliation to Profit/(loss) before tax:											
Other income/(loss) (excluding Incentives)											928.92
Finance costs (excluding pertaining to borrowings sourced by vehicle financing segment)											(6,607.38)
Foreign exchange											(78.68)
Exceptional items	(52.50)	(147.21)	(0.10)	(199.81)	-	(428.66)	-	(628.47)	(1.11)	-	(629.58)
Profit/(loss) before tax											**(7,003.41)**
Depreciation and amortisation expense	1,743.20	2,304.59	149.93	4,197.72	59.69	20,576.99	-	24,834.40	1.29	-	24,835.69
Capital expenditure	2,021.90	659.42	1.00	2,682.32	20.43	12,159.88	-	14,862.63	44.67	-	14,907.30
Share of profit/(loss) of equity accounted investees (net)	-	-	122.44	122.44	-	(205.57)	-	(83.13)	9.07	-	(74.06)
Segment assets	**30,407.96**	**15,843.63**	**822.17**	**47,073.76**	**38,544.67**	**172,267.94**	**-**	**257,886.37**	**3,465.00**	**(1,129.43)**	**260,221.94**
Assets classified as held for sale		33.45	34.63	68.08	449.90	5.87	-	523.85	-	-	523.85
Investment in equity accounted investees	-	-	554.25	554.25	-	3,192.99	-	3,747.24	602.15	-	4,349.39
Reconciliation to total assets:											
Other Investments											25,030.14
Current and non-current tax assets (net)											1,456.63
Deferred tax assets (net)											3,870.85
Other unallocated financial assets[2]											35,167.13
Total assets											**330,619.93**
Segment liabilities	**21,230.50**	**10,932.34**	**209.55**	**32,372.39**	**966.20**	**94,698.42**	**(88.60)**	**127,948.41**	**2,020.15**	**(269.78)**	**129,698.78**
Reconciliation to total liabilities:											
Borrowings											139,677.04
Current tax liabilities (net)											1,253.85
Deferred tax liabilities (net)											1,558.44
Other unallocated financial liabilities[3]											9,599.52
Total liabilities											**281,787.63**

[1] Tata and other brand vehicles include Tata Daewoo and Fiat brand vehicles.

[2] Includes interest-bearing deposits and accrued interest income.

[3] Includes interest accrued and other interest bearing liabilities.

Notes Forming Part of Consolidated Financial Statements

(` in crores)

For the year ended/as at March 31, 2021	Automotive and related activity											
	Tata and other brand vehicle 1				Vehicle Financing	Jaguar Land Rover	Intra-segment eliminations	Total	Others	Inter-segment eliminations	Total
	Commercial vehicle	Passenger vehicle	Unallocable	Total							
Revenues:											
External revenue	33,317.71	16,606.24	157.48	50,081.43	4,276.88	193,822.71	-	248,181.02	1,613.73	-	249,794.75
Inter-segment/intra-segment revenue	(213.57)	-	125.28	(88.29)	213.57	-	(125.28)	-	998.73	(998.73)	-
Total revenues	**33,104.14**	**16,606.24**	**282.76**	**49,993.14**	**4,490.45**	**193,822.71**	**(125.28)**	**248,181.02**	**2,612.46**	**(998.73)**	**249,794.75**
Earnings before other income (excluding Incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax :	(305.44)	(1,564.16)	(74.89)	(1,944.49)	2,794.00	7,691.03	-	8,540.54	319.47	66.70	8,926.71
Finance costs pertaining to borrowings sourced by vehicle financing segment	-	-	-	-	(2,851.45)	-	-	(2,851.45)	-	-	(2,851.45)
Segment results	**(305.44)**	**(1,564.16)**	**(74.89)**	**(1,944.49)**	**(57.45)**	**7,691.03**	**-**	**5,689.09**	**319.47**	**66.70**	**6,075.26**
Reconciliation to Profit before tax:											
Other income/(loss) (excluding Incentives)											725.05
Finance costs (excluding pertaining to borrowings sourced by vehicle financing segment)											(5,245.72)
Foreign exchange											1,732.15
Exceptional items	(53.66)	1,673.71	(24.96)	1,595.09	-	(15,350.70)	-	(13,755.61)	(5.41)	-	(13,761.02)
Profit before tax											**(10,474.28)**
Depreciation and amortisation expense	1,701.46	1,914.19	157.49	3,773.14	61.36	19,741.70	-	23,576.20	96.62	(126.11)	23,546.71
Capital expenditure	1,656.11	822.78	(68.24)	2,410.65	67.51	16,289.59	-	18,767.75	(39.18)	-	18,728.57
Share of profit/(loss) of equity accounted investees (net)	-	-	(40.68)	(40.68)	-	(363.32)	-	(404.00)	25.04	-	(378.96)
Segment assets	27,086.92	16,296.91	2,086.18	45,470.01	39,565.55	179,341.50	-	264,377.06	2,477.58	(1,269.89)	265,584.75
Assets classified as held for sale			220.80	220.80			-	220.80	-	-	220.80
Investment in equity accounted investees	-	-	427.14	427.14	-	3,182.53	-	3,609.67	591.12	-	4,200.79
Reconciliation to total assets:											
Other Investments											20,419.49
Current and non-current tax assets (net)											1,868.61
Deferred tax assets (net)											4,520.35
Other unallocated financial assets [2]											46,311.01
Total assets											**343,125.80**
Segment liabilities	**18,038.77**	**6,035.88**	**1,106.16**	**25,180.81**	**837.32**	**114,420.20**	**-**	**140,438.33**	**1,508.46**	**(271.47)**	**141,675.32**
Reconciliation to total liabilities:											
Borrowings											135,904.51
Current tax liabilities (net)											1,086.44
Deferred tax liabilities (net)											1,555.89
Other unallocated financial liabilities [3]											6,083.43
Total liabilities											**286,305.59**

[1] Tata and other brand vehicles include Tata Daewoo and Fiat brand vehicles.
[2] Includes interest-bearing deposits and accrued interest income.
[3] Includes interest accrued and other interest bearing liabilities.

Notes Forming Part of Consolidated Financial Statements

Entity-wide disclosures

Information concerning principal geographic areas is as follows:

(` in crores)

Net sales to external customers by geographic area by location of customers:		Year ended March 31, 2022	Year ended March 31, 2021
(a)	India	80,795.00	50,381.31
(b)	United States of America	45,513.35	46,946.63
(c)	United Kingdom	33,228.52	37,243.95
(d)	Rest of Europe	32,612.40	34,045.11
(e)	China	42,758.89	44,686.54
(f)	Rest of the World	43,545.45	36,491.21
	Total	**278,453.62**	**249,794.75**

(` in crores)

Non-current assets (Property, plant and equipment, Intangible assets, other non-current assets (non-financial) and Goodwill) by geographic area:		As at March 31, 2022	As at March 31, 2021
(a)	India	28,527.93	30,094.71
(b)	United States of America	514.64	784.91
(c)	United Kingdom	107,074.22	112,673.92
(d)	Rest of Europe	9,526.30	11,024.29
(e)	China	464.69	1,423.24
(f)	Rest of the World	2,998.76	3,670.47
	Total	**149,106.54**	**159,671.54**

(` in crores)

Information about product revenues:		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Tata and Fiat vehicles	78,389.96	46,826.48
(b)	Tata Daewoo commercial vehicles	5,318.55	3,254.52
(c)	Finance revenues	4,374.42	4,276.88
(d)	Jaguar Land Rover vehicles	187,696.74	193,822.71
(e)	Others	2,673.95	1,614.16
	Total	**278,453.62**	**249,794.75**

Notes Forming Part of Consolidated Financial Statements

45. RELATED-PARTY TRANSACTIONS

The Company's related parties principally includes Tata Sons Private Limited, subsidiaries and joint arrangements of Tata Sons Private Limited, the Company's associates and their subsidiaries, joint operations and joint ventures of the Company. The Company routinely enters into transactions with these related parties in the ordinary course of business. Transactions and balances of the company with its own subsidiaries and the transactions among subsidiaries are eliminated on consolidation.

All transactions with related parties are conducted under normal terms of business and all amounts outstanding are unsecured and will be settled in cash.

The following table summarizes related-party transactions and balances included in the consolidated financial statements for year ended/as at March 31, 2022:

(` in crores)

	Associates and its subsidiaries	Joint ventures	Joint operations	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	Total
(A) Transactions					
Purchase of products	4,064.22	398.89	5,558.59	22.97	**10,044.67**
Sale of products	389.79	2,679.73	1,693.00	1,269.10	**6,031.62**
Services received	10.95	3.67	0.26	1,801.90	**1,816.78**
Services rendered	12.58	986.13	5.23	184.63	**1,188.57**
Bills discounted	-	-	-	7,901.42	**7,901.42**
Purchase of property, plant and equipment	34.86	-	-	9.79	**44.65**
Sale of business	-	-	-	234.09	**234.09**
Interest (income)/expense, dividend (income)/paid. (net)	5.84	-	(4.51)	72.66	**73.99**
Finance taken (including loans and equity)	148.00	-	-	-	**148.00**
Finance taken, paid back (including loans and equity)	152.00	-	-	1.27	**153.27**
Borrowing towards Lease Liability	-	-	54.27	-	**54.27**
Repayment towards lease liability	-	-	24.07	-	**24.07**
(B) Balances					
Amount receivable in respect of Loans and interest thereon	-	9.30	-	4.46	**13.76**
Amounts payable in respect of loans and interest thereon	91.00	-	-	2.88	**93.88**
Amount payable in respect of Lease Liability	-	-	296.05	-	**296.05**
Trade and other receivables	71.82	297.97	83.85	265.84	**719.48**
Trade payables	139.95	0.20	111.92	238.84	**490.91**
Acceptances	-	-	-	1,529.72	**1,529.72**
Provision for amount receivables	-	9.30	-	-	**9.30**

Notes Forming Part of Consolidated Financial Statements

The following table summarizes related-party transactions included in the consolidated financial statements for the year ended/as at March 31, 2021:

(` in crores)

	Associates and its subsidiaries	Joint ventures	Joint operations	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	Total
(A) Transactions					
Purchase of products	1,979.56	-	3,868.63	27.74	**5,875.93**
Sale of products	145.00	2,754.60	1,179.01	945.92	**5,024.53**
Services received	14.57	-	0.74	1,424.89	**1,440.20**
Services rendered	10.59	1,076.96	4.49	170.00	**1,262.04**
Bills discounted	-	-	-	5,947.23	**5,947.23**
Purchase of property, plant and equipment	24.82	-	-	3.72	**28.54**
Sale of property, plant and equipment	-	-	-	34.37	**34.37**
Interest (income)/expense, dividend (income)/paid, (net)	5.50	(0.09)	18.37	58.89	**82.67**
Finance given (including loans and equity)	-	-	-	41.25	**41.25**
Finance taken (including loans and equity)	211.00	-	-	2,602.51	**2,813.51**
Finance taken, paid back (including loans and equity)	162.00	-	-	-	**162.00**
Borrowing towards Lease Liability	-	-	167.99	-	**167.99**
Repayment towards lease liability	-	-	14.14	-	**14.14**
(B) Balances					
Amounts receivable in respect of loans and interest thereon	-	9.39	-	4.59	**13.98**
Amounts payable in respect of loans and interest thereon	95.00	-	-	6.07	**101.07**
Amount payable in respect of Lease Liability	-	-	265.85	-	**265.85**
Trade and other receivables	40.57	481.29	-	348.46	**870.32**
Trade payables	65.31	-	156.94	222.48	**444.73**
Acceptances	-	-	-	929.07	**929.07**
Provision for amount receivables	-	9.30	-	-	**9.30**

Details of significant transactions are given below:

(` in crores)

Particulars	Nature of relationship	Year ended March 31, 2022	Year ended March 31, 2021
i) Services rendered			
Chery Jaguar Land Rover Automotive Company Limited	Joint ventures	973.60	1,076.95
ii) Vendor bills discounting			
Tata Capital	Tata Sons Ltd, its subsidiaries and joint ventures	7,901.42	5,947.23
iii) Converstion of Warrant/ Preferential allotment			
Tata Sons Pvt Ltd	Tata Sons Ltd, its subsidiaries and joint ventures	-	2,602.51

Compensation of key management personnel:

(` in crores)

	Year ended March 31, 2022	Year ended March 31, 2021
Short-term benefits	67.22	82.74
Post-employment benefits*	1.44	13.30
Share based payment	1.42	0.68

The compensation of erstwhile CEO and Managing Director is `**16.97 crores** and `20.58 crores for the year ended March 31, 2022 and 2021, respectively.

This compensation for the year ended March 31, 2022 and March 31, 2021, includes `**9.63 crores** and `2.83 crores of performance bonus and long term incentive for the year ended March 31, 2021 and March 31, 2020, approved in the quarter ended June 30, 2021 and June 30, 2020, respectively.

The compensation of Executive Director is `**3.34 crores** for the year ended March 31, 2022.

The compensation of CEO at Jaguar Land Rover is `**37.18 crores** and `49.75 crores for the year ended March 30, 2022 and 2021, respectively.

* Excludes provision for encashable leave and gratuity for certain key management personnel as a separate actuarial valuation is not available.

Notes Forming Part of Consolidated Financial Statements

46. EARNINGS PER SHARE ("EPS")

(A) Accounting Policy

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

(B) EPS

			Year ended March 31, 2022	Year ended March 31, 2021
(a)	Profit / (Loss) for the period	` crores	(11,441.47)	(13,451.39)
(b)	The weighted average number of Ordinary shares for Basic EPS	Nos.	3,320,402,491	3,128,268,742
(c)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	508,502,896
(d)	The nominal value per share (Ordinary and 'A' Ordinary)	`	2.00	2.00
(e)	Share of profit / (loss) for Ordinary shares for Basic EPS	` crores	(9,921.97)	(11,570.58)
(f)	Share of profit / (loss) for 'A' Ordinary shares for Basic EPS*	` crores	(1,519.50)	(1,880.81)
(g)	Earnings Per Ordinary share (Basic)	`	(29.88)	(36.99)
(h)	Earnings Per 'A' Ordinary share (Basic)	`	(29.88)	(36.99)
(i)	Profit after tax for Diluted EPS	` crores	#	#
(j)	The weighted average number of Ordinary shares for Basic EPS	Nos.	#	#
(k)	Add: Adjustment for shares held in abeyance			
(l)	Add: Adjustment for Options relating to warrants and shares held in abeyance	Nos.	#	#
(m)	The weighted average number of Ordinary shares for Diluted EPS	Nos.	#	#
(n)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	#	#
(o)	Add: Adjustment for 'A' Ordinary shares held in abeyance	Nos.	#	#
(p)	The weighted average number of 'A' Ordinary shares for Diluted EPS	Nos.	#	#
(q)	Share of profit for Ordinary shares for Diluted EPS	` crores	#	#
(r)	Share of profit for 'A' Ordinary shares for Diluted EPS*	` crores	#	#
(s)	Earnings Per Ordinary share (Diluted)	`	(29.88)	(36.99)
(t)	Earnings Per 'A' Ordinary share (Diluted)	`	(29.88)	(36.99)

* 'A' Ordinary shareholders are entitled to receive dividend at 5 percentage points more than the aggregate rate of dividend determined by Tata Motors Limited on Ordinary shares for the financial year.

Since there is a loss for the year ended March 31, 2022 and 2021, potential equity shares are not considered as dilutive and hence Diluted EPS is same as Basic EPS.

Employee Stock options are not considered to be dilutive based on the average market price of ordinary shares during the year.

Notes Forming Part of Consolidated Financial Statements

47. ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATES /JOINT VENTURES

(` in crores)

Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (` in crores)	As % of consolidated profit or loss	Amount (` in crores)	As % of consolidated OCI	Amount (` in crores)	As % of comprehensive income	Amount (` in crores)
Parent								
Tata Motors Ltd	41.86%	18,653.86	14.32%	(1,619.52)	61.27%	278.89	12.35%	(1,340.63)
Subsidiaries								
Indian								
TML Business Services Limited	0.62%	276.94	(0.39)%	44.19	(0.12)%	(0.55)	(0.40)%	43.64
Tata Motors Finance Ltd	7.61%	3,391.76	0.35%	(39.63)	26.53%	120.76	(0.75)%	81.13
Tata Technologies Ltd	1.76%	783.94	(1.93)%	218.53	(2.12)%	(9.64)	(1.92)%	208.89
Tata Motors Insurance Broking & Advisory Services Ltd	0.12%	54.06	(0.28)%	31.88	0.00%	0.01	(0.29)%	31.89
TMF Holdings Limited	8.54%	3,805.47	(0.47)%	53.61	(0.01)%	(0.03)	(0.49)%	53.58
Tata Motors Financial Solutions Ltd	4.34%	1,935.66	(1.55)%	175.69	17.95%	81.71	(2.37)%	257.40
Tata Marcopolo Motors Ltd	0.10%	42.41	0.81%	(91.98)	0.18%	0.83	0.84%	(91.15)
Jaguar Land Rover India Limited	0.75%	332.86	(1.27)%	143.23	1.28%	5.84	(1.37)%	149.07
Brabo Robotics and Automation Limited	-0.01%	(3.63)	0.02%	(1.70)	(0.04)%	(0.20)	0.02%	(1.90)
JT Special Vehicles Pvt. Limited	0.00%	0.93	0.01%	(0.98)	0.00%	-	0.01%	(0.98)
Tata Motors Passenger Vehicles Limited (Formally known as TML Business Analytics Services Limited)	14.64%	6,523.59	2.41%	(272.77)	(0.17)%	(0.78)	2.52%	(273.55)
TML CV Mobility Solutions Limited	0.00%	(0.57)	0.01%	(0.63)	0.00%	-	0.01%	(0.63)
Tata Passenger Electric Mobility Ltd.	6.87%	3,063.29	0.57%	(64.56)	(0.14)%	(0.62)	0.60%	(65.18)
Foreign								
Tata Daewoo Commercial Vehicle Co. Ltd	4.26%	1,898.99	(1.36)%	153.28	(20.86)%	(94.96)	(0.54)%	58.32
Tata Motors European Technical Centre Plc	0.38%	170.10	(0.44)%	49.90	0.00%	0.00	(0.46)%	49.90
Tata Motors (SA) (Proprietary) Ltd	0.05%	23.93	(0.04)%	4.26	0.26%	1.18	(0.05)%	5.44
Tata Motors (Thailand) Ltd	-1.41%	(626.98)	0.16%	(18.62)	3.75%	17.08	0.01%	(1.54)
TML Holdings Pte Ltd, Singapore	17.73%	7,900.02	1.75%	(198.14)	(1.17)%	(5.32)	1.87%	(203.46)
Tata Hispano Motors Carrocera S.A	-1.83%	(815.48)	0.08%	(9.28)	3.22%	14.67	(0.05)%	5.39
Tata Hispano Motors Carroceries Maghreb	-0.12%	(51.50)	0.06%	(6.44)	0.34%	1.53	0.05%	(4.91)
Trilix S.r.l	0.09%	41.41	(0.52)%	58.83	(0.25)%	(1.13)	(0.53)%	57.70
Tata Precision Industries Pte Ltd	0.05%	22.44	(0.07)%	8.05	0.15%	0.70	(0.08)%	8.75
PT Tata Motors Indonesia	0.66%	293.57	0.01%	(0.68)	0.02%	0.07	0.01%	(0.61)
INCAT International Plc.	0.11%	46.85	0.00%	(0.01)	(0.14)%	(0.63)	0.01%	(0.64)
Tata Technologies Inc.	1.07%	475.64	(0.47)%	52.83	3.43%	15.60	(0.63)%	68.43
Tata Technologies de Mexico, S.A. de C.V.	0.01%	2.87	0.00%	0.12	0.00%	-	0.00%	0.12
Cambric Limited, Bahama	0.05%	21.20	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Cambric GmbH (Liquidated with effect from September 17, 2020)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Tata Technolgies SRL, Romania	0.14%	63.82	(0.05)%	5.91	0.00%	-	(0.05)%	5.91
Tata Manufacturing Technologies Consulting (Shanghai) Limited	0.08%	35.76	0.11%	(12.10)	0.61%	2.79	0.09%	(9.31)
Tata Technologies Europe Limited	2.31%	1,031.13	(1.35)%	152.33	(3.23)%	(14.70)	(1.27)%	137.63
Tata Technologies Nordics AB (Formally Known as Escenda Engineering AB)	0.01%	6.66	0.00%	(0.13)	(0.04)%	(0.20)	0.00%	(0.33)
INCAT GmbH (in process of liquidation)	0.05%	20.22	0.00%	0.33	*(0.08)%	(0.38)	0.00%	(0.05)

Notes Forming Part of Consolidated Financial Statements

(` in crores)

Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (` in crores)	As % of consolidated profit or loss	Amount (` in crores)	As % of consolidated OCI	Amount (` in crores)	As % of comprehensive income	Amount (` in crores)
Tata Technologies (Thailand) Limited	(0.01)%	(2.25)	0.01%	(1.50)	0.02%	0.07	0.01%	(1.43)
TATA Technologies Pte Ltd.	1.95%	867.61	(0.13)%	15.23	6.59%	29.99	(0.42)%	45.22
Jaguar Land Rover Automotive plc	47.28%	21,068.42	0.23%	(26.02)	0.00%	-	0.24%	(26.02)
Jaguar Land Rover Limited	79.42%	35,389.12	104.52%	(11,819.76)	(186.38)%	(848.37)	116.72%	(12,668.13)
Jaguar Land Rover Holdings Limited	117.91%	52,543.16	(47.68)%	5,391.74	0.00%	-	(49.68)%	5,391.74
JLR Nominee Company Limited	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover (South Africa) Holdings Limited	5.77%	2,570.72	(2.37)%	268.34	0.00%	-	(2.47)%	268.34
Jaguar Cars Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Land Rover Exports Limited	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
The Lanchester Motor Company Limited	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
The Daimler Motor Company Limited	0.03%	14.91	0.00%	-	0.00%	-	0.00%	-
S.S. Cars Limited	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Daimler Transport Vehicles Limited	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover Pension Trustees Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Cars South Africa (Pty) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover Slovakia s.r.o	13.05%	5,813.73	(0.94)%	106.12	(5.68)%	(25.86)	(0.74)%	80.26
Jaguar Racing Limited	0.09%	37.89	(0.09)%	10.72	0.00%	-	(0.10)%	10.72
InMotion Ventures Limited	(0.52)%	(233.39)	(0.18)%	20.28	0.00%	-	(0.19)%	20.28
In-Car Ventures Limited ((Formerly known as Lenny Insurance Limited)	(0.21)%	(92.82)	0.02%	(2.35)	0.00%	-	0.02%	(2.35)
InMotion Ventures 2 Limited	(0.17)%	(74.78)	0.16%	(18.61)	0.00%	-	0.17%	(18.61)
InMotion Ventures 3 Limited	(0.08)%	(37.49)	0.15%	(17.35)	0.00%	-	0.16%	(17.35)
Jaguar Land Rover Ireland (Services) Limited	0.33%	145.42	(0.48)%	54.67	0.06%	0.29	(0.51)%	54.95
Spark44 (JV) Limited	0.00%	-	0.00%	-	(5.70)%	(25.95)	0.24%	(25.95)
Spark44 Limited (London & Birmingham)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 Pty Ltd (Sydney)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 GmbH (Frankfurt)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 GLLC (LA & NYC)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 Shanghai Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 Middle East DMCC (Dubai)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 Demand Creation Partners Pte Ltd (Mumbai)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 Pte Ltd (Singapore)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 Communicacions SL (Madrid)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 SRL (Rome)	0.00%	-	0.00%	-	0.00%	-	0.00%	-

Notes Forming Part of Consolidated Financial Statements

Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary / Associates / Joint Ventures

(` in crores)

Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (` in crores)	As % of consolidated profit or loss	Amount (` in crores)	As % of consolidated OCI	Amount (` in crores)	As % of comprehensive income	Amount (` in crores)
Spark44 Seoul Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 K.K. (Tokyo)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 Canada Inc (Toronto)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 South Africa (Pty) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 Colombia S.A.S.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Spark44 Taiwan Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Limited Liability Company "Jaguar Land Rover" (Russia)	1.07%	476.60	(2.82)%	318.84	0.00%	-	(2.94)%	318.84
Jaguar Land Rover (China) Investment Co. Limited	39.78%	17,724.53	(49.33)%	5,578.81	0.00%	-	(51.40)%	5,578.81
Shanghai Jaguar Land Rover Automotive Services Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover Columbia S.A.S	0.07%	32.19	(0.30)%	33.88	0.00%	-	(0.31)%	33.88
Jaguar Land Rover Mexico,S.A.P.I. de C.V.	0.15%	68.43	(0.17)%	18.67	0.00%	-	(0.17)%	18.67
Jaguar Land Rover Servicios Mexico,S.A. de C.V.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover France, SAS	0.09%	40.17	(0.09)%	9.93	0.00%	-	(0.09)%	9.93
Jaguar Land Rover Portugal - Veiculos e Pecas, Lda.	0.17%	73.59	(0.07)%	8.34	0.00%	-	(0.08)%	8.34
Jaguar Land Rover Espana SL	1.12%	500.86	(0.12)%	13.43	(1.84)%	(8.39)	(0.05)%	5.03
Jaguar Land Rover Italia SpA	1.74%	774.74	(0.54)%	61.13	0.00%	-	(0.56)%	61.13
Land Rover Ireland Limited	0.01%	4.84	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Jaguar Land Rover Korea Company Limited	0.16%	69.72	(0.45)%	51.38	0.00%	-	(0.47)%	51.38
Jaguar Land Rover Deutschland GmbH	1.51%	670.74	(0.45)%	50.93	0.00%	-	(0.47)%	50.93
Jaguar Land Rover Austria GmbH	0.22%	100.01	(0.10)%	10.79	0.00%	-	(0.10)%	10.79
Jaguar Land Rover Australia Pty Limited	1.19%	530.53	(0.73)%	82.59	0.00%	-	(0.76)%	82.59
Jaguar Land Rover North America LLC	9.68%	4,314.93	(1.71)%	193.84	0.74%	3.35	(1.82)%	197.19
Jaguar Land Rover Japan Limited	0.67%	296.53	(0.13)%	15.21	0.00%	-	(0.14)%	15.21
Jaguar Land Rover Canada ULC	0.50%	220.98	(0.50)%	56.77	0.00%	-	(0.52)%	56.77
Jaguar e Land Rover Brasil industria e Comercio de Veiculos LTDA	1.28%	572.39	1.78%	(201.54)	0.00%	-	1.86%	(201.54)
Jaguar Land Rover Belux NV	0.27%	120.24	(0.28)%	31.61	0.00%	-	(0.29)%	31.61
Jaguar Land Rover Nederland BV	0.14%	60.53	(0.12)%	13.26	0.00%	-	(0.12)%	13.26
Jaguar Land Rover (South Africa) (Pty) Limited	0.31%	140.25	(2.61)%	294.92	0.00%	-	(2.72)%	294.92
Jaguar Land Rover Singapore Pte. Ltd	0.06%	28.10	(0.16)%	18.49	0.00%	-	(0.17)%	18.49
Jaguar Land Rover Taiwan Company Limited	0.27%	121.53	(1.02)%	115.01	0.00%	-	(1.06)%	115.01
Jaguar Land Rover Classic Deutschland GmbH	0.00%	(2.14)	0.05%	(5.82)	(0.01)%	(0.03)	0.05%	(5.85)
Jaguar Land Rover Hungary KFT	0.03%	11.48	0.00%	(0.28)	(0.13)%	(0.57)	0.01%	(0.85)
Jaguar Land Rover Classic USA LLC	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Bowler Motors Limited (Name changed from Jaguar Land Rover Auto Ventures Limited on 28 January 2020)	-0.04%	(16.39)	0.16%	(17.69)	0.00%	-	0.16%	(17.69)
Jaguar Land Rover Ventures Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover (Ningbo) Trading Co. Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd.	0.05%	24.18	(0.09)%	10.33	(0.50)%	(2.29)	(0.07)%	8.04

Notes Forming Part of Consolidated Financial Statements

(` in crores)

Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (` in crores)	As % of consolidated profit or loss	Amount (` in crores)	As % of consolidated OCI	Amount (` in crores)	As % of comprehensive income	Amount (` in crores)
PT Tata Motors Distribusi Indonesia	(0.04)%	(17.02)	0.20%	(22.66)	(0.02)%	(0.11)	0.21%	(22.77)
TMNL Motor Services Nigeria Ltd	0.00%	(0.22)	0.00%	-	0.00%	(0.01)	0.00%	(0.01)
Minority Interests in all subsidiaries								
Indian								
Tata Marcopolo Motors Ltd	0.03%	11.85	(0.36)%	40.58	(0.01)%	(0.06)	(0.37)%	40.52
Tata Technologies Ltd	(0.90)%	(400.31)	0.99%	(111.79)	(2.81)%	(12.80)	1.15%	(124.59)
Tata Motor Finance Limited (Prefrence Share)	(3.03)%	(1,348.00)	0.87%	(98.39)	0.00%	-	0.91%	(98.39)
Tata Motors Financial Solutions Ltd (Prefrence Share)	(0.22)%	(100.00)	0.00%	-	0.00%	-	0.00%	-
Tata Passenger Electric Mobility Ltd. (CCPS A1)	(5.55)%	(2,471.08)	0.00%	-	0.00%		0.00%	-
Foreign								
Tata Motors (SA) (Proprietary) Ltd	(0.02)%	(9.59)	0.02%	(1.70)	(0.21)%	(0.94)	0.02%	(2.64)
Tata Precision Industries Pte Ltd	(0.01)%	(4.87)	0.02%	(1.74)	0.00%	0.01	0.02%	(1.73)
Spark 44 Ltd	0.00%	-	(0.35)%	39.81	0.00%	-	(0.37)%	39.81
Tata Motors (Thailand) Limited	0.11%	50.92	0.00%	0.52	0.07%	0.31	(0.01)%	0.83
Joint operations								
Indian								
Fiat India Automobiles Private Limited	5.68%	2,530.19	(2.78)%	314.90	0.20%	0.92	(2.91)%	315.82
Tata Cummins Private Ltd	1.67%	743.92	(1.36)%	153.84	0.68%	3.09	(1.45)%	156.93
Adjustments arising out of consolidation	(343.72)%	(153,164.97)	98.23%	(11,108.16)	155.58%	708.19	95.82%	(10,399.97)
Sub - total (a)		**40,211.86**		**(11,234.70)**		**233.35**		**(11,001.35)**
Joint ventures (as per proportionate consolidation / investment as per the equity method)								
Indian								
Tata HAL Technologies Ltd	0.00%	0.84	0.00%	-	0.00%	-	0.00%	-
Foreign								
Chery Jaguar Land Rover Automotive Company Limited	7.14%	3,179.63	1.82%	(205.51)	47.63%	216.82	(0.10)%	11.31
Sub - total (b)		**3,180.47**		**(205.51)**		**216.82**		**11.31**
Associates (Investment as per the equity method)								
Indian								
Tata AutoComp Systems Ltd	0.84%	375.11	(1.07)%	121.00	0.62%	2.82	(1.14)%	123.82
Automobile Corporation of Goa Ltd	0.32%	140.72	(0.02)%	1.83	0.14%	0.63	(0.02)%	2.46
Tata Hitachi Construction Machinery Company Private Ltd	1.35%	602.15	(0.08)%	9.07	0.29%	1.32	(0.10)%	10.39
Loginomic Tech Solutions Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign								
Nita Company Ltd	0.08%	34.59	0.00%	0.34	0.12%	0.56	(0.01)%	0.90
Tata Precision Industries (India) Ltd	0.01%	3.76	0.00%	-	(0.03)%	(0.15)	0.00%	(0.15)
Synaptiv Limited	0.00%	(0.00)	0.01%	(0.79)	0.00%	0.01	0.01%	(0.78)

Notes Forming Part of Consolidated Financial Statements

(` in crores)

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	As % of consolidated net assets	Amount (` in crores)	As % of consolidated profit or loss	Amount (` in crores)	As % of consolidated OCI	Amount (` in crores)	As % of comprehensive income	Amount (` in crores)
Jaguar Land Rover Switzerland AG (shareholding increased from 10% to 30% w.e.f. November 25, 2020)	0.02%	9.91	0.00%	-	(0.03)%	(0.13)	0.00%	(0.13)
Cloud Car Inc	0.00%	-	0.00%	-	0.00%	(0.00)	0.00%	(0.00)
DriveClubService Pte. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Cars Finance Limited	0.01%	2.68	0.00%	-	(0.01)%	(0.04)	0.00%	(0.04)
Inchcape JLR Europe Limited (incorporated 31 August 2020) (JLRL shareholding 30% effective 30 April 2021)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sub - total (c)		**1,168.92**		**131.45**		**5.02**		**136.47**
Total (b + c)	**9.76%**	**4,349.39**	**0.65%**	**(74.06)**	**48.74%**	**221.84**	**-1.36%**	**147.78**
Total (a + b + c)	**100.00%**	**44,561.24**	**100.00%**	**(11,308.76)**	**100.00%**	**455.19**	**100.00%**	**(10,853.57)**

Notes Forming Part of Consolidated Financial Statements

48. OTHER STATUTORY INFORMATION :

(a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(d) The Company ('funding party') has paid `700 crores on December 28, 2021 towards subscription of share capital of Tata Passenger Electric Mobility Limited ('Intermediary). This amount paid to Intermediary is further utilised in Tata Motors Passenger Vehicles Limited ('ultimate beneficiary') by way of acquiring shares of Tata Motors European Technical Centre Plc (being wholly owned subsidiary of Tata Motors Passenger Vehicles Limited). The Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999), to the extent applicable, the Companies Act, 2013 for such transaction and this transaction is not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

(e) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(g) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

(h) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(i) The Company does not have any transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(j) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

49. OTHER NOTES

(a) During the year ended March 31, 2021, the Company and Marcopolo S.A. have entered into a share purchase agreement where the Company will purchase the balance 49% shareholding in Tata Marcopolo Motors Ltd (TMML) for a cash consideration of `99.96 crores, subject to certain closing conditions to be complied by both Parties. On completion of the transaction, TMML will become a wholly owned subsidiary of the Company.

(b) 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.

(c) During the year ended March 31, 2022, the Company has completed the sale of certain assets related to defence business to Tata Advanced Systems Limited (TASL) for sale consideration of **`234.09 crores** againts the Net Assets of **`231.57 crores** resulting in a gain of **`2.52 crores** recorded as an exceptional item in Statement of Profit and Loss.

Notes Forming Part of Consolidated Financial Statements

(d) The Company at its Board meeting held on October 12, 2021, approved the incorporation of a wholly owned subsidiary ("TML EV Co") to undertake its passenger electric mobility business and executed a Securities Subscription Agreement with India Markets Rio Pte Ltd, an entity affiliated with TPG Rise Climate (the climate investing strategy of TPG's global impact investing platform TPG Rise) for an aggregate investment of `**7,500 crores** in TML EV Co over the period of 18 months, subject to fulfilment of certain condition precedent, from the date of completion of the first tranche. Accordingly, Tata Passenger Electric Mobility Limited (TPEML) was formed on December 21, 2021. The transaction involves the primary investment of `**7,500 crores** by TPG Rise Climate in TPEML in tranches; and issuance and allotment of compulsorily convertible preference shares, having face value of `1,000 each, by TPEML to TPG Rise Climate in lieu of such investment. The total amount of investment of `**7,500 crores** is bifurcated into two instruments CCPS A1 and CCPS A2 of investment of `**5,000 crores** and investment of `**2,500 crores**, respectively. The remittance of the first tranche of `**3,750 crores** (50% of each instrument) has been received on March 29, 2022

CCPS A1 is convertible into fixed number of equity shares of TPEML and hence has been classified as equity in the financial statements of TPEML. In these consolidated financial statements, CCPS A1 has been reflected as part of non-controlling interests. CCPS A2 is convertible into variable number of equity shares of TPEML and hence has been classified as financial liability at fair value through profit and loss in the financial statements of TPEML and in these consolidated financial statements. As at March 31, 2022 the fair value of CCPS A2 is `**1,250 crores**.

CCPS A1 is convertible into equity shares at any time after 2 years, at the option of the investor, and is convertible compulsorily and automatically at the agreed conversion date, which is linked to meeting one of the agreed conditions. CCPS A2 is convertible compulsorily and automatically into such number of equity shares determined as per a pre-determined formula at the conversion date, which is linked to meeting one of the agreed conditions.

The Shareholders Agreement dated, November 16, 2021, contemplates that TML shall provide certain exit options to TPG between April 1, 2027 and September 30, 2028 at discretion of TML. In case such exit has not materialized by such time, investor can opt to get an exit through an IPO of TPEML or through listed shares of TML via share swap or merger of TPEML with TML, with both valued at FMV. As one of the exit options could require the Company to issue a variable number of its equity shares under a share-swap or merger arrangement, in exchange for the shares of TPEML held by TPG Rise Climate, the Company has accounted for the optionality of swapping CCPS A1 and A2 as a derivative liability on net basis at fair value. As at March 31, 2022 the fair value of the option derivative value is zero.

(e) During the year ended March 31, 2022, Jaguar Land Rover has created a provision of `**428.66 crores** (£43 million) in relation to customer liabilities arising from sanctions imposed against Russia by many countries, preventing the shipment of vehicles and certain parts to the market.

(f) The Board of Directors had, at its meeting held on July 31, 2020 , approved (subject to the requisite regulatory and other approvals) a Scheme of Arrangement for reduction of its share capital without extinguishing or reducing its liability on any of its shares by writing down a portion of its securities premium account to the extent of `**11,173.59 crores**, with a corresponding adjustment to the accumulated losses of the Company. The Scheme of Arrangement has been approved by the National Company Law Tribunal, Mumbai Bench on August 24, 2021. The Company has received all other necessary regulatory approvals and the scheme is effective from January 1, 2022. Accordingly, the Company has accounted for the capital reduction.

(g) The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of account.

(h) In view of the recent amendments made in schedule III of the Companies Act 2013, below changes has been done in the comparative period (as at March 31, 2021).

i) Security deposits (Current - `138.79 crores and Non current - `169.70 crores) that were earlier shown under loans and advances are now shown under other financial assets

Notes Forming Part of Consolidated Financial Statements

ii) Current maturities of long-term borrowings `21,128.95 crores that were earlier shown under other current financial liabilities are now shown under short term borrowings

Further, there has been regrouping of comparative amounts for certain Government Incentives (`213.71 crores) which has been reclassified from other non-current assets to other financial assets – Non-current, which is not material qualitatively and quantitively to the Company's prior period financial statements.

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

SHIRAZ VASTANI
Partner
Membership No. 103334
UDIN: 22103334AIVVDP2581
Place: Mumbai

Date: May 12, 2022

For and on behalf of the Board
N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

Place: Mumbai

P B BALAJI
Group Chief Financial Officer

MALOY KUMAR GUPTA [ACS: 24123]
Company Secretary

Date: May 12, 2022

Summarised statement of Assets and Liabilities (CONSOLIDATED)

(` in crores)

		As at March 31, 2022	As at March 31, 2021
WHAT THE COMPANY OWNED			
(1)	Property, plant and equipment and Other intangible assets	141,613.35	152,377.16
(2)	Right of use assets	6,686.02	6,490.66
(3)	Goodwill	807.17	803.72
(4)	Non-current Investments	6,670.31	5,569.09
(5)	Non-current Finance receivables	11,135.85	16,846.82
(6)	Deferred tax assets (net)	5,067.64	5,523.65
(7)	Other non-current assets	11,662.05	8,627.06
(8)	Current assets	146,977.54	146,887.64
	TOTAL ASSETS	**330,619.93**	**343,125.80**
WHAT THE COMPANY OWED			
(1)	Net worth		
	Equity share capital	765.88	765.81
	Other equity	43,795.36	54,480.91
(2)	Non-controlling interests	4,271.06	1,573.49
(3)	Non-current borrowings	97,759.17	93,112.77
(4)	Non-current provisions	12,955.89	13,606.76
(5)	Deferred tax liabilities (net)	1,558.44	1,555.89
(6)	Other non-current liabilities	18,831.32	20,280.99
(7)	Current liabilities	150,682.81	157,749.18
	TOTAL LIABILITIES	**330,619.93**	**343,125.80**

Summarised Statement of Profit and Loss (CONSOLIDATED)

(` in crores)

		Year ended March 31 2022	Year ended March 31 2021
1	**INCOME**		
	Revenue	275,235.23	246,972.17
	Other Operating Revenues	3,218.39	2,822.58
	Total revenue from operations	278,453.62	249,794.75
	Other income	3,053.63	2,643.19
	Total	**281,507.25**	**252,437.94**
2	**EXPENDITURE**		
	Cost of materials consumed	160,920.56	141,357.27
	Purchase of products for sale	18,374.77	12,250.09
	Changes in inventories of finished goods, work-in-progress and products for sale	1,590.49	4,684.16
	Employee benefits expense	30,808.52	27,648.48
	Finance costs	9,311.86	8,097.17
	Compulsorily convertible preference share measured at Fair Value	14.45	-
	Foreign exchange (gain)/loss (net)	78.68	(1,732.15)
	Depreciation and amortisation expense	24,835.69	23,546.71
	Product development/Engineering expenses	9,209.50	5,226.63
	Other expenses	47,133.85	40,921.97
	Amount transferred to capital and other accounts	(14,397.29)	(12,849.13)
	Total Expenses	**287,881.08**	**249,151.20**
	Profit/(loss) before exceptional items and tax	**(6,373.83)**	**3,286.74**
	Total exceptional item	**629.58**	**13,761.02**
3	**PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS**	**(7,003.41)**	**(10,474.28)**
4	Tax expense/(credit) (net)	4,231.29	2,541.86
5	**PROFIT/(LOSS) AFTER TAX FROM CONTINUING OPERATIONS (3-4)**	**(11,234.70)**	**(13,016.14)**
6	Share of profit of joint ventures and associates (net)	(74.06)	(378.96)
7	**PROFIT/(LOSS) FOR THE YEAR**	**(11,308.76)**	**(13,395.10)**
8	**TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)**	**(455.19)**	**2,919.34**
9	**TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR**	**(11,763.95)**	**(10,475.76)**

FINANCIAL STATISTICS - CONSOLIDATED

Year	CAPITAL ACCOUNTS (₹ in lakhs)						REVENUE ACCOUNTS (₹ in lakhs)						RATIOS					
	Capital	Reserves and Surplus	Borrowings	Gross Block	Accumulated Depreciation	Net Block	Turnover	Depreciation	Profit/ (Loss) Before Taxes	Taxes	Profit/ (Loss) After Taxes	Dividend including tax	PAT to Sales	Earnings Per Share (Basic)* (₹)		Dividend Per Share*# (₹)		Net Worth Per Share* (₹)
														Ordinary Share	'A' Ordinary Share	Ordinary Share	'A' Ordinary Share	
2001-02	31,982	183,617	282,031	634,984	252,475	382,509	932,220	39,222	(18,015)	(6,740)	(10,719)	45	-1.1%	(3.95)	-	-	-	66 @
2002-03	31,983	190,018	178,965	648,959	284,038	364,921	1,144,801	40,190	54,350	22,640	29,712	14,497	2.6%	9.29	-	4.00	-	66
2003-04	35,683	329,884	169,842	728,468	323,749	404,719	1,634,104	42,556	144,487	53,077	91,529	32,099	5.6%	27.88	-	8.00	-	104 @
2004-05	36,179	403,537	271,420	834,162	375,933	458,229	2,284,217	53,101	184,809	49,062	138,534	52,346	6.1%	38.50	-	12.50!	-	121 @
2005-06	38,287	574,860	337,914	1,027,949	484,356	543,593	2,750,725	62,331	234,898	64,000	172,809	58,439	6.3%	45.86	-	13.00	-	160 @
2006-07	38,541	733,626	730,190	1,294,083	542,665	751,418	3,707,579	68,809	308,800	88,321	216,999	68,822	5.9%	56.43	-	15.00	-	200 @
2007-08	38,554	831,198	1,158,487	1,892,393	606,049	1,286,344	4,060,827	78,207	308,629	85,154	216,770	67,674	5.3%	56.24	-	15.00	-	225 @
2008-09	51,405	542,659	3,497,385	6,900,238	3,326,905	3,573,333	7,489,227	250,677	(212,925)	33,575	(250,525)	36,458	-3.3%	(56.88)	(56.88)	6.00	6.50	114 ++
2009-10	57,060	763,588	3,519,236	7,291,985	3,441,352	3,850,633	9,736,054	388,713	352,264	100,575	257,106	100,185	2.6%	48.64	49.14	15.00	15.50	144 ^
2010-11	63,771	1,853,376	3,281,055	8,291,975	3,969,870	4,322,105	12,684,370	465,551	1,043,717	121,638	927,362	148,130	7.3%	155.25	155.75	20.00	20.50	302 ^^
2011-12	63,475	3,206,375	4,714,896	10,572,497	4,951,247	5,621,250	17,133,935	562,538	1,353,387	(4,004)	1,351,650	148,862	7.9%	42.58**	42.68**	4.00**	4.10**	103 ^^
2012-13	63,807	3,699,923	5,371,571	12,158,556	5,172,265	6,986,291	19,451,406	760,128	1,364,733	377,666	989,261	75,614	5.1%	31.02	31.12	2.00	2.10	118 ^^
2013-14	64,378	6,660,345	6,064,228	16,619,078	6,881,538	9,737,540	23,745,502	1,107,816	1,886,897	476,479	1,399,102	76,577	5.9%	43.51	43.61	2.00	2.10	209 ^^
2014-15	64,378	5,561,814	7,361,039	18,684,665	7,442,406	11,242,259	26,760,664	1,338,863	2,170,256	764,291	1,398,629	(3,319)	5.2%	43.44	43.54	0.00	0.00	175 ^^
2015-16	67,918	8,010,349	7,046,849	21,639,756	8,754,689	12,885,067	28,107,844	1,701,418	1,398,087	287,260	1,102,375	11,052	3.9%	32.61	32.71	0.20	0.30	238 ^^
2016-17	67,922	5,738,267	7,860,398	19,653,773	6,756,813	12,896,960	27,524,666	1,790,499	931,479	325,123	745,436	-	2.7%	21.94	22.04	-	-	171 ^^^
2017-18	67,922	9,474,869	8,895,047	25,312,610	9,179,519	16,133,091	29,629,823	2,155,359	1,115,503	434,193	898,891	-	3.0%	26.46	26.56	-	-	281
2018-19	67,922	5,950,034	10,617,534	26,365,294	12,128,250	14,237,044	30,490,371	2,359,063	(3,137,115)	(243,745)	(2,882,623)	-	(9.5)%	(84.89)	(84.89)	-	-	177
2019-20	71,954	6,235,899	11,881,052	30,752,494	14,557,257	16,195,237	26,404,112	2,142,543	(1,057,998)	254,186	(1,207,085)	-	(4.6)%	(34.88)	(34.88)	-	-	182
2020-21	76,581	5,448,091	13,590,451	33,385,256	17,498,474	15,886,782	25,243,794	2,354,671	(1,047,428)	254,186	(1,345,139)	-	(5.3)%	(36.99)	(36.99)	-	-	152
2021-22	76,588	4,379,536	13,967,704	33,353,994	18,524,057	14,829,937	28,150,725	2,483,569	(700,341)	423,129	(1,144,147)	-	(4.1)%	(29.88)	(29.88)	-	-	116

Notes :

@ On increased capital base due to conversion of Bonds / Convertible Debentures / Warrants / FCCN into shares.

* Equivalent to a face value of ₹2/- per share.

Includes Interim Dividend where applicable.

! Includes a special dividend of ₹ 2.50 per share for the Diamond Jubilee Year.

++ On increased capital base due to Rights issue and conversion of FCCN into shares.

^ On increased capital base due to GDS issue and conversion of FCCN into shares.

^^ On increased capital base due to QIP issue and conversion of FCCN into shares.

** Consequent to sub-division of shares, figures for previous years are not comparable

^^^ The figures of FY 2016-17 onwards is as per Ind AS

Summarised statement of Assets and Liabilities (STANDALONE)

(` in crores)

		As at March 31, 2022	As at March 31, 2021
WHAT THE COMPANY OWNED			
(1)	Property, plant and equipment, Right of use assets and Other intangible assets	15,543.00	29,330.47
(2)	Goodwill	-	99.09
(3)	Non-current Investments	29,256.39	16,114.91
(4)	Non-current tax assets (net)	777.68	715.31
(5)	Other non-current assets	2,703.19	2,945.29
(6)	Current assets	15,619.61	15,854.59
	TOTAL ASSETS	**63,899.87**	**65,059.66**
WHAT THE COMPANY OWED			
(1)	Net worth		
	Equity share capital	765.88	765.81
	Other equity	19,178.27	18,290.16
(2)	Non-current borrowings	14,102.74	16,326.77
(3)	Non-current lease liabilities	237.84	593.74
(4)	Non-current provisions	1,474.11	1,371.94
(5)	Deferred tax liabilities (net)	173.72	266.50
(6)	Other non-current liabilities	974.50	1,193.19
(7)	Current liabilities	26,992.81	26,251.55
	TOTAL LIABILITIES	**63,899.87**	**65,059.66**

Summarised Statement of Profit and Loss (Standalone)

(` in crores)

		2021-2022	2020-2021
1	**INCOME**		
	Revenue from operations	47,263.68	30,175.03
	Other income	659.91	419.99
	Total	**47,923.59**	**30,595.02**
2	**EXPENDITURE**		
	Cost of materials consumed	31,693.11	19,050.74
	Purchase of products for sale	5,030.00	3,156.80
	Changes in inventories of finished goods, work-in-progress and products for sale	(403.87)	(609.55)
	Employee benefits expense	3,601.51	3,341.53
	Finance costs	2,121.73	2,110.83
	Foreign exchange loss (net)	136.81	32.62
	Depreciation and amortisation expense	1,760.57	1,730.71
	Product development/Engineering expenses	593.90	348.71
	Other expenses	6,018.71	4,194.74
	Amount transferred to capital and other accounts	(905.42)	(794.93)
	Total Expenses	**49,647.05**	**32,562.20**
	Profit before exceptional items and tax	(1,723.46)	(1,967.17)
	Total Exceptional items	**(83.41)**	**307.55**
3	**PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS**	**(1,640.05)**	**(2,274.72)**
4	Tax expense/(credit) (net)	99.18	20.72
5	**PROFIT/(LOSS) AFTER TAX FROM CONTINUING OPERATIONS (3-4)**	**(1,739.23)**	**(2,295.44)**
6	**PROFIT/(LOSS) BEFORE TAX FOR THE YEAR FROM DISCONTINUED OPERATIONS**	**392.51**	**(37.85)**
7	Tax expense/(credit) (net)	44.14	62.15
8	**PROFIT/(LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS (6-7)**	**348.37**	**(100.00)**
9	**PROFIT/(LOSS) FOR THE YEAR (5+8)**	**(1,390.86)**	**(2,395.44)**
10	**TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)**	**282.35**	**442.99**
11	**TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR**	**(1,108.51)**	**(1,952.45)**

FINANCIAL STATISTICS - STANDALONE

Year	CAPITAL ACCOUNTS (` in lakhs)						REVENUE ACCOUNTS (` in lakhs)							RATIOS					
	Capital	Reserves and Surplus	Borrowings	Gross Block	Depreciation	Net Block	Turnover	Depreciation	Profit/ (Loss) Before Taxes	Taxes	Profit/ (Loss) After Taxes	Dividend including tax	PAT to Sales	Earnings Per Share (Basic)* (`)		Dividend Per Share*# (`)		Net Worth Per Share* (`)	
														Ordinary Share	'A' Ordinary Share	Ordinary Share	'A' Ordinary Share		
1945-46	100	1	-	31	2	29	12	2	1	-	1	-	8.3%	0.07	-	-	-	10	
1949-50	200	11	94	233	44	189	167	15	11	5	6	-	3.6%	0.03	-	-	-	10	
1953-54	500	27	412	731	270	461	321	97	3	-	3	-	0.9%	0.11	-	-	-	11	
1954-55	627	27	481	792	303	489	445	35	-	-	-	-	0.0%	-	-	-	-	11	
1955-56	658	120	812	1,010	407	603	1,198	105	125	32	93	59	7.8%	1.32	-	0.60	-	12	
1956-57	700	149	1,382	1,352	474	878	2,145	70	116	27	89	44	4.1%	1.64	-	0.80	-	13	
1957-58	700	117	1,551	1,675	668	1,007	2,694	129	99	6	93	52	3.5%	1.72	-	0.90	-	12	
1958-59	1,000	206	1,245	2,050	780	1,270	2,645	113	155	13	142	56	5.4%	1.68	-	0.90	-	12	
1959-60	1,000	282	1,014	2,201	940	1,261	2,825	161	222	93	129	108	4.6%	1.50	-	1.25	-	13	
1960-61	1,000	367	1,263	2,593	1,118	1,475	3,735	180	313	122	191	126	5.1%	2.26	-	1.45	-	14	
1961-62	1,000	432	1,471	2,954	1,336	1,618	4,164	220	378	188	190	124	4.6%	2.28	-	1.45	-	15	
1962-63	1,000	450	1,758	3,281	1,550	1,731	4,364	223	327	185	142	124	3.3%	1.68	-	1.45	-	15	
1963-64	1,198	630	2,470	3,920	1,802	2,118	5,151	260	404	200	204	144	4.0%	1.97	-	1.45	-	16	
1964-65	1,297	787	3,275	4,789	2,144	2,645	6,613	345	479	208	271	157	4.1%	2.39	-	1.45	-	17	
1965-66	1,640	995	3,541	5,432	2,540	2,892	7,938	398	477	189	288	191	3.6%	2.20	-	1.45	-	18	
1966-67	1,845	1,027	4,299	6,841	3,039	3,802	9,065	505	620	192	428	235	4.7%	2.80	-	1.45+	-	17	
1967-68	1,845	1,121	5,350	7,697	3,608	4,089	9,499	572	395	66	329	235	3.5%	2.10	-	1.45	-	18	
1968-69	1,845	1,295	5,856	8,584	4,236	4,348	10,590	630	582	173	409	235	3.9%	2.66	-	1.45	-	19	
1969-70	1,845	1,333	6,543	9,242	4,886	4,356	9,935	662	274	-	274	221	2.8%	1.72	-	1.35	-	19	
1970-71	1,845	1,516	6,048	10,060	5,620	4,440	13,624	749	673	270	403	251	3.0%	2.49	-	1.45	-	20	
1971-72	1,949	2,020	6,019	10,931	6,487	4,444	15,849	758	885	379	506	273	3.2%	3.04	-	1.50	-	23	
1972-73	1,949	2,194	5,324	12,227	7,491	4,736	15,653	820	832	360	472	266	3.0%	2.87	-	1.50	-	24	
1973-74	1,949	2,394	6,434	13,497	8,471	5,026	16,290	902	1,007	450	557	180	3.4%	3.43	-	0.93	-	26	
1974-75	1,949	2,827	9,196	15,838	9,593	6,245	22,510	1,134	677	136	541	266	2.4%	3.32	-	1.50	-	28	
1975-76	2,013	3,691	9,399	18,642	10,625	8,017	27,003	1,054	855	91	764	276	2.8%	4.60	-	1.50	-	33	
1976-77	2,328	3,833	11,816	20,709	11,685	9,024	28,250	1,145	1,056	-	1,056	323	3.7%	5.38	-	1.50+	-	30	
1977-78	2,118	4,721	11,986	22,430	12,723	9,707	28,105	1,101	1,044	-	1,044	313	3.7%	5.37	-	1.50	-	35	
1978-79	3,151	5,106	11,033	24,900	13,895	11,005	37,486	1,200	1,514	-	1,514	467	4.0%	5.36	-	1.60+	-	27	
1979-80	3,151	6,263	17,739	28,405	15,099	13,306	44,827	1,300	1,762	-	1,762	605	3.9%	5.96	-	2.00	-	31	
1980-81	3,151	8,095	15,773	33,055	16,496	16,559	60,965	1,616	2,437	-	2,437	605	4.0%	8.27	-	2.00	-	38	
1981-82	4,320	10,275	25,476	38,819	18,244	20,575	79,244	1,993	4,188	-	4,188	839	5.3%	10.18	-	2.00+	-	35	@
1982-83	4,226	12,458	23,361	43,191	20,219	22,972	86,522	2,187	3,481	460	3,021	827	3.5%	7.34	-	2.00	-	40	
1983-84	5,421	14,103	25,473	46,838	23,078	23,760	85,624	2,923	2,163	235	1,928	923	2.3%	3.61	-	2.00	-	37	@
1984-85	5,442	15,188	30,226	52,819	26,826	25,993	93,353	3,895	2,703	390	2,313	1,241	2.5%	4.32	-	2.30	-	39	
1985-86	5,452	16,551	44,651	61,943	29,030	32,913	102,597	3,399	1,832	215	1,617	1,243	1.6%	3.00	-	2.30	-	41	
1986-87	5,452	15,886	53,476	68,352	30,914	37,438	119,689	2,157	293	-	293	552	0.2%	0.51	-	1.00	-	40	
1987-88	6,431	17,491	44,406	75,712	34,620	41,092	140,255	3,822	3,205	510	2,695	1,356	1.9%	4.25	-	2.30	-	38	@
1988-89	10,501	30,740	32,396	83,455	38,460	44,995	167,642	4,315	8,513	1,510	7,003	2,444	4.2%	6.74	-	2.50	-	40	@
1989-90	10,444	37,870	48,883	91,488	43,070	48,418	196,910	4,891	14,829	4,575	10,254	3,126	5.2%	9.87	-	3.00	-	47	
1990-91	10,387	47,921	48,323	100,894	48,219	52,675	259,599	5,426	23,455	9,250	14,205	4,154	5.5%	13.69	-	4.00	-	56	
1991-92	11,765	61,863	105,168	123,100	54,609	68,491	317,965	6,475	20,884	7,800	13,084	4,389	4.1%	12.45	-	4.00	-	67	@
1992-93	12,510	64,207	144,145	153,612	61,710	91,902	309,156	7,456	3,030	26	3,004	3,642	1.0%	2.47	-	3.00	-	63	
1993-94	12,867	70,745	141,320	177,824	70,285	107,539	374,786	9,410	10,195	20	10,175	5,020	2.7%	7.91	-	4.00	-	65	
1994-95	13,694	128,338	115,569	217,084	81,595	135,489	568,312	11,967	45,141	13,246	31,895	8,068	5.6%	23.29	-	6.00	-	104	
1995-96	24,182	217,400	128,097	294,239	96,980	197,259	790,967	16,444	76,072	23,070	53,002	14,300	6.7%	21.92	-	6.00	-	100	
1996-97	25,588	339,169	253,717	385,116	117,009	268,107	1,012,843	20,924	100,046	23,810	76,236	22,067	7.5%	30.40	-	8.00	-	143	
1997-98	25,588	349,930	330,874	487,073	141,899	345,174	736,279	25,924	32,880	3,414	29,466	15,484	4.0%	11.51	-	5.50	-	147	
1998-99	25,590	350,505	344,523	569,865	165,334	404,531	659,395	28,132	10,716	970	9,746	8,520	1.5%	3.81	-	3.00	-	147	
1999-00	25,590	349,822	300,426	581,233	182,818	398,415	896,114	34,261	7,520	400	7,120	7,803	0.8%	2.78	-	2.50	-	147	
2000-01	25,590	299,788	299,888	591,427	209,067	382,360	816,422	34,737	(50,034)	-	(50,034)	-	-	(18.45)	-	-	-	127	
2001-02	31,982	214,524	230,772	591,006	243,172	347,834	891,806	35,468	(10,921)	(5,548)	(5,373)	-	-	(1.98)	-	-	-	77	@
2002-03	31,983	227,733	145,831	608,114	271,307	336,807	1,085,874	36,213	51,037	21,026	30,011	14,430	2.8%	9.38	-	4.00	-	81	
2003-04	35,683	323,677	125,977	627,149	302,369	324,780	1,555,242	38,260	129,234	48,200	81,034	31,825	5.2%	24.68	-	8.00	-	102	@
2004-05	36,179	374,960	249,542	715,079	345,428	369,651	2,064,866	45,016	165,190	41,495	123,695	51,715	6.0%	34.38	-	12.50!	-	114	@
2005-06	38,287	515,420	293,684	892,274	440,151	452,123	2,429,052	52,094	205,338	52,450	152,888	56,778	6.3%	40.57	-	13.00	-	145	@
2006-07	38,541	648,434	400,914	1,128,912	489,454	639,458	3,206,467	58,629	257,318	65,972	191,346	67,639	6.0%	49.76	-	15.00	-	178	@
2007-08	38,554	745,396	628,052	1,589,579	544,352	1,045,227	3,357,711	65,231	257,647	54,755	202,892	65,968	6.0%	52.64	-	15.00	-	203	@
2008-09	51,405	1,171,610	1,316,556	2,085,206	625,990	1,459,216	2,949,418	87,454	101,376	1,250	100,126	34,570	3.4%	22.70	23.20	6.00	6.50	238	++
2009-10	57,060	1,439,487	1,659,454	2,364,896	721,292	1,643,604	4,021,755	103,387	282,954	58,946	224,008	99,194	5.6%	42.37	42.87	15.00	15.50	262	^
2010-11	63,771	1,937,559	1,591,543	2,568,235	846,625	1,721,610	5,160,692	136,077	219,652	38,470	181,182	146,703	3.5%	30.28	30.78	20.00	20.50	315	^^
2011-12	63,475	1,899,126	1,588,057	2,902,206	996,587	1,905,619	5,979,502	160,674	134,103	9,880	124,223	146,372	2.1%	3.90**	4.00**	4.00**	4.10**	62	
2011-13	63,807	1,849,677	1,679,895	3,181,998	1,161,144	2,020,854	5,140,793	181,762	17,493	(12,688)	30,181	72,423	0.6%	0.93	1.03	2.00	2.10	60	
2013-14	64,378	1,853,287	1,505,280	3,514,652	1,355,088	2,159,564	4,159,103	207,030	(102,580)	(136,032)	33,452	74,196	0.8%	1.03	1.13	2.00	2.10	60	
2014-15	64,378	1,421,881	2,113,441	3,785,500	1,603,098	2,182,402	4,141,264	260,322	(397,472)	76,423	(473,895)	-	-11.4%	(14.72)	(14.72)	-	-	46	
2015-16	67,918	2,168,890	1,588,725	4,077,235	1,852,749	2,224,486	4,877,959	245,375	15,039	(8,384)	23,423	7,300	0.5%	0.68	0.78	0.20	0.30	66	
2016-17	67,922	2,012,993	1,957,398	4,591,464	1,853,922	2,737,542	5,007,925	296,939	(242,077)	5,922	(247,999)	-	-5.0%	(7.30)	(7.30)	-	-	61	^^^
2017-18	67,922	1,949,176	1,846,384	4,826,322	2,156,196	2,670,126	6,118,229	310,189	(94,692)	8,793	(103,485)	-	-1.7%	(3.05)	(3.05)	-	-	59	
2018-19	67,922	2,148,330	1,863,963	5,158,440	2,311,007	2,847,433	7,175,742	309,864	239,893	37,833	202,060	-	2.8%	5.94	6.04	-	-	65	
2019-20	71,954	1,766,811	2,544,477	5,614,576	2,654,207	2,960,369	4,531,122	337,529	(712,734)	16,229	(728,963)	-	-16.1%	(21.06)	(21.06)	-	-	51	
2020-21	76,581	1,829,016	2,174,872	5,814,264	2,881,217	2,933,047	4,787,443	368,161	(231,257)	8,287	(239,544)	-	-5.0%	(6.59)	(6.59)	-	-	50	^^^^
2021-22	76,588	1,917,827	2,323,265	3,190,622	1,636,322	1,554,300	4,792,359	176,057	(124,754)	14,332	(139,086)	-	-2.9%	(3.63)	(3.63)	-	-	52	

Notes :

@ On increased capital base due to conversion of Bonds / Convertible Debentures / Warrants / FCCN into shares.
$ On increased capital base due to issue of Bonus Shares. Net Worth excludes ordinary dividends.
* Equivalent to a face value of `2/- per share.
# Includes Interim Dividend where applicable.
+ Including on Bonus Shares issued during the year.
! Includes a special dividend of ` 2.50 per share for the Diamond Jubilee Year.
++ On increased capital base due to Rights issue and conversion of FCCN into shares.
^ On increased capital base due to GDS issue and conversion of FCCN into shares.
^^ On increased capital base due to QIP issue and conversion of FCCN into shares.
** Consequent to sub-division of shares, figures for previous years are not comparable
^^^ The figures of FY 2016-17 onwards are as per Ind AS with Joint operation
^^^^ Turnover and depreciation prior to FY 2020-21 includes figures of PV undertaking.

STATEMENT PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARY COMPANIES

Part - A

(` in crores)

Sr. No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/ (Loss) Before Tax	Tax Expense/ (Credit)	Profit/(Loss) after tax	Profit/ (Loss) for the period/ year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding
1	TML Business Services Limited	India	INR	1.00	163.70	113.24	399.50	122.56	155.64	56.16	11.96	44.19	44.19	17.04	-	100.00
2	Tata Motors Finance Ltd	India	INR	1.00	1,956.28	2,351.54	34,212.74	29,904.92	3,573.30	(109.80)	(70.16)	(39.63)	(39.63)	-	1,870.50	100.00
3	Tata Daewoo Commercial Vehicle Co. Ltd (subsidiary w.e.f March 30, 2004)	South Korea	KRW	0.06	57.57	1,841.42	4,084.25	2,185.26	5,542.20	200.88	47.60	153.28	153.28	-	-	100.00
4	Tata Technologies Ltd (subsidiary w.e.f September 10, 1997)	India	INR	1.00	41.81	742.15	2,104.22	1,320.26	1,730.76	282.79	64.27	218.52	218.52	-	527.68	74.42
5	Tata Motors Insurance Broking & Advisory Services Ltd	India	INR	1.00	5.00	49.06	146.28	92.21	292.64	42.76	10.88	31.88	31.88	-	41.55	100.00
6	Tata Motors European Technical Centre PLC (Changed from a direct subsidiary of TML to a WOS of TPEML w.e.f. March 31, 2022)	UK	GBP	99.42	566.89	(396.79)	208.54	38.44	198.41	50.77	0.87	49.90	49.90	-	-	100.00
7	Tata Motors (SA) (Proprietary) Ltd (subsidiary w.e.f December 5, 2007)	South Africa	ZAR	5.22	12.98	10.95	253.78	229.84	167.67	6.42	2.16	4.26	4.26	-	-	60.00
8	TMF Holdings Ltd (Name changed from Tata Motors Finance Limited w.e.f. June 30, 2017) (subsidiary w.e.f June 1, 2006)	India	INR	1.00	3,578.28	2,027.19	8,304.56	2,699.09	96.73	53.61	-	53.61	53.61	-	-	100.00
9	Tata Motors Financial Solutions Ltd (subsidiary w.e.f January 19, 2015)	India	INR	1.00	1,800.50	125.81	10,866.63	8,940.32	958.52	222.54	46.85	175.69	175.69	-	672.29	100.00
10	Tata Marcopolo Motors Ltd (subsidiary w.e.f September 20, 2006)	India	INR	1.00	218.39	(175.98)	376.45	334.04	415.76	(92.26)	(0.28)	(91.98)	(91.98)	-	-	61.86
11	Tata Motors (Thailand) Ltd (subsidiary w.e.f February 28, 2008)	Thailand	THB	2.34	985.45	(1,612.43)	65.57	692.56	10.75	(18.62)	-	(18.62)	(18.62)	-	-	97.21
12	TML Holdings Pte Ltd, Singapore (subsidiary w.e.f February 4, 2008)	Singapore	GBP	1.00	12,691.10	(4,791.08)	17,570.89	9,670.87	-	(199.72)	(0.31)	(199.41)	(199.41)	-	-	100.00
13	Brabo Robotics and Automation Limited	India	INR	1.00	9.90	(13.53)	4.56	8.19	3.88	(1.70)	-	(1.70)	(1.70)	-	-	100.00
14	JT Special Vehicles Pvt. Limited (Ceased to be a JV and became a Wholly-owned Subsidiary)	India	INR	1.00	5.00	(4.07)	2.49	1.56	-	(0.76)	0.23	(0.98)	(0.98)	-	-	100.00
15	Tata Motors Passenger Vehicles Limited (Name changed from TML Business Analytics Services Limited with effect from September 17, 2021)	India	INR	1.00	9,417.15	(2,893.56)	15,544.54	9,020.95	11,200.59	(272.50)	0.26	(272.77)	(272.77)	-	-	100.00
16	Tata Hispano Motors Carrocera S.A (subsidiary w.e.f October 16, 2009)	Spain	EUR	1.00	46.48	(861.96)	18.03	833.51	-	(9.28)	-	(9.28)	(9.28)	-	-	100.00
17	Tata Hispano Motors Carroceries Maghreb (subsidiary w.e.f June 23, 2014)	Morocco	MAD	1.00	154.44	(205.94)	45.22	96.73	0.32	(6.44)	-	(6.44)	(6.44)	-	-	100.00
18	Trilix S.r.l (Changed from a direct subsidiary of TML to a WOS of TPEML w.e.f. March 31, 2022)	Italy	EUR	1.00	14.15	27.26	82.81	41.40	100.10	59.92	1.09	58.83	58.83	-	-	100.00
19	Tata Precision Industries Pte Ltd (subsidiary w.e.f February 15, 2011)	Singapore	SGD	55.96	41.56	(19.12)	22.50	0.05	-	8.05	-	8.05	8.05	-	-	78.39
20	TML CV Mobility Solutions Limited (Incorporated on June 7, 2021)	India	INR	1.00	-	(0.57)	20.72	21.29	-	(0.62)	-	(0.62)	(0.62)	-	-	100.00
21	Tata Passenger Electric Mobility Ltd. (Incorporated on December 21, 2021)	India	INR	1.00	700.00	2,363.29	4,419.85	1,356.57	8.63	(62.78)	1.78	(64.56)	(64.56)	-	40.31	100.00
22	PT Tata Motors Indonesia (subsidiary w.e.f December 29, 2011)	Indonesia	IDR	0.01	375.40	(81.83)	294.65	1.08	-	(0.68)	-	(0.68)	(0.68)	-	-	100.00
23	INCAT International Plc. (subsidiary w.e.f October 3, 2005)	UK	GBP	99.42	2.42	44.42	46.84	-	-	(0.00)	-	(0.00)	(0.00)	-	-	74.42
24	Tata Technologies Inc. (Including Midwest Managed Services Inc.which got merged into Tata Technologies Inc. w.e.f. Feb 28, 2018) (subsidiary w.e.f October 3, 2005)	USA	USD	75.79	907.22	(360.02)	714.85	167.65	850.12	92.74	38.97	53.77	53.77	-	-	74.48
25	Tata Technologies de Mexico, S.A. de C.V. (subsidiary w.e.f October 3, 2005)	Mexico	MXN	3.82	0.67	2.20	4.52	1.66	-	0.13	-	0.13	0.13	-	-	74.48
26	Cambric Limited, Bahamas (subsidiary w.e.f May 1, 2013)	Bahamas	USD	75.79	20.46	0.73	21.20	-	-	(0.01)	-	(0.01)	(0.01)	-	-	74.48
27	Cambric GmbH (subsidiary w.e.f May 1, 2013)	Germany	EUR	84.20	-	-	-	-	-	0.08	-	0.08	0.08	-	-	74.48
28	Tata Technolgies SRL, Romania (erstwhile Cambric Consulting SRL was renamed w.e.f February 4, 2015) (subsidiary w.e.f May 1, 2013)	Romania	RON	17.05	5.24	58.90	71.23	7.09	59.23	6.65	1.02	5.63	5.63	-	-	74.48
29	Tata Manufacturing Technologies Consulting (Shanghai) Limited .(subsidiary w.e.f March 10, 2014)	China	CNY	11.95	3.68	36.20	87.04	47.17	150.43	(1.32)	0.94	(2.26)	(2.26)	-	-	74.42

(` in crores)

Sr. No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/ (Loss) Before Tax	Tax Expense/ (Credit)	Profit/(Loss) after tax	Profit/ (Loss) for the period/ year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding
30	Tata Technologies Europe Limited (subsidiary w.e.f October 3, 2005)	UK	GBP	99.42	0.11	1,027.24	1,521.89	494.54	1,132.84	185.51	35.02	150.50	150.50	-	-	74.42
31	Tata Technologies Nordics AB (Name changed from Escenda Engineering AB with effect from November 2,2020)	Sweden	SEK	8.38	0.17	6.49	60.47	53.81	83.71	(0.14)	0.02	(0.16)	(0.16)	-	-	74.42
32	Tata Technologies GmbH (INCAT GmbH was under liquidation with effect from January 25, 2017 but has been revived and renamed w.e.f. March 30, 2022)	Germany	EUR	85.78	1.38	18.83	20.30	0.08	-	0.32	-	0.32	0.32	-	-	74.42
33	Tata Technologies (Thailand) Limited (subsidiary w.e.f October 10, 2005)	Thailand	THB	2.34	8.03	(10.27)	11.82	14.06	14.41	(1.46)	-	(1.46)	(1.46)	-	-	74.42
34	TATA Technologies Pte Ltd. (subsidiary w.e.f December 7, 2005)	Singapore	USD	75.79	409.26	458.35	969.69	102.08	153.06	20.63	5.09	15.55	15.55	-	-	74.42
35	Jaguar Land Rover Automotive plc (subsidiary w.e.f June 2, 2008)	UK	GBP	99.42	14,919.87	6,173.80	76,872.88	55,779.21	-	3.16	-	3.16	3.16	-	-	100.00
36	Jaguar Land Rover Holdings Limited(formally known as Land Rover) (subsidiary w.e.f June 2, 2008)	UK	GBP	99.42	49.71	52,493.45	54,169.17	1,626.01	-	5,644.55	292.18	5,352.37	5,352.37	-	-	100.00
37	Jaguar Land Rover Limited (previously Jaguar Cars Limited) (subsidiary w.e.f June 2, 2008)	UK	GBP	99.42	35,400.12	(11.00)	336,464.36	301,075.24	162,956.82	(11,613.83)	119.62	(11,733.46)	(11,733.46)	-	-	100.00
38	Jaguar Land Rover North America, LLC. (subsidiary w.e.f June 2, 2008)	USA	USD	75.79	303.16	3,995.63	10,926.05	6,627.26	43,365.51	235.82	283.96	(48.14)	(48.14)	-	-	100.00
39	Jaguar Land Rover Deutschland GmbH (subsidiary w.e.fJune 2, 2008)	Germany	EUR	84.20	112.15	541.52	4,655.36	4,001.70	7,311.21	125.92	79.22	46.70	46.70	-	-	100.00
40	Jaguar Land Rover Belux N.V. (subsidiary w.e.f June 2, 2008)	Belgium	EUR	84.20	10.53	109.88	833.28	712.88	2,551.16	41.84	9.82	32.02	32.02	-	-	100.00
41	Jaguar Land Rover Austria GmbH (subsidiary w.e.f June 2, 2008)	Austria	EUR	84.20	1.22	100.01	537.63	436.40	1,557.37	16.27	4.37	11.05	11.05	-	-	100.00
42	Jaguar Land Rover Italia SpA (subsidiary w.e.f June 2, 2008)	Italy	EUR	84.20	347.46	426.97	3,041.50	2,267.07	6,194.89	80.03	15.88	64.15	64.15	-	-	100.00
43	Jaguar Land Rover Australia Pty Limited (subsidiary w.e.f June 2, 2008)	Australia	AUD	56.74	3.97	531.62	2,499.13	1,963.53	3,712.47	86.98	24.86	62.12	62.12	-	-	100.00
44	Jaguar Land Rover Espana SL (merged company following the absorption of Jaguar Hispania, S.L.U by Land Rover Espana, S.L.U) (formerly known as Land Rover Espana SL) (subsidiary w.e.f June 2, 2008)	Spain	EUR	84.20	350.63	119.60	1,280.82	810.60	2,178.04	20.34	4.98	15.36	15.36	-	-	100.00
45	Jaguar Land Rover Nederland BV (subsidiary w.e.f June 2, 2008)	Nederland	EUR	84.20	0.38	59.76	357.10	296.95	998.97	15.80	2.19	13.61	13.61	-	-	100.00
46	Jaguar Land Rover Portugal-Veiculos e Pecas, Lda. (subsidiary w.e.f June 2, 2008)	Portugal	EUR	84.20	11.20	62.30	229.88	156.38	509.95	9.88	1.29	8.59	8.59	-	-	100.00
47	Jaguar Land Rover (China) Investment Co Ltd (previously Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd) (subsidiary w.e.f June 2, 2008)	China	CNY	11.95	80.10	17,170.60	32,331.95	15,081.26	34,668.39	5,014.21	1,279.82	3,734.39	3,734.39	-	-	100.00
48	Shanghai Jaguar Land Rover Automotive Service Co. Ltd (subsidiary w.e.f March 10, 2014)	China	CNY	11.95	19.13	(27.26)	13.61	21.75	16.78	(0.21)	2.15	(2.36)	(2.36)	-	-	100.00
49	Jaguar Land Rover Japan Limited (subsidiary w.e.f October 1, 2008)	Japan	JPY	0.62	29.97	237.80	1,060.56	792.79	2,817.20	46.49	16.20	30.28	30.28	-	-	100.00
50	Jaguar Land Rover Korea Co. Ltd.(subsidiary w.e.f June 2, 2008)	Korea	KRW	0.06	0.31	91.35	1,236.41	1,144.74	2,391.78	78.51	21.10	57.41	57.41	-	-	100.00
51	Jaguar Land Rover Canada, ULC (subsidiary w.e.f June 2, 2008)	Canada	CAD	60.48	-	217.40	1,855.08	1,637.68	4,192.81	54.99	20.90	34.09	34.09	-	-	100.00
52	Jaguar Land Rover France SAS (subsidiary w.e.f February 1, 2009)	France	EUR	84.20	36.76	2.98	1,242.53	1,202.79	5,012.69	19.75	9.59	10.17	10.17	-	-	100.00
53	Jaguar e Land Rover Brasil Indústria e Comércio de Veículos LTDA (subsidiary w.e.f June 2, 2008)	Brazil	BRL	15.94	982.88	(616.95)	1,780.73	1,414.80	2,174.23	(4.75)	58.22	(62.98)	(62.98)	-	-	100.00
54	Limited Liability Company Jaguar Land Rover (Russia) (incorporated on 25-5-2008) (subsidiary w.e.f May 15, 2009)	Russia	RUB	0.92	4.47	415.62	1,005.88	585.80	4,607.53	303.87	64.55	239.33	239.33	-	-	100.00
55	Jaguar Land Rover (South Africa) Holdings Limited (subsidiary w.e.f February 2, 2009)	UK	ZAR	5.22	0.00	1,951.11	2,006.00	54.89	-	203.63	7.60	196.03	196.03	-	-	100.00
56	Jaguar Land Rover (South Africa) (Pty) Limited (subsidiary w.e.f June 2, 2008)	South Africa	ZAR	5.22	0.00	176.98	1,064.43	887.45	2,389.67	368.57	97.14	271.42	271.42	-	-	100.00

(` in crores)

Sr. No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/ (Loss) Before Tax	Tax Expense/ (Credit)	Profit/(Loss) after tax	Profit/ (Loss) for the period/ year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding
57	Jaguar Land Rover India Limited (subsidiary w.e.f October 25, 2012)	India	INR	1.00	280.25	52.88	709.56	376.43	1,468.86	141.77	-	141.77	141.77	-	-	100.00
58	Daimler Transport Vehicles Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	99.42	-	-	-	-	-	-	-	-	-	-	-	100.00
59	S S Cars Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	99.42	-	-	-	-	-	-	-	-	-	-	-	100.00
60	The Lanchester Motor Company Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	99.42	-	-	-	-	-	-	-	-	-	-	-	100.00
61	The Daimler Motor Company Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	99.42	14.91	-	14.91	-	-	-	-	-	-	-	-	100.00
62	Jaguar Land Rover Pension Trustees Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	99.42	-	-	-	-	-	-	-	-	-	-	-	100.00
63	JLR Nominee Company Limited (Formally known as Jaguar Land Rover Exports Limited, formerly Jaguar Cars Exports Limited) (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	99.42	-	-	-	-	-	-	-	-	-	-	-	100.00
64	Jaguar Cars Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	99.42	-	-	-	-	-	-	-	-	-	-	-	100.00
65	Land Rover Exports Limited (Business transferred to Jaguar Land Rover Exports Ltd) (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	99.42	-	-	-	-	-	-	-	-	-	-	-	100.00
66	Land Rover Ireland Limited - (no longer a trading NSC) (subsidiary w.e.f June 2, 2008)	Ireland	EUR	84.20	0.00	4.83	18.99	14.16	-	-	-	-	-	-	-	100.00
67	Jaguar Cars (South Africa) (Pty) Ltd (subsidiary w.e.f June 2, 2008) (dormant)	South Africa	ZAR	5.22	-	-	-	-	-	-	-	-	-	-	-	100.00
68	Jaguar Land Rover Slovakia s.r.o. (JLRHL 0.01% and JLRL 99.99%)	Slovakia	EUR	84.20	5,262.60	534.85	8,935.10	3,137.64	2,496.43	105.82	-	105.82	105.82	-	-	100.00
69	Jaguar Land Rover Singapore Pte. Ltd (incorporated w.e.f November 25,2015) (subsidiary w.e.f November 25, 2015)	Singapore	SGD	55.96	4.20	23.94	118.08	89.95	220.83	19.84	3.49	16.34	16.34	-	-	100.00
70	Jaguar Racing Limited (Incorporated w.e.f. February 2, 2016) (subsidiary w.e.f February 2, 2016)	UK	GBP	99.42	0.00	37.89	107.76	69.87	-	10.64	-	10.64	10.64	-	-	100.00
71	InMotion Ventures Limited (Incorporated w.e.f. March 18, 2016) (subsidiary w.e.f March 18, 2016)	UK	GBP	99.42	0.00	(233.39)	302.81	536.20	-	20.13	-	20.13	20.13	-	-	100.00
72	In-Car Ventures Limited ((Formerly Lenny Insurance Limited name change on February 2, 2021) (100% Shareholding transferred from InMotion Ventures Limited to JLRHL on February 18, 2021)	UK	GBP	99.42	-	(92.82)	-	92.82	1.42	(2.34)	-	(2.34)	(2.34)	-	-	100.00
73	InMotion Ventures 2 Limited	UK	GBP	99.42	-	(74.78)	54.60	129.38	27.61	(18.47)	-	(18.47)	(18.47)	-	-	100.00
74	InMotion Ventures 3 Limited	UK	GBP	99.42	-	(37.49)	669.91	707.40	116.86	(17.23)	-	(17.23)	(17.23)	-	-	100.00
75	Jaguar Land Rover Colombia SAS (subsidiary w.e.f August 22, 2016)	Colombia	COP	0.02	44.20	(13.78)	31.40	0.98	117.28	28.14	0.00	28.14	28.14	-	-	100.00
76	Jaguar Landrover Mexico S.A.P I de C.V	Mexico	MXN	3.82	14.69	54.74	215.45	146.02	548.83	13.04	1.18	11.86	11.86	-	-	100.00
77	Jaguar Landrover Services Mexico S.A C.V	Mexico	MXN	3.82	-	-	-	-	-	-	-	-	-	-	-	100.00
78	Jaguar Land Rover Taiwan Company Pte. Ltd	Taiwan	TWD	2.65	10.21	113.18	542.15	418.76	1,634.28	137.33	27.42	109.91	109.91	-	-	100.00
79	Jaguar Land Rover Ireland (Services) Limited	Ireland	EUR	84.20	0.00	123.16	199.34	76.19	204.11	51.98	5.81	46.17	46.17	-	-	100.00
80	Jaguar Land Rover Classic USA LLC (Incorporated w.e.f June 1, 2018) (dormant)	USA	USD	75.79	-	-	-	-	-	-	-	-	-	-	-	100.00
81	Jaguar Land Rover Classic Deutschland GmbH (Incorporated w.e.f. August 10,2018)	Germany	EUR	84.20	21.05	(23.18)	12.97	15.10	24.60	(5.80)	-	(5.80)	(5.80)	-	-	100.00
82	Jaguar Land Rover Hungary KFT (Incorporated w.e.f July 30, 2018)	Budapest	HUF	0.23	0.07	11.41	83.01	71.53	124.08	5.56	6.12	(0.57)	(0.57)	-	-	100.00
83	Jaguar Land Rover (Ningbo) Trading Co., Ltd.	China	CNY	11.95	1.20	1,055.24	2,533.00	1,476.57	7,342.25	704.32	186.76	517.56	517.56	-	-	100.00
84	Jaguar Land Rover Ventures Limited	UK	GBP	99.42	-	-	-	-	-	-	-	-	-	-	-	100.00
85	Bowler Motors Limited (Name changed from Jaguar Land Rover Auto Ventures Limited on 28 January 2020)	UK	GBP	99.42	29.83	(46.22)	28.22	44.61	9.37	(17.57)	-	(17.57)	(17.57)	-	-	100.00
86	Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd. (subsidiary w.e.f April 9, 2010)	South Korea	KRW	0.06	4.00	20.18	77.85	53.67	96.28	13.92	3.59	10.33	10.33	-	-	100.00

(` in crores)

Sr. No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/ (Loss) Before Tax	Tax Expense/ (Credit)	Profit/(Loss) after tax	Profit/ (Loss) for the period/ year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding
87	PT Tata Motors Distribusi Indonesia (subsidiary w.e.f February 11, 2013)	Indonesia	IDR	0.01	292.41	(309.43)	74.09	91.11	49.18	(22.41)	0.25	(22.38)	(22.38)	-	-	100.00
	Details of Direct subsidiaries, on consolidated basis including their respective subsidiaries included above															
1	Tata Technologies Limited (subsidiary w.e.f September 10, 1997)				41.81	2,221.88	4,201.35	1,937.65	3,533.28	586.85	149.86	436.99	436.99	-	527.67	74.42
2	Tata Motors Finance Holdings Ltd (subsidiary w.e.f June 1, 2006)				5,267.01	471.15	45,852.47	40,114.31	4,584.42	72.34	(54.90)	127.24	127.24	-	2,542.79	100.00
3	TML Holdings Pte Ltd, Singapore** (subsidiary w.e.f February 4, 2008)				-	-	-	-	-	-	-	-	-	-	-	100.00
	**TML Holdings Pte Ltd, Singapore holds fully Jaguar Land Rover Automtive Plc, Tata Daewoo Commercial Vehicle Co. Ltd.and PT Tata Motors Indonesia, the consolidated accounts of which are given below :															
1	Jaguar Land Rover Automotive Plc Consolidated (subsidiary w.e.f June 2, 2008)				11,195.17	33,564.29	220,445.34	175,685.89	187,833.20	(4,422.17)	3,756.01	(8,178.18)	(8,178.18)	-	16,517.86	100.00
2	Tata Daewoo Commercial Vehicle Co. Ltd (subsidiary w.e.f March 30, 2004)				57.57	1,524.83	3,771.27	2,188.97	5,351.67	213.82	51.19	162.63	162.63	-	-	100.00
3	PT Tata Motors Indonesia (subsidiary w.e.f December 29, 2011)				375.41	(391.26)	76.33	92.19	49.15	(23.09)	0.25	(23.34)	(23.34)	-	-	100.00

* Profit for the year is after share of minority interest and share of profit/(loss) in respect of investment in associate companies.

STATEMENT PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

Part - B

		Shares of Associate/Joint Ventures held by the company on the year end					Profit/(loss) for the year			
Sr. No	Name of Associates/Joint Ventures	Latest audited Balance Sheet Date	No.	Amount of Investment in Associates/ Joint Venture (` in crore)	Extent of Holding %	Networth attributable to Shareholding as per latest audited Balance Sheet (` in crore)	Considered in Consolidation (` in crore)	Not Considered in Consolidation (` in crore)	Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
Joint Operations										
1	Fiat India Automobiles Private Limited	March 31,2022	122,257,983	1,567.04	50.00%	2,530.19	314.90	-	Note (a)	-
2	Tata Cummins Private Ltd	March 31,2022	90,000,000	90.00	50.00%	743.92	153.84	-	Note (a)	-
Joint ventures										
1	Chery Jaguar Land Rover Automotive Co Ltd	December 31,2021	-	2,098.13	50.00%	3,125.85	(184.84)	-	Note (a)	-
2	Tata HAL Technologies Limited	n/a	5,070,000	-	37.21%	-	-	-	There is no significant influence.	Provision for impairment was considered in full in FY 16-17
3	Loginomic Tech Solutions Private Limited ("TruckEasy")	March 31,2022	665,000		26.00%				Note (a)	
Associates										
1	Tata AutoComp Systems Ltd	March 31,2022	52,333,170	77.47	26.00%	375.12	121.00	-	Note (b)	-
2	Nita Company Ltd	March 31,2022	16,000	1.27	40.00%	34.66	0.34	-	Note (b)	-
3	Automobile Corporation of Goa Ltd (subsidiary w.e.f May 21, 2007)	March 31,2022	29,82,214	108.22	49.77%	139.33	1.83	-	Note (b)	-
4	Jaguar Cars Finance Limited	September 30, 2021	49,900	3.61	49.90%	2.69	-	-	Note (b)	-
5	Synaptiv Limited	n/a	15,600,000	1.57	33.30%	-	-	-	Note (b)	-
6	CloudCar Inc	n/a	133,255,012	-	26.30%	-	-	-	Note (b)	-
7	DriveClubService Pte. Ltd.	n/a	251	2.02	25.08%	-	-	-	Note (b)	-
8	Jaguar Land Rover Switzerland AG (Jaguar Land Rover Limited increased its shareholding from 10% to 30% w.e.f. November 25, 2020)	n/a	300	10.08	30.00%	9.94	-	-	Note (b)	-
9	Inchcape JLR Europe Limited (incorporated 31 August 2020) (JLRL shareholding 30% effective 30 April 2021)	n/a			30.00%				Note (b)	
10	Tata Hitachi Construction Machinery Company Private Ltd	March 31,2021	45,428,572	238.50	39.99%	600.43	9.07	-	Note (b)	-
11	Tata Precision Industries (India) Limited	March 31,2021	200,000		39.19%	3.91	-	-	Note (b)	-

Unaudited financials considered for Consolidation

Note : (a) - There is a significant influence by virtue of joint control

(b) - There is a significant influence due to percentage (%) of share capital

Notice

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

Dear Member,

NOTICE is hereby given that the Seventy Seventh Annual General Meeting of Tata Motors Limited will be held on Monday, July 4, 2022 at 3:00 p.m. IST through video conferencing / other audio visual means to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Report of the Auditors thereon.

3. To appoint a Director in place of Mr Mitsuhiko Yamashita (DIN: 08871753), who retires by rotation and being eligible, offers himself for re-appointment.

4. Re-appointment of the Statutory Auditors

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

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Audit Committee, M/s. B S R & Co. LLP, Chartered Accountants, having Firm Registration No. 101248W/W-100022 be and are hereby re-appointed as the Statutory Auditors of the Company for the second consecutive term of five years, from the conclusion of this 77th Annual General Meeting till the conclusion of the 82nd Annual General Meeting to be held in the year 2027, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

SPECIAL BUSINESS

5. Appointment of Mr Al-Noor Ramji (DIN: 00230865) as a Director and as an Independent Director

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT Mr Al-Noor Ramji (DIN: 00230865), who was appointed as an Additional Director of the Company with effect from May 1, 2022 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Article 132 of the Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Mr Al-Noor Ramji, that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, for a term of five years, i.e., from May 1, 2022 to April 30, 2027 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved."

6. Appointment of Mr Om Prakash Bhatt (DIN: 00548091) as a Director and his re-appointment as an Independent Director for the second term

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT Mr Om Prakash Bhatt (DIN: 00548091), who was appointed as an Additional Director of the Company effective May 9, 2022 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Article 132 of the Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the re-appointment of

Mr Om Prakash Bhatt, that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for re-appointment as an Independent Director of the Company, for the second consecutive term, i.e., from May 9, 2022 to March 7, 2026 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved."

7. Re-appointment of Ms Hanne Birgitte Sorensen (DIN: 08035439) as an Independent Director for the second term

To consider and, if thought fit, to pass 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 Listing Regulations'), 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, Ms Hanne Birgitte Sorensen (DIN: 08035439), who was appointed as an Independent Director of the Company at the 73rd Annual General Meeting of the Company for a period of five years, i.e., from January 3, 2018 to January 2, 2023, 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 Listing Regulations 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 her 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 January 3, 2023 to January 2, 2028 (both days inclusive)."

8. Material Related Party Transaction(s) between the Company and Tata Marcopolo Motors Limited, a subsidiary

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Tata Marcopolo Motors Limited ('TMML'), a subsidiary of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and TMML, for an aggregate value not exceeding ₹1,400 crore during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

9. Material Related Party Transaction(s) between the Company and Tata Technologies Limited, a subsidiary

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Tata Technologies Limited ('TTL'), a subsidiary of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and TTL, for an aggregate value not exceeding ₹2,950 crore during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

10. Material Related Party Transaction(s) between the Company and Tata Motors Passenger Vehicles Limited, a subsidiary

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Tata Motors Passenger Vehicles Limited ('TMPVL'), a subsidiary of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and TMPVL, for an aggregate value not exceeding ₹12,500 crore during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

11. Material Related Party Transaction(s) between the Company and Tata Cummins Private Limited, a Joint Operations Company

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Tata Cummins Private Limited ('TCPL'), a joint operations of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and TCPL, for an aggregate value not exceeding ₹6,550 crore during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

12. Material Related Party Transaction(s) between the Company and Tata Capital Financial Services Limited, a subsidiary of Tata Sons Private Limited, the Promoter

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Tata Capital Financial Services Limited ('TCFSL'), a subsidiary of Tata Sons Private Limited, the Promoter of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and TCFSL, for an aggregate value not exceeding ₹6,500 crore during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

13. Material Related Party Transaction(s) of Tata Motors Passenger Vehicles Limited, a subsidiary with certain identified Related Parties of the Company

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between two 'Related Parties' of the Company, i.e., of Tata Motors Passenger Vehicles Limited ('TMPVL'), a subsidiary of the Company with certain identified Related Parties of the Company, *viz.*, Fiat India Automobiles Private Limited, TACO Prestolite Electric Private Limited, Tata AutoComp Systems Limited, Tata Capital Financial Services Limited, Tata Motors Finance Limited and Tata Motors Finance Solutions Limited, on such terms and conditions as may be mutually agreed between TMPVL and the aforementioned Related Parties of the Company for an aggregate value not exceeding ₹37,000 crore, ₹1,500 crore, ₹5,500 crore, ₹3,400 crore, ₹4,200 crore and ₹4,200 crore respectively, during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business."

14. Material Related Party Transaction(s) of Tata Passenger Electric Mobility Limited, a wholly-owned subsidiary with certain identified Related Parties of the Company

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between two 'Related Parties' of the Company, i.e., of Tata Passenger Electric Mobility Limited ('TPEML'), a wholly-owned subsidiary of the Company with certain identified Related Parties of the Company, viz., Fiat India Automobiles Private Limited, TACO Prestolite Electric Private Limited, Tata Motors Passenger Vehicles Limited and Tata AutoComp Systems Limited, on such terms and conditions as may be mutually agreed between TPEML and the aforementioned Related Parties of the Company for an aggregate value not exceeding ₹3,500 crore, ₹1,000 crore, ₹5,600 crore and ₹2,500 crore respectively, during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business."

15. Material Related Party Transaction(s) of Tata Motors Finance Group of Companies, as subsidiaries with certain identified Related Parties of the Company

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/ statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between two 'Related Parties' of the Company, i.e., of Tata Motors Finance Limited ('TMFL'), Tata Motors Finance Solutions Limited ('TMFSL') and TMF Holding Limited ('TMFHL') [TMFL, TMFSL and TMFHL collectively referred to as Tata Motors Finance Group of Companies ('TMFG')] with certain identified Related Parties of the Company, *viz.*, Tata Asset Management Private Limited and Tata Cummins Private Limited, on such terms and conditions as may be mutually agreed upon between TMFG and the aforementioned Related Parties of the Company, for an aggregate value not exceeding ₹10,360 crore, ₹7,113 crore, ₹7113 crore and ₹4,200 crore, during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business."

16. Material Related Party Transaction(s) of the Jaguar Land Rover Group of Companies, as subsidiaries with certain identified Related Parties of the Company

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between two 'Related Parties' of the Company, i.e., of the Jaguar Land Rover Group of Companies ('JLR Group'), being subsidiaries of the Company with certain identified Related Parties of the Company, viz., Chery Jaguar Land Rover Automotive Company Limited, Tata Consultancy Services Limited & its subsidiaries and Tata Motors Passenger Vehicles Limited, on such terms and conditions as may be mutually agreed between the JLR Group and the aforementioned Related Parties of the Company, for an aggregate value not exceeding ₹4,200 crore, ₹2,500 crore, ₹1,500 crore and ₹1,100 crore, during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business."

17. Material Related Party Transaction(s) between Tata Cummins Private Limited, a Joint Operations Company and it's Related Parties

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between two 'Related Parties' of the Company, i.e., between Tata Cummins Private Limited ('TCPL'), a joint operations of the Company and its Related Parties, such terms and conditions as may be mutually agreed between TCPL and its Related Parties, for an aggregate value not exceeding ₹4,300 crore during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business."

18. Amendment in Tata Motors Limited Employees Stock Option Scheme, 2018

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 applicable provisions of the Companies Act, 2013 read with the applicable Rule(s), Circular(s) and Notification(s) issued thereunder; the Articles of Association of the Company; the Foreign Exchange Management Act, 1999, the Rule(s) and Regulation(s) framed thereunder and any Rule(s), Circular(s), Notification(s), Guideline(s) and Regulation(s) issued by the Reserve Bank of India; the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'); the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and other applicable laws, rules and regulations [including any statutory amendment(s), modification(s) or re-enactment(s) to the Act or the Regulations for the time being in force] and such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate authorities or bodies and subject to such condition(s) and modification(s) as may be prescribed or imposed by the above authorities or bodies while granting such approval(s), consent(s), permission(s) and sanction(s), consent of the Members of the Company be and is hereby accorded for amendment to the 'Tata Motors Limited Employee Stock Option Scheme 2018 ('TML ESOP Scheme 2018'/ 'the Scheme') adopted by the Company, as detailed in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall be deemed to include the Nomination and Remuneration 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) 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, obtaining requisite approval(s), statutory, contractual or otherwise in relation to the above and settle all matters arising out of and incidental thereto; to execute all deed(s), application(s), document(s) and writing(s) that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution; 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."

19. Change in place of keeping registers and records of the Company

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT in supersession of Resolution No. 9 passed by the Members at the Sixty Second Annual General Meeting of the Company held on July 9, 2007 and pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Management and Administration) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], consent of the Members of the Company be and is hereby accorded to keep and maintain the Registers as prescribed under Section 88 of the Act and copies of Annual Returns as required under Section 92 of the Act, together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company and/or at the office of TSR Consultants Private Limited (formerly known as TSR Darashaw Consultants Private Limited), Registrar and Transfer Agent of the Company, at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India and / or at such other place within Mumbai, where the Registrar and Share Transfer Agent may shift its office from time to time."

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above Resolution and matters related thereto.

20. Appointment of Branch Auditors

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

"RESOLVED that pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Board of Directors be and is hereby authorised to appoint Branch Auditor(s) of any Branch Office of the Company, whether existing or which may be opened/acquired hereafter, outside India, any firm(s) and/or person(s) qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration, in consultation with the Statutory Auditors of the Company."

21. Ratification of Cost Auditor's Remuneration

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

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Company hereby ratifies the remuneration of ₹3,50,000/- (Rupees Three Lakh and Fifty Thousand Only) plus applicable taxes, travel and out-of-pocket expenses incurred in connection with the audit, as approved by the Board of Directors, payable to M/s Mani & Co., Cost Accountants (Firm Registration No. 000004) who are appointed as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2023."

By Order of the Board of Directors

Maloy Kumar Gupta
Company Secretary
ACS No: 24123

Mumbai,
May 31, 2022

Registered Office:
Bombay House,
24, Homi Mody Street, Mumbai 400 001
Tel: +91 22 6665 8282
Email: inv_rel@tatamotors.com
Website: www.tatamotors.com
CIN: L28920MH1945PLC004520

NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to clarification on holding of Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 19/2021 dated December 8, 2021 and Circular No. 2/2022 dated May 5, 2022 in relation to 'Clarification on passing of ordinary and special resolutions by companies under theCompanies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' and General Circular No.02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015-COVID-19 pandemic' and Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM'/'the Meeting') through VC/ OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the **77th AGM of the Company is being held through VC/OAVM on Monday, July 4, 2022 at 3:00 p.m. IST.** The deemed venue for the AGM will be the Registered Office of the Company-Bombay House, 24 Homi Mody Street, Mumbai 400 001.

2. As per the provisions of clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the matters of Special Business as appearing at Item Nos. 5 to 21 of the accompanying Notice, are considered to be unavoidable by theBoard and hence, form part of this Notice.

3. The Explanatory Statement pursuant to Section 102 of the Act in respect of the business under Item Nos. 4 to 21 set out above and the relevant details of the Directors seeking appointment/ re-appointment at this AGM as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto. Requisite declarations have been received from the Directors seeking appointment/ re-appointment.

4. **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 AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

5. Institutional investors and corporate Members are encouraged to attend and vote at the 77th AGM through VC/ OAVM facility. Institutional investors and corporate Members (i.e other than individuals, HUF's, NRI's etc.) 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 or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by email at tml.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e other than individuals, HUF's, NRI's 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 .

6. Only registered Members (including the holders of 'A' Ordinary Shares) of the Company may attend and vote at the AGM through VC/OAVM facility. The holders of the American Depositary Receipts ('ADR') of the Company shall not be entitled to attend the said AGM. However, the ADR holders are entitled to give instructions for exercise of voting rights at the said Meeting through the Depositary, to give or withhold such consent, to receive such notice or to otherwise take action to exercise their rights with respect to such underlying shares represented by each such ADR. A brief statement, as to the manner in which such voting instructions may be given, is being sent to the ADR holders by the Depositary.

7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoter/

Promoter Group, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

10. In line with the General Circulars No. 20/2020 dated May 5, 2020 and No. 02/2021 dated January 13, 2021, issued by the MCA and the SEBI Circulars, Notice of the AGM along with the Integrated Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories/RTA, unless any Member has requested for a physical copy of the same. The Notice of AGM and Annual Report 2021-22 are available on the Company's website viz. www.tatamotors.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.

11. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be made available for inspection. During the 77th AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act; the certificate from the Statutory Auditors of the Company stating that the Company has implemented the Tata Motors Limited Employees Stock Option Scheme 2018 and Tata Motors Limited Share-based Long Term Incentive Scheme 2021 ('Schemes') in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and the Special Resolution passed by the Members of the Company approving the Schemes on August 3, 2018 and July 30, 2021 respectively. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at inv_rel@tatamotors.com.

12. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Members' Referencer available on the Company's website under Investor resources and is also available on the website of the RTA at https://www.tcplindia.co.in/kyc-download.html Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.

13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates alongwith the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

15. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:
    a) Change in their residential status on return to India for permanent settlement.
    b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

    - **For shares held in electronic form:** to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depositor Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.

    - **For shares held in physical form:** to the Company's RTA in prescribed Form ISR -1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said form can be downloaded from the Members' Referencer available on the Company's website under Investor resources and is also available on the website of the RTA at https://www.tcplindia.co.in/kyc-download.html

Members' Referencer giving guidance on securities related matters is put on the Company's website and can be accessed at link: https://www.tatamotors.com/investors/

17. 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 said form can be downloaded from the Members' Referencer available on the Company's website under Investor resources and is also available on the website of the RTA at https://www.tcplindia.co.in/kyc-download.html. It may be noted that any service request can be processed only after the folio is KYC Compliant.

18. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or TCPL, for assistance in this regard.

19. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICALFORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THECOMPANY'S RTA.**

20. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

21. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.

22. The Company has made special arrangement with the RTA and NSDL for registration of email addresses in terms of the MCA Circulars for Members who wish to receive the Annual Report along withthe AGM Notice electronically and to cast the vote electronically.

23. Eligible Members whose email addresses are not registered with the Company/ DPs are required to provide the same to RTA on or before 5:00 p.m. IST on Friday, June 24, 2022 pursuant to which, any Member may receive on the email address provided by the Member the Notice of this AGM along with the Annual Report 2021-22 and the procedure for remote e-voting along with the login ID and password for remote e-voting.

    (i) Process for registration of email addresses with RTA is as under:

    Visit the link https://tcpl.linkintime.co.in/EmailReg/ email_register.html

    a) Select the name of the Company from dropdown.

    b) Enter details in respective fields such as DP ID and Client ID (if you hold the shares in demat form)/ Folio no. and Certificate no. (if shares are held in physical form), Name of the Shareholder, PAN details, mobile number and e-mail ID.

    c) System will send OTP on mobile number and e-mail ID.

    d) Enter OTP received on mobile number and e-mail ID and submit.

    After successful submission of the e-mail address, NSDL will email a copy of the the Notice of this AGM along with the Annual Report 2021-22 as also the remote e-Voting user ID and password on the e-mail address registered by the Member. In case of any queries, Members may write to csg-unit@tpclindia.co.in or evoting@nsdl.co.in.

    (ii) Registration of email address permanently with RTA/ DP: Members are requested to register the email address with their concerned DPs, in respect of shares held in demat mode and with RTA, in respect of shares held in physical mode, by writing to them.

    (iii) Alternatively, those Members who have not registered their email addresses are required to send an email request to evoting@nsdl.co.in along with the following documents for procuring user id and password for e-voting for the Resolutions set out in this Notice:

    - In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.

- In case shares are held in demat mode, please provide DPID-Client ID (8 digit DPID + 8 digit Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.

24. VOTING BY MEMBERS:

A. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations (as amended), MCA Circulars and the SEBI Circulars, the Company is providing its Members the facility to exercise their right to vote on Resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by NSDL) either by (i) remote e-voting prior to the AGM (as explained at 'para F' herein below) or (ii) remote e-voting during the AGM (as explained at 'para G' below). Instructions for Members for attending the AGM through VC/OAVM are explained at 'para H' below.

B. The voting rights of the Ordinary Shareholders shall be in the same proportion to the paid-up ordinary share capital and in case of voting rights on the 'A' Ordinary Shares, the holder shall be entitled to one vote for every ten 'A' Ordinary Shares held.

C. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Monday, June 27, 2022 ('cut-off date') shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting prior to the AGM or remote e-voting during the AGM.

D. The Members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. The Members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-voting prior to the Meeting shall be able to exercise their right to cast their vote by remote e-voting during the Meeting. The Members who have cast their vote by remote e-voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.

E. The Board of Directors has appointed Mr P N Parikh (Membership No. FCS 327) and failing him; Ms Jigyasa Ved (Membership No. FCS 6488) and failing her; Mr Mitesh Dhabliwala (Membership No.FCS 8331) of M/s Parikh & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process, in a fair and transparent manner.

F. INSTRUCTIONS FOR REMOTE E-VOTING PRIOR TO THE AGM

Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Monday, June 27, 2022 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

The remote e-voting period starts on Thursday, June 30, 2022 (9.00 a.m. IST) and ends on Sunday, July 3, 2022 (5.00 p.m. IST). Remote e-voting shall be disabled by NSDL at 5:00 p.m. on July 3, 2022 and Members shall not be allowed to vote through remote e-voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

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

I. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

- For individual Members holding securities in demat mode with NSDL:

i. 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 and voting during the meeting.

ii. 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 .

iii. 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 and voting during the meeting.

iv. Shareholders/Members can also download NSDL Mobile App '**NSDL Speede**' facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

App Store Google Play

• Individual Shareholders holding securities in demat mode with CDSL

(i) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.

ii. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote.

iii. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdsl india.com/myeasi/Registration/EasiRegistration.

iv. Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-voting is in progress.

• 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.co.in or call at toll free no.: 1800 224 430
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 022- 23058738 or 022-23058542-43

II. 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.

i. Visit the e-voting website of NSDL. Open web browser by typing the URL: https://www.evoting. nsdl.com/ either on a Personal Computer or on a mobile.

ii. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.

iii. A new screen will open. You will have to enter your User ID, your Password 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.

iV. Your User ID details will be as per details given below:

a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).

b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12************** then your user ID is 12**************).

c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the Company (For example, for Members holding Ordinary Shares, if folio number is 001*** and EVEN is 119912 then user ID is 119912001***. For Members holding 'A' Ordinary Shares, if folio number is 001*** and EVEN is 119913 then user ID is 119913001***).

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

a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

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 in your mailbox evoting@nsdl.com. 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'.

If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

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.co.in mentioning your Demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the One Time Password (OTP) based login for casting the votes on the e-Voting system of NSDL

vi. After entering your password, tick on 'I hereby agree to all Terms and Conditions'.

vii. Click on 'Login' button.

viii. After you click on the 'Login' button, Home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system

i. 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.

ii. Select 'EVEN' of the Company to cast your vote during the remote e-voting period or during the AGM. For joining virtual meeting, you need to click on 'VC/OAVM' link placed under 'Join General Meeting'.

   a. EVEN for Ordinary Shares is 119912.
   b. EVEN for 'A' Ordinary Shares is 119913.

iii. Now you are ready for e-voting as the Voting page opens.

iv. 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.

v. Upon confirmation, the message 'Vote cast successfully' will be displayed and you will receive a confirmation by way of SMS on your registered mobile number.

vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

vii. Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

G. INSTRUCTIONS FOR REMOTE E-VOTING DURING AGM

i. The procedure for remote e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC/ OAVM.

ii. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who will be present in the AGM through VC/OAVM facility but have not cast their vote on the Resolutions by availing the remote e-voting facility and are otherwise not barred from doing so. The remote e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

General Guidelines for Shareholders

Institutional/corporate Members (i.e. other than individuals, HUF, NRI, etc.) are required to send a 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 email to tml.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

- 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.

- In case of any queries/grievances pertaining to remote e-voting (prior to and/or during the AGM), you may refer to the Frequently Asked Questions ('FAQs') for Shareholders and e-voting user manual for Shareholders available in the 'Downloads' section of www.evoting.nsdl.com.

H. INSTRUCTIONS FOR MEMBERS FOR ATTENDING AGM THROUGH VC / OAVM

i. Members 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 General meeting' menu against the 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.

ii. Members are encouraged to join the Meeting through laptops for better experience. Further Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the Meeting. 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.

Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's email address inv_rel@tatamotors.com on or before 5.00 p.m. IST on Thursday, June 30, 2022. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

Members who would like to express their views/ ask questions as a speaker at the Meeting may pre-registerthemselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at inv_rel@tatamotors.com between Friday, June 24, 2022 (9:00 a.m. IST) and Thursday, June 30, 2022 (5:00 p.m. IST). Onlythose Members who have pre-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.

Members who need assistance before or during the AGM may contact NSDL on evoting@nsdl.co.in or 1800 224 430 or contact Mr Amit Vishal, Assistant Vice President – NSDL at amitv@nsdl.co.in or call on +91 22 2499 4360.

25. DECLARATION OF RESULTS ON THE RESOLUTIONS:

- The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within 2 working days from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the Resolution(s), invalid votes, if any, and whether the Resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.

- The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.tatamotors.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Ltd., where the securities of the Company are listed.

- Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. July 4, 2022.

EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the special business mentioned at Item Nos. 5 to 21 of the accompanying Notice dated May 31, 2022. As an additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 4 of the said Notice.

Item No. 4

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Act.

The Members at the Seventy Second Annual General Meeting ('AGM') of the Company held on August 22, 2017, had approved appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) ('BSR'), as the Statutory Auditors of the Company to hold office from the conclusion of the Seventy Second AGM till the conclusion of the Seventy Seventh AGM of the Company to be held in the year 2022.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the reappointment of BSR, as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of Seventy Seventh AGM till the conclusion of Eight Second AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

BSR have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

BSR is a Member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India. BSR is registered in Mumbai, Gurugram, Bengaluru, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur, Kochi and Vijayawada. BSR audits various companies listed on stock exchanges in India.

The Company has in place a Policy for approval of services to be rendered by the Auditors ('Pre-Approval Policy') by the Audit Committee to ensure, inter alia, that the Statutory Auditors function in an independent manner.

BSR was paid a fee of ₹5.51 crore for the audit of standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022 plus applicable taxes and out-of-pocket expenses not exceeding 10% of the audit fees. The increase in fee proposed to be paid to BSR for the financial year ending March 31, 2023 will be mutually agreed basis the efforts involved and shall not exceed 10% of the fee paid for the previous year. The Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

The above fee excludes the proposed remuneration to be paid to overseas audit firms for the purpose of statutory audit of overseas subsidiaries and branches.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Electronic copy of the Pre-Approval Policy is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 4 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.4 of the Notice for approval by the Members.

Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board appointed Mr Al-Noor Ramji (DIN: 00230865) as an Additional Director of the Company and also an Independent Director not liable to retire by rotation, for a term of five years, i.e., from May 1, 2022 upto April 30, 2027 (both days inclusive), subject to approval by the Members.

Pursuant to the provisions of Section 161(1) of the Act and Article 132 of the Articles of Association of the Company, Mr Ramji shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing notice from a Member, proposing his candidature for the office of Director. The profile and specific areas of expertise of Mr Ramji are provided as Annexure to this Notice.

Mr Ramji 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 Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

In the opinion of the Board, Mr Ramji is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the management.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr Ramji on the Board of the Company and accordingly the Board recommends the appointment of Mr Ramji as an Independent Director as proposed in the Resolution set out at Item No. 5 of the accompanying Notice for approval by the Members.

Electronic copy of the terms and conditions of appointment of the Independent Directors is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents.

Except for Mr Ramji 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 No. 6

Mr Om Prakash Bhatt (DIN: 00548091) was appointed as a Non-Executive Independent Director of the Company for a term of five years, i.e., from May 9, 2017 to May 8, 2022 (both days inclusive).

Pursuant to the performance evaluation of Mr Bhatt and considering that his continued association as a Member of the Board would be beneficial to the Company, based on recommendation of the NRC, the Board appointed Mr Bhatt as an Additional Director of the Company and subject to approval of the Members, re-appointed him as a Non-Executive Independent Director, not liable to retire by rotation, for the second consecutive term, i.e., from May 9, 2022 to March 7, 2026 (both days inclusive) when he attains the retirement age of 75 years, as per the terms of the Governance Guidelines for Tata Companies on Board Effectiveness. Also, Mr Bhatt will cease to be a Director of the Company with effect from March 8, 2026.

Pursuant to the provisions of Section 161(1) of the Act and Article 132 of the Articles of Association of the Company, Mr Bhatt shall hold office up to the date of this AGM. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director. The profile and specific areas of expertise of Mr Bhatt are provided as Annexure to this Notice.

Mr Bhatt 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 Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

In the opinion of the Board, Mr Bhatt is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the management.

Given his experience, the Board considers it desirable and in the interest of the Company to continue Mr Bhatt on the Board of the Company and accordingly the Board recommends the re-appointment of Mr Bhatt as an Independent Director as proposed in the Resolution set out at Item No. 6 for approval by the Members.

Electronic copy of the terms and conditions of appointment of the Independent Directors is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents.

Except for Mr Bhatt 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 No. 7

Based on recommendation of the NRC, the Board re-appointed Ms Hanne Birgitte Sorensen (DIN: 08035439) as an Independent Director, not liable to retire by rotation, for the second consecutive term of five years, i.e., from January 3, 2023 to January 2, 2028 (both days inclusive), subject to approval of the Members.

Ms Sorensen has given her declaration to the Board, *inter alia*, that (i) she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as a Director.

In the opinion of the Board, Ms Sorensen is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for re-appointment as an Independent Director and she is independent of the management. The profile and specific areas of expertise of Ms Sorensen is provided as Annexure to this Notice.

Given her experience, the Board considers it desirable and in the interest of the Company to have Ms Sorensen on the Board of the Company and accordingly the Board recommends the appointment of Ms Sorensen as an Independent Director as proposed in the Resolution set out at Item No. 7 for approval by the Members.

Electronic copy of the terms and conditions of appointment of the Independent Directors is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents.

Except for Ms Sorensen and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item Nos. 8 to 17

Regulation 23 of the SEBI Listing Regulations, *inter alia*, states that effective from April 1, 2022, all Material Related Party Transactions ('RPT') shall require prior approval of the shareholders 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. Regulation 2(1)(zc) of the SEBI Listing Regulations defines related party transaction to mean a transaction involving transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity, regardless of whether a price is charged or not.

In view of the afore mentioned regulatory changes the Resolutions No. 8 to 17 are placed for approval by the Members.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

Item No. 8

Details of the proposed RPTs between the Company and Tata Marcopolo Motors Limited ('TMML'), 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 TMML
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	TMML is a subsidiary of the Company, with the Company and Marcopolo S.A., Brazil ('Marcopolo') holding 61.86% and 38.14% in its equity share capital, respectively. The Company is Promoter of TMML. TMML is a state-of-the-art bus and coach manufacturing company headquartered at Dharwad, in the State of Karnataka, India. TMML caters to India's growing need for world class fully built buses for intra-city and inter-city transportation with international standard comfort, quality and safety. TMML produces a comprehensive range of buses, marketed under the 'Starbus' and 'Globus' brands, includes 16 to 54 seater standard buses, 18 and 45-seater luxury buses, luxury coaches and low-floor city buses. TMML is a Related Party of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs.	The Company and TMML have entered into/propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding ₹1,400 crore (with funding transactions not exceeding ₹300 crore and operational transactions not exceeding ₹1,100 crore): • Purchase of goods / services (including material procurement). • HighBond license pass out costs. • Intercorporate deposits taken / given. • Investments made.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	0.50%
2.	Justification for the proposed RPTs.	Bus manufacturing in India is largely unorganised. To address issues with quality and scale, TMML was created as a Joint Venture between the Company and Marcopolo. Marcopolo is a world leader in bus manufacturing. Through this Joint Venture, the Company has access to technological developments which has aided to improve quality of products as well as meet demand expectations resulting in overall Tata Motors Group synergy and sustainability in the long run.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary.	
a.	Details of the source of funds in connection with the proposed transaction.	Own share capital / Internal accruals and liquidity of the Company.
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.	Not applicable.
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Inter-corporate Deposits taken / given aggregating to ₹200 crore: • Lock in Period of 2 days and thereafter on 'demand to pay basis'. • Tenure: upto 12 months. • Interest rate: 5% - 7.5%; linked to the Company's short-term borrowing cost. • Repayment Schedule: Not Applicable. • The above inter-corporate deposits are under unsecured category. Investments in TMML aggregating to ₹100 crore: • The pricing is based on valuation / as per approval of the Board of Directors of the Company. • Tenure: Not Applicable. • Interest rate: Not Applicable. • Repayment Schedule: Not Applicable.

Sr. No.	Description	Details of proposed RPTs between the Company and TMML
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	To meet working capital requirements of TMML.
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any, and the nature of their relationship.	Mr Girish Wagh, Executive Director and KMP of the Company is also a Director on the Board of TMML. His interest or concern or that of his relatives, is limited only to the extent of his holding directorship / KMP position in the Company and TMML.
6.	Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 8 of the Notice.

Based on the recommendation 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 Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 8 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 9

Details of the proposed RPTs between the Company and Tata Technologies Limited ('TTL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between the Company and TTL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	TTL is a subsidiary of the Company. The Company is Promoter of TTL. The TTL's range of services includes IT Consultancy, SAP implementation and maintenance, providing networking solutions, CAD/CAM engineering & design consultancy. TTL is headquartered in Pune, India. TTL has five offices located at Mumbai, Lucknow, Jamshedpur, Bangalore and one branch office located in Japan that enables it to provide high quality, cost-effective services to clients. TTL is a Related Party of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs.	The Company and TTL have entered into / propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding ₹2,950 crore (with funding transactions not exceeding ₹1,850 crore and operational transactions not exceeding ₹1,100 crore): • Purchase of goods. • Availing/ rendering of engineering and non-engineering services. • Investments made. • Inter-corporate deposits taken / given. • High-Bond license pass out costs.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.06%
2.	Justification for the proposed RPTs.	The TTL Group provides product engineering services which caters to the global manufacturing industry; enabling ambitious manufacturing companies (including the Company) to design and build better products. Engineering and Design services provide outsourced engineering services for TTL manufacturing customers globally to help them conceive, design, develop and realize better products and Digital Enterprise Solutions help manufacturing customers identify and deploy emerging technologies, tools and solutions to manufacture, service and realize better products. 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. The Company has existing equity investment in TTL. In addition to this, the Company and TTL may also place ICDs with each other to earn interest income on surplus funds and support working capital requirements. 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.

Sr. No.	Description	Details of proposed RPTs between the Company and TTL
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary.	
a.	Details of the source of funds in connection with the proposed transaction.	Own share capital / Internal accruals and liquidity of the Company and TTL.
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.	Not applicable.
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Inter-corporate deposits given & taken aggregating to, not exceeding, ₹1,850 crore: • Lock in Period of 2 days and thereafter on 'demand to pay basis'. • Tenure: upto 12 months. • Interest rate: 5% - 7.5%; linked to the Company's short-term borrowing rate. • Repayment Schedule: Not Applicable. • The above inter-corporate deposits are under unsecured category.
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	To meet working capital requirements of TTL.
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	Mr P B Balaji, the Tata Motors Group Chief Financial Officer and KMP of the Company is also a Director on the Board of TTL. His interest or concern or that of his relatives, is limited only to the extent of his holding directorship / KMP position in the Company and TTL.
6.	Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 9 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 9 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 9 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 10

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 TMPVL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	TMPVL is a subsidiary of the Company. Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble NCLT, Mumbai, the Company has transferred its Passenger Vehicles Undertaking to TMPVL w.e.f. January 1, 2022, to provide a differentiated focus for the Passenger Vehicle Business, realizing its potential and unlocking business value by enhanced management focus and operational flexibility. TMPVL is a Related Party of the Company, as on date of this Notice.
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 2022-23, for an aggregate value not exceeding ₹12,500 crore (with funding transactions not exceeding ₹6,500 crore and operational transactions not exceeding ₹6,000 crore): • Purchase of goods / services (including material procurement). • Availing and rendering of non-engineering Services. • Cross charge for ERC Projects /Capacity and Employment Services used by the Company. • High-Bond license pass out costs. • Royalty. • Inter-corporate deposits taken/given. • Investments made.
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.	4.49%

Sr. No.	Description	Details of proposed RPTs between the Company and TMPVL
2.	Justification for the proposed RPTs.	The Company has existing equity investment in TMPVL. In addition to this, the Company and TMPVL may also place ICDs with each other to earn interest income on surplus funds and support working capital requirements. Further, the operational transactions which mainly consists of sale of goods / services, ERC services, corporate cross charge, licensing of Copy right, Patents, Designs etc. will support the business of both the companies in cost synergy by leveraging on the expertise / technical manpower / manufacturing facilities of each other and resulting in sustainability in the long run.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary.	
a.	Details of the source of funds in connection with the proposed transaction.	Own share capital / Internal accruals and liquidity of the Company and TMPVL.
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.	Not Applicable.
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Investment made and Inter-corporate deposits taken aggregating to, not exceeding ₹5,000 crore and Inter-corporate deposits given aggregating to, not exceeding ₹1,500 crore: • Lock in Period of 2 days and thereafter on 'demand to pay basis'. • Tenure: upto 12 months. • Interest rate: 5% - 7.5%; linked to the Company's short-term borrowing rate • Repayment Schedule: Not Applicable. • The above inter-corporate deposits are under unsecured category. • ICDs would be given / taken in various trenches and outstanding balances of ICDs given / ICDs taken at any point of time would be not exceeding ₹5000 crore and ₹1500 crore respectively.
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	To meet working capital requirements of TMPVL.
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is also a Director on the Board of TMPVL. His interest or concern or that of his relatives, is limited only to the extent of his holding directorship / KMP position in the Company and TMPVL.
6.	Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 10 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 10 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 10 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 11

Details of the proposed RPTs between the Company and Tata Cummins Private Limited ('TCPL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between the Company and TCPL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	TCPL is a 50:50 joint venture between the Company and Cummins Inc, USA. TCPL is engaged in the manufacture and sale of engine and its components, including trading of bought out finished components and after-market services. TCPL manufactures high performance, reliable and durable mid-range (B&L) engines in the range of 75 to 400 HP. TCPL is a Related Party of the Company, as on the date of this Notice.

Sr. No.	Description	Details of proposed RPTs between the Company and TCPL
b.	Type, material terms, monetary value and particulars of the proposed RPTs.	The Company and TCPL have entered into / propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding ₹6,550 crore (with funding transactions not exceeding ₹50 crore and operational transactions not exceeding ₹6,500 crore): • Purchase of goods / services (including material procurement). • Inter-corporate deposits given.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	2.35%
2.	Justification for the proposed RPTs.	One of the important objectives of the Joint Venture is to meet the business requirements of both JV partners and achieve overall efficiencies with respect to manufacture of engines. In light of above and various commercial factors, aforementioned transactions are undertaken, that will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary.	
a.	Details of the source of funds in connection with the proposed transaction.	Own share capital / Internal accruals and liquidity of the Company.
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.	Not Applicable.
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Inter-corporate deposits given aggregating to, not exceeding ₹50 crore: Lock in Period of 2 days and thereafter on 'demand to pay basis'. Tenure: upto 12 months. Interest rate: 5% - 7.5%; linked to the Company's short-term borrowing rate. Repayment Schedule: Not Applicable. The above inter-corporate deposits are under unsecured category.
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 requirement of TCPL.
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	Mr Girish Wagh, Executive Director and KMP of the Company is also a director on the Board of TCPL. His interest or concern or that of his relatives, is limited only to the extent of his holding directorship / KMP position in the Company and TCPL.
6.	Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 11 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.11 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 11 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 12

Details of the proposed RPTs between the Company and Tata Capital Financial Services Limited ('TCFSL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between the Company and TCFSL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	Tata Sons Private limited is the ultimate Holding Company of TCFSL. Tata Sons Private limited is the Promoter of the Company. Thus, TCFSL is an indirect subsidiary of Tata Sons Private Limited. TCFSL is registered with the Reserve Bank of India as a Systemically Important Non Deposit Accepting Non-Banking Financial Company (NBFC) and offers fund and fee-based financial services to its customers, under the Tata Capital brand. TCFSL is a trusted and customer- centric, one-stop financial services provider, TCFSL caters to the diverse needs of retail, corporate and institutional customers, across various areas of business namely the Commercial Finance, Infrastructure Finance, Wealth Management, Consumer Loans and distribution and marketing of Tata Cards. TCFSL has over 100 branches spanning all critical markets in India. TCFSL is a Related Party of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs.	The Company and TCFSL have entered into / propose to enter into the following RPTs pertaining during FY 2022-23, for an aggregate value for an aggregate value not exceeding ₹6,500 crore: • Purchase of goods / services • Leasing Transactions including residual value risks borne by the Company • Assignment of Receivables (Factoring) Transaction and Interest thereon • Processing fees for Assignment of Receivables (Factoring) • BMS Facility and Interest thereon
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	2.33%
2.	Justification for the proposed RPTs.	Pursuant to the strategic alliance, TCFSL brings comprehensive and innovative, solution-oriented asset financing solutions like channel financing, Invoice discounting and leasing. TCFSL's Channel Financing program ensures timely availability of finance for channel partners with extended and convenient re-payment terms, thereby freeing up cash flow for business growth while strengthening company's distribution network. Further, Invoice Discounting solutions get early payments against outstanding invoices. Purchase Invoice Discounting will save the Company's business from the cash flow pressure. A pre-established credit line at TCFSL allows the Company to acquire the equipment on lease in minimal turnaround time. This in turn will contribute towards group synergy and sustainability in the long run for both the entities.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary.	
a.	Details of the source of funds in connection with the proposed transaction.	Not applicable.
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.	Not applicable.
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Not applicable.
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not applicable.
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	None of the Directors or KMPs of the Company are Directors or KMPs of TCFSL.
6.	Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 12 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 12 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 12 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 13

Details of the proposed RPTs of Tata Motors Passenger Vehicles Limited ('TMPVL') with (i) Fiat India Automobiles Private Limited ('FIAPL'); (ii)TACO Prestolite Electric Private Limited ('TPEPL'); (iii) Tata AutoComp Systems Limited ('TASL'), (iv) Tata Capital Financial Services Limited ('TCFSL'), (v) Tata Motors Finance Limited ('TMFL') and (vi) Tata Motors Finance Solutions Limited ('TMFSL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs of TMPVL with					
		FIAPL	TPEPL	TASL	TCFSL	TMFL	TMFSL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.						
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	TMPVL is a subsidiary of the Company. Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble NCLT, Mumbai, the Company has transferred its Passenger Vehicles Undertaking to TMPVL w.e.f. January 1, 2022, to provide a differentiated focus for the Passenger Vehicle Business, realizing its potential and unlocking business value by enhanced management focus and operational flexibility.					
		FIAPL is a joint operations company, established between Fiat Auto Group Automobiles S.p.A ("FIAT Auto") and the Company for the purpose of manufacturing branded motor vehicles, parts, and components thereof, in India and represents the Fiat brand in India. The JV plant operates under the name FIAPL, as an independent entity and it produces both, the Fiat and the Tata brand of cars for the Fiat India National Sales Company ('FCAIPL') and the Company, respectively. TMPVL and FIAPL are Related Parties of the Company, as on the date of this Notice.	TPEPL is a JV of Tata AutoComp Systems Limited ('TASL'), which is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. TASL is also an Associate of the Company. TPEPL is a JV between TASL and Beijing-based Prestolite Electric to enter the Electric Vehicle (EV) components market and to develop powertrain solutions for the Indian EV market. TMPVL and TPEPL are Related Parties of the Company, as on date of this Notice.	TASL is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. Furthermore, TASL is also an Associate of the Company. TASL is engaged in the business of manufacturing automotive components, including automotive interior as well as exterior plastics, and provides products and services in the automotive industry to Indian as well as global customers. TMPVL and TASL are Related Parties of the Company, as on date of this Notice.	Tata Sons Private limited is the ultimate Holding Company of TCFSL. Tata Sons Private limited is the Promoter of the Company. Thus, TCFSL is an indirect subsidiary of Tata Sons Private Limited. TCFSL is registered with the Reserve Bank of India as a Systemically Important Non Deposit Accepting Non-Banking Financial Company (NBFC) and offers fund and fee-based financial services to its customers, under the Tata Capital brand. TCFSL is a trusted and customer- centric, one-stop financial services provider, TCFSL caters to the diverse needs of retail, corporate and institutional customers, across various areas of business namely the Commercial Finance, Infrastructure Finance, Wealth Management, Consumer Loans and distribution and marketing of Tata Cards. TCFSL has over 100 branches spanning all critical markets in India. TMPVL and TCFSL are Related Party of the Company, as on the date of this Notice.	TMFL is a public limited company incorporated and domiciled in India and has its registered office in Mumbai, India. The company is registered as a systematically important NBFC under section 45 IA of the Reserve Bank of India, Act 1934 with effect from March 04, 1998. Tata Motors Finance Limited is a subsidiary of TMF Holdings Limited and is primarily engaged in lending activities providing vehicle financing through its wide network all over India. The Company provides loans for medium, heavy, small, and light commercial vehicles, as well as financial advisory and corporate lending services. It has undertaken transactions with various related parties as identified by TMFL. TMPVL and TMFL are Related Party of the Company, as on the date of this Notice.	TMFSL is an indirect wholly-owned subsidiary of the Company and TAMPL, a subsidiary of Tata Sons Private Limited, the Promoter of the Company. TMFSL is a public limited company incorporated and domiciled in India and has its registered office in Mumbai, India. TMFSL is registered as a Systemically Important Non-Banking Financial (Non Deposit Accepting or Holding) Company under section 45-1A of the Reserve Bank of India, Act 1934 with effect from December 8, 2003 and is engaged primarily in lending activities, providing finance: (a) for purchasing pre-owned vehicles; and (b) to corporate dealers and vendors of the ultimate parent company (referred to as 'Tata Motors Limited'), through its pan India branch network. TMPVL and TMFSL are related parties of the Company, as on the date of this Notice.

Sr. No.	Description	Details of proposed RPTs of TMPVL with					
		FIAPL	TPEPL	TASL	TCFSL	TMFL	TMFSL
b.	Type, material terms, monetary value and particulars of the proposed RPTs.	TMPVL and FIAPL have entered into / propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding ₹37,000 crore: • Purchase / Sale of vehicles / parts / components / services, etc.; and • Interest received and paid on outstanding balances.	TMPVL and TPEPL have entered into / propose to enter into RPTs pertaining to the purchase of goods (various powertrain products like motors, controllers as well as drivetrain etc.) during FY 2022-23, for an aggregate value not exceeding ₹1,500 crore.	TMPVL and TASL have entered into / propose to enter into RPTs pertaining to purchase of goods (mainly batteries, auto components in nature of interior plastic bodies, accessories, supplies, dyes etc.) by TMPVL from TASL which are used in vehicles manufactured by TMPVL during FY 2022-23 for an aggregate value not exceeding ₹5,500 crore.	TMPVL and TCFSL have entered into / propose to enter into the following RPTs during FY2022-23, for an aggregate value not exceeding ₹3,400 crore: • Purchase of goods / services • Leasing Transactions • Assignment of Receivables (Factoring) Transaction and Interest thereon • Processing fees for Assignment of Receivables (Factoring) • BMS Facility and Interest thereon	TMPVL and TMFL have entered into / propose to enter into the following RPTs during FY2022-23, for an aggregate value not exceeding ₹4,200 crore: • Purchase of goods / services • Leasing Transactions • Assignment of Receivables (Factoring) Transaction and Interest thereon • Processing fees for Assignment of Receivables (Factoring) • BMS Facility and Interest thereon	TMPVL and TMFSL have entered into / propose to enter into the following RPTs during FY2022-23, for an aggregate value not exceeding ₹4,200 crore: • Purchase of goods / services • Leasing Transactions • Assignment of Receivables (Factoring) Transaction and Interest thereon • Processing fees for Assignment of Receivables (Factoring) • BMS Facility and Interest thereon
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.	13.29%	0.54%	1.98%	1.22%	1.51%	1.51%
2.	Justification for the proposed RPTs.	This is a strategic alliance, setup by the Company, for manufacturing the Tata Brand Cars. TMPVL sells to FIAPL, castings and aggregates of engines, metal bodies, etc. and these are in turn utilized by FIAPL for assembling cars, which are then sold to TMPVL. TMPVL also purchases vehicle spare parts and components from FIAPL. FIAPL has undertaken to reserve certain production capacity of its Ranjangaon Manufacturing Facility for manufacturing and supplying of motor vehicles and related spare parts to the Company.	This is an strategic alliance setup by TMPVL for sourcing part and components for its EV vehicles basis detailed negotiations resulting in overall Tata Motors Group synergy and sustainability in the long run.	This is a strategic alliance setup by TMPVL for sourcing parts and components from TASL by floating quotations amongst various vendors, adopting target based costing and detailed negotiations resulting in overall Tata Motors Group synergy and sustainability in the long run.	Pursuant to the strategic alliance, TCFSL brings comprehensive and innovative, solution-oriented asset financing solutions like channel financing, Invoice discounting and leasing. TCFSL's Channel Financing program ensures timely availability of finance for channel partners with extended and convenient re-payment terms, thereby freeing up cash flow for business growth while strengthening company's distribution network. Further, Invoice Discounting solutions get early payments against outstanding invoices. Purchase Invoice Discounting will augment Company's cash flow.	Pursuant to the strategic alliance, TMFL brings comprehensive and innovative, solution-oriented asset financing solutions. A pre-established credit line at TMFL allows TMPVL to acquire the equipment in minimal turnaround time. Further, TMFL also offers various receivable assignment services & Bill discounting service to the Vendor partners at competitive rates, thus providing financial solutions for the entire supply chain.	Pursuant to the strategic alliance, TMFSL brings comprehensive and innovative, solution-oriented asset financing solutions. A pre-established credit line at TMFSL allows TMPVL to acquire the equipment in minimal turnaround time. Further, TMFSL also offers various receivable assignment services & Bill discounting service to the Vendor partners at competitive rates thus providing financial solutions for the entire supply chain.
3.	Details of Transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:						
a.	Details of the source of funds in connection with the proposed transaction.	Not applicable					
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: – Nature of indebtedness, – Cost of funds and – Tenure.	Not applicable					

Sr. No.	Description	Details of proposed RPTs of TMPVL with					
		FIAPL	TPEPL	TASL	TCFSL	TMFL	TMFSL
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Not applicable					
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not applicable					
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.					
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is also a Director on the Board of TMPVL.					
		None of the Directors or KMP of the Company is Director or KMP of FIAPL.	None of the Directors or KMP of the Company is Director or KMP of TPEPL.	None of the Directors or KMP of the Company is Director or KMP of TASL.	None of the Directors or KMPs of the Company are Directors or KMPs of TCFSL.	Mr P B Balaji, Group Chief Financial Officer and KMP of the Company as well as Ms Vedika Bhandarkar, an Independent Director of the Company, are also Directors on the Board of TMFL.	Mr P B Balaji, Tata Motors Group Chief Financial Officer and KMP of the Company as well as Ms Vedika Bhandarkar, an Independent Director of the Company, are also Directors on the Board of TMFSL.
6.	Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.					

None of the other Directors, KMPs and / or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 13 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 13 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 13 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 14

Details of the proposed RPTs of Tata Passenger Electric Mobility Limited ('TPEML') with (i) Fiat India Automobiles Private Limited ('FIAPL'); (ii)TACO Prestolite Electric Private Limited ('TPEPL'); (iii) Tata Motors Passenger Vehicles Limited ('TMPVL'); and (iv) Tata AutoComp Systems Limited ('TASL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs of TPEML with			
		FIAPL	TPEPL	TMPVL	TASL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.				
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	TPEML was incorporated on December 21, 2021 a wholly-owned subsidiary of the Company to undertake its passenger electric mobility business. TPEML is a Related Party of the Company, as on the date of this Notice.			
		FIAPL is a joint operations company, established between Fiat Auto Group Automobiles S.p.A ('FIAT Auto') and the Company for the purpose of manufacturing branded motor vehicles, parts, and components thereof, in India and represents the Fiat brand in India. The JV plant operates under the name FIAPL, as an independent entity and it produces both, the Fiat and the Tata brand of cars for the Fiat India National Sales Company ('FCAIPL') and the Company, respectively. TPEML and FIAPL are Related Parties of the Company, as on the date of this Notice.	TPEPL is a JV of Tata AutoComp Systems Limited ('TASL'), which is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. TASL is also an Associate of the Company. TPEPL is a JV between TASL and Beijing-based Prestolite Electric to enter the Electric Vehicle ('EV') components market and to develop powertrain solutions for the Indian EV market. TPEML and TPEPL are Related Parties of the Company, as on the date of this Notice.	TMPVL is a subsidiary of the Company. Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble NCLT, Mumbai, the Company has transferred its Passenger Vehicles Undertaking to TMPVL w.e.f. January 1, 2022, to provide a differentiated focus for the Passenger Vehicle Business, realizing its potential and unlocking business value by enhanced management focus and operational flexibility. TPEML and TMPVL are Related Parties of the Company, as on the date of this Notice.	TASL is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. Furthermore, TASL is also an Associate of the Company. TASL is engaged in the business of manufacturing automotive components, including automotive interior as well as exterior plastics, and provides products and services in the automotive industry to Indian as well as global customers. TPEML and TASL are Related Parties of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs.	TPEML and FIAPL have entered into / propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding ₹3,500 crore: • Purchase / Sale of vehicles / parts / components / services, etc.; and • Interest received and paid on outstanding balances.	TPEML and TPEPL have entered into / propose to enter into RPTs pertaining to the purchase of goods (various powertrain products like motors, controllers as well as drivetrain etc.) during FY 2022-23, for an aggregate value not exceeding ₹1,000 crore.	TPEML and TMPVL have entered into / propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding ₹5,600 crore (with funding transactions not exceeding Rs 500 crore and operational transactions not exceeding ₹5,100 crore): • Purchase of goods / services (including material procurement). • Availing and rendering of non-engineering Services. • Cross charge for ERC Projects /Capacity and Employment Services used by the Company. • Royalty. • Inter-corporate deposits taken/given. • Purchase / Sales of Investments in subsidiaries.	TPEML and TASL have entered into / propose to enter into RPTs pertaining to purchase of goods (mainly batteries, auto components in nature of interior plastic bodies, accessories, supplies, dyes etc.) by TPEML from TASL which are used in vehicles manufactured by TPEML during FY 2022-23 for an aggregate value not exceeding ₹2,500 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.26%	0.36%	2.01%	0.90%
2.	Justification for the proposed RPTs.	TMPVL has a manufacturing arrangement with FIAPL for manufacture of engines and vehicles. The manufacturing capacity available will be shared between TMPVL and FCA based on volume commitment given by each party. Going forward, the Company's capacity entitlement shall be apportioned between TMPVL and TPEML. The existing principles of cost allocation, take or pay arrangement and true up mechanism (including for expenses and mechanism for adjustments) will apply on the same basis for CMA between TMPVL and TPEML. Considering there would be flexibility to use each other's capacities even as the year progresses, this would bring in better operational efficiency for TPEML as well as TMPVL.	This is a strategic alliance setup by TPEML for sourcing part and components for its EV vehicles basis detailed negotiations.	The Company has existing equity investment in TMPVL & TPEM. In addition to this, TPEM may place ICDs with TMPVL to earn interest income on surplus funds and support working capital requirements. Further, the operational transactions which mainly consists of sale of goods / services, ERC services, Corporate cross charge, Licensing of Copy right, Patents, Designs etc. will support the business of both the companies in cost synergy by leveraging on the expertise / technical manpower / manufacturing facilities of each other.	This is a strategic alliance setup by TPEML for sourcing parts and components from TASL by floating quotations amongst various vendors, adopting target based costing and detailed negotiations. As part of the Tata Motors Group Strategy for synergy and sustainability, these related parties enter into transactions amongst themselves to not only smoothen business operations of the companies inter-se, but also, to ensure consistent flow of desired quality and quantity of facilities and services without interruptions, thereby enhancing the scope of business synergy and revenue generation for the Tata Motors Group of companies.
		The aforementioned transactions would not only help both the Companies to manage its business operations smoothly but would also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity. This in turn will contribute towards Tata Motors' group synergy.			
3.	Details of Transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:				
a.	Details of the source of funds in connection with the proposed transaction.	Not applicable.		Own share capital / Internal accruals and liquidity of the TPEML and TMPVL.	Not applicable.

<table>
<tr><th rowspan="2">Sr. No.</th><th rowspan="2">Description</th><th colspan="4">Details of proposed RPTs of TPEML with</th></tr>
<tr><th>FIAPL</th><th>TPEPL</th><th>TMPVL</th><th>TASL</th></tr>
<tr><td>b.</td><td>Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:
- Nature of indebtedness,
- Cost of funds and
- Tenure.</td><td colspan="4">Not applicable.</td></tr>
<tr><td>c.</td><td>Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.</td><td colspan="2">Not applicable.</td><td>Inter-corporate deposits to be made aggregating to, not exceeding ₹500 crore:
• Lock in Period of 2 days and thereafter on 'demand to pay basis'.
• Tenure: upto 12 months.
• Interest rate: 5% - 7.5%; linked to the Company's short-term borrowing rate:
• Repayment Schedule: Not Applicable.
• The above inter-corporate deposits are under unsecured category.
• ICDs would be made in various trenches and outstanding balances of ICDs given at any point of time would be upto ₹500 crore.</td><td>Not applicable.</td></tr>
<tr><td>d.</td><td>The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</td><td colspan="2">Not applicable.</td><td>To meet working capital requirements of TMPVL.</td><td>Not applicable</td></tr>
<tr><td>4.</td><td>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.</td><td colspan="4">The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.</td></tr>
<tr><td rowspan="2">5.</td><td rowspan="2">Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.</td><td colspan="4">Mr P B Balaji, Group Chief Financial Officer and KMP of the Company as well as Ms Vedika Bhandarkar, Independent Director are also Directors on the Board of TPEML.</td></tr>
<tr><td>Mr Shailesh Chandra, Managing Director as well as Mr Aasif Malbari, Chief Financial Officer and KMP of TPEML are also Directors on the Board of FIAPL. Their interest or concern or that of their respective relatives, is limited only to the extent of their holding directorship / KMP position in TPEML and FIAPL.</td><td>None of the Directors or KMP of TPEML is Director or KMP of TPEPL.</td><td>Mr Shailesh Chandra, Managing Director of TPEML is also Managing Director on the Board of TMPVL. His interest or concern or that of his relatives, is limited only to the extent of his holding directorship / KMP position in TPEML and TMPVL.</td><td>None of the Directors or KMP of TPEML is Director or KMP of TASL.</td></tr>
<tr><td>6.</td><td>Any other information that may be relevant.</td><td colspan="4">All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.</td></tr>
</table>

None of the other Directors, KMPs and / or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 14 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 14 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 14 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 15

Details of the proposed RPTs of Tata Motors Finance Limited ('TMFL'), Tata Motors Finance Solutions Limited ('TMFSL') and TMF Holding Limited ('TMFHL') [TMFL, TMFSL and TMFHL collectively referred to as the Tata Motors Finance Group of Companies ('TMFG')] with Tata Asset Management Private Limited ('TAMPL'); and Tata Cummins Private Limited ('TCPL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between			
		TMFL and TAMPL	TMFSL and TAMPL	TMFHL and TAMPL	TMFHL and TCPL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.				
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	TMFL is a wholly-owned subsidiary of the Company and TAMPL is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. TMFL is a public limited company incorporated and domiciled in India and has its registered office in Mumbai, India. The company is registered as a systematically important NBFC under section 45 IA of the Reserve Bank of India, Act 1934 with effect from March 04, 1998. Tata Motors Finance Limited is a subsidiary of TMF Holdings Limited and is primarily engaged in lending activities providing vehicle financing through its wide network all over India. The Company provides loans for medium, heavy, small, and light commercial vehicles, as well as financial advisory and corporate lending services. It has undertaken transactions with various related parties as identified by TMFL. TAMPL manages investments of Tata Mutual Fund, a mutual fund registered with SEBI. The company offers a range of investment solutions for financial planning and wealth creation and manages funds across the entire risk-return spectrum. The company also offers portfolio management services to high net worth individuals and advisory services to offshore investors/funds investing in India. Accordingly, TMFL and TAMPL are Related Parties of the Company, as on the date of this Notice.	TMFSL is an indirect wholly-owned subsidiary of the Company and TAMPL, a subsidiary of Tata Sons Private Limited, the Promoter of the Company. TMFSL is a public limited company incorporated and domiciled in India and has its registered office in Mumbai, India. TMFSL is registered as a Systemically Important Non-Banking Financial (Non Deposit Accepting or Holding) Company under section 45-1A of the Reserve Bank of India, Act 1934 with effect from December 8, 2003 and is engaged primarily in lending activities, providing finance: (a) for purchasing pre-owned vehicles; and (b) to corporate dealers and vendors of the ultimate parent company (referred to as 'Tata Motors Limited'), through its pan India branch network. Accordingly, TMFSL and TAMPL are related parties of the Company, as on the date of this Notice.	TMFHL is a direct wholly-owned subsidiary of the Company and TAMPL is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. TMFHL is registered as a Non-Banking Financial (Non Deposit Accepting or Holding) Company with the Reserve Bank of India (RBI) with effect from August 9, 2006 Pursuant to application requesting for conversion of the Group to a Core Investment Company, submitted to RBI on June 23, 2017, RBI issued a fresh Certificate of Registration of NBFC, Non Deposit taking Systemically Important Core Investment Company (CIC) dated October 12, 2017 to TMFHL. TMFHL is a subsidiary of Tata Motors Limited with effect from June 17, 2017, the name of the Company has changed to TMF Holdings Limited from Tata Motors Finance Limited. The Company is primarily a holding company, holding investments in its subsidiaries and other Group companies. Accordingly, TMFHL and TAMPL are related parties of the Company, as on the date of this Notice.	TMFHL is a wholly owned subsidiary of the Company and TCPL is a joint operations company of the Company. TMFHL is registered as a Non-Banking Financial (Non Deposit Accepting or Holding) Company with the Reserve Bank of India (RBI) with effect from August 9, 2006. Pursuant to application requesting for conversion of the Group to a Core Investment Company, submitted to RBI on June 23, 2017, RBI issued a fresh Certificate of Registration of NBFC Non Deposit taking Systemically Important Core Investment Company (CIC) dated October 12, 2017 to TMFHL. TMFHL is a subsidiary of Tata Motors Limited with effect from June 17, 2017, the name of the Company has changed to TMF Holdings Limited from Tata Motors Finance Limited. TMFHL is primarily a holding company, holding investments in its subsidiaries and other Group companies. TCPL is a 50:50 joint venture between Tata Motors Limited and Cummins Inc, USA, Further director of Tata Motors Limited is also a director of TCPL. The company is engaged in the manufacture and sale of engine and its components, including trading of bought out finished components. TCPL manufactures high performance, reliable and durable mid-range (B&L) engines in the range of 75 to 400 HP. The Company purchases automotive engines manufactured by TCPL for which it needs to make payment to TCPL within a credit period of 89 days. TMFHL proposed to provide a short-term invoice financing facility (IFF) to TCPL wherein TMFHL will make a payment to TCPL against its invoices on behalf of TML. Such a payment will be made to TCPL by TMFHL on invoice date. The Company will make payment to TMFHL as per credit terms. Accordingly, TMFHL and TCPL are Related Parties of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs.	TMFL and TAMPL have entered into / propose to enter into the following RPTs during FY2022-23, for an aggregate value not exceeding ₹10,360 crore: • Investment made by TMFSL in TAMPL aggregating to, not exceeding ₹6,000 crore; • Investment received by TMFSL from TAMPL aggregating to, not exceeding ₹4,000 crore; and • Interest receivable /payable on above investment aggregating to ₹360 crore.	TMFSL and TAMPL have entered into/ proposed to enter into the following RPTs during FY2022-23, for an aggregate value not exceeding ₹7,113 crore: • Investment made by TMFSL in TAMPL aggregating to ₹6,000 crore. • Investment received by TMFSL from TAMPL aggregating to ₹1,000 crore. • Interest receivable /payable on above investment aggregating to ₹113 crore	TMFHL and TAMPL have entered into/ proposed to enter into the following RPTs during FY2022-23, for an aggregate value not exceeding ₹7,113 crore: • Investment made by TMFHL in TAMPL aggregating to ₹6,000 crore • Investment received by TMFHL from TAMPL aggregating to ₹1,000 crore • Interest receivable / payable on above investment aggregating to ₹113 crore.	Loan given by TMFHL (Financing of invoices raised on the Company) to TCPL aggregating to ₹4,200 crore.

Sr. No.	Description	Details of proposed RPTs between			
		TMFL and TAMPL	TMFSL and TAMPL	TMFHL and TAMPL	TMFHL and TCPL
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.	3.72%	2.55%	2.55%	1.51%
2.	Justification for the proposed RPTs.	The aforementioned investment arrangements between TMFL and TAMPL will help both the companies to ramp-up the expansion plans which in turn will benefit Tata Motors in its growth strategy. The Company purchases automotive engines manufactured by TCPL for which it needs to make payment to TCPL within a credit period of 89 days. TMFHL proposed to provide a short term invoice financing facility to TCPL wherein TMFHL will make a payment to TCPL against its invoices on behalf of the Company. Such a payment will be made to TCPL by TMFHL on invoice date. The Company will make payment to TMFHL as per credit terms.			
3.	Details of Transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:				
a.	Details of the source of funds in connection with the proposed transaction.	Investment made by TMFL in TAMPL aggregating to, not exceeding ₹6,000 crore: • Source of funds: Borrowed funds • Tenor of Investments: upto 1 month • Cost of funds: 8.00 % • Tenor of indebtedness: Upto 4 years • Nature of indebtedness: NCDs and CPs • Interest Rate: 3.5 % to 6.00 % • Covenants: Nil • Nature of Funding: Unsecured • Purpose of fund utilization by beneficiary: Not Applicable Investment received by TMFL from TAMPL aggregating to, not exceeding ₹4,000 crore: Not applicable	Investment made by TMFSL in TAMPL aggregating to, not exceeding ₹6,000 crore: • Source of funds: Borrowed funds • Tenor of Investments: upto 1 month • Nature of indebtness: NCD / CPs • Cost of funds: 8% • Tenure of indebtedness: Upto 4 years • Interest Rate: 3.5 % to 6 % • Covenants: Nil • Nature of Funding: Unsecured • Purpose of fund utilization by beneficiary: Not Applicable Investment received by TMFSL from TAMPL aggregating to, not exceeding ₹1,000 crore: Not applicable Investment received by TMFSL from TAMPL aggregating to ₹500 crore: • Tenor: 12 months • Interest rate: 4.50% - 7% • Nature of funding: Unsecured Investment received by TMFSL from TAMPL aggregating to ₹500 crore: • Tenor: 48 months • Interest rate: 7.5% - 8% • Nature of funding: Unsecured	Investment made by TMFHL in TAMPL aggregating to ₹6,000 crore: • Source of funds: Borrowed funds • Tenor of Investments: upto 1 month • Nature of indebtness: NCD / CPs • Cost of funds: 7.89% • Tenure of the indebtedness: Upto 4 years • Interest Rate: 3.5 % to 6% • Covenants: Nil • Nature of Funding: Unsecured • Purpose of fund utilization by beneficiary: Not Applicable Investment received by TMFHL from TAMPL aggregating to ₹1,000 crore: Not applicable Investment received by TMFHL from TAMPL aggregating to ₹500 crore: • Tenor: 12 months • Interest rate: 4.50% - 7% • Nature of funding: Unsecured Investment received by TMFHL from TAMPL aggregating to ₹500 crore: • Tenure: 48 months • Interest rate: 7.5% - 9% • Nature of funding: Unsecured	Loan given by TMFHL to TCPL aggregating to ₹4,200 crore: • Source of funds: Borrowed funds • Nature of Indebtedness: NCD / CPs • Cost of funds: 7.89% • Tenure of the indebtedness: Upto 4 years • Key terms / covenants: Recourse on TCPL for financing of invoices raised on the Company • Tenure of investment : Upto 3 month • Interest rate: Up to 6% • Nature of funding: Unsecured
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.				
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.				
		Please note that pricing mentioned above it indicative and it is subject to change basis market conditions			
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable			Working Capital
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.			
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	Mr P B Balaji, Group Chief Financial Officer and KMP of the Company as well as Ms Vedika Bhandarkar, an Independent Director of the Company, are also Directors on the Board of TMFL. None of the Directors or KMPs of the Company are Directors or KMPs of TAMPL.	Mr P B Balaji, Tata Motors Group Chief Financial Officer and KMP of the Company as well as Ms Vedika Bhandarkar, an Independent Director of the Company, are also Directors on the Board of TMFSL. None of the Directors or KMPs of the Company are Directors or KMPs of TAMPL.	Mr P B Balaji, Tata Motors Group Chief Financial Officer and KMP of the Company is also a Director on the Board of TMFHL. None of the Directors or KMPs of the Company are Directors or KMPs of TAMPL.	Mr P B Balaji, Tata Motors Group Chief Financial Officer and KMP of the Company is also a Director on the Board of TMFHL. Mr Girish Wagh, Executive Director and KMP of the Company is also a Director on the Board of TCPL.
6.	Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.			

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 15 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 15 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 15 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 16

Details of the proposed RPTs of Jaguar Land Rover Group of Companies ('JLR Group') with Chery Jaguar Land Rover Automotive Company Limited ('CJLR'), Tata Consultancy Services Limited & its subsidiaries ('TCS Group') 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			
		JLR Group and CJLR	JLR Group and TCS Group	TMPVL and JLRI	TMPVL and JLR UK
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.				
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	Jaguar Land Rover Automotive plc ('JLR') is a subsidiary of the Company. JLR is into the design, development, manufacture and marketing of high-performance luxury saloons, specialist sports cars, four-wheel drive off-road vehicles and related components. For the list of entities falling under the JLR Group, refer to https://www.tatamotors.com/investors/		TMPVL is a subsidiary of the Company. Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble NCLT, Mumbai, the Company has transferred its Passenger Vehicles Undertaking to TMPVL w.e.f. January 1, 2022, to provide a differentiated focus for the Passenger Vehicle Business, realizing its potential and unlocking business value by enhanced management focus and operational flexibility.	
		CJLR is a joint venture of the Company. CJLR is into manufacturing and assembly of vehicles. JLR and CJLR are Related Parties of the Company, as on the date of this Notic	Tata Consultancy Services Limited ('TCS') is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. TCS being a globally recognised provider of IT services participates in the digitization initiatives of entities within Tata group and partners in respective entities' growth and transformation journeys. For the list of entities falling under the JLR Group, refer to https://www.tatamotors.com/investors/ JLR Group and TCS Group are Related Parties of the Company, as on the date of this Notice.	Jaguar Land Rover India Limited ('JLRIL'), is an indirect wholly owned subsidiary of the Company. The Principal activity of JLRIL is to act as the National Sales Company in India for JLR UK. It also acts as the entity for continuation and expansion of the Jaguar Land Rover operations in India. TMPVL and JLRIL are Related Parties of the Company, as on the date of this Notice.	Jaguar Land Rover Limited, UK ('JLR UK') is a wholly-owned subsidiary of the Company based out of UK. It is in business of designing, manufacturing and selling luxury vehicles and sport utility vehicles. TMPVL and JLR UK are Related Parties of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs.	JLR Group and CJLR have entered into / propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding ₹4,200 crore. • Sale of goods • Rendering of services The transactions are based on Joint Venture contracts.	JLR Group and TCS Group have entered into / propose to enter into RPTs pertaining to the rendering of services during FY 2022-23, for an aggregate value not exceeding ₹2,500 crore.	TMPVL and JLRIL propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding ₹1,500 crore: • Sale of goods (mainly JLR Cars). • Payment of Interest on working capital deployed for JLRIL operations.	TMPVL and JLR UK have entered into/ propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding ₹1,100 crore: • Purchase / Sale of vehicles parts & components / services, etc. • Purchase of tooling and dies for manufacturing JLR Cars in India.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.51%	0.90%	0.54%	0.40%

Sr. No.	Description	Details of proposed RPTs between			
		JLR Group and CJLR	JLR Group and TCS Group	TMPVL and JLRI	TMPVL and JLR UK
2.	Justification for the proposed RPTs.	As a part of the Tata Motors Group Strategy, the group companies of the Company enter into transactions with Tata Group entities amongst themselves which not only help smoothen business operations of the companies, inter-se, but also ensures consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business enhancement.		The Company manufactures JLR vehicles at its Pune facility and sells the same to JLRIL for further distribution in Indian market resulting in overall Tata Motors Group synergy and sustainability in the long run. This arrangement is being novated to TMPVL on the basis of the Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal (NCLT) for transferring the Passenger Vehicle Business Unit of the Company to TMPVL. This is strategic alliance setup by the Company for manufacturing of JLR Branded cars in India.	As part of business, JLRIL places manufacturing orders on TMPVL. TMPVL is then responsible for purchasing the requisite parts and components from JLR UK through component supply contract and engine part supply to meet its capital commitment. Thereafter, TMPVL uses the said parts and components at its manufacturing facility in Pune to manufacture JLR Brand Cars and sale the JLR Cars to JLRIL. The aforementioned transactions would not only help both the Companies to manage its business operations smoothly but would also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.
3.	Details of Transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:				
a.	Details of the source of funds in connection with the proposed transaction.	Not applicable.			
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: Nature of indebtedness, Cost of funds andTenure.	Not applicable.			
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Not applicable.			
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not applicable.			
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report,if applicable, would be obtained and relied upon.			
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	Mr Thierry Bolloré, a Non-Executive Director of the Company as well as Ms Hanne Sorensen, an Independent Director of the Company, are also Directors on the Board of JLR.		Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is also a Director on the Board of TMPVL.	
		None of the Directors or KMPs of the Company are Directors or KMPs of CJLR.	Mr N Chandrasekaran, a Non-Executive Director and the Board Chairman as well as Mr Om Prakash Bhatt and Ms Hanne Sorensen, Independent Directors on the Board of Directors the Company, are also Directors on the Board of Directors of TCS.	None of the Directors or KMP of the Company is or KMP of JLRIL.	None of the Directors or KMP of TMPVL is a Director or KMP of JLR UK.
6.	Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.			

None of the other Directors, KMPs and / or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 16 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 16 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 16 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 17

Details of the proposed RPTs between Tata Cummins Private Limited ('TCPL') and its Related Parties, including the information required to be disclosed as part of the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between TCPL and its Related Parties
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	TCPL is a 50:50 joint venture between Tata Motors Limited and Cummins Inc , USA. TCPL is engaged in the manufacture and sale of engine and its components, including trading of bought out finished components and after-market services. TCPL manufactures high performance, reliable and durable mid-range (B&L) engines in the range of 75 to 400 HP. Cummins Inc. ('CI') is a global power leader that designs, manufactures, distributes and services diesel, natural gas, electric and hybrid powertrains and powertrain-related components including filtration, aftertreatment, turbochargers, fuel systems, controls systems, air handling systems, automated transmissions, electric power generation systems, batteries, electrified power systems, hydrogen production and fuel cell products. The Company sell their products to original equipment manufacturers (OEMs), distributors, dealers and other customers worldwide. They serve their customers through a service network of approximately 500 wholly-owned, joint venture and independent distributor locations and more than 10,000 Cummins certified dealer locations in approximately 190 countries and territories. TCPL is a Related Party of the Company, as on the date of this Notice. For the list of Related Parties of TCPL, refer to https://www.tatamotors.com/investors/
b.	Type, material terms, monetary value and particulars of the proposed RPTs.	TCPL has undertaken/proposed to undertake RPTs with its Related Parties. The RPTs involves Sale of Goods, Purchase of Goods, Dividend Paid, Royalty & Tech know how Paid, Reimbursement Paid, Reimbursement Received, Services Received, Services Rendered, Warranty, Purchase of Fixed Assets, Sale of Fixed Assets, Purchase of License, Donations, during FY 2022-23 for an aggregate value not exceeding ₹4,300 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.54%
2.	Justification for the proposed RPTs.	One of the important objectives of the Joint Venture is to meet the business requirements of both JV partners and achieve overall efficiencies with respect to manufacture of engines. In light of above and various commercial factors, aforementioned transactions are undertaken, that will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:	
a.	Details of the source of funds in connection with the proposed transaction.	Not Applicable.
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: – Nature of indebtedness, – Cost of funds and – Tenure.	Not Applicable.
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Not Applicable.
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable.
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report,if applicable, would be obtained and relied upon.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	Mr Girish Wagh, Executive Director and KMP of the Company is also a Director on the Board of TCPL. None of the Directors or KMPs of the Company are Directors or KMPs of Cummins Inc and its related parties, except for Mr Girish Wagh, the Executive Director and KMP of the Company, who is also a Director on the Board of TCPL, a related party of Cummins Inc.
6.	Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 17 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 17 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 17 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 18

At the 73rd Annual General Meeting of the Company held on August 3, 2018, the Tata Motors Limited Employees Stock Option Scheme 2018 ('TML ESOP Scheme 2018' / the Scheme') was approved by the Members by way of a Special Resolution. In terms of the Scheme, the 1st tranche of the Stock Options were vested with the Eligible Employees on June 30, 2021.

In terms of the Order dated August 24, 2021 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench, the Passenger Vehicle Undertaking of the Company was transferred to Tata Motors Passenger Vehicles Limited ('Subsidiary Company') with effect from January 1, 2022. Subsequently, the Company has incorporated a whollyowned subsidiary, viz., Tata Passenger Electric Mobility Limited to carry out its Electric Vehicle business. In addition, the Company has been engaged in various restructuring exercises in order to seize the growth opportunities and being future ready in a sustainable manner. Therefore, the employees of the Company have been / are being transferred within subsidiary(ies) / associate(es) created / to be created by the Company for this purpose. Such employees include the eligible employees of the Company to whom the aforesaid Stock Options were granted under the Scheme.

In order to extend the benefits of the Scheme to such eligible employees of the Company who have been transferred / will be transferred to the subsidiaries / associates of the Company, it is proposed to amend the Scheme as per the details given below:

Clause No. in the Scheme.	Position under the Scheme	Proposed Amendment to the Scheme
3. Definitions		
3.14: 'Employee'	The term 'Employee' has been defined under the Scheme as follows: 3.14. 'Employee' means: a) a permanent employee of the Company or Tata Motors Passenger Vehicles Limited (or such name as may be approved by Registrar of Companies, Ministry of Corporate Affairs, pursuant to this Scheme) who has been working in India or outside India; or b) a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director But does not include- a) an employee who is a promoter or a person belonging to the promoter group; or b) a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.	The existing definition of 'Employee' under the Scheme shall be replaced by the following definition: 3.14. 'Employee' means: a) an employee as designated by the Company, who is exclusively working in India or outside India; or b) a Director of the Company, whether a Whole Time Director or not, including a non-Executive Director who is not a promoter or member of the promoter group, but excluding an Independent Director; or c) an employee as defined in sub-clauses (a) or (b) of Tata Company, in India or outside India. But does not include- a) an employee who is a promoter or a person belonging to the promoter group; or b) a director who, either himself or through any body corporate, directly or indirectly, holds more than 10 percent of the outstanding equity shares of the Company.
3.42: 'Tata Company'	The term 'Tata Company" has been defined under the Scheme as follows: 'Tata Company' means any Company which has subscribed to the Tata Brand Equity & Business Promotion Agreement.	The existing definition of 'Tata Company' under the Scheme shall be deleted and replaced by the following definition: 'Tata Company' means a Company which is a subsidiary or an associate company of the Company. Explanation: The word 'Subsidiary' and 'Associate' shall have the same meaning as defined under the Companies Act, 2013 and the Rules framed thereunder.

Clause No. in the Scheme.	Position under the Scheme	Proposed Amendment to the Scheme
15.7: On Transfer to a Tata Company	The clause 'On Transfer to a Tata Company' under the Scheme states as under: In case the employment of the Participant with the Company is discontinued due to transfer to a Tata Company after the Grant of Option but before Vesting, then the Options would vest with the Participant on pro-rata basis for the period served with the Company, subject to the Participant continuing to serve a Tata Company on the date of Vesting. All the Vested Options shall be permitted to be exercised in accordance with Clause 14 above before the expiry of the Exercise Period as per the Scheme. Any Vested Options not exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 10.3 above shall stand automatically terminated without surviving any right/ liability for the Participant or the Company in respect of such Options.	The existing clause of "On Transfer to a Tata Company" under the Scheme shall be deleted and replaced with the following clause: "In the event a Participant, who has been granted benefits under the Scheme, is transferred or deputed to a Tata Company prior to Vesting or Exercise, the Vesting and Exercise as per the terms of Grant shall continue in case of such transferred or deputed employee even after the transfer or deputation."

In addition to the above, pursuant to the authority vested vide Clause 29.1 of the Scheme, the NRC had approved certain amendments to the Scheme in order to comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Electronic copy of the Amended Scheme, containing the amendments approved by the NRC as well as the proposed amendments mentioned above, is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents.

All eligible employees to whom the Options have been granted / to be granted under the Scheme and who will be considered as an employee as per amended definition under the Scheme shall be the beneficiaries of the proposed amendments to the Scheme. This will also ensure continuity of the benefits for these eligible employees of the Company in the event of their transfer within Tata Companies. Further, the aforesaid amendment is not considered to be prejudicial to the interests of the employees.

The Directors or Key Managerial Personnel may be deemed concerned or interested in the Resolution to the extent of the Options granted / may be granted to them and to their shareholding in the Company, if any.

None of the other Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 18 of the accompanying Notice.

Based on the recommendation of the NRC, the Board recommends the Special Resolution set forth at Item No.18 of the Notice for approval by the Members.

Item No.19

Pursuant to Section 94 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, certain documents such as the Registers prescribed under Section 88 of the Act and copies of Annual Returns as required under Section 92 of the Act, together with the copies of certain other registers, certificates, documents, etc. are required to be kept and maintained at the Registered Office of the Company. However, these documents can be kept at any other place in India in which more than one-tenth of the total Members entered in the Register of Members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Pursuant to the shifting of the registered office of TSR Consultants Private Limited (formerly known as 'TSR Darashaw Consultants Private Limited') ('TSR'), the Registrar and Transfer Agent of the Company from 6-10, Haji Moosa Patrawala Industrial Estate, 20 Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011 to C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083, approval of the Members is sought by way of a Special Resolution for keeping and maintaining the Registers as mentioned above together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company and / or at the office of TSR mentioned in the Resolution.

The Board recommends the Special Resolution set forth at Item No. 19 of the accompanying Notice for approval by the Members.

None of the Directors, Key Managerial Personnel and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item No. 20

In line with its global aspirations, the Company has undertaken / would undertake projects/establishments in and outside India for setting up manufacturing facilities, showrooms, service centers and offices as branch offices of the Company. Whilst generally and to the extent possible, the Company would appoint its auditors for the said branch offices, in some cases/jurisdictions it may not be possible/practical to appoint them and the Company would be required to appoint an accountant or any other person duly qualified to act as an auditor of the accounts of the said branch offices in accordance with the laws of that country. To enable the Directors to appoint Branch Auditors for the purpose of auditing the accounts of the Company's Branch Offices outside India (whether now existing or as may be established), necessary authorisation of the Members is being obtained in accordance with the provisions of Section 143 of the Act, in terms of the Resolution at Item No. 20 of the accompanying Notice.

The Board recommends the Ordinary Resolution set out at Item No. 20 of the accompanying Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item No. 21

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have audit of its cost records for specified products conducted by a Cost Accountant. Based on the recommendation of the Audit Committee, the Board had, at its meeting held on May 12, 2022, approved the re-appointment of M/s Mani & Co. (Firm Registration No. 000004) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company, pertaining to the relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014, for FY 2022-23 at a remuneration of ₹ 3,50,000/- (Rupees Three Lakh Fifty Thousand Only) plus applicable taxes, out-of-pocket and other expenses.

It may be noted that the records of the activities under Cost Audit is no longer prescribed for 'Motor Vehicles but applicable to certain parts and accessories thereof'. However, based on the recommendation of the Audit Committee, the Board has also approved the appointment of M/s Mani & Co. for submission of reports to the Company on cost records pertaining to these activities for a remuneration of ₹15,00,000 (Rupees Fifteen Lakh Only) plus applicable taxes, out-of-pocket and other expenses for FY 2022-23.

During FY 2021-22, the Passenger Vehicle ('PV') business of the Company has been transferred to a subsidiary, viz., Tata Motors Passenger Vehicles Limited. Consequently, the cost records pertaining to the PV business would be adjusted by the Cost Auditors separately on the basis of mutually agreed Audit Fees.

In view of the above, the proposed Audit Fees payable to the Cost Auditors has been decreased from ₹5,00,000 for the mandatory cost audit and ₹20,00,000 for the voluntary cost audit, respectively.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, ratification for the remuneration payable to the Cost Auditors to audit the cost records of the Company for the said financial year by way of an Ordinary Resolution is being sought from the Members as set out at Item No. 21 of the Notice.

M/s Mani & Co. have furnished a certificate dated April 30, 2022 regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

The Board recommends the Ordinary Resolution set out at Item No. 21 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

By Order of the Board of Directors

Maloy Kumar Gupta
Company Secretary
ACS No: 24123

Mumbai, May 31, 2022

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ANNEXURE TO NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings]

Name of the Director	Mitsuhiko Yamashita	Al-Noor Ramji	Om Prakash Bhatt	Hanne Sorensen
Director Identification Number	08871753	00230865	00548091	08035439
Date of Birth (Age)	April 17, 1953 (69 years)	May 18, 1954 (68 years)	March 7, 1951 (71 years)	September 18, 1965 (56 years)
Date of first appointment on the Board	September 16, 2020	May 1, 2022	May 9, 2017	January 03, 2018
Educational Qualification	Master's Degree in Aeronautical Engineering from Kyoto University and has also studied at Massachusetts Institute of Technology (Advanced Research).	Chartered Financial Analyst and holds a BSc in Electronics from the University of London.	Graduate degree in Science, Post Graduate degree in English Literature.	MSc in Economics and Management from the University of Aarhus.
Experience (including expertise in specific functional areas) / Brief Resume	Mr Yamashita brings more than 41 years of experience having worked for leading Japanese Automotive companies like Nissan Motors Company and Mitsubishi Motor Corporation in various capacities and has served on advisory panels in the Ministry of Foreign Affairs and on several committees in the Ministry of Economy, Trade and Industry. Yamashita has rich experience in various areas of design, engineering, research and development including development of electric vehicles, autonomous drive business and other automotive technologies.	Mr Ramji joined Prudential in January 2016 as Group Chief Digital Officer, is responsible for developing and executing an integrated, long-term digital st rategy for the Group. He is a seasoned executive and has led several large scale digital transformation in major industries. This includes Financial Services, Telecommunications, Software and High Tech. He led the renewal and/ or total change of business models onto a digital ecosystem platform to allow sustainable high growth across customer acquisition, distribution, products, marketing and sales.	Mr Bhatt has wide experience in Banking and Financial Markets. He led State Bank of India (SBI) and the State Bank Group as Executive Chairman from July 2006 till March 2011. Under his leadership, SBI entered and rose on the global list rankings of Fortune 500. Mr. Bhatt has served as Chairman of Indian Banks' Association, the apex body of Indian banks. He also served as India's economic diplomacy as government's nominee on the India-US CEO Forum, Indo-French CEO Forum and Indo-Russia CEO Forum, forging links with a cross section of the world's business leaders.	Ms Sorensen, a Danish national, is on the Boards and Committees of various international companies. Previously, she has held various positions within the A.P. Moller – Maersk A/S Group in Denmark between 1994 and 2016, including as the CEO of Damco, the CEO of Maersk Tankers, and the Senior Vice-President and Chief Commercial Officer of Maersk Line.
Directorships held in other companies (excluding foreign companies)	NIL	NIL	• Hindustan Unilever Limited • Tata Steel Limited • Tata Consultancy Services Limited • Aadhar Housing Finance Limited	• Tata Consultancy Services Limited
Memberships/ Chairmanships of Committees across companies (excluding foreign companies)	**Tata Motors Limited:** Member of Safety, Health and Sustainability Committee and Risk Management Committee.	NIL	**Tata Motors Limited:** Chairman of Corporate Social Responsibility Committee and Nomination and Remuneration Committee; and Member of Audit Committee. **Hindustan Unilever Limited:** Chairman of Stakeholders' Relationship Committee and Corporate Social Responsibility Committee; and Member of Audit Committee and Nomination and Remuneration Committee. **Tata Consultancy Services Limited**: Chairman of Nomination and Remuneration Committee; and Member of Audit Committee and Corporate Social Responsibility Committee **Tata Steel Limited:** Chairman of Nomination and Remuneration Committee; and Member of Audit Committee, Corporate Social Responsibility Committee and Executive Committee of the Board. **Aadhar Housing Finance Limited:** Member of Audit Committee and Nomination and Remuneration Committee	**Tata Motors Limited:** Chairperson of Risk Management Committee and Safety, Health and Sustainability Committee; and Member of Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee. **Tata Consultancy Services Limited:** Member of Audit Committee and Nomination and Remuneration Committee.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel of the Company.	Not related to any Director / Key Managerial Personnel of the Company.	Not related to any Director / Key Managerial Personnel of the Company.	Not related to any Director / Key Managerial Personnel of the Company.
No. of shares held in the Company either by self or as a beneficial owner	NIL	NIL	NIL	NIL
Terms and Conditions of appointment / re-appointment	As per the Ordinary Resolution set forth at Item No. 3 of this Notice.	As per the Special Resolution set forth at Item No. 5 of this Notice, read with the Explanatory Statement thereto.	As per the Special Resolution set forth at Item No. 6 of this Notice, read with the Explanatory Statement thereto.	As per the Special Resolution set forth at Item No. 7 of this Notice, read with the Explanatory Statement thereto.
Name of listed entities from which the person has resigned in the past three years (excluding foreign Companies)	NIL	NIL	NIL	NIL

For other details such as number of meetings of the Board attended during the year; remuneration last drawn & sought to be paid; and the skills and capabilities required for the role of Independent Director and the manner in which the person proposed to be appointed / re-appointed meets such requirements, etc. please refer to the Corporate Governance Report which is a part of the Annual Report.

TATA MOTORS

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