TATA MOTORS

78th Integrated Annual Report 2022-23

TATA

TATA MOTORS

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Contents

Future of Mobility
Safer. Smarter. Greener.

Tata Motors is spearheading the transition to sustainable, connected and safer mobility. Combining its core strength of engineering with cutting-edge technologies and its human centric design philosophy, the Company is re-imagining its entire product portfolio, value chain and operations to offer holistic solutions and augmented experiences to its customers, in line with their aspirations and lifestyle. The Company is also investing in world-class, new age powertrains to deliver low emissions and superior performance, and is strategically well positioned to offer multiple green fuel options powered by CNG, electric and hydrogen—across segments.

While Tata Motors has been the first in India to mainstream EVs for personal mobility, it is now working towards making EVs both aspirational and affordable; EVs are estimated to account for 50% of its portfolio by 2030. JLR's long-term strategy of going fully electric is accelerating in perfect synergy. Together, Tata Motors' and JLR will offer a full suite of green mobility choices for people and cargo transport—from Ace EV – the warhorse of last-mile connectivity, to the ultra-premium, Range Rover.

At Tata Motors, transition to sustainable mobility extends beyond green fuel options to developing charging infrastructure, fuel cell technology and material substitution. The Company continues to explore every new technology that can decarbonise mobility and promotes circularity with the goal of achieving Net Zero emissions by 2045.

Matchless performance

The Tata Motors Group is a leading global automobile manufacturer, offering an extensive portfolio of smart, integrated, and e-mobility solutions encompassing cars, utility vehicles, trucks and buses.

GROUP REVENUE ₹ IN CRORE

24.2% INCREASE

3,45,967

Primary Business Verticals

CV

#1

CV PLAYER IN INDIA

Sales

13,35,819 UNITS SOLD INCL. CJLR	**4,22,637** UNITS SOLD

Highlights

₹2,690 crore
PROFIT AFTER TAX

158
PATENTS FILED (TML)

~125 countries
PRESENCE

₹20,265 crore
R&D SPENDS

25
MANUFACTURING FACILITIES

81,811
COLLECTIVE WORKFORCE STRENGTH

PV

#3
PV PLAYER IN INDIA

5,40,965
UNITS SOLD (INCL. EVS)

EV

#1
EV PLAYER IN INDIA

50,043
UNITS SOLD

JLR

Iconic brands
JAGUAR AND LAND ROVER

3,72,217
UNITS SOLD INCL. CJLR

ABOUT THE REPORT

Our approach to reporting

Tata Motors Limited's 78th Integrated Annual Report 2022-23 highlights its financial and non-financial performance. It provides a concise overview of our overall performance to create value for all stakeholders in the short, medium and long term, and highlights the future viability of the business. The Report narrates in detail how Tata Motors has progressed across all business verticals and how it is revving up to become more innovative and sustainable.

Frameworks, guidelines and standards

Apart from abiding by the guiding principles and content elements of the International <IR> Framework (the '<IR> Framework'), published by the International Financial Reporting Standards Foundation (IFRS), this Report has been prepared with reference to the GRI Standards and aligned with the United Nations Sustainable Development Goals (UN SDGs). It has also taken into account the applicable requirements and principles of the following for the financial and statutory information:

- Companies Act, 2013 (and the rules made thereunder)
- Indian Accounting Standards
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India. We have also adopted the Business Responsibility and Sustainability Reporting ("BRSR") introduced by the Securities and Exchange Board of India ("SEBI") containing enhanced ESG disclosures and the same forms a part of this report.

Reporting cycle

April 01, 2022	March 31, 2023

Reporting scope and boundary

This Report outlines our business model, strategy, significant risks, opportunities, and challenges, as well as our overall performance, achievements, and outlook for the period under review. In addition to our financial performance, this Report details our environmental, social and governance (ESG) performance. Unless otherwise specified, the integrated report covers financial information on a consolidated basis for Tata Motors Limited (TML). Details are 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 subsegments as below.

Tata Commercial Vehicles (Tata CV)
Includes Tata Motors & subsidiaries TDCV, TDSC, TMBSL (Tata motors body solutions limited) 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)

Moreover, non-financial data reporting including KPIs pertaining to Sustainability Review (Environment and Social) are segregated for Tata Motors India operations and Jaguar Land Rover. Tata Motors India operations includes our CV, PV and EV businesses.

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 IFRS' <IR> Framework.

Materiality

We apply the principle of materiality in assessing what information should be included in our Integrated Report. These issues are material to our stakeholders and our ability to create value. The material issues are reviewed by Tata Motors top management.

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Our capitals

We build and bring together advanced and market-leading capabilities as demonstrated through our financial, manufactured, intellectual, human, social and natural capitals, and direct their highly productive interplay through visionary leadership to create value for all our stakeholders.

Page 12 ↗

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 has been provided by DNV Business Assurance India Private Limited, India. Non-financial data comprises the following sections of this 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 <IR> framework published by the International Financial Reporting Standards Foundation (IFRS). and the GRI's Sustainability Reporting Standards. The assurance statement issued by DNV, is available on our website www.tatamotors.com/investors/annual-reports/

Cautionary statements

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, in addition to changes in government regulations, tax laws and other statutes and incidental factors.

During the year ended March 31, 2023, the Central Electricity Authority of India have published revised grid emission factors for FY 2020-21 and FY 2021-22. Further, in one of our Plants the ownership of green attributes was erroneously considered to be with our Company. Accordingly, the FY 2020-21 and FY 2021-22 figures have been restated.

Other details (performance measures)

EBITDA includes the product development expenses charged to P&L, and realised FX and commodity hedges but excludes the revaluation of foreign currency debt, revaluation of foreign currency other assets and liabilities, 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 net cash generated from operating activities less net cash used in automotive investing activities, excluding investments in consolidated entities, M&A linked asset purchases and movements in financial investments, and after net finance expenses and fees paid, less free cash flow of TMF Group, i.e., financing business.

TATA MOTORS

ABOUT THE COMPANY

Welcome to the future of mobility

Tata Motors is on a journey to make the future of mobility a reality. And the future is human centric, smart and green. Smart customers aspire to have access to vehicles that deliver climate change neutrality and offer best-in-class features and safety. No compromises.

We are putting these progressive ideas into action. Across the product lifecycle, we are using leaner designs, cleaner materials and greener powertrains to make our vehicles more aspirational, and are putting the requisite infrastructure in place for their safe and purposeful recycling.

This is a road that we must walk together. We are collaborating with the best to develop and introduce optimal future ready technologies. With hydrogen-powered internal combustion engines, efficient fuel delivery systems, battery electric powertrains and hydrogen fuel cell electric vehicles, we are accelerating the adoption of clean mobility. Our vision and capabilities across Tata Motors and JLR are bringing that tomorrow closer.

COMPANY PROFILE

Agile, new-age and future-ready

Tata Motors Group is a global automobile manufacturer offering a wide range of commercial, passenger, and EVs. Technological prowess, and engineering par excellence that ensures safety and sustainability, are our ultimate priorities. We are at the forefront of India's shift towards electric vehicles, while staying ahead of the curve in the fast-evolving Indian automotive market.

Tata Motors Limited

Tata Motors Limited (TML) is one of India's biggest automobile manufacturing companies with an extensive range of integrated, smart and e-mobility solutions in its portfolio. TML's strong presence over years is heralded by its ability to offer quality products by connecting customer aspirations with innovative mobility solutions.

MISSION

WE INNOVATE MOBILITY SOLUTIONS WITH PASSION TO ENHANCE THE QUALITY OF LIFE.

Key strengths

Strong brand

Tata Motor's striking brand portfolio consists of Commercial Vehicles, Passenger Vehicles and Luxury Vehicles. It is home to iconic brands like Jaguar and Land Rover (JLR). These different brands cater to a wide range of customers and market segments, and offer a wide array of products under the canopy of Tata Motors.

Delivering future ready vehicles

Our transformation journey's mission, vision and values are crafted to deliver future-ready vehicles. We are exploring new avenues in the mobility space, while enriching our current offerings in line with customer demands.

Strong focus on quality and safety

Tata Motors has stayed ahead of the curve by mapping out quality and safety as key parameters in its strategic roadmap. We launched a range of safety-related technologies and continues to invest in R&D facilities and technologies in adherence to our core commitment to deliver the safest vehicles across segments.
In terms of quality, all our facilities utilise standardised systems to provide exceptional experiences.
All manufacturing divisions have been certified with ISO TS 16949 (QMS standard for the automotive industry), ISO 9001 and ISO 14001 (Environmental Management System), as well as for OHSAS 18001 (Occupational Health and Safety).

Reimagining sustainable solutions

To keep sustainability at the core of our Company, Tata Motors has deployed a three-pronged approach spanning sustainability, encompassing sustainable mobility, sustainable manufacturing, and product stewardship as key aspects of business.

Strategic partnerships

Tata Motors Group believes in partnerships and collaborations to infuse newer technologies in to the ecosystem. TPEM did a fund raise through TPG Rise for ₹7,500 crore. Through Tata UniEVerse, we have synchronised efforts to develop a holistic e-mobility ecosystem to accelerate the adoption of EVs in India. Tata Group is actively exploring partnerships in cell and battery manufacturing in India and Europe to secure our supplies of batteries.

Key subsidiaries

Tata Motors Passenger Vehicles Limited (TMPV)

TMPV is wholly owned subsidiary of TML. In FY 2021-22, TML, pursuant to a scheme of arrangement transferred its PV undertaking to TMPV. This move has been done to provide a differentiated focus for the PV business and to realise its full potential.

Tata Passenger Electric Mobility Limited (TPEM)

In FY 2021-22, TPEM was incorporated as a wholly owned subsidiary of TML to undertake the Passenger Electric Mobility business. TPEM secured funding of ₹7,500 crore from TPG Rise at a valuation of upto $9.1 billion. 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.

Jaguar Land Rover (JLR)

Jaguar Land Rover (JLR) continues to shape the future of modern luxury vehicles built around its iconic brands: Jaguar and Land Rover. JLR, which became part of Tata Motors Group in 2008, exemplifies quality and sustainability. JLR's Reimagine strategy lays the roadmap for the company's transformation into a sustainable, electric-first modern luxury business. Jaguar Land Rover aspires to become the creator of the world's most desirable, luxury vehicles and services for the most discerning of customers.

Tata Motors Finance Limited (TMFL)

TMFL and Tata Motors Finance Solutions Limited (TMFSL) are TMF Holdings Limited (TMFHL)'s Non-Banking Financial Companies (NBFCs) subsidiaries. TMFHL is a Core Investment Company (CIC) and Tata Motors' completely owned subsidiary. TMFL handles new vehicle financing, whereas TMFSL handles dealer/vendor financing and used car refinance/repurchase.

TATA MOTORS

OUR PRESENCE

Going global

ACROSS

125

COUNTRIES

>9,200

TOUCH POINTS

North America

81,629

VEHICLES SOLD

₹54,766 crore

REVENUE

1

R&D SITES

Europe

74,349

VEHICLES SOLD

₹42,731 crore

REVENUE

2

MANUFACTURING SITES

1

R&D SITES

Map not to scale

UK

62,142
VEHICLES SOLD

₹33,141 crore
REVENUE

5
MANUFACTURING SITES

3
R&D SITES

India

9,32,695
VEHICLES SOLD

₹1,14,091 crore
REVENUE

15
MANUFACTURING SITES

3
R&D SITES

China

95,773
VEHICLES SOLD (INCL. CJLR)

₹47,368 crore
REVENUE

1
JOINT MANUFACTURING SITES

VALUE CREATION MODEL

Creating value through our business model

OUR RESOURCES

Financial capital

- Strong financial foundation supporting sustained business growth
- Planned prioritisation of capital allocation

EQUITY CAPITAL INCL. RESERVES

₹45,322 crore

INVESTMENT SPENDING

₹28,473 crore

NET AUTOMOTIVE DEBT

₹43,687 crore

Manufactured capital

- Quality-focused, lean manufacturing expertise
- Globally competitive, scalable and widely accredited manufacturing facilities

TML*

MANUFACTURING FACILITIES

10

R&D/ENGINEERING AND DESIGN CENTRES

3

JLR

MANUFACTURING AND ENGINEERING FACILITIES WORLDWIDE

12

TECHNOLOGY HUBS

8

** includes data for TML, TMPVL and TPEML*

Intellectual capital

- Brand trust and reputational advantages
- Innovation-driven R&D and design thinking approach
- Digital platform enabling strategy execution
- Strategic partnerships and collaborations

Product portfolio

R&D SPEND

₹20,265 crore

Design applications

TML	**79**
JLR	**229**

Patent applications

TML	**158**
JLR	**137**

VISION, VALUES AND VALUE CHAIN ACTIVITIES

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
- CREATING A HIGHLY ENGAGED WORK FORCE

CULTURE PILLARS

Be Bold	Own It	Solve Together	Be Empathetic
Agility	Empowerment	Accountability	Embracing Diversity
Risk taking	Owner's mindset	Collaboration	Passion for Customers

Human capital

- Diverse Board with strong leadership expertise
- Inclusive workplace policies and practices
- Industry specific specialist skills

TML

TRAINING AND DEVELOPMENT SPEND

₹24.1 crore

SPECIALISED TRAINING AND DEVELOPMENT

3,42,368 hours

TOTAL EMPLOYEES

56,727

Permanent employees	27,125
Temporary employees	29,602

Social and relationship capital

- Strong stakeholder relationships and corporate reputation
- Sustainable supply chain management
- Empowering and supporting local communities

TML

Supplier assessments and screening through sustainable supply chain initiative

CSR SPEND

₹20.81 crore

VOLUNTEERED BY EMPLOYEES FOR ACTIVITIES

35,756 hours

Natural capital

- Delivering low emission mobility solutions
- Focus on water conservation & augmentation
- Sustainable and resource efficient operations
- Renewable energy adoption

TML

SPECIFIC DIRECT ENERGY CONSUMED

1.07 GJ/vehicle

SPECIFIC INDIRECT ENERGY CONSUMED

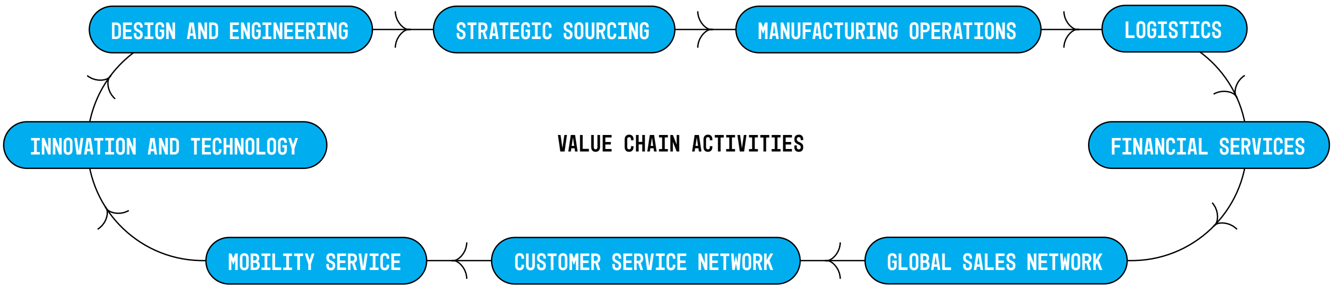
2.00 GJ/vehicle

SPECIFIC TOTAL ENERGY CONSUMED

3.07 GJ/vehicle

WATER WITHDRAWAL

58,42,982 m^3



OUTPUT

Cars and Sport Utility Vehicles

Truck and Buses

Passenger Vehicles (incl. EVs)

5,40,965

UNITS SOLD

OUTCOMES

Financial capital

Enhancing corporate value through sustainable growth in order to return profits to shareholders and investors

REVENUE GENERATED

₹3,45,967 crore

AUTO FREE CASH FLOW

₹7,840 crore

EBITDA MARGIN

10.7%

Dividend declared **₹2** per share for ordinary shareholders and **₹2.1** per share for DVR holders, outflow of **₹771 crore**

TMFL Collection efficiency: **108%**
GNPA: **4.3%**,

SDGs Impacted

Manufactured capital

Delivering best-in-class transportation solutions and progressing towards enabling zero-emission options, while maintaining the highest standards of quality and safety

TOTAL UNITS OF VEHICLES SOLD

13,35,819 vehicles

EV units (leading to significant CO_2 reduction)

TMPVL	9%
JLR (BEV+PHEV)	12%

EV CHARGING INFRASTRUCTURE SET UP ACROSS CITIES IN INDIA

165

SDGs Impacted

Intellectual capital

Contributing to needs of electrification, automation and energy savings as well as safety and reliability through development of high-quality products and services

Design applications granted/registered

TML	22
JLR	338

Patents granted

TML	71
JLR	218

Transition fuels **CNG, LNG**

Battery EVs in **PV, SCV, LCV, Intra City Buses**

Hydrogen fuel cell and hydrogen based IC engine technology concept for **M&HCV, Intra City Buses**

Two fuel-agnostic architectures introduced **Azura, Signa**
Unveiled **AVINYA** concept-pure EV based on GEN 3 architecture

SDGs Impacted

Commercial Vehicles

4,22,637

UNITS SOLD

JLR

3,72,217

UNITS SOLD (INCL. CJLR)

Emissions and waste (TML)

- Scope 1 emissions
  63,728 tCO_2e
- Scope 2 emissions
  2,78,465 tCO_2e
- Total waste generated
  1,69,844 MT

Human capital

Fostering employees' work values and empowering them to unlock their full potential by cultivating safe and inclusive work environments for a diverse workforce

TML

FEMALE IN TOTAL WORKFORCE
8.8%

EMPLOYEE TURNOVER
7.9%

LTIFR
0.13

SDGs Impacted

Social and relationship capital

Building long-lasting and meaningful relationships with our customers, suppliers, and local communities while promoting sustainable practices. We believe that through collaboration and partnership, we can create a more equitable, sustainable, and thriving community

Our focus areas include health, education, employability, and environmental protection

TML

SUPPLIER ASSESSMENTS CONDUCTED
134

LIVES EMPOWERED THROUGH CSR ACTIVITIES
8.01 lakh

SDGs Impacted

Natural capital

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

TML

SHARE OF RENEWABLE ENERGY IN TOTAL ENERGY CONSUMED
25.9%

REDUCTION IN SPECIFIC SCOPE 1 EMISSIONS
10.9%

REDUCTION IN SPECIFIC SCOPE 2 EMISSIONS
24.1%

REDUCTION IN OPERATIONAL WASTE GENERATED
6.3%

SDGs Impacted

PRODUCT PORTFOLIO

The luxury of choice

We strengthened our presence among customers with 40+ new product and 150+ variants launched in FY 2022-23. Some notable ones include the launch of India's first CNG vehicle in the MHCV category, and rolling out the Yodha 2.0, Intra V20 bi-fuel, Intra V50 and ACE EV. We also introduced new-age ADAS technology in vehicles.

Existing CV range

MHCV

SIGNA

PRIMA

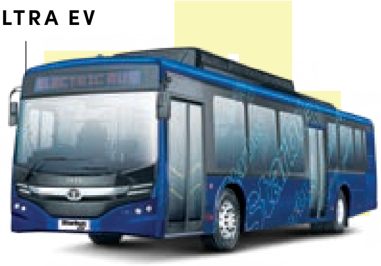
BUSES AND VANS

MAGIC AMBULANCE

WINGER

STARBUS

ULTRA EV



CV

ILCV

ULTRA

TATA 407

SCV AND PICKUP

ACE EV

NEW LAUNCH

NEW INTRA

INTERNATIONAL

XENON X2

NEW LAUNCH

ACE

YODHA 2.0

PRIMA EURO 5 RANGE

NEW LAUNCH

SHOWSTOPPER

Ace EV

The Ace EV is the first product featuring Tata Motors' EVOGEN powertrain that offers an unparalleled certified range of 154 km. It delivers a safe, all-weather operation with an advanced battery cooling system and regenerative braking system to boost the driving range. The vehicle allows regular and fast charging capabilities for high uptime

PRODUCT PORTFOLIO

Towards new forever

Our unwavering dedication to innovation and our promise to make every customer journey a delight drives us to constantly reimagine the experience we deliver. As we step up the game, we continue to move India towards safer, smarter and greener mobility solutions.

Existing PV range

TIAGO

TIGOR

ALTROZ

PUNCH

NEXON

HARRIER

SAFARI

PV

EV

Existing EV range

TIAGO EV NEW LAUNCH

TIGOR EV

XPRES-T EV

NEXON EV

NEXON EV MAX NEW LAUNCH

SHOWSTOPPER

Tiago EV

Launched **Tiago EV** electric hatch with segment-first, premium features. The Tiago EV offers premium, safety and technology features, eco-friendly footprint, spirited performance, along with the added advantage of a low cost of ownership. It is the first in its segment to offer best-in-class connected features as standard across all trims, that are usually offered in more premium cars.

It comes with two options of IP 67 rated battery packs (water and dust resistant) giving range of 250 km and 315 km, and four different charging solutions, enabling customers to choose the combination that best serves their mobility needs.

PRODUCT PORTFOLIO

Luxury today and tomorrow

Jaguar and Land Rover are distinct British brands with a rich heritage timeless designs that emotionally resonate with customers. A testament to their products, these brands enjoy a brand equity that has been built over decades.

Existing Jaguar range

JAGUAR F-PACE

JAGUAR E-PACE

JAGUAR I-PACE

JAGUAR F-TYPE

JAGUAR XE

JAGUAR XF

JLR

Existing Land Rover range

THE NEW RANGE ROVER

NEW RANGE ROVER SPORT

NEW LAUNCH

RANGE ROVER VELAR

RANGE ROVER EVOQUE

NEW DISCOVERY

DISCOVERY SPORT

DEFENDER

DEFENDER 130

SHOWSTOPPER

New Range Rover

The elegant New Range Rover defines modern luxury, providing more refinement, customer choice and scope for personalisation than ever before.

Range Rover is the original luxury SUV and has led by example for 50 years, combining serene comfort and composure with all-conquering capability. The New Range Rover is the most desirable yet, mixing breathtaking modernity and aesthetic grace with technological sophistication and seamless connectivity.

Upping the ante

At Auto Expo 2023, we showcased 14 vehicles and concepts that will define our journey towards a sustainable future, and enable our customers to make a seamless transition to clean and commercially viable mobility solutions.

Unique hydrogen propulsion concepts

PRIMA H.55S

India's first Hydrogen ICE powered concept truck

PRIMA E.55S

India's first Hydrogen fuel cell powered Tractor concept

STARBUS FUEL CELL EV

India's first Hydrogen fuel cell bus for commercial application

Two fuel agnostic architecture

AZURA

(7 to 19T range), underpinned by the new generation architecture for I&LCVs, with all new exteriors and interiors

SIGNA

(28 to 55T range), underpinned by the new generation, all-energy architecture and modern cabin

Value added services exhibits

FLEET EDGE
THE NEXT GENERATION DIGITAL PLATFORM

TATA MOTORS Fleet Edge
COMPLETE FLEET MANAGEMENT APPLICATION

SAMPOORNA SEVA
BOUQUET OF VALUE ADDED SERVICES

E-DUKAAN
ONLINE MARKETPLACE FOR SPARES AND CONSUMABLES

TATA MOTORS e-Dukaan

Unveil: EV concepts and vehicles

ACE EV
Zero emission last mile distribution small commercial vehicle

STARBUS EV
State-of-the-art, Zero emission, Urban public transport solution

ULTRA E.9
Zero emission, battery electric smart logistics city truck for intracity high-capacity urban cargo transportation

MAGIC EV
Electrified version of India's favourite last-mile passenger transport

PRIMA E.28K
Zero emission versatile tipper concept for mining and closed loop applications

Reveals

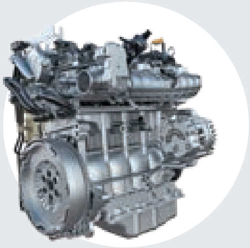
YODHA CNG & INTRA V20 BI-FUEL
(long range) - new CNG powered pick-ups

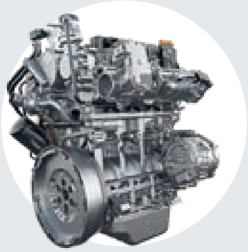
PRIMA G.35K
India's first LNG Tipper for heavy duty applications

WINGER
Premium version of popular Winger with luxurious interiors that re-defines the ride comfort

AUTO EXPO 2023

1.2 AND 1.5L TGDI ENGINE





TO CATER TO THE NEEDS OF ENHANCED PERFORMANCE ALONG WITH LOWER EMISSIONS, A NEW FAMILY OF TURBOCHARGED GASOLINE DIRECT INJECTION ENGINES WAS UNVEILED. THESE LIGHT WEIGHT, POWER PACKED ENGINES WILL DELIVER A SUPERB BALANCE BETWEEN POWER, REFINEMENT AND FUEL ECONOMY OFFERING CUSTOMERS AN EXHILARATING DRIVING EXPERIENCE.

ICE portfolio

We presented 12 vehicles and concepts of India's best designed and smartest range of personal mobility solutions. Our India-centric, new-age personal mobility solutions come with smarter and safer technologies and world class powertrains that deliver low emissions and superior performance.

NEW FOREVER HARRIER #DARK

Unveiled new league of #DARK products with an adaptive User Interface boasting a new look and feel, a desirable larger Infotainment Screen of 26.03 cm and 10 new ADAS features

NEW FOREVER SAFARI #DARK

ALTROZ PUNCH ICNG

Altroz and Punch iCNG versions, with advance features and India's first twin-cylinder CNG technology with no compromise on boot-space

TWIN CYLINDER TECHNOLOGY

ALTROZ RACER

Altroz Racer is the performance avatar of the ALTROZ with race car-inspired design combined with exhilarating performance

CURVV

ICE version of the Concept CURVV, merges robust appeal of SUV with the perfect balance between elegance, performance and practicality

SIERRA EV

The Sierra EV is designed by placing 'Human Experience' at the core of the vehicle concept showcasing the promise of freedom—an outdoorsy lifestyle and a unique status complemented by versatile and plush interiors, emotionally connecting across generations. It showcases a timeless design with well-balanced proportions ensuring an universal appeal.

EV portfolio

We are driving towards a greener future mandate that demands an urgent collaborative action to reduce carbon emission. With an aim to attain net zero emission by 2040, we are spearheading this mission with the support of our Gen 3 EV architecture strategy. With the Tiago EV, we have disrupted the market by making EVs more accessible. We unveiled products across the Gen 2 and Gen 3 architecture with the Harrier EV, Sierra EV, Avinya, which will make EVs more aspirational.

THE EV CONTRIBUTION IN OUR PORTFOLIO IS LIKELY TO INCREASE TO 25% IN 5 YEARS AND REACH 50% BY 2030.

TIAGO EV

Launched in FY 2022-23, Tiago EV has accelerated the EV adoption by making it accessible to masses. Received strong response with around 10,000 bookings on the first day

HARRIER EV

HARRIER EV, a Bold, Powerful, Intelligent, Electric All-wheel drive SUV, born of legendary pedigree, offers an extraordinary exterior design and future ready connectivity. This 5 seater monocoque SUV is engineered on the OMEGA Architecture, derived from the legendary Land Rover D8 architecture and developed in collaboration with Jaguar Land Rover. With HARRIER EV we are extending this pedigree to the Gen 2 EV architecture, delivering an uncompromised range and top-notch advanced features

AVINYA

AVINYA concept, an expression of a pure electric vehicle built on the GEN 3 architecture – introduces a new typology of mobility that liberates enormous roominess and comfort. 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

KEY PERFORMANCE HIGHLIGHTS

On an upward growth trajectory

In FY 2022-23, the business recorded strong financial performance as all three core auto businesses turned profitable in H2.

TATA MOTORS | JLR

Consolidated operational and financial metrics

Sales volume (incl. CJLR)

NOS.

↗ 22.9% Y-O-Y GROWTH

FY23	13,35,819
FY22	10,86,734
FY21	9,02,648

Revenue

₹ CRORE

↗ 24.2% Y-O-Y GROWTH

FY23	3,45,967
FY22	2,78,454
FY21	2,49,795

EBITDA margin

%

↗ 110 BPS

FY23	10.7
FY22	9.6
FY21	12.2

Free cash flow (automotive-post interest)

₹ CRORE

FY23	7,840
FY22	(9,472)
FY21	5,317

Net auto debt (including leases)

₹ CRORE

~₹5,000 CRORE REDUCTION

FY23	43,687
FY22	48,679
FY21	40,876

R&D spend

₹ CRORE

↗ 32.1% Y-O-Y GROWTH

FY23	20,265
FY22	15,339
FY21	13,656

Consolidated non-financial metrics

Lives impacted through CSR initiatives

NOS. LAKH

↗ 1.1%

FY23	8.01
FY22	7.91
FY21	7.58

CSR spend

₹ CRORE

↙ 12.2%

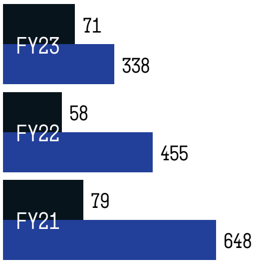
FY23	20.81
FY22	23.7
FY21	23.9

Consolidated non-financial metrics

Patents granted

NOS.

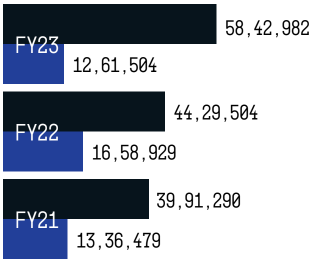
↗ 22.4% ↙ 25.7%



Water withdrawal

M^3

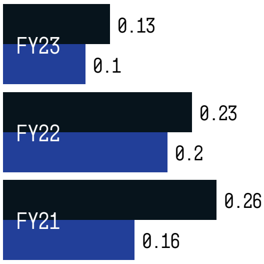
↗ 31.9% ↙ 23.9%



Lost time injury frequency rate

%

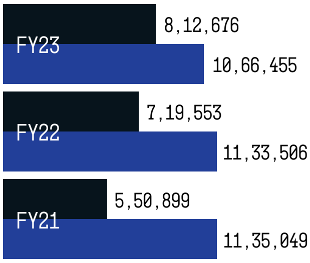
↙ 43.5% ↙ 50%



Operational energy consumption

MWh

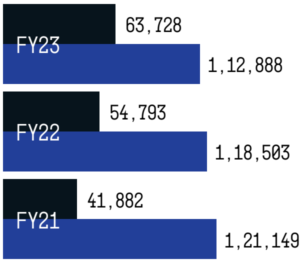
↗ 12.9% ↙ 5.9%



Scope 1 emissions

tCO_2e

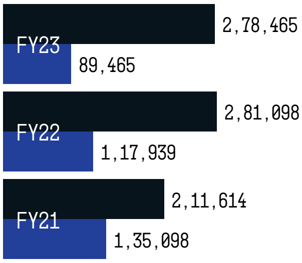
↗ 16.3% ↙ 4.7%



Scope 2 emissions

tCO_2e

↙ 0.9% ↙ 24.14%

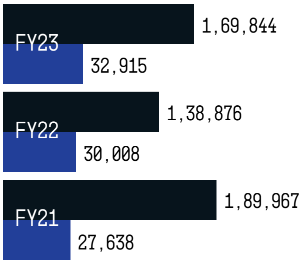


**Restated*

Operational waste

MT

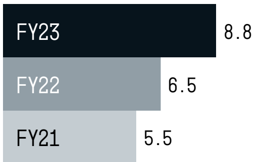
↗ 22.3% ↗ 9.69%



Ratio of female employees

%

↗ 35.4%



Jaguar Land Rover Includes purchased gas, electricity and steam

CHAIRMAN'S MESSAGE

Delivering on ambitions for a greater tomorrow

Tata Motors is emerging stronger after many challenging years and will remain focused on meeting its financial commitments while sowing the seeds for a greener future.

N Chandrasekaran

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Dear Shareholders,

It is my privilege to write to you and present the Integrated Annual Report of Tata Motors Ltd. for financial year 2022-23.

As I mentioned in my letter last year, recent history has been relentless with the global pandemic, military conflict, growing inequality, supply chain shortages and more. In addition, the current year witnessed a surge in inflation requiring coordinated action by most central banks to increase interest rates to control inflationary expectations. While inflation is starting to moderate, the rise in interest rates has also revealed hidden stresses in parts of the banking sector that enjoyed a long run of low interest rates and hence not prepared for the rate rise. This could impact global growth in the coming year.

The challenges outlined above are resulting in structural shifts in economies and societies that I called out last year. These are continuing to play out, 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.

In this context, I am pleased to report that our Company had a good year with all automotive verticals delivering on their strategies leading to multiple achievements. Compared to FY 2021-22, vehicle sales increased by 23% to 13,35,819 units. Revenues rose to an all-time high ₹3.46 lakh crore (up 24%), EBITDA improved to ₹37.0K crore (up 110bps) and PBT (bei) turned positive at ₹1.5K crore (up ₹7.841 crore). All three core auto businesses turned profitable in the second half of the year. Free cash flow (automotive) for the year stood at ₹7.8K crore improving substantially from negative ₹9.5K crore recorded in FY 2021-22.

24% INCREASE

ALL-TIME HIGH REVENUES **₹3.46 lakh crore**

Tata Motors Limited standalone entity returned to profit navigating all the challenges with a PAT of ₹2,728 crore. The Board has recommended a dividend of ₹2 per share to ordinary shareholders and ₹2.1 per share to DVR holders subject to your approval today.

Navigating successfully through the challenges, your Company has emerged stronger, execution focused and customer-centric. The distinct strategies employed by each of the three independent business units – Commercial Vehicles (CV), Passenger Vehicles (PV) and Jaguar Land Rover (JLR), in unison, has led to an improved overall performance including metrics around financials, brand health, customer experience, product innovation, quality and employee engagement.

Passenger and Electric Vehicles (India): The business continued to be a robust performance for the third year in succession and recorded its highest ever annual sales around 5,41,000 vehicles, a growth of 45% over FY 2021-22. It became only the third OEM in India to cross the 5,00,000 annual sales mark. EV sales crossed the 50,000 annual sales milestone and constituted 12% of the sales portfolio in Q4. Tata Motors retained the #1 SUV manufacturer rank for a second successive year and became the #2 brand in the Indian car market with NPS score touching 40. In FY 2022-23, the business recorded revenues of ₹47.9K crore, and delivered EBITDA and EBIT margins of 6.4% and 1% (improvement of 110 bps and 300 bps over FY 2021-22). With existing capacities nearing saturation, it acquired a state-of-the-art vehicle manufacturing facility in Sanand, Gujarat, adjacent to its existing plant, with capacity scalable to 4,20,000 units per annum.

Commercial Vehicles: In commercial vehicles, following a challenging first half, the business revised its operating model to target 'Profitable Growth'. It moved away from 'supply chain push' to 'retail pull' model by focusing on VAHAN registration volumes and achieved double-digit EBITDA margins in Q4 FY23. In FY 2022-23, the business recorded revenues of ₹70.8K crore, and delivered EBITDA and EBIT margins of 7.4% and 5.2% (improvement of 370 bps and 480 bps over FY 2021-22). The business is being managed across eight verticals and we aim to make each of these verticals profitable and cash accretive. At the Auto Expo 2023, we unveiled 14 new-age concepts that will shape the future of mobility in the years ahead and launched over 40 new products and 150+ variants across segments, to cater to the evolving needs of seamless cargo and people transport across sub segments and applications.

Jaguar Land Rover: JLR made good progress in its 'Reimagine' journey to transform into a digitally savvy, modern luxury vehicle business with sustainability at its heart. We faced a severe shortage of semiconductors, especially in the first half and as the situation eased in the second half, we saw a consistent increase in production and sales volumes, particularly of the New Range Rover, New Range Rover Sport, and the Defender vehicles. Due to this, JLR delivered a resilient performance during FY 2022-23 with wholesales of 3,21,362 units (up 9%), recording revenues of £22.8 billion, up 24.5% from FY 2021-22. EBIT margin of 2.4% and PBT of £97 million were remarkably better than the £455 million loss before tax recorded in the previous year. The business also delivered a free cash flow of £521 million.

It ended this year in a stronger position with a portfolio of attractive products, a healthy bank of customer orders touching nearly 200,000 units, low break evens and with a clear strategy to 'Reimagine' its renowned British brands for global clients. The transformation of Jaguar into an all-electric luxury brand is on track with the first new vehicle to be revealed in 2024 and customer deliveries starting in 2025. It will also start taking

TATA MOTORS LIMITED STANDALONE PAT

₹2,728 crore

pre-orders for the maiden pure electric Range Rover later this year.

The Tata Group is committed to building sustainable businesses. The group initiative, 'Aalingana' outlines the Tata Group's approach to planet resilience, the group's aspiration of net zero by 2045 and the vision of securing the future by innovating today. Aalingana commits to embedding sustainability into business strategy by focusing on three interconnected pillars: Driving the decarbonisation of our businesses and value chain; applying a systemic, circular economy approach to reduce resource use and waste; and preserving and restoring the natural environment. As part of its responsibility towards "Aalingana", Tata Motors has announced its commitment to sustainability targets which include achieving net zero status, promoting a circular economy, and preserving biodiversity. Your Company believes that these commitments will help achieve our long-term goals and create a more sustainable future for all.

As we move forward, Tata Motors will remain focused on executing against its strategy to deliver growth, profitability and free cashflows consistently. Your Company is committed to strengthening its core businesses, accelerating innovation, and unlocking efficiencies while exploring new opportunities for the future.

Tata Motors is starting to move to a position of strength after overcoming many challenging years. The upcoming year and beyond are crucial, as it capitalises on the efforts made during this period to achieve a performance that makes us proud. Moreover, these next few years mark a significant shift towards a greener and technologically advanced future, necessitating swift and agile action. I have complete confidence that our teams' dedication and commitment will make this possible.

I am also grateful for your unwavering support during this period and look forward to your continued encouragement for our exciting journey ahead.

Warm regards,
N CHANDRASEKARAN

TATA MOTORS ED'S MESSAGE

Well poised for a sustainable future

We revised our operating model to deliver "Profitable Growth", shifting gears from "supply chain push" to "retail pull". Our thrust on digitalisation and building organisational capabilities increased with greater investment in future ready technologies and strengthening of partnerships.

Girish Wagh

EXECUTIVE DIRECTOR,
TATA MOTORS LIMITED

Dear Shareholders,

I hope this letter finds you in good health.

FY 2022-23 was a year of progression for the Indian commercial vehicle (CV) industry as it fully emerged from the shadows of two successive years of low volumes in FY 2019-20 and FY 2020-21. Led by the Government's thrust on infrastructure building and increased activity in e-commerce, construction, and mining, the industry witnessed a robust demand for heavy trucks and passenger carriers throughout the year to deliver a significant growth over FY 2021-22.

Tata Motors' domestic CV business registered 30% growth in retails (VAHAN registration) over FY 2021-22. The business recorded its highest-ever quarterly and annual revenues in Q4 and FY 2022-23 respectively, growing by a substantial 35% over FY 2021-22. A sharp focus on profitable growth resulted in EBIT growing by a healthy +480 bps over last year.

Being in the agile mode enabled us to swiftly counter the twin challenges of commodity inflation and high discounting that impacted the CV business in the first half. We revised our operating model to deliver 'Profitable Growth'. Shifting gears from 'supply chain push' to 'retail pull', we focused on VAHAN registration volumes to track real growth.

In FY 2022-23, we launched over 40 products and 150+ variants for passenger and cargo transportation to fulfil the growing demand for safer, smarter, and greener mobility solutions. At the Auto Expo 2023, we unveiled our future ready aspirations by showcasing 14 new-age concepts to shape the future of cargo and passenger mobility in the years ahead. We won several prestigious awards acknowledging the excellence of our products, services, initiatives, and people.

Our investments in digital marketing with targeted campaigns communicating brand promise and the overall superior value proposition of our vehicles, resulted in highest-ever brand power and net promoter scores. Overall dealer satisfaction levels also improved with higher vehicle registrations, better profitability, and cash flows.

We continued to expand our footprint of sales and service touch-points and digitally-enabled feet-on-street, building an extensive network of Tata Gramin Mitra and Tata Guru Mechanics to sharpen our rural and urban reach.

With a synergised backend and a fully equipped front end, each business line is independently charting its growth path with clear milestones set to track financial and market outcomes.

Our foray into mobility as a service broke new ground with TSCMSL delivering a profitable revenue stream from the first year itself. The after sales business grew its revenues by 33% and the digital business revenues grew by 2.8X on a lower base. The International Business remained subdued, impacted by the prevailing macroeconomic conditions in several overseas markets. The time was utilised to craft a new strategy and we are seeing some green shoots emerging.

Beginning April 1, 2023, the auto industry is mandatorily complying with the BS VI Phase 2 emission norms. We used this opportunity, to go beyond mere compliance, to further enrich the product portfolio with smarter technologies and enhanced features to deliver more value, comfort, convenience, and connectivity to our customers. Your Company introduced multiple segment-first products such as TATA Ace EV, India's first commercially launched 4-wheeled electric mini truck and Intra Bi-fuel, India's first Bi-Fuel pick-up truck. We also introduced advanced safety features on our range of trucks such as ADAS, Collision Mitigation System and Lane Departure Warning System. We took significant steps towards hydrogen fuel-based products and have been leading the development of hydrogen-powered vehicles.

We have made excellent progress in the execution of our Sustainability strategy, anchored on three pillars:

1. Net Zero GHG Emissions by 2045: We have committed to a comprehensive decarbonisation strategy based on Science Based Targets (SBTi). To accomplish this, a robust product strategy has been adopted for transitioning to a greener portfolio. Deliveries of ACE EVs, and e-buses intended for CESL tender have commenced. Additionally, we have developed a roadmap for transitioning to 100% renewable electricity, across our operations. by the end of the decade.

2. Circularity: We are in advanced stages of creating a Tata Motors framework to cover all aspects of circularity across the company including materials, water and waste. By embracing circular principles we are exploring innovative business models to extract value. Our inaugural, Re.Wi.Re (Recycle with respect) Registered Vehicle Scrappage facility marks the beginning of our commitment to establish numerous such facilities nationwide.

3. Biodiversity and Nature: We are currently conducting extensive biodiversity baseline studies at our plant sites to enhance our efforts in biodiversity and nature conservation. Our commitment to the OECM framework (Other Effective Conservation Methods), driven by scientific principles is aligning our approach with Global biodiversity goals.

Our thrust on digitalisation and building organisational capabilities increased with greater investment in future ready technologies, strengthening of partnerships, and focused training programmes for our talent at every level and in every function, across the organisation. Our culture journey gained pace with more people imbibing and consistently demonstrating the desired leadership behaviours linked to our four culture pillars: Be Bold, Own It, Solve Together and Be Empathetic.

I expect FY 2023-24 to be another exciting year for the CV industry, supported the Government's continued thrust on infrastructure development. We are in an acceleration mode to fulfil our aspirations even as we keep a close watch on the possible headwinds from geopolitical developments, interest rates, and fuel price inflation. We remain optimistic about the overall demand and reiterate our commitment to delivering value to our customers, shareholders, and other ecosystem stakeholders.

I thank you for your continuing interest, commitment and support to Tata Motors.

Best regards,
GIRISH WAGH

TMPV AND TPEM MD'S MESSAGE

Consistency breeds sustained triumph

FY 2022-23 was the milestone year for the business as the industry-beating growth witnessed over the last three years has resulted in the business attaining a 'lifetime' high on multiple metrics. In addition, being the leader in the fast-growing EV segment, we continued to accelerate both its adoption as well as the development of its enabling ecosystem.

Shailesh Chandra

MANAGING DIRECTOR
TATA MOTORS PASSENGER VEHICLES LIMITED & TATA PASSENGER ELECTRIC MOBILITY LIMITED

Dear Shareholders,

I hope this letter finds you safe and in good health.

FY 2022-23 was a record year for the Indian passenger vehicle (PV) industry as it posts all time high sales of nearly 3.9 million units. Catalysed by post COVID pent up demand, easing of the semiconductor shortage, and launch of several new vehicles, the PV demand grew 27% over FY 2021-22. Customers rising preference for SUVs and EVs came to the fore as did their focus on vehicle safety, smarter technologies, and advanced features.

For Tata Motors, FY 2022-23 was the third successive year of posting industry beating growth-69% (FY 2020-21), 67% (FY 2021-22) and 45% (FY 2022-23), resulting ~4X growth in terms of volumes and ~5X growth in terms of revenues over FY 2019-20. The business recorded its highest-ever annual revenue in FY 2022-23 growing by a substantial 52% vs FY 2021-22, and delivered its highest ever profit with EBIT improving by a substantial 300 bps over last year. With existing capacities nearing saturation, we acquired a state-of-the-art vehicle manufacturing facility with a capacity scalable to 420,000 units per annum.

The PV and EV business achieved several key milestones in FY 2022-23:

- Posted domestic sale of 5,38,518 vehicles, only the 3rd OEM in India to cross 500K sales
- Crossed the milestone of 50K EV sales, exited Q4 with EV penetration of ~12%
- Crossed the landmark of 5 million vehicle sales since inception, a strong endorsement for the Tata brand
- # 1 SUV manufacturer in India, Nexon ranked #1 and Punch ranked #3 in the Compact SUV segment
- Crossed the 2,00,000 sales milestone for Punch in just 19 months of launch
- #2 brand with NPS score 40
- In Nepal, market share jumped to 50% from 12% in FY 2019-20 owing to strong shift towards EVs

Managi

Our commitment to keep our portfolio 'New Forever' with exciting intervention, democratising the EV revolution by expanding customer base with Nexon EV Max and Tiago EV, emphasis on delivering superior customer experience at every touch point, and several other strategic initiatives taken across the entire value chain were instrumental in achieving these milestones.

At the Auto Expo 2023, we unveiled our future ready aspirations with 12 showcases that will shape the future of passenger mobility in the years ahead. Purposefully leading the EV charge, we presented our 3-phase strategy with the unveiling of the concept Curvv, a 2nd Gen EV based on a Multi Energy Platform, and Avinya, 3rd Gen EV developed on an optimised, dedicated EV platform. Our excellence was endorsed by the business winning several prestigious awards.

To support our EV growth journey, we strengthened our collaboration with Tata Power and scaled-up public charging infra by ~1.9X, to ~3800 chargers in priority geographies across the country. In addition, over 900 common charging points were installed in residential complexes across 5 metro cities and home charging expanded to 170+ cities to enhance customer convenience and experience.

We ensured a seamless and successful migration of our entire product portfolio to BSVI Phase 2, well in advance of the stipulated timeline. We used this opportunity to introduce smarter technologies and enhanced features in our vehicles to deliver more value, comfort, and convenience to our customers.

Our network has grown to support our aspirations. Our PV sales network is now the second largest in India and we supplemented it with an active expansion of the country wide service network. Overall dealer satisfaction levels too improved with rising sales, profit and strong return on sales.

We have also made excellent progress in a journey towards our aspiration of attaining Net Zero emissions by 2040 by systematically working on the holistic sustainability programme, Aalingana, and its three pillars-Net Zero, Circularity and preserving Biodiversity. Safety is an area of tremendous focus for us. We are changing our approach from "Compliance requirement" to "Attain Leadership" in making the workplace safer for all the stakeholders.

Our thrust in building organisational capabilities continued with greater investment in future technologies and focused training programmes for our talent across the organisation. Our commitment to create an inclusive work culture received a boost with the successful institution of an all women assembly line, the first ever of its kind in the industry.

Going forward, I expect overall demand to remain high in FY 2023-24, but with industry growth moderating. We intend to sustain our momentum with several new vehicle launches, enhancements and upgrades. We will continue to lead the EV charge and create a distinct identity and experience for better engaging with customers. In addition, we remain focused on accelerating digitalisation and expanding functional training for frontline staff to further enhance overall customer experience, while prudently managing costs at every level.

We are ideally poised to capitalise on the opportunities ahead. I thank you for your continuing interest, commitment and support to Tata Motors.

Warm regards,
SHAILESH CHANDRA

JLR CEO'S MESSAGE

Opening the next chapter with resilience

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.

Adrian Mardell

INTERIM CHIEF EXECUTIVE OFFICER
JAGUAR LAND ROVER AUTOMOTIVE PLC

Dear Shareholders,

Throughout the FY 2022-23, we have continued to deliver Reimagine our strategy to realise our vision to be proud creators of the most desirable, modern luxury brands, for the most discerning of clients.

We have maintained momentum under the extraordinary global pressures of semiconductor constraints, inflation, and geopolitical instability, alongside ongoing effects of Covid-19. While we have not escaped the effects of these global factors on our operations, I am pleased we delivered a resilient performance during the year to deliver on our wholesale commitments in quarters three and four and return a profit in quarters three and four. This performance has laid the foundations for our future success and growth, and the continued realisation of our strategy.

As we reimagine how we engage with our clients to serve them with a true modern luxury experience, we have chosen a House of Brands organisation, to amplify the unique DNA of each of JLR's brands – Range Rover, Defender, Discovery, and Jaguar – and accelerate the delivery of JLR's vision to be Proud Creators of Modern Luxury. By taking this approach we will grow each brand's individuality, desirability and appeal in a way that meets the unique needs of its global client base. Range Rover, Discovery and Defender will continue to bear the trust mark of Land Rover. The Land Rover name will remain on our vehicles, reinforcing our all-terrain credentials and technology capabilities. This year we expanded our Range Rover and Defender collections and introduced significant updates across our portfolio. In the coming years we will launch pure electric versions of all of our Range Rover, Defender and Discovery collections. This starts with the pure electric Range Rover, for which we will start taking pre-orders later this year.

Meanwhile, we have announced the first of three breathtaking new Jaguar designs will be a 4-door GT, built in Solihull with power output more than any previous Jaguar and a range up to 700 km (430 miles). More details of new Jaguar will be released later this year, before going on sale in selected markets in 2024, for client deliveries in 2025.

As we prepare for our electric-first future, we are taking steps to ensure our people have the skills vital to electrification, digital and autonomous cars. To this end, we launched our Future Skills Programme in September 2022 to train 29,000 of our workforce for our modern luxury, electric future. We also strengthened our engineering capability to deliver electrification with the arrival, in April, of Thomas Müller, who was appointed as our new Executive Director of Product Engineering. In July we appointed Barbara Bergmeier to the newly created position of Executive Director, Industrial Operations, uniting the areas of manufacturing, purchasing and supply chain.

Under Barbara's leadership, we established a dedicated semiconductor taskforce. The taskforce has made significant progress in greatly increasing our visibility of risk, securing chip supply, and stabilising production as we've emerged from the pandemic. Since she joined JLR in July, Barbara formed deeper relationships and partnerships with our priority chip suppliers, enabling us to ramp up production of our highest margin products, and return to profit in the third and fourth quarters.

During the year we also entered the next phase of our Refocus transformation programme, evolving to a simplified business excellence operating model designed to drive sustainable value creation, results and growth. Following the launch of our clear, measurable, Science Based Targets initiative (SBTi)-approved targets to enable us to achieve carbon net zero by 2039, we were awarded a 'Low Risk' ESG Risk Rating from Sustainalytics with a score of 17.1, the fourth lowest rating out of over 75 companies in the Automotive Sub-Industry. This is a significant improvement versus our 2021 rating.

We were also very proud to achieve a maximum five-star Euro NCAP rating for our peerless new Range Rover and Range Rover Sport, underlining the incredible engineering in our MLA architecture that underpins them.

Strategic partnerships are a cornerstone of Reimagine. We are partnering with global experts in their fields such as technology leaders NVIDIA. Tata Technologies and Tata Consultancy Services (TCS). These partnerships are bringing new technologies to support the transformation and growth of our business, and the delivery of a true modern luxury experience for our clients.

For all our global activity, this year has also brought moments of great poignancy for many.

JLR celebrated with joy the Platinum Jubilee of Her Majesty Queen Elizabeth II and mourned her passing. We are sincerely honoured to enjoy a long-standing connection to the Royal Family and The Queen, which is a source of great pride for all of us at JLR.

Together we have achieved much during the past year, in the face of formidable challenges. The coming year is set to be as challenging, but as we look to important milestones in our Reimagine journey, I feel confident with the support of the committed, passionate and skilled people of JLR, we will realise them together.

Best regards,
ADRIAN MARDELL

f Executive Officer

TATA MOTORS

BUSINESS SEGMENTS

The future of mobility is customer-focused

Urban mass mobility has witnessed great change, turning greener and versatile. We are an active catalyst in driving this change. From successfully running India's largest fleet of modern, eco-friendly buses in several cities to providing thousands of all-electric sedans to leading taxi service providers, we are ensuring that the EV revolution is all inclusive. By offering a choice of operating models like Own, Operate and Maintain or Operate-Maintain via our Mobility-as-a-Service vertical, we are unlocking newer opportunities for greener and profitable mass mobility.

Our intimate understanding of our customers' needs inspire our offerings. For instance, Fleet Edge, India's next-generation digital solution for optimal fleet management, monitors over 390,000 connected trucks and provides rich data-based insights to both drivers and fleet owners by tracking vehicle movement, fuel efficiency and vehicle health, among others. Seeing substantial benefits of lower maintenance cost, higher uptime and greater mileage, customers are embracing it wholeheartedly.

Targeting high-octane growth

We are India's largest CV manufacturer with the widest product and service portfolio catering across cargo and passenger mobility segments. In FY 2022-23, we continue to strengthen our position with superior product and technologies, expanding sales and service network and by providing a range of value-added services.

40+
NEW LAUNCHES

150+
NEW VARIANTS

20.5%
PERCENTAGE SHARE OF CONSOLIDATED REVENUES

"

THE INDIAN COMMERCIAL VEHICLES SECTOR, SHOWED PROMISING GROWTH IN FY 2022-23 SUPPORTED BY A STEADY RECOVERY IN THE ECONOMY, RISING INDUSTRIAL ACTIVITY AND REOPENING OF MARKET WHICH HELPED REGENERATE DEMAND.

GIRISH WAGH
EXECUTIVE DIRECTOR TML

Products and offerings

Emerging better, smarter and safer

In FY 2022-23, Tata Motors further consolidated its position by launching a range of smart trucks that continue to provide best in class operating economic, safety, comfort, and connectivity features:

- 5 CNG-powered trucks, including India's first in the M&HCV space
- The safest trucks with an Advanced Driver Assistance System (ADAS), providing a Collision Mitigation System, Lane Departure Warning System and Driver Monitoring System
- Enhanced features to over 140 models of India's best-selling truck platforms Signa, Prima, and Ultra
- Clean and zero emission mobility solutions, powered by alternate and new energy powertrains

THE COMPANY SHIFTED TO 'RETAIL PULL' BUSINESS MODEL FOR THE COMMERCIAL VEHICLE SEGMENT WITH A STRONG FOCUS ON PROFITABILITY.

Developed and innovatively engineered to cater to the evolving needs of cargo and construction transportation across segments and applications, our state-of-the-art trucks further enhance Tata Motors' established 'Power of 6' benefit proposition aimed at delivering higher productivity and lower total cost of ownership (TCO) thus driving higher fleet profitability. To address the evolving needs of customers across segments and applications, our Company has revamped its product and service portfolio, to deliver superior value proposition, to improve the customer business case and deliver complete peace of mind.

The new-age Ace EV

The Tata Ace EV marks a significant step forward towards offering sustainable last-mile mobility solutions for intra-city cargo transport. The Ace EV is India's most advanced, zero-emission, four-wheel, small commercial vehicle, with its first fleet in operation for leading e-commerce, FMCG and courier companies, and their logistics service providers.

Best-in-class features

154 km	208 ft^3	22%
UNMATCHED CERTIFIED RANGE	CARGO VOLUME	GRADE-ABILITY

Tailored to provide efficient last-mile deliveries in an economical manner, the ACE EV underwent in-market trials prior to initiating deliveries in January 2023 with reputed e-commerce clients.

Towards net-zero

We aspire to achieve net-zero emissions by 2045 through electrification and green mobility. To this end, we recently unveiled India's cleanest, smartest, and most advanced range of logistics and mass mobility solutions across all our CV segments at the Auto Expo 2023. We also strengthened our standing in the EV buses segment through an own-maintain-and-operate model offered at a per-km rate by floating a wholly owned subsidiary, TML Smart City Mobility Solution Ltd.

COMMERCIAL VEHICLES

Product highlights

In addition to introduction of the largest range of green fuel-powered vehicles in heavy trucks, we set new benchmarks in India's rapidly growing pickup segment with the launch of the Yodha 2.0, Intra V20 bi-fuel and Intra V50. Yodha 2.0 offers 2000 kg-rated payload capacity, the highest in its segment. Adding to the Tata Intra Range of V30 and V10, the new Tata Intra V50 pickup offers a 1500 kg-rated payload capacity and deck length of 2960 mm. Tata Intra V20 is India's first bi-fuel pickup (CNG + petrol) with 1000 kg-rated payload and a long range of up to 700 kms.

Tata SIGNA, a highly trusted brand of HCV trucks, underwent an upgrade this year, improving the comfort and safety that it offers. This upgrade will help to make the brand an even more holistic offering as it already offers unmatched performance and value for money.

Our PRIMA truck range was launched with a new look in keeping with its 'premium tough' branding. This range comes with a host of newly introduced ADAS Level 2 safety features like Driver Monitoring System, Lane Departure Warning System and Collision Mitigation System, setting high standards for the trucking industry and for driver safety.

K.14 Ultra, India's first I&LCV tipper with an air-conditioned cabin was also introduced this fiscal. It is built on the Ultra platform, which provides both comfort and stability helping make K.14 Ultra a preferred choice amongst drivers due to its superior driveline and cabin features. Designed for rough terrain driving, the combination is difficult to beat.

Our FE Series launch comes with fuel efficiency enhancement features across the entire I&LCV range like gear shift advisor, fuel efficiency switch, low rolling resistance tyres, optimised driveline, lowering the TCO for owners and creating greater long-term profitability due to lower operational cost.

International launches

The Xenon X2, with double and single cabin, was launched in strategic overseas markets to cater to evolved consumers who are looking for pickups with improved suspension and a more comfortable ride. The upgraded Prima Euro 5 range was launched in the Middle East, with higher horsepower to compete against established Japanese and European players.

Smart mobility solution

TML Smart City Mobility Solutions Limited ("TSCMSL") is at the forefront of Tata Motors' clean mobility strategy and intends to bring into specific focus the electric vehicles segment as a service offering across our portfolio of commercial vehicles. 100 electric buses were deployed in FY 2022-23 and overall 730 e-buses are running on Indian roads with a cumulative run of more than 50 million kms.

TATA MOTORS
Fleet Edge
COMPLETE FLEET MANAGEMENT APPLICATION

Fleet Edge

Fleet Edge is a next-generation Connected Vehicle Solution that enables superior Vehicle Management, Fleet Management and also Logistics Business Management by using real-time insights from the vehicle. Fleet Edge, combined with physical world capabilities, offers unique convenience and peace of mind to customer, while providing an opportunity to improve their business. Fleet Edge was enhanced with multiple upgrades including analytics-based insights, embarking on monetisation journey from FY 2023-24. It currently has more than 3,90,000 connected vehicles.

3,90,000+

CONNECTED TRUCKS

Key customer-facing metrics

Through improved performance, we continue to lead on key customer-facing metrics while maintaining higher level of dealer satisfaction.

TOP-OF MIND-AWARENESS

FY23	57
FY22	55
FY21	55

NET PROMOTER SCORE

FY23	71
FY22	68
FY21	68

COMPOSITE SATISFACTION SCORE

FY23	813
FY22	792
FY21	821

CONSIDERATION TOP BOX

FY23	56
FY22	53
FY21	53

BRAND POWER

FY23	45.7
FY22	44.5
FY21	44.3

DEALER SATISFACTION INDEX (DSI)

FY23	809
FY22	810
FY21	806

REWIRE

Our first, franchise-based, state-of-the-art vehicle scrappage facility opened at Jaipur, this financial year, and offers a safe, organised and sustainable dismantling option for end-of-life vehicles. With the launch of this facility, Tata Motors aims to offer better value, generate employment and support the minimising of the environmental pollution caused by aged vehicles. We are committed to expanding REWIRE facilities across the country, to promote circularity and enhance its value chain play.

Awards and recognition

Won highest number of awards by any OEM, winning 7 awards at the Apollo CV Awards 2023, including the Coveted CV maker of the Year for the 5th year in a row, and 'CV of the Year' for the ACE EV

Recognised at Level-5, Exemplary Category, in the CII TCM (Total Cost Maturity) assessment. Highest achieved score by any organisation

Won the CII Customer Obsession Apex award for the 4th consecutive year

CV Service Training has won the "Golden Peacock National Training Award" in the automobile sector for the 2nd time

Two Golden Peacock awards for Innovative Product 2818 CNG Truck and Service Training

Our Lucknow plant became the first-ever Tata Motors plant to achieve 'Water Positive' rating under the CII GreenCo guidelines

Our Pantnagar plant was certified 'Water Neutral' under the CII-GreenCo guidelines

Tata Motors won a total of 306 awards at the 23rd All India Creativity Summit 2022 organised by the Indian National Suggestion Scheme's Association (INSSAN) – the highest ever won by any company

COMMERCIAL VEHICLES

UNITS SOLD **4,22,637** UP BY 15%

Financial and operational metrics

Sales volume

UNIT WHOLESALE

↗ 15.0% Y-O-Y GROWTH

FY23	4,22,637
FY22	3,67,490
FY21	2,67,513

Revenue

₹ CRORE

↗ 35.4% Y-O-Y GROWTH

FY23	70,816
FY22	52,287
FY21	33,104

EBITDA margin

%

↗ 370 BPS

FY23	7.4
FY22	3.7
FY21	4.2

EBIT

%

↗ 480 BPS

FY23	5.2
FY22	0.4
FY21	(0.9)

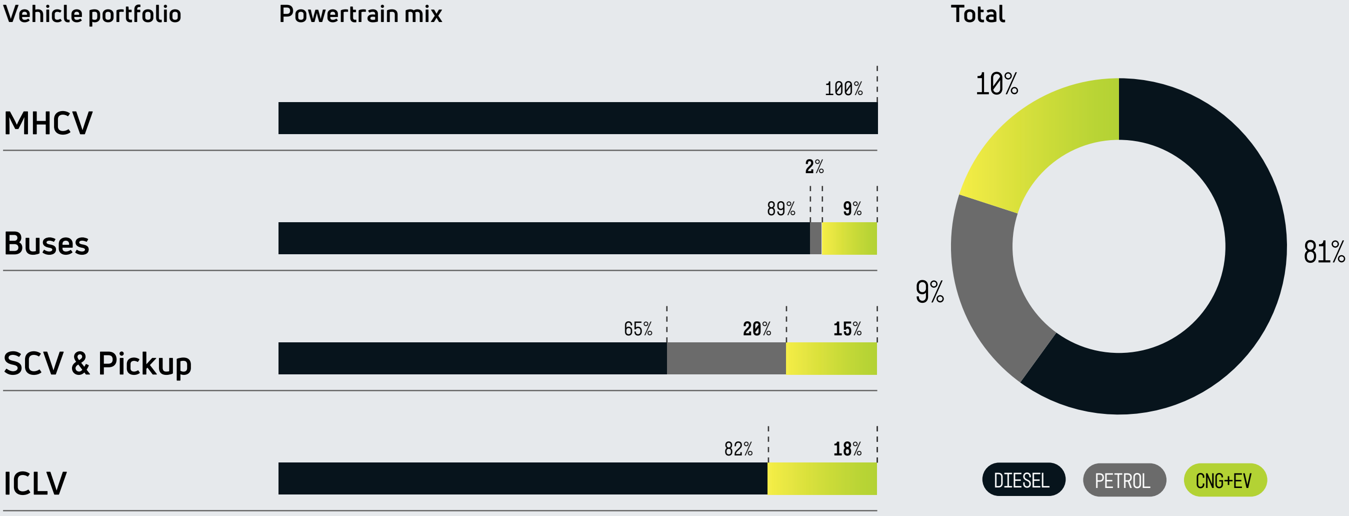
VAHAN market share

%

↙ 300 BPS

FY23*	41.7
FY22	44.7

* *FY 23 onwards, we have started tracking VAHAN registration market share.*



Performance overview

The commercial vehicles industry continued to recover in FY 2022-23 led by strong demand in MHCVs and recovery of CV passenger segment.

On a full year basis, business reported revenue growth of 35%, EBITDA and EBIT margins at 7.4% and 5.2% (370 bps and 480 bps improvement y-o-y) and strong PBT (bei) of ₹3.2K crore. The demand-pull strategy has started to yield results as profits and market shares improved sequentially. The business also delivered double digit EBITDA margins in Q4 FY23.

Segment outlook

Advance buying in Q4 FY23 in anticipation of price hikes post BS VI Phase II will have near term impact on demand. With the government's continuing thrust on infrastructure development, we remain optimistic about the overall CV demand in FY 2023-24 despite near term challengers on interest rates, fuel prices and inflation. We will continue to drive our demand-pull strategy and meet customer preference through innovation, service quality and thematic brand activation. We will aim for higher realisations and cost savings to secure double-digit EBITDA margins for FY 2023-24 and improve the performance across all business verticals.

External environment

Challenges

Commodity inflation

After consistently rising since Q3 FY21, prices across commodities softened in Q3 and H2 FY 2022-23. The downward trend included flat steel and precious metals. However, with withdrawal of export duty on steel, and improved global market demand across commodities, the prices have again started moving up. The company is addressing this challenge through reinforced focus on optimising material margins, logistics and manufacturing costs.

Ensuring profitable growth

As India transitioned to tighter emission and safety regulations there has been a significant increase in input costs and thus rise in vehicle prices. Vehicle prices have been further compounded by commodity inflation.

Amidst above head winds, on the market side, increased competitive intensity led to increased discounting by OEMs, thereby reducing profitability.

Tata Motors CV has taken the decisive step to reduce discounts and has revised its operating model to deliver 'Profitable Growth'. Shifting gears from 'supply chain push' to 'retail pull' with clear focus on VAHAN registration market share as against the practice of offtake market share.

In doing so, company has worked on improving fundamentals such as product competitiveness, value communication, Go To Market processes, analytics based pricing and providing after-sales comfort.

Opportunities

Narrowing differential for CNG prices

In FY 2022-23, consistent rise in CNG prices and narrowing differential w.r.t. diesel price led to drop in CNG salience. The recent Cabinet decision on new pricing guidelines for CNG came into effect from April 2023, and has led to 7-9% reduction in CNG prices. This is expected to improve market demand of CNG powered vehicles in FY 2023-24.

Expectations of demand growth

The CV business transitioned its entire portfolio to BSVI Phase II this year, with improved competitiveness on TCO, comfort and convenience and connectivity. With the government's continuing thrust on infrastructure development, we remain optimistic about overall CV demand in FY 2023-24 while maintaining a close watch on geopolitical developments, interest rates, and fuel price inflation.

Strategic review

We intend to further strengthen our position in the Indian automobile industry by investing in new sustainable technologies, products and mobility solutions that exceed customer expectations and offer superior value proposition. We are also committed to improve customer experiences across all touchpoints and throughout the customer life cycle. We are re-doubling our efforts towards achieving competitive cost structure to improve our margins and lower the breakeven. We continue to work towards future-proofing and optimising our manufacturing supply-chain and distribution footprint.

We aim to achieve consistent, competitive, cash accretive growth to position ourselves as a major international automotive company, offering the widest range of products and services across product segments and applications.

We are actively pursuing opportunities of increasing our presence in the global automotive markets by enhancing our product range and capabilities through collaboration and partnership. Given the global challenge of climate change, as a responsible corporate and industry leader, Tata Motors CV has spearheaded its Sustainability journey and is committed to achieving net zero by 2045. We have adopted Science-based targets initiative (SBTi) to reduce our GHG emissions and are making rapid progress towards sourcing 100% of our electricity from renewable sources.

Key strategic focus areas

Products

Our Company has taken the opportunity of the changeover to BS VI Phase 2 emission norms, to further enrich its product portfolio with smarter technologies that deliver more value, comfort, convenience, and connectivity. We introduced multiple segment-first products such as Tata Ace EV and Intra V20, India's first bi-fuel pickup truck. Advanced safety features such as ADAS, Collision Mitigation System and Lane Departure Warning System were introduced on a range of our trucks. We took significant steps forward towards hydrogen fuel-based products and have been leading the development of hydrogen-powered vehicles.

After sales and service opportunities

Company is accelerating after sales business by expanding after sales and allied service portfolio. The company has also achieved a consistent increase in spare and service penetration with strong revenue growth.

TML-Smart City Mobility Solutions Ltd., was incorporated in FY 2022-23 to drive a paradigm shift in public transportation, and has been leading transformation from a product to a service business. We signed definitive agreements with Delhi Transport Corporation and Bengaluru Metropolitan Transport Corporation for deployment of 1500 and 921 buses respectively. We have also started deployment of CESL tender buses.

Ecosystem play

We added 105 new dealers and 266 sales touchpoints between FY 2022-23 and FY 2020-21, extending our reach deeper within the country. 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 increasing penetration in ways that increase both product accessibility and service delivery. All our dealers improved their cash flows and profitability in FY 2022-23 driven by our focus on improving dealer profits.

Continuing with our actions towards the welfare of drivers, we have supported ~5 lakh drivers with Tata Samarth (Suraksha Samarth) accidental insurance cover of ₹ 10 lakh. This is a chassis-based insurance cover for our driver partners. Additionally, more than 2 lakh drivers are benefiting from Swasthya Samarth coverage which provides hospitalisation coverage of ₹ 50,000 and two annual health check-ups.

We continued our association with key home-grown sports through our support for the Wrestling Federation of India, Pro-kabaddi League etc.

Digital initiatives

We have been actively expanding our digital initiatives across frontend and backend operations. In addition digital solutions are becoming the backbone of our product and service offerings that are poised to scale up in near future

Fleet Edge: India's largest connected vehicle ecosystem platform, with more than 3,90,000 connected vehicles and ever-increasing usage and adoption. With enhanced features like trip planning, fleet health analysis, driver performance, document repository we are offering segment-first benefits to customers, enabling them to drastically improve their returns and scope of fleet management.

E-Dukaan: This online marketplace for spare parts was launched by TML last year and has grown its revenue by 164% in FY 2022-23, expanding its offerings to include DEF and lubricants.

E-Guru: This mobile app makes it easier for front-end sales staff to manage leads, share information and close deals, helping to increase revenue.

Digital marketing: Providing valuable insight into our customers' needs and behaviours, our digital endeavours have garnered millions of leads for us this financial year. Digital leads comprise over 15% of our overall CV sales, while being more cost effective.

Progressing at full throttle

Tata Motors is the third-largest player in India's PV space. Our PV offerings include various body styles, powertrain options of Petrol, Diesel and CNG , and are equipped with new features that deliver enhanced safety, drivability, comfort and convenience.

10+ NEW VARIANTS	**13.8%** PERCENTAGE SHARE OF CONSOLIDATED REVENUES

"

FY 2022-23 HAS SET A NEW RECORD FOR PASSENGER VEHICLE SALES IN INDIA. TATA MOTORS SCALED A NEW SALES PEAK BY POSTING ITS HIGHEST EVER ANNUAL DOMESTIC SALES AND REGISTERING ITS THIRD SUCCESSIVE YEAR OF INDUSTRY BEATING GROWTH. TATA MOTORS CROSSED THE SIGNIFICANT LANDMARK OF 50,000 EV SALES IN FY 2022-23, ITS HIGHEST EVER, TO POST A SIGNIFICANT GROWTH OF 154% OVER FY 2021-22.

SHAILESH CHANDRA
MD-TMPV AND TPEM

6.4%

EBITDA MARGIN, UP 110 BPS YEAR-OVER-YEAR

45%

VOLUME GROWTH YEAR-OVER-YEAR

RANKED #1 SUV MANUFACTURER IN INDIA

#1 TIAGO, TIGOR, PUNCH RANKED BY THE JD POWER IQS SURVEY 2022

Products and offerings

Spectacular sales validates product and segment innovation strategy

This year industry witnessed significant growth as tailwinds outweighed headwinds. We made most of the opportunity and posted industry beating growth for yet another year. FY 2022-23 was the milestone year for PV business as it achieved "Lifetime" high on multiple metrics. PV business grew significantly 45% (FY 2022-23), resulting ~4X growth in terms of volumes and ~5X growth in terms of revenues over FY 2019-20. The growth has come on the back of continued response for the product range, thoughtful 'New Forever' interventions, multi-powertrain options, focused reimagining initiative towards demand generation and consistent increase in supplies.

5mn PV since inception

We also crossed the historic milestone of 5 million vehicle sales since inception, during the financial year, which reflects the resilience and strong acceptance of Tata brand in the Indian market.

This journey, from each million to the next, has been an on-going journey of building capabilities, maturing our processes and getting future ready. This journey, in more ways than one, has been India's own journey towards becoming Atmanirbhar.

The last 1 million volumes were just delivered in 2.5 years. It has been a phase of a massive turnaround and enabling the business to transition from survival to revival and preparing it to thrive in future.

In this period we faced several uncertainties, where we were challenged by Covid, semi-conductor shortage, rising commodity prices. However we systematically worked as a team to convert this very challenging environment into a big opportunity for ourselves through focused actions such as re-imagining our relationship with channel partners, significantly investing in capacities to achieve the desired scale, taking innovative approach to overcome semiconductor challenge.

Received Manufacturer of the year award at Auto Car 2023 awards

PASSENGER VEHICLES

UNITS SOLD **5,40,965**

Financial and operational metrics

Sales volume

UNIT

↗ 45.4% Y-O-Y GROWTH

FY23	5,40,965
FY22	3,72,157
FY21	2,22,638

Revenue

₹ CRORE

↗ 51.9% Y-O-Y GROWTH

FY23	47,868
FY22	31,515
FY21	16,606

EBITDA margin

%

↗ 110 BPS

FY23	6.4
FY22	5.3
FY21	2.0

EBIT margin

%

↗ 300 BPS

FY23	1.0
FY22	(2.0)
FY21	(9.5)

VAHAN registration market share

%

↗ 210 BPS

FY23	13.5
FY22	11.4
FY21	8.0

Dealer network (PV EX. EV)

FY23	1,410
FY22	1,183
FY21	906

Service workshops (PV EX. EV)

FY23	855
FY22	705
FY21	604

NPS

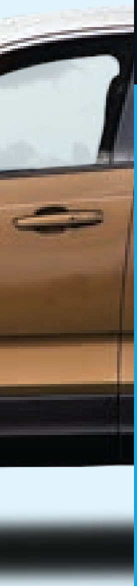
FY23	40
FY22	35
FY21	30

Powertrain mix FY 2022-23 (%)

Vehicle portfolio

3
CARS

4
SUVs



Performance overview

Tata PV business continued its strong momentum in FY 2022-23. Keeping portfolio "NEW FOREVER", multiple powertrain options and debottlenecking actions drove volumes growth. In FY 2022-23 Tata PV domestic wholesales grew 45.4% y-o-y to 538.5k vehicles, whereas retails grew by 44.2% to 523.5K vehicles. In FY 2022-23, business consistently delivered strong performance and delivered revenues of ₹ 47.9K crore (+52% y-o-y), EBITDA margins of 6.4% (+110 bps y-o-y), EBIT margins of 1.0% (+300 bps y-o-y) and PBT (bei) of ₹0.7K crore Margins improved on higher volumes, better realisations, and operating leverage.

Segment outlook

Looking ahead, we expect the industry growth to moderate due to a strong base effect and other macro factors like rising interest rates, inflation, and the cost impact from progressive regulatory norms. The electrification trend is set to strengthen further. We will continue to stay agile and strengthen our portfolio and "Reimagining" the front end whilst proactively managing the demand and supply situation. In FY 2023-24, we aim to continue to deliver market-beating growth, sustain the aggression in driving up EV penetration, consolidate market share gains, drive actions to reach double digit EBITDA in the coming years and sustain positive free cash flows. We will integrate the new Sanand factory into our industrial footprint and unlock capacity.

External environment

Challenges

Semiconductor availability

FY 2022-23 began with a positive outlook for semiconductor availability. However, shortages in the availability of certain chips used in critical components like control units, ABS and infotainment systems, persisted.

The dedicated team at Tata Motors worked tirelessly to address this challenge through various mitigation measures. These included swiftly implementing engineering changes to minimise chip dependency, replacing outdated chips with newer ones, ramping up strategic partnerships with key distributors, developing alternative suppliers, and focusing on localisation. Thanks to these proactive steps, we could successfully ensure a consistent supply and avoided production delays.

Fluctuations in demand

During the second half of FY 2022-23, we observed a gradual normalisation of market demand, reaching levels similar to the pre-COVID period. This was due to waning of pent up demand. In addition, the demand for Compressed Natural Gas (CNG) slowed down due to a rise in CNG prices. We implemented targeted demand-generation strategies to manage customer demand. These encompassed region-specific and product-specific marketing campaigns, restructuring of incentives, the introduction of tailored consumer schemes, and enhancement of the sales process. We prioritised the training of our customer advocates and equipped them with relevant materials to improve the conversion rate from vehicle bookings to actual sales, ensuring a seamless and effective customer journey.

Opportunities

Improving margins and profitability

Over last three years we have deployed a 9 Lever framework for improving margin through focused actions around model mix, CRCI (Cost Reduction/ Cost Increase), VAVE (Value Analysis and Value Engineering) , commodity, pricing, fixed cost leverage and non-vehicular business enhancement. In FY 2022-23, we have started a focused initiative to cut down market buying of semiconductors to zero and a Capex Excellence program to optimise and sustain Capex, through benchmarking, engineering efficiency, sourcing efficiency and optimal design choices. These initiatives have helped the PV business turn profitable and self-sustaining. We will continue these structured initiatives to improve margins and overall profitability

Multiple powertrain strategy

Tata Motors has a unique advantage of having strong SUV portfolio, all powertrains - Petrol, Diesel, CNG–options and Leadership in the EV Space. SUVs will continue to garner larger share of the market owing to evolved consumer preference towards SUV. Post the BSVI Phase 2, most manufacturers have exited the diesel market, however, large set of customers are still looking to purchase diesel vehicles owing to its performance. CNG market is set to increase due to government's push and benefit of lower operating cost. In addition, EVs will gain traction with increasing acceptance and launch of new models. Thus, Tata Motors has an advantage to uniquely cater to the customer requirement to drive demand. The advantage is being further strengthened with launch of 'New Forever' interventions with innovative technologies.

Strategic review

Win sustainably in PV

Reimagining front end 2.0

The strategy to enhance sales through targeting micro-markets has worked well. The share in these 14 micro markets grew at 2.3% delta over F 2021-22, while national delta of 1.8% was achieved over FY 2021-22.

Rural market share improved delta 2.1% from FY 2021-22. Tata Motors also accelerated implementation of mobile showroom van concept, Anubhav to reach out to deeper rural pockets, We added 227 sales outlets in FY 2022-23 to 1,410 sales outlets at the end the year, becoming the 2nd largest sales network by any OEM in India. 99% of our dealers are now profitable vis-à-vis 43% in FY 2019-20.

We also expanded our service network, adding 150 workshops in FY 2022-23, taking total service touchpoints to 855. With continued thrust on customer service improvement, our NPS improved to 40 in FY 2022-23 from 35 in FY 2021-22 and 30 in FY 2020-21.

The 'Reimagine PV' strategy to rejuvenate front-end sales and the retailer network as well as customer engagement, has delivered excellent results. We will be continuing with focused Reimagining front end initiatives to further strengthen front-end activities.

Sales enhancement

We will continue the thrust on sales enhancement and identified high TIV urban micro-markets and rural areas through nuanced actions. In addition, we will drive focused initiatives to drive EV and CNG sales

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 scale up innovative Anubhav and EZ Serve network and scale up inventory funding.

Customer experience

We will continue to strive for delivering elevated sales and service customer experience through soft and functional skills enhancement of manpower, visual experience improvement at the showroom, contact centre re-imagination, adoption new technology and digitalisation.

Brand and marketing

After having established Tata Motors as a strong passenger vehicle brand, we will strive to take it notch above through brand campaigns with a strong focus on premiumisation.

Manufacturing

In FY 2022-23, production increased by 46% y-o-y to reach 5,45,000 mark, highest ever production since inception. All manufacturing plants – Pune, Sanand & Joint Venture plant at Ranjangaon – achieved highest ever production and utilisation since inception. Average monthly production increased from ~40,000 vehicles in Q4 FY22 to ~50,000 vehicles in Q4 FY23. This year, our priority will be capacity augmentation by seamless operationalisation of Sanand 2 plants to unlock the next phase of growth.

Product portfolio strategy

Our future product portfolio is well aligned to market development. Our focus will be to launch aspirational products with focus on design, Safety and Technology. In addition, we will extend the CNG offerings to some of our models starting with the Altroz, and continue to bring 'New Forever' interventions to keep the momentum going.

Financial health

On the back of significant volume scale up, positive product mix, tight control on fixed cost and VME (variable marketing expenses), and exponential growth in non-vehicular business, Passenger Vehicles business recorded positive EBIT margin in FY 2022-23 and strong 300 bps improvement in EBIT margins in FY 2022-23, well ahead of our targets. The business is self-sustainable now.

We are proposing to 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 focused margin improvement and capex optimisation initiatives to improve the financial performance in FY 2023-24. We will also ensure ecosystem viability by monitoring and taking necessary actions wherever necessary for ensuring dealer and supplier financial health.

Leading the way in electrification

Tata Motors is the largest player in India's EV space. In a short period of 3 years, we have increased our volumes from ~ 1.3K to ~50K vehicles and established ourselves as strong market leader with around 84% VAHAN market share in this evolving space.

2
NEW LAUNCHES

~3800
CHARGING STATIONS OPERATIONAL

WE SUCCESSFULLY GREW OUR LEADERSHIP POSITION BY ACCELERATING BOTH EV ADOPTION AND THE DEVELOPMENT OF ITS ENABLING ECOSYSTEM. GOING FORWARD, WE WILL CONTINUE TO DELIVER ON NEW PRODUCT LAUNCHES, ENHANCING CAPACITIES AND DRIVE EV PENETRATION FURTHER TO DELIVER MARKET-BEATING GROWTH IN COMING YEARS.

SHAILESH CHANDRA
MD-TMPV AND TPEM

Performance review

EV penetration on the rise

We continued to lead the charge in EVs and crossed 50,000 units sales for FY 2022-23, reflecting a 2.6x growth over FY 2021-22. EV sales increased from an average ~3500 units/month in the first quarter to an average 5,000+ vehicles in the fourth quarter, reflecting the extent of demand that exists. VAHAN registrations for our EVs touched 7,000 units in March and we exited the Q4 with a double-digit EV penetration of ~12%. Despite increase in competition in later part of the year, we have maintained strong lead with VAHAN market share of ~84%.

Fleet demand

The EV fleet demand seen a significant growth in FY 2022-23 as corporate started 'work-from-office' and people re-started using ride hailing services with the fear of the pandemic subsiding. In addition, owing to commitment towards sustainability, both Corporates and Ride hailing companies, are driving the agenda of converting respective fleets to electric.

Given our compelling offering, the Tigor EV, for the fleet segment and our continuous engagement with fleet operators even during times of COVID, we garnered the largest share of the orders floated across industry.

WITH THE ACQUISITION OF FORD INDIA'S (FIPL) MANUFACTURING PLANT AT SANAND, TPEML WILL UNLOCK AN ADDITIONAL STATE-OF-THE-ART MANUFACTURING CAPACITY OF 3,00,000 UNITS PER ANNUM, WHICH IS SCALABLE TO 4,20,000 UNITS PER ANNUM.

MoUs signed with multiple fleet operators for over 45,000 EVs. The notable ones being:

10,000 EVs
BLUSMART MOBILITY

5,000 EVs
LITHIUM URBAN TECHNOLOGIES

25,000 EVs
UBER TECHNOLOGIES

5,000 EVs
EVEREST FLEET MANAGEMENT

Product highlights

In FY 2022-23, Tata Motors introduced Nexon EV Max with a certified range of 453km and Tiago EV with two range options - 250km and 315km.

Tata Motors now has widest portfolio of EVs with 5 EVs- Tiago EV, Xpres-T EV, Tigor EV, Nexon EV Prime and Nexon EV Max.

Key brand building initiatives

The Nexon EV Max scaled the world's higher motorable road at Umling La pass, located in Ladakh, 19,024 ft above sea level.

Season 2 of National Geographic's documentary on Nexon EV that bring out the story of Nexon EV and what goes behind creating an entire EV universe.

Tata Motors partnered with National Geographic with an objective to spread awareness and encourage viewers to contribute in own ways to the fast-spreading EV revolution in India.

ELECTRIC VEHICLES

GLOBAL WHOLESALE **50,043**

154% INCREASE

Operational performance

Domestic sales volume

IN UNITS

↗ 150% Y-O-Y GROWTH

FY23	47,792
FY22	19,105
FY21	4,218

VAHAN registration market share

%

↙ 260 BPS

FY23	83.9
FY22	86.5
FY21	72.0

Public charging

NOS.

↗ 90% Y-O-Y GROWTH

FY23	~3,800
FY22	2,000
FY21	450

EV penetration

%

↗ 600 BPS

FY23	9
FY22	3
FY21	2

Cities present

NOS.

↗ 120% Y-O-Y GROWTH

FY23	165
FY22	75
FY21	51

No. of dealerships

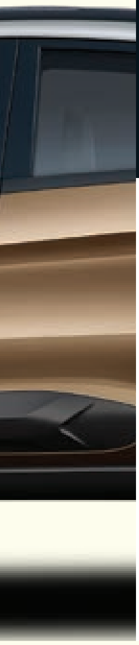
NOS.

↗ 75% Y-O-Y GROWTH

FY23	250
FY22	143
FY21	97

IN FY 2022-23, TIAGO EV WAS RECOGNISED AS 'ELECTRIC VEHICLE OF THE YEAR' BY 6 MEDIA HOUSES, MOTOR VIKATAN, MOTORSCRIBES, AUTOCAR, CAR INDIA, TURBO CHARGED AND ACKO DRIVE.

OUR EFFORTS TOWARDS SIGNIFICANTLY ENHANCING EV CAPACITIES TO 50,000 WERE RECOGNISED BY MOTORSCRIBES AND CAR INDIA AND THEY AWARDED US WITH 'EV MANUFACTURER OF THE YEAR'.



Nexon EV K2K drive

Being a new technology, demonstrating the capabilities and possibilities of EVs in real world and in real time conditions is utmost important to alleviate all the myths about EVs and drive adoption.

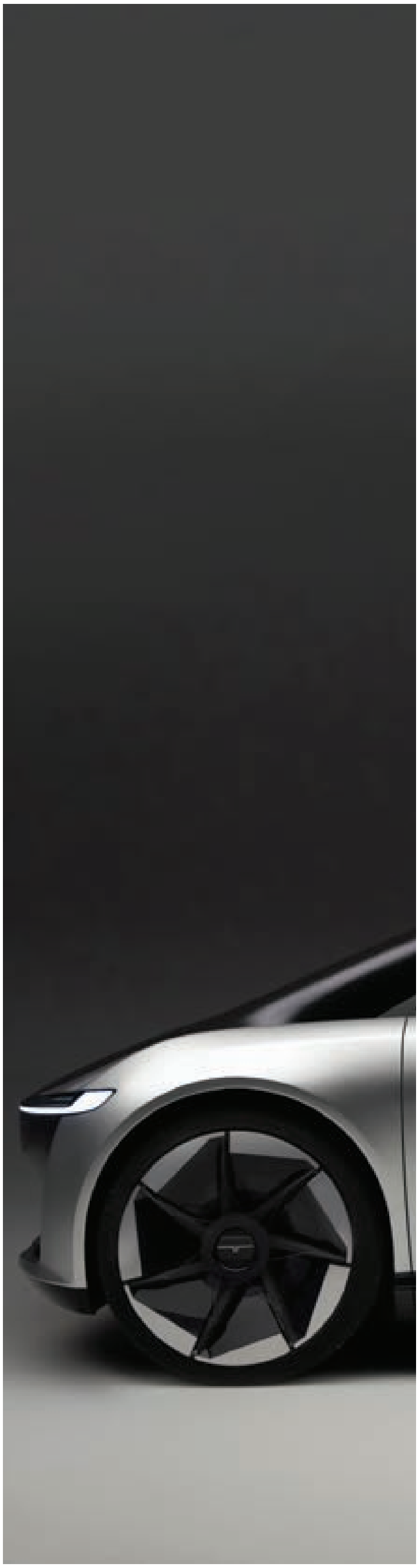
Tata Motors set out on an ambitious journey from Srinagar to Kanyakumari with the Nexon EV. We wanted to inspire existing and prospective EV owners by offering them a conclusive proof of the Nexon EV's long range, accompanied by the growing charging stations, installed by our ecosystem partner, Tata Power.

The aim of the drive was to showcase that our customers can confidently plan long journeys with the Nexon EVs. During the drive of 4000+ km, the EV faced harsh weather conditions and a multitude of difficult terrains on the route. The journey was completed in just 95 hours and 46 minutes, and with this, the Nexon EV successfully entered the India Book of Records by covering the 'fastest' Kashmir to Kanyakumari drive by an EV.

Segment outlook

Looking ahead, we expect the demand for electric vehicles to rapidly increase as more options are made available to customers and as support from a swiftly growing and improving ecosystem strengthen.

With widest portfolio of aspirational yet accessible EVs, established reliability for over 1 billion real-life kilometres driven by real customers and ecosystem support, we are all set to scale new highs in EV sales. In FY 2023-24, our focus will be on achieving significant volume growth, investing for future and keeping the underlying unit economics healthy while maintaining the market competitiveness.



External environment

Challenges

Shortage of critical raw material

The global supply chain was under severe stress with the world economy going through a rapid post-pandemic recovery. This led to acute shortage of raw material and ocean freight containers.

Tata Motors was seriously affected especially by the shortage of key raw material, Lithium Carbonate, used in Lithium-Ion battery. This shortage led to the market rate of Lithium Carbonate to rise by over 13X in just one quarter. In addition, non-availability of material led to rationing of available stock.

We took various actions to mitigate this risk. In the short term, we devised indexed price correction mechanism with cell suppliers and shared with them volume projection with firm quarterly order. This enabled our cell suppliers to better plan and ensure suppliers were in line with demand. Further, we expanded the supply contract and introduce an additional cell and pack supplier, for our Gen 2 vehicles.

Opportunities

Expanding the addressable market

Limited choices and high price points have hindered the penetration of EVs in the market. Despite a remarkable tenfold growth in the EV market over the last three years, their share in total vehicle sales stands at a mere 1.5% in FY 2022-23. The lack of choices at different price points and in body styles, has constrained the widespread adoption of EVs.

We have the widest range of EV offerings, spanning across three body styles-hatchbacks, sedans, and SUVs – which cater to both premium and mass market customer segments. As a result, we have achieved an impressive 9% penetration of EVs in our portfolio.

Going forward, we plan to build on this strategic advantage by expanding our EV sales and after-sales network, as well as charging infrastructure across India. With these initiatives, we are poised to capitalise on the untapped opportunity and expand our reach to a broader customer base.

Maximise localisation to optimise cost and realise incentives

Over the last few years, both central and state governments have launched progressive EV policies such as Faster Adoption and Manufacturing of Electric Vehicles (FAME II) and Production Linked Incentive (PLI) to accelerate the adoption of electric vehicles in the country. However, in order to benefit from these incentives, OEMs are required to meet the localisation guidelines outlined in the policies.

We have successfully met all the localisation requirements outlined in the 'Phased Manufacturing Plan' (PMP) and 'Domestic Value Add' (DVA) as mandated by FAME and PLI policies. This positions us favourably to unlock incentives that will enhance cost competitiveness. Moreover, we are actively pursuing deeper localisation of crucial EV systems to optimise cost structures and enhance the accessibility of EVs to a wider customer base.

Strategic review

Offering product and segment-versatility

In this financial year, we extended our range with the Nexon EV Max and Tiago EV to address a diversity of customer needs and accelerate penetration by making aspirational EVs accessible to consumers. We will continue to expand our portfolio, providing India specific offerings with different body styles, driving ranges-and price points, and leveraging our Gen 3 strategy in line with market readiness to strengthen the EV demand. We are on track to deliver 10 EVs by 2026.

Sales and marketing

We scaled up our market coverage to reach 165 cities and tied up with 250 dealerships in FY 2022-23. Increased presence across the country will greatly increase the accessibility of our products and help in enhancing the customer base. Our micro-market strategy has worked well to drive penetration and created pan India demand. We will continue to focus on states with favorable EV policies, and leverage the network to expand the customer base. Through innovative campaigns, digital tools, experience centres and service network, we will continue ramping up brand building, driving aspirations and enhancing customer experience.

Accelerating ecosystem development

In FY 2022-23, Tata UniEVerse has significantly contributed towards promoting EV adoption in the country. Along with Tata AutoComp, we have completed localisation of key EV power train components. Further, we are driving deeper localisation for components such as battery pack, motor, and 3-in-1 combo box. Tata Power, India's leading player in the EV charging space, further expanded its public charging infra to reach ~3800 units across India. New branding guidelines were launched to ensure uniform identity across charging locations. Further, home charging offerings were expanded with the introduction of 7.2kW. AC charger options for the Nexon EV Max and Tiago EV and home-charging installation support was extended to ~170 cities.

In addition, Tata Power has started installing AC fast chargers in Resident-Welfare Associations (RWAs). In FY 2022-23, 900+ chargers were installed across 175+ societies in 5 metros: Mumbai, Pune, Indore, Delhi and Bengaluru.

JAGUAR LAND ROVER

Innovative design. Sustainable power.

JLR, known for its premium vehicles and exceptional driving experiences, is guided by innovation and sustainability. With significant investments in electric vehicles, JLR is at the forefront of creating an eco-friendly transportation future while continuing to deliver on luxury and performance.

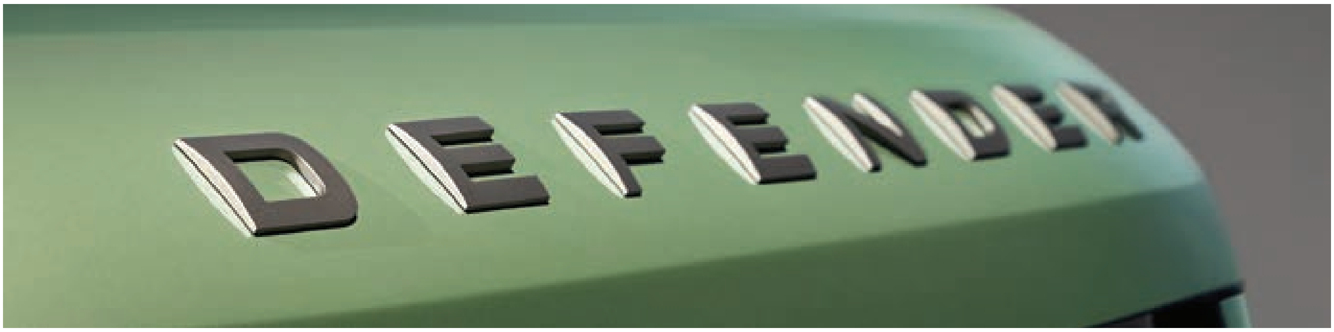
1
NEW LAUNCH

5
NEW VARIANTS

64.4%
PERCENTAGE SHARE OF CONSOLIDATED REVENUES

> WITH THE COLLECTIVE STRENGTH OF OUR PEOPLE, WE WILL CONTINUE TO DELIVER OUR REIMAGINE STRATEGY. DEMAND FOR OUR EXCEPTIONAL MODERN LUXURY VEHICLES REMAINS STRONG AND WITH A PIPELINE OF ULTRA-DESIRABLE ELECTRIFIED MODELS ON THE HORIZON, I AM EXCITED AND CONFIDENT FOR OUR FUTURE.

ADRIAN MARDELL
JLR INTERIM CHIEF EXECUTIVE OFFICER



THE DEFENDER, WHICH HAS WON MORE THAN 50 GLOBAL AWARDS, IS ON SALE IN ALMOST 100 COUNTRIES.

Product, technology and innovation

Following the success of the new Range Rover, we introduced the New Range Rover Sport in May 2022, applying our modern luxury philosophy to a new vehicle. With plug-in electric hybrid power and a host of dynamic technologies, it brings dramatic design, connected convenience and electrified performance to a new level, setting a new standard for performance SUVs.

Innovations and technologies that ensure New Range Rover and New Range Rover Sport lead by example are protected by more than 200 new patents filed by the end of FY 2022-23 Some of these innovations were recognised by Euro NCAP, in awarding New Range Rover and Range Rover Sport maximum five-star safety scores, including ratings of over 80% for Occupant Protection and in the Safety Assist category, recognising their suite of Advanced Driver Assistance Systems.

The FY 2022-23 also saw us add to our Defender collection, with the introduction of the Defender 130 model. Echoing the name of the original long-wheelbase model, the Defender 130 adds another dimension to our all-conquering, all-terrain brand, providing space and comfort for up to eight adults, across three rows of full-size seating.

With the new Range Rover Velar, we are providing a calm sanctuary to our customers, promoting comfort and well-being. The cabin includes active technologies that help cleanse the air and minimise road noise, to be both cleaner and quieter, on any journey. With an upgraded battery pack on the F-PACE P400e plug-in electric hybrid, we offer an increase of 20% to our customers on their electric-only range. Jaguar I-PACE continues to reinforce its status as the benchmark all-electric performance SUV, thanks to an impressive real-world range and usability.

In FY 2022-23, we delivered our five millionth individual software-over-the-air (SOTA) update to 500,000 Range Rover, Defender, Discovery and Jaguar models. Originally developed to update infotainment systems, SOTA today updates a wide variety of vehicle systems, from engine, braking and steering systems, to transmission control for four-wheel-drive and ADAS, such as Adaptive Cruise Control.

VALUE FROM REFOCUS TRANSFORMATION IN FY 2022-23

£1.1billion

JAGUAR LAND ROVER

Modern luxury of electric propulsion

Through FY 2022-23, we continued to transform our business at pace, both in electrifying our current vehicles, and in planning our electric future. The new Range Rover Sport provides a pure-electric capability for almost every journey.

As one of the fastest-charging plug-in hybrid systems, recharging up to 80% takes under an hour.

Every one of our brands–Range Rover, Discovery, Defender, and Jaguar–now offers plug-in and mild hybrid vehicles, together with the all-electric Jaguar I-PACE with 68% of sales being electrified vehicles in FY 2022-23.

The reimagining of Jaguar into a pure-electric modern luxury brand is on track. More details of a new 4-door GT Jaguar to be released later in 2023, before going on sale in selected markets in 2024, and up for client deliveries in 2025.

We are developing a unique architecture, named JEA, that will be manufactured in-house at our Solihull manufacturing facility. The new design language for Jaguars of the Future has been clearly defined - they are highly-anticipated and will be a copy of nothing.

This year, we also re-confirmed our next generation electrification roadmap. Our electrified modular architecture (EMA) will be electric only whilst the flexible modular longitudinal architecture (MLA) will offer flexibility between ICE, hybrid and pure-electric.

The first all-electric Range Rover will launch in 2024, and over the years, all our collections will have pure-electric options.

TO MAKE CHARGING INFRASTRUCTURE ACCESSIBLE, JAGUAR AND LAND ROVER HAVE LAUNCHED CHARGING POWERED BY PLUGSURFING, WHERE ONLY ONE CHARGING KEY AND ONE APP GIVES ACCESS TO A CURATED NETWORK OF OVER 300,000 CHARGING POINTS ACROSS 27 EUROPEAN COUNTRIES AND 700 CHARGING POINT PROVIDERS.

5 million+

INDIVIDUAL SOTA UPDATE MILESTONE REACHED IN FY 2022-23

200+

PATENTS FILED UP TO FY 2022-23 FOR INNOVATIONS AND TECHNOLOGIES IN RANGE ROVER AND RANGE ROVER SPORT

Collaborating for a connected future

Collaboration and knowledge sharing with industry leaders in connected services, data and software development is a cornerstone of our strategy. For this, we have formed a multi-year strategic partnership with NVIDIA, a leader in AI and computing. We will jointly develop next-gen 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 DRIVETM software-defined platform delivering a host of AI-enabled features like automated driving and parking, among others.

We have entered into a global strategic agreement with Wolfspeed to secure supply of its cutting-edge silicon carbide semiconductors that will provide the next generation of modern luxury electric vehicles with significantly increased powertrain efficiency, extended driving range, while reducing weight and conserving space.

Awards and recognition

- → The Range Rover has been awarded Car Design Review 9's top accolade of 'Production Car of the Year', for its thoroughly modern yet recognisable form.
- → The new Range Rover won in the 'Best New Large SUV' and 'Best PHEV' categories at the Car Expert Awards and Business Motoring awards.
- → The Defender won 'Best Large Premium SUV' and 'Best Off-roader' at the Auto Express and Parkers awards.

JAGUAR LAND ROVER

UNITS SOLD **3,72,217**

Financial and operational metrics

Sales volume (incl. CJLR)

UNIT | WHOLESALE

↗ 7.1% Y-O-Y GROWTH

FY23	3,72,217
FY22	3,47,650
FY21	4,12,911

Revenue

£ MILLION

↗ 24.5% Y-O-Y GROWTH

FY23	22,809
FY22	18,320
FY21	19,731

EBITDA margin

%

↗ 100 BPS

FY23	11.3
FY22	10.3
FY21	12.8

EBIT margin

%

↗ 280 BPS

FY23	2.4
FY22	(0.4)
FY21	2.6

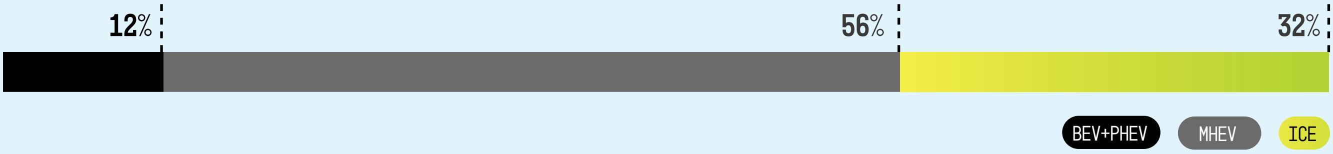
Free cash flow

£ MILLION

↗ + £1,677 MILLION Y-O-Y

FY23	521
FY22	(1,156)
FY21	185

JLR Powertrain mix (retails) (%)



Vehicle portfolio

6 LAND ROVER

7 JAGUAR

Performance overview

Rising sales, improving profitability
FY 2022-23 saw us turning the corner as sales and profitability increased significantly on the back of easing of the global chip crisis. Revenues stood at £22.8 billion, up 25% from the prior year, though a marginal full-year, pre-tax loss before exceptional items of £64 million persisted. The recovery was considerable vis-à-vis last year. Profitability improved on account of higher wholesales, better pricing and a stronger product mix as the new the Range Rover, Range Rover Sport and Defender accounted for 76% of the 200,000 units-strong order book. This was partly offset by higher material costs, the planned increase in SG&A spend and higher manufacturing and supply chain costs. Free cash flow was £0.5 billion as volumes improved progressively and working capital was recovered. The Refocus transformation exceeded the full year target with £1.1 billion of savings this financial year.

Segment outlook

We expect the gradual improvements in chip supply to continue during the next fiscal year. While supply challenges and macro risks remain, we are targeting to grow wholesales through the year and achieve EBIT margins of over 6% in FY 2023-24. Investment spending is expected to increase to about £3 billion in the fiscal year, but free cash flow is expected to be >£2 billion and net debt is expected to reduce to <£1 billion by FY 2023-24.

Read more about JLR on https://www.jaguarlandrover.com//annual-report-2023

Operating environment

Challenges

Semiconductors and general supply constraints

The ongoing supply chain challenges, particularly around semiconductors, continued to limit our ability to build cars in line with customer demand during FY 2022-23. We saw significant volatility in raw material commodity markets during the year leading to abnormal pricing levels and elements of scarcity in some markets. Supply constraints were caused by various external factors, namely the pandemic recovery, the conflict in Russia-Ukraine and energy inflation.

In response to these challenges, we focused production on higher margin products and improved our organisational capabilities and processes to more proactively manage our supply chain. We put in place long-term supply agreements directly with a number of semiconductor manufacturers to protect both current and future product programmes.

As a result of our actions, our wholesale volumes (ex. CJLR) for the year were 321,362, up 9.2% compared to the prior year. Whilst general supply chain challenges are likely to continue in the coming year, we anticipate that the actions we have taken this year will minimise the impacts on our volumes.

Global inflation

Inflationary pressures have increased during the past year with energy prices in Europe, where we produce the majority of our cars, rising as a result of the Russian invasion of the Ukraine. Inflation accounted for around £850 million of increased costs during the past year with cost increases coming from higher commodity prices, energy costs, labour rates and semiconductor prices.

We have taken steps to offset these impacts under our Refocus programme which has delivered over £1 billion of value to the business through actions taken to optimise sales, lower costs and to prioritise investment spending.

Geopolitics

Geopolitical challenges including increasing geopolitical tensions and regulatory and legislative changes such as the US inflation reduction act have a global reach and can impact supply chains. While we have not observed any direct impacts on our business in the last year as a result of specific events, we proactively scenario plan against a range of outcomes to ensure we remain well balanced as a business.

Opportunities

Commitment to Reimagine strategy

In February 2021, we launched our Reimagine strategy – our roadmap for the future, to realise our vision to become proud creators of the most desirable, modern luxury brands, for the most discerning of clients. Since then, we have made great progress. In April 2023, interim Chief Executive Adrian Mardell reaffirmed the business's commitment to this strategy, repositioning the company as an electric-first, modern luxury carmaker by 2030.

House of brands approach

As a next step within the Reimagine strategy, we will move to a House of Brands approach, to amplify the unique character of each of our brands - Range Rover, Defender, Discovery and Jaguar. This will also accelerate our vision, which is to become proud creators of the world's most desirable modern luxury automotive brands for the most discerning clients.

Investing in next generation electric models

As part of our electrification roadmap, we will accept client orders for the modern luxury all-electric Range Rover from this autumn. The first of our next-generation medium-size modern luxury SUVs will be an all-electric model from the Range Rover family, launching in 2025 and built at Halewood.

We also announced that the first of three reimagined modern luxury Jaguars will be a 4-door GT built in Solihull in the West Midlands. With power output more than any previous Jaguar, an expected 400+ mile range and with prices starting from £100,000, the new Jaguar will be built on its own unique JEA architecture.

The first of our next generation medium-size modern luxury SUVs will be an all-electric model from the Range Rover family, launching in 2025. The first of three reimagined modern luxury Jaguars will be a 4-door GT, with unprecedented power output and an expected 400+ mile range.

Strengthening the shift to electrification

From 2024, a pure electric Range Rover will join the family. By 2026, Land Rover will welcome six all-electric variants, across two architectures.

Our Halewood plant will become JLR's first all-electric production facility, and our next-generation electrified modular architecture (EMA) will now be pure electric only.

This underlines our commitment to Reimagine, and signals our increasing ambition to switch to electrification. This will strengthen the transition to our modern luxury electric future, moving us towards our financial goals, developing new skills, and reaffirming our pledge to be net zero carbon by 2039.

While EMA will now be electric only, our flexible MLA architecture, which the Range Rover and Range Rover Sport are built on, will continue to offer internal combustion, hybrid and battery electric options. This gives us, flexibility to adapt our vehicle line-up to meet the needs of different markets around the world as they transition to carbon net zero.

Collaborations and partnerships

Through the course of the year we have entered into partnership agreements with strategic semiconductor manufacturers to secure long-term supply as a means to protect current and future product programmes.

We are collaborating with leaders in their respective field, such as NVIDIA who are experts in AI and Tata technologies, who are helping us streamline technology.

Strategic review

Through our Reimagine strategy, we have set a clear vision and pathway to become the proud creators of modern luxury.

A renewed purpose

Live the exceptional with soul is why we do business - our company Purpose, introduced during FY 2022-23. It was co-created with over 1,000 voices from across our business and sets out how we will achieve our aspirations.

Our Purpose is guided by our Creators' Code, a set of five co-created behaviours – Customer Love, Unity, Integrity, Growth and Impact.

These set out how we will behave each day to achieve our shared goals. The Creators' Code is underpinned by progressive policies, benefits, and engagement with our people - to accelerate our collective progress.

Combined with the positive impacts of sustainability, and diversity and inclusion, our Purpose will enable us to better understand and serve our customers, fuel innovation and engage and inspire our people.

REIMAGINE

Reimagine is the roadmap for the transformation of JLR into a sustainable, electric-first modern luxury business. Through Reimagine we will deliver double-digit EBIT margins by 2026 and be net cash positive by FY 2025. We will achieve our Science Based Target initiative (SBTi) carbon reduction targets in 2030 and carbon net zero goals by 2039, and always strive to exceed our clients' expectations.

As part of our modern luxury vision, we have announced the creation of a House of Brands organisation, to amplify the unique DNA of each of JLR's celebrated British automotive brands - Range Rover, Defender, Discovery, and Jaguar. This allows each brand to project their individual purpose, desirability, and personality. The House of Brands will also

JAGUAR LAND ROVER

provide clarity and differentiation for our clients, to create emotional connection.

Two new product additions to the House this year were New Range Rover Sport and Defender 130, both of which beautifully embody our modern luxury design philosophy.

We are also completely reimagining the future of Jaguar, moving purposefully to deliver a dramatic, aspirational, and unique pure-electric modern luxury brand. More details of a new 4-door GT Jaguar will be released later in 2023, before going on sale in selected markets in 2024, for client deliveries in 2025.

Our business will also become carbon net zero by 2039. Guided by our Planet Regenerate, Engage for Good and Responsible Business programmes, sustainability is at the heart of everything we do.

We will deliver environmental, societal and community impact for a luxury business, creating the world's most desirable, electrified luxury vehicles, against a canvas of true sustainability. We have committed to ambitious science-based targets, to reduce our greenhouse emissions by 46% in our own operations and by 54% per vehicle across our entire value chain by 2030.

Central to our Reimagine strategy and integral to our drive towards carbon net zero is the transition to an electric future for all brands – both vehicles and the supporting ecosystem, with plug-in electric hybrids acting as a key steppingstone for JLR and its clients. Our modern luxury philosophy extends to our ambition for effortless, charging experiences globally.

We are investing £3.0 billion per annum over the next five years to deliver our product plans, including the rapid electrification of the product portfolio.

The pure-electric Range Rover and Range Rover Sport, are on track to arrive in 2024, they will be followed by our Electrified Modular Architecture in 2025, while new Jaguar will be on sale in selected markets in 2024, for client deliveries in 2025.

By 2030, all nameplates will offer pure-electric options variants that are expected to account for 60% of our retail sales.

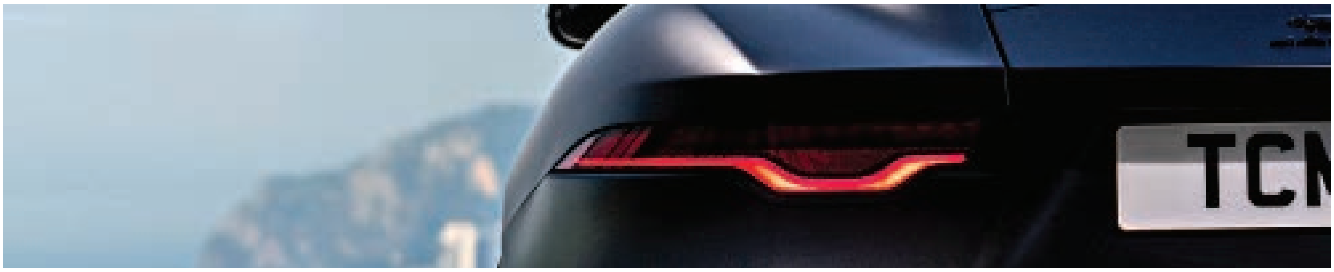
We are at the forefront of the rapidly changing automotive industry with a focus on electrification, digital services and data. Leadership in these areas is critical to delivering a modern luxury experience to our clients, now and in the future.

Our digital transformation will create new experiences, new levels of intimacy and connected car services for our customers. As a business, we are creating a digital-first mindset to support our growth, enhance the client experience, and increase the productivity and expertise of our teams.

Through our Open Innovation programme, we will deliver technology and digital services leadership, working with global start-ups and scaleups, to bring new thinking and new opportunities. These are strategic collaborations that allow us to lead, not follow.

Through global partnerships announced in FY 2022-23, we will deliver automated driving systems and AI-powered connected services in our vehicles from 2025 with NVIDIA; increase performance and range for our next generation of electric vehicles, using Silicon Carbide semiconductor inverter technologies developed with Wolfspeed; and accelerate the digital transformation of our industrial operations with Tata Technologies.

In FY 2022-23, we have initiated an approach to strategic foresight, for our business, taking a collaborative approach with external partners, to better identify growth opportunities and improve business resilience, by understanding and evaluating disruptive risks before they happen.



Refocus
Our Refocus transformation programme is the engine room of long-term fulfilment of our Reimagine strategy. It is how we are driving change across our business to improve our operations and allow us to achieve our strategic goal of reimagining our automotive future.

Refocus has already created significant results, for our business and culture, and delivered over £2.5 billion of value since the beginning of FY 2021-22. Through our Charge and Accelerate cost saving and transformation journey to date, it's created the right foundation of cost control, waste elimination and cross functional collaboration to help us focus on sustainable value creation and business excellence to deliver true sustainable growth. This new era and approach we have called Refocus 2.0.

With more than 100 Refocus initiatives driving change in the last year,-the programme has delivered against key objectives one year earlier than planned.

Driving profitability
In Quality, we have improved the quality that our customers' experience during their vehicle ownership. We are measuring customer satisfaction through net promoter score (NPS): in China, Land Rover ranked second in the Customer Service Index (CSI) survey and second in the Vehicle Dependability Survey (VDS). Similarly, in the USA, our JD Power ranking in the Initial Quality Survey (IQS), which measures customer perception of vehicle quality after three months of ownership, improved by two points compared to overall industry drop of eighteen points.

In Programme Delivery and Performance, we are addressing underlying business constraints that impact on Agile squads' ability to deliver value. Our focus has been on simplifying governance, decision-making processes, as well as increasing the speed with which impediments are resolved to streamline our products' time to market.

In Delivered Cost per Car, we have continued building on successful cost reduction initiatives across key vehicle programmes. Through technical and feature optimisation, we have driven material cost reduction changes without disrupting programme delivery. The delivery of cost initiatives approved in FY 2022-23 will continue in FY 2023-24 to mitigate a reduction in returns on legacy carlines.

In Supply Chain, we have continued to deliver end-to-end efficiencies and increased operating stability. Throughout FY 2022-23, we significantly improved our semiconductor supply, with intensive efforts on risk identification and mitigation. Throughout next year, our focus will be on improving operating transparency, stability, and resilience through new technologies with our external partners.

In Customer and Market Performance, we are transforming our go-to-market models and the way we interact with our discerning clients. We have launched our first direct agency sales model in South Africa and created a seamless on and offline Modern Luxury Client Journey with our Retail Partners in Europe, all underpinned from our digital transformation with a new integrated platform enabling our clients to complete their new vehicle reservation journey online.

The new go-to-market models are all about client experience and leveraging our retail footprint of over 75 years. We are exploring new Modern Luxury physical retail designs, ensuring each of our brands unique DNA comes alive which is client centred, and simplifying every client touch point too. We have a new format in Mayfair-London Boutique, whilst in China, we have opened retail outlets in 5 cities including Beijing and Shanghai with this design language, truly showcasing immersive and joyful experiences.

These principles also extended to 'Range Rover House' which is a fully curated experience, inspiring homes, iconic locations and exclusively for clients, targeting our audience, this was delivered in Pebble Beach and other locations globally creating growth through desirability.

In Responsible Spend, we continued to drive collaboration across the business. By simplifying end-to-end processes and removing nonvalue add bureaucracy, £100m savings have been achieved throughout the period. New technology and digital ways of working are delivering improved cost control, and will continue to be our focus in the future.

JAGUAR LAND ROVER

Changing our way of working

In Digital, we merged our Digital and IT teams to form a single 'Digital' function, capitalising on the best practices, bringing together a fully integrated team of over 800 people. Working with our strategic partners, smart tools and technologies developed by the Digital team have underpinned critical operations in FY 2022-23. Notable examples include a suite of tools to support the launch of our vehicles built on the modular longitudinal architecture (MLA), as well as enabling data-driven decision making. Our focus remains on modernising our digital infrastructure, as well as staying safe from cyber-attacks.

In Agile Organisation and Culture, our priority has been on unfolding our Purpose and Creators' Code across the organisation. We launched our "Reimagine Leadership" programme which offered numerous learning interventions such as practical empowerment and team engagement to support our cultural transformation.

To enable delivery of our products on time, to cost and quality, we also transitioned six programme delivery portfolios into agile ways of working whereby 8,000 people are working in empowered squads and have adopted core Agile procedures.

Commitment to carbon net zero

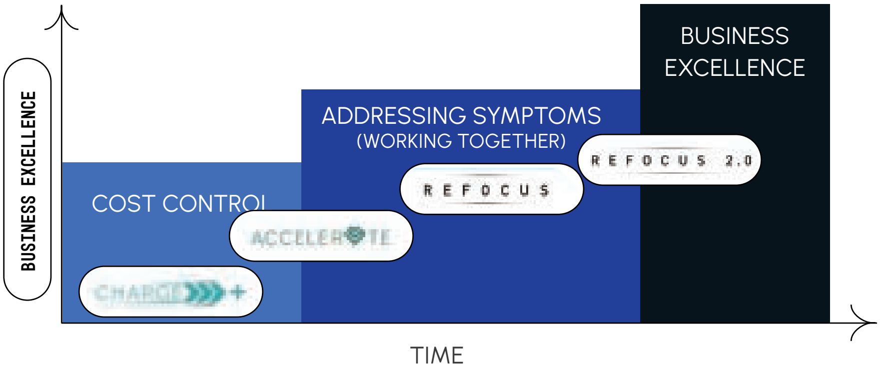
In Sustainability, in FY 2022-23, we successfully reduced our emissions from our Manufacturing and Operations (scope 1 and 2) by 13.2 $kTCO_2e$, through delivery of specific projects, helping to meet our Science Based Targets initiative (SBTi) glidepath targets. We also progressed in our strategy execution plan for our transition to supply chain decarbonisation and electrification which support attainment of our scope 3 target in future years, as described in our strategy approach.

In addition to our decarbonisation roadmap, we have strengthened our overall sustainability position. This has been achieved through adopting strategic partnerships, enriching our circular economy capabilities and responsible business practices, and is reflected in external indices and reporting standards.

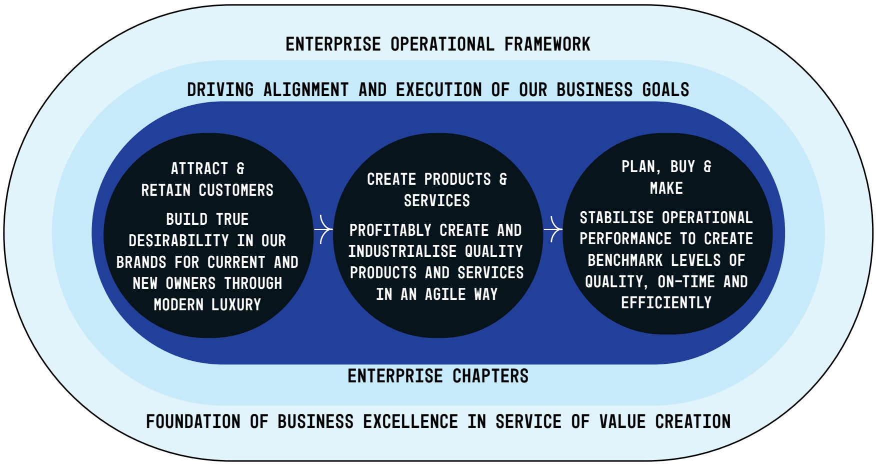
For further details, please refer to the dedicated sustainability section.

REFOCUS 2.0

Our Refocus transformation is now evolving to its next level. This next phase will accelerate the energy and power of our organisation and people to deliver our Reimagine strategy.



Refocus 2.0 is an enterprise-wide approach that will simplify our operating framework and governance, with greater focus on systematic value creation and business excellence to help grow our business. Our new Refocus "Value Creation System" will govern everything we do as a business under the three value streams: how we "Attract & Retain our Customers" to our brands, how we maximise the return on the investments we make in the "Creation of Products & Services", and how we "Plan, Buy & Make" the Industrial Operations part of our business to build our products.



These value creation streams connect our business capabilities, providing end-to-end visibility on how we deliver value.

Using a single set of aligned **Business Outcomes**, measured through our simplified **'Key Performance Indicators'** as part of our **Enterprise Operating Framework**, we are connecting everyone in our business to a common purpose and set of priorities. By simplifying our management cadence and how we measure enterprise performance, we drive truly aligned impact for a sustainable future. Working together in functional "Enterprise Chapters" against each outcome, our teams will unite their skills and capabilities to deliver both sustained continuous improvement and business excellence.'

Being resilient in challenging environment

Performance review

During FY 2022-23, the performance of the business was affected as a result of onetime provisions taken on COVID restructured book. Concentrated collection efforts were made, which ensured GNPA was down by 2.6% Q-o-Q in Q4 FY 2022-23 and collection efficiency improved to 108% in March 2023. Normal book (₹40,000 crore AUM) remained healthy with a GNPA of 4.3%, and NNPA of 2.6%. The business also shifted its focus on sourcing and growing quality book with targeted collections impacting AUM and Market share.

Financial and operational metrics

AUM

₹ CRORE

4% Y-O-Y

FY23	43,338
FY22	45,220
FY21	42,810

CV market share

%

1,000 BPS

FY23	17
FY22	27
FY21	33

PBT

₹ CRORE

FY23	(993)
FY22	101
FY21	266

ROE (pre-tax)

%

FY23	NA
FY22	2.1
FY21	9.2

GNPA

%

IMPROVED BY 50 BPS

FY23	8.3
FY22	8.8
FY21	5.0

NNPA

%

IMPROVED BY 90 BPS

FY23	4.5
FY22	5.4
FY21	3.6

Operating environment

Meeting regulatory norms

RBI's revised regulatory framework for NBFC's became effective from October 1, 2022. TMF Group is classified as Middle Layer NBFC. Middle Layer NBFC's are required to have 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. Process to demerge the NBFC business of Tata Motors Finance into Tata Motors Finance Solution, has been kicked off to consolidate and simplify the corporate structure of TMF Group.

Moreover, to strengthen the supervisory tools applicable to NBFCs, the RBI has put in place a Prompt Corrective Action Framework ("PCA Framework") effective October 1, 2022. For invocation of PCA, 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.

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.

Strategic overview

The near term strategy is to drive portfolio quality and profitability. This is being achieved through tight guardrails for sourcing quality business, risk based pricing and product mix to drive yield expansion, drive collection efficiency, reduce credit costs and have tight control over other operating costs.

NIM expansion: Efforts would be to improve the overall yield on portfolio by improving product & customer segment mix. Also better risk-based pricing shall ensure that good customers are better priced and high-risk customers are priced according to risk and reward. Emphasis is on improving cross sell business and fee income thereon by leveraging on existing network. This combined with efficient borrowings mix and book assignment shall result in improved net margins for the company

Controlling Credit Cost: Robust credit assessment mechanisms using market intelligence and data-driven decisioning systems have been implemented to evaluate the creditworthiness of borrowers. Concentrated efforts on collection using optimal channels, close monitoring of early delinquency are being implemented to enhance the collection efficiency. This coupled with necessary legal intervention and mindful settlement shall result in lower credit cost for the company.

Cost Control: Emphasis placed on technology and digital initiatives to enhance operational efficiency, Customer experience and better control on the processes shall help in reducing the TAT and improve the overall productivity levels for the company. This coupled with specific cost reduction initiatives shall help in keeping cost under control and in driving higher profitability and better returns for the company.

Segment outlook

Business on track to deliver double digit ROE in the medium term with focus on improving NIMs, lowering credit losses and tightening controls on fixed costs.

TATA MOTORS

VALUE CREATION

The future of mobility is inclusive

We are breaking new ground in rural India, democratising access and fuelling aspirations of a nation on the move. The Nexon and Punch lead the growing desire for smart SUVs and the launch of the Tiago EV has catalysed demand for EVs beyond metros and cities. To take the best we have to a wider audience, we are deepening our reach by extending our sales and service networks.

We are pushing frontiers with our Open Innovation strategy. By fostering the right collaborations with start-ups, scale-ups and like-minded enterprises on electrification, connectivity, digital services, Metaverse, intelligent enterprise, manufacturing and supply chain, we are working on multiple fronts that converge to fulfil the evolving needs of our customers in a holistic manner.

With our exceptional vehicles, innovative services, and remarkable solutions, we are making new-age mobility inclusive by ensuring it is within everyone's reach.

STAKEHOLDER ENGAGEMENT

Prioritising stakeholder interests

Our stakeholders are important to us. Continuous engagements and consultations across various stakeholder groups help us understand their concerns and address their queries through our effective stakeholder management framework.

Employees

The reasons we engage with employees

They are key assets, driving our Company's culture.

Methods of engaging with employees

Team touch points, skip level meetings, quarterly town halls, accolades–Rewards & Recognition platform, culture survey and pulse survey, round table with senior leadership, Ask Me Anything forums, self-directed teams.

Material stakeholder interest and expectations

Employees need strong engagement, Rewards & Recognition, a strong organisational culture, leadership development, CESS capability, and union engagement.

Our responses to material interests

Transparent job postings through Career Xplore–IJP programme, exposure opportunities through GEMS programme, Accolades–launch of Rewards & Recognition programme, Inner Circle–leadership development programme, driving culture of self-directed teams at shop floor, focused efforts on Industry 4.0 and CESS initiatives.

Investors and shareholders

The reasons we engage with investors and shareholders

With a financial stake in our Company, they are essential to the success story of our Company.

Methods of engaging with investors and shareholders

Investor meets, investor calls, press releases and mail updates, e-mail support for investor queries.

Material stakeholder interest and expectations

They need timely business and other updates about material events with enhanced disclosures and compliances.

Our responses to material interests

For material events and quarterly results, we update through separate investor calls. All compliance-related matters and grievances are addressed in a time-bound manner.

Customers

The reasons we engage with customers

We engage with customers to ensure their satisfaction and retention.

Methods of engaging with customers

Customer meets, feedback calls, home visits.

Material stakeholder interest and expectations

Customers need help with product and service-related issues.

Our responses to material interests

Quick solutions of issues raised by customers, proactive actions on product quality improvement, with dealer manpower training.

Regulators/Government

The reasons we engage with regulators/government

To assess the impact of policies/regulations introduced by the government and the new situations in business environment.

Methods of engaging with regulators/government

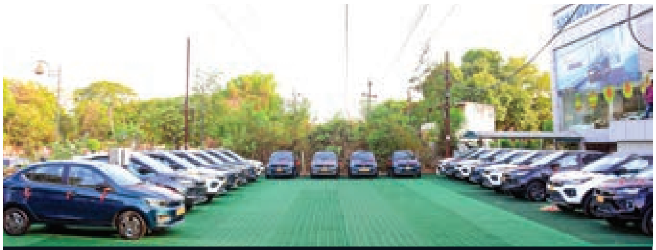
Strategic representation and meetings with government agencies and representation across trade bodies.

Material stakeholder interest and expectations

Need assistance with obtaining permissions/licenses/clarifications/waivers/business development approvals/vendor and logistical support/recoveries as per group requirement.

Our responses to material interests

We resolve issues through routine interactions, representations, and discussions with key stakeholders.



Suppliers/service providers

The reasons we engage with suppliers/service providers

- Improve the time to market for new products by leveraging supplier technologies across Tata Motors products.
- To ensure a continuous supply for production by creating sufficient capabilities.
- Improve Spare part supplies through product life cycle requirements.

Methods of engaging with suppliers/service providers

- Vendor association in product design and development.
- Structured engagement through annual supplier conference, zonal meets and supplier council meets.
- Periodic interactions to drive ongoing
- Product improvements.
- Organise supplier technology days to align supplier technologies that can be deployed in Tata Motors products.

Material stakeholder interest and expectations

- Plant restart and capacity ramp-up
- To mitigate costs related to commodity price inflation.

Our responses to material interests

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

STAKEHOLDER ENGAGEMENT

Communities

The reasons we engage with stakeholders

→ To improve the quality of life for our dependent and local communities.

→ To act as a responsible corporate citizen, managing relationships, brand building and developing trust.

→ To improve business connect.

→ To advocate inclusive and equitable development.

Methods of engaging with stakeholders

Awareness:

→ Building through people-friendly engagement programmes like street plays and folk songs.

→ Community meetings that match the schedules and convenience of the beneficiaries.

→ Identification and felicitation through communication with the Board members and senior leadership.

→ Emergency/Disaster relief activities.

→ Celebration and participation in local community events.

Material stakeholder interest and expectations

Health-wise:

→ Address issues on malnutrition and other health issues.

→ Education-wise: Need to address gaps in learning levels, skills, increasing employability, even for school drop-outs.

Environment-wise:
They need increased environmental consciousness, improved plantations, and disaster relief in tough times.

Our responses to material interests

Issue-focused programmes being run:

→ Health: Aarogya

→ Education: Vidyadhanam

→ Skilling: Kaushalya

→ Environment: Vasundhara

→ Affirmative Action: Aadhar and Employee Volunteering

Dealers and service centres

The reasons we engage with stakeholders

→ To improve market share.

→ To enhance and improve customer experience.

Methods of engaging with stakeholders

Dealer meetings, visits, audits, dealer council, joint programmes and sustainability initiatives.

Material stakeholder interest and expectations

→ PV: Product complaints, customer experience consistency, and digitalisation opportunities.

→ CV: To reduce ordering complexity and turnaround time, reduction in inventory cost, timely settlement of claims and timely support from insurance surveyors.

Our responses to material interests

→ PV: Rapid Response Teams for product complaint resolution, sustained actions and 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 & research institutions

The reasons we engage with stakeholders

- To build intellectual alliances for research and development of industry, products, and technology.
- To upskill and reskill employees.
- To support, certify, and validate new interventions.

Methods of engaging with stakeholders

- Through collective need-based engagements for mutually beneficial projects.
- Case-based meetings.

Material stakeholder interest and expectations

- Legacy of process and protocol of collaborating institutions.
- Confirming the technical alignment with customer requirement and regulatory requirements.

Our responses to material interests

- We endeavour to streamline processes and protocols.
- Engage to improve clarity and soundness of project outputs.
- Involvement in academic events and in sharing the business context.

Media

The reasons we engage with stakeholders

- Media updates and educating our stakeholders about our brand.
- They are deemed to be a reliable source for brand advocacy.
- Bringing in third-party/non-biased advocacy and helping solicit stakeholders' trust.

Methods of engaging with stakeholders

- Need for routine internal and external communication to augment key associated themes/ storylines.

Material stakeholder interest and expectations

Media discussions, press releases, authored articles, involvement in industry forums as guest speakers and participating in creatives/posts on social media.

Our responses to material interests

- Participation in industry stories.
- Press releases announced for key achievement.
- Leverage days to publish engaging content on the identified theme. Promoted articles on important topics.
- Joined forums/webinars.

MATERIALITY ASSESSMENT

Focusing on the imperatives

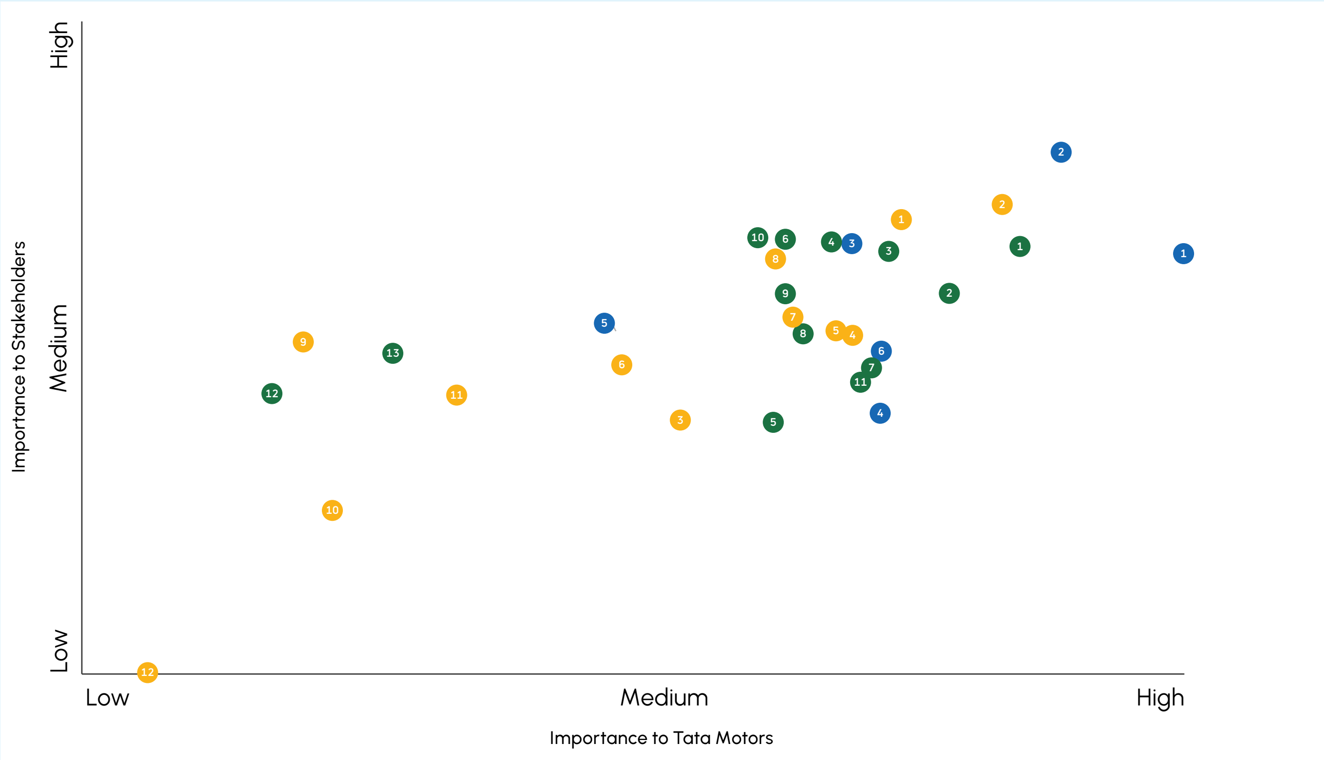
Materiality assessment helps to define the environmental, social and governance (ESG) areas that matter the most to our business and our stakeholders.

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 FY 2020-21, and we continue to focus on those areas of strategic importance.

Materiality assessment

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.

Materiality matrix



ENVIRONMENT

1. Adoption of Clean Technology
2. Vehicle Life Cycle Analysis
3. Greenhouse Gas Emissions
4. Energy Management
5. Value Chain Environment Management
6. Water and Effluents
7. Fleet Fuel Economy
8. Air Emissions
9. Vehicle Use Phase Emissions
10. Environmental Management Systems
11. Waste Management
12. Biodiversity
13. Material Management

SOCIAL

1. Customer Health & Safety
2. Occupational Health & Safety
3. Labour practices
4. Employment and Welfare
5. Human Capital Development
6. Socio-economic Impacts
7. Automotive Cyber Security
8. Community Welfare
9. Marketing and Labelling
10. Supplier Social Assessment
11. Public Policy
12. Freedom of Association & Collective Bargaining

GOVERNANCE

1. Ethical Business Conduct
2. Governance
3. Stakeholder Centricity
4. Research and Development
5. Tax
6. Economic Performance

SDGs impacted

Capitals impacted

SDGs impacted

Capitals impacted

SDGs impacted

Capitals impacted

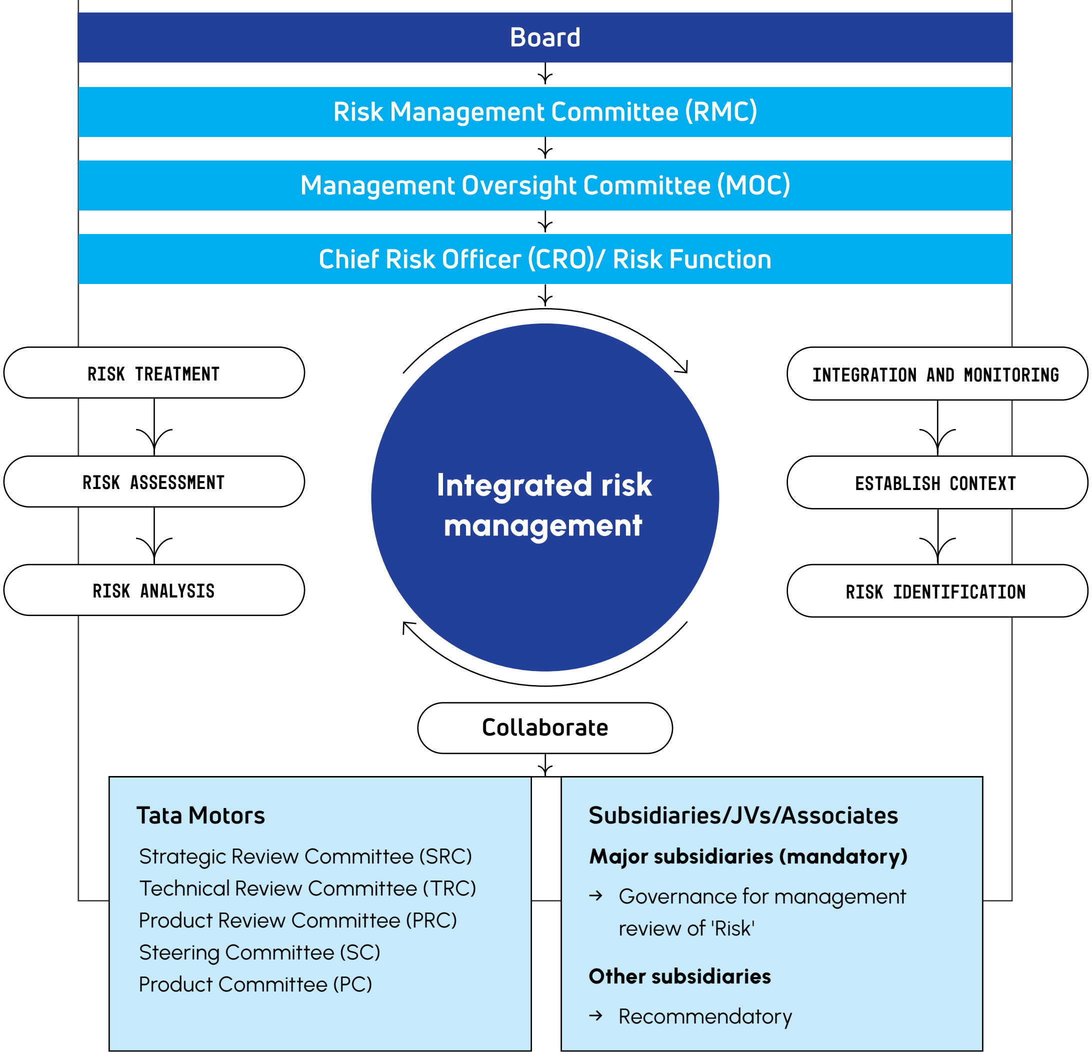
Financial *Manufactured* *Intellectual* *Human* *Social Relationships* *Natural*

RISK MANAGEMENT

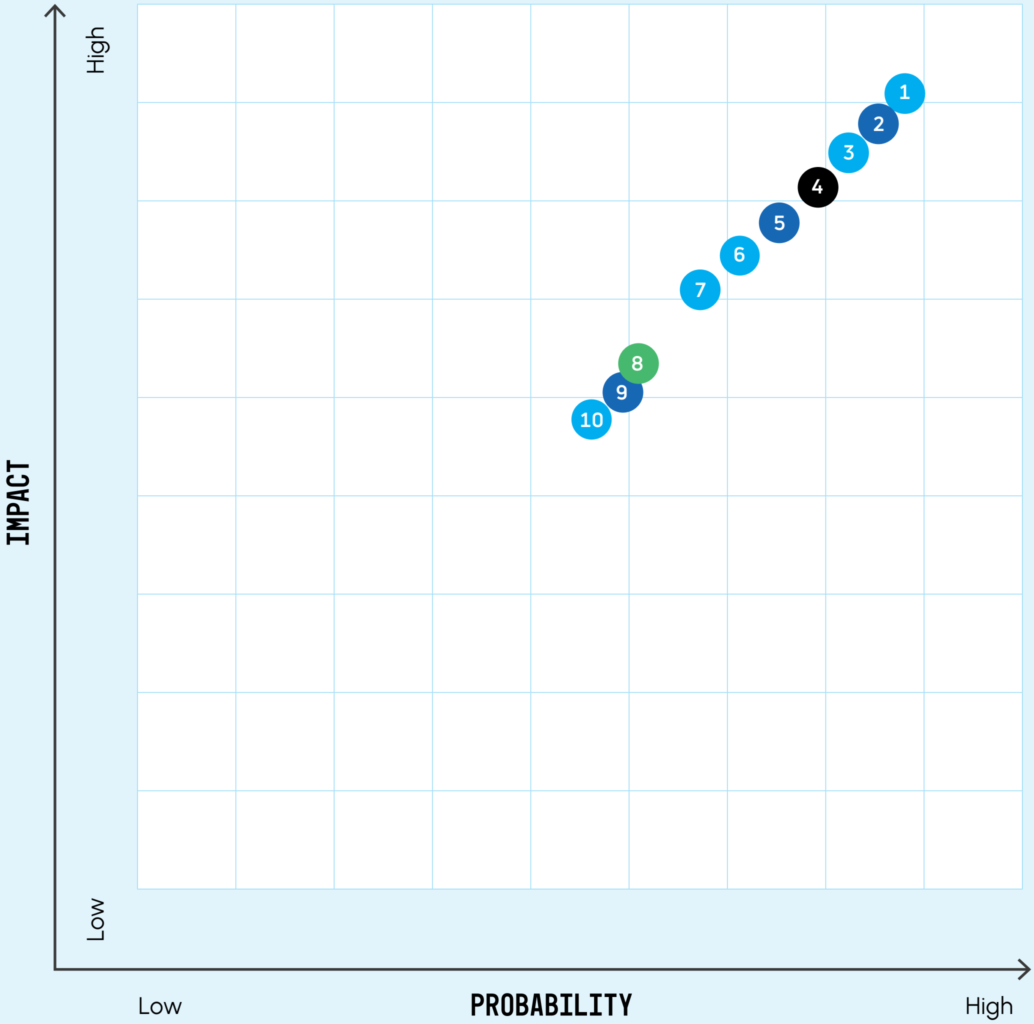
Navigating uncertainties

At Tata Motors, we closely assess the external environment to capitalise on new opportunities, identify the associated risks and outline the necessary steps to mitigate them. Our well-defined Enterprise Risk Management (ERM) framework helps effectively manage key risks and evaluates their likelihood and impact on our value-creation abilities to help us achieve our strategic objectives.

Enterprise risk management framework



Risk probability and impact matrix



FOR GRAPHICAL REPRESENTATION ONLY, NOT TO SCALE

Key Risks

OPERATIONAL

1 Supply chain disruptions and commodity inflation
3 IT Systems and security
6 Manufacturing operations and COVID-19 pandemic
7 Distribution channels, retailer network and customer service delivery
10 Human capital

STRATEGIC

2 Global economic and geopolitical environment
5 Brand positioning, innovation and rapid technology change
9 Climate change

FINANCIAL

4 Growth strategy and competitive business efficiency

LEGAL AND COMPLIANCE

8 Environmental regulations and compliance

RISK MANAGEMENT

1 Supply chain disruptions and commodity inflation

OPERATIONAL

Principal risks

Our ability to supply components, in time, to our manufacturing operations is of paramount importance in achieving production schedules and meeting consumer demand. In the recent past, we have been witnessing increased geo-political tensions globally. An increasing demand for electric vehicles is also leading to price volatility and reduced availability of raw materials within the supply base. Recently commodity prices, especially precious metals, have experienced significant volatility. Steel, a principal component for CVs, has witnessed exponential price increases, but has stabilised in the current year.

Consequences

Supply chain disruptions, if not managed, could have an adverse effect on production volume, revenue and profitability, customer satisfaction and reputation. Shortage in the supply of semiconductors has continued to impact our production schedules in FY 2022-23. The Russia-Ukraine war has had a significant impact on the global economy, leading high inflation. Raw materials make up 65% of our total costs. If we are unable to find substitutes or pass price increases on to customers by raising prices, or secure supplies of scarce raw materials, our vehicle production, business and results from operations could be materially affected.

Mitigations and opportunities

JLR has developed an effective risk management framework with the creation of the Industrial Operations division (covering Procurement, Manufacturing and Supply Chain). JLR's Secure23 and Secure24 programmes ensure pipeline alignment for our future semiconductor supplies. The successful REFOCUS Transformation programme has been extended with greater focus on long-term supply chain resilience. We are also diversifying sourcing, driving localisation of critical components, closely collaborating with suppliers and building a buffer stock, exercising financial instruments such as futures or options contracts for hedging against price increases, and negotiating long-term contracts, wherever necessary. Material cost reduction through Value Analysis and Value Engineering (VAVE) is also underway.

2 Global economic and geopolitical environment

STRATEGIC

Principal risks

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.

In the recent past, we have been witnessing increased geopolitical tensions globally.

Consequences

We rely on certain key markets, like the UK, China, North America, India and continental Europe, for a substantial portion of our revenues. A decline in demand in these markets may significantly impair our business, financial condition and operations. We are also vulnerable to cyclicity in demand for our CV business. Our international presence and global sales profile makes us sensitive to the external environment, globally or locally.

Any potential aftermaths of such tensions such as cross-border restrictions, sanctions, trade barriers, imposition of tariffs, etc. could adversely affect our supply chains and as a result affect production schedules.

Mitigations and opportunities

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, modifying product features or content in case of supply challenges, as informed through our enhanced supply chain risk management framework.

Financial *Manufactured* *Intellectual* *Human* *Social Relationships* *Natural*

3 IT systems and security

OPERATIONAL

Principal risks

We are exposed to IT risks since IT plays an important role in our operations, including the manufacturing, design of engineering processes. With our vehicles becoming increasingly technologically advanced and connected to the internet, they may become more susceptible to unauthorised access. We are also subject to risks related to legacy IT systems and system migration projects.

Consequences

Successful cyber-attacks could cause significant business disruption for us, affecting our ability to deliver products and services to 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 the statutes of privacy and data protection law, could result in enforcement action, fines, reputational and financial damage.

Any IT system migration if not carried out within defined timelines, or implementation and outcome is not as desired, it could materially adversely affect our operations, affect financial performance and cause reputation damage.

Mitigations and opportunities

Information risk and cyber security are managed strategically. Through a cohesive programme of initiatives, we mitigate significant business risks while positively influencing business and brand value, growth, stability, and overall success. We continue to drive measurable improvements in cyber defence and other core security capabilities (e.g., security ecosystem, supply chain security, risk governance and cultural change).

4 Growth strategy and competitive business efficiency

FINANCIAL

Principal risks

Delivering on our business and strategic objectives, including the electric transformation of JLR, sustaining the turnaround journey and achieving a structural transformation are key to realising our planned future profitability and cash generation through return on our investments.

Consequences

If our business is unable to compete effectively on costs, then we may experience lower-than-expected returns on our future investments. This could inhibit our ability to achieve our financial objectives. Furthermore, this may limit our ability to reduce net debt as planned, which could, in turn, diminish our ability to raise new debt and invest further in new products. In FY 2022-23, we reduced discounts across our CV business, and focused on VAHAN market share to improve profitability.

We are also driving growth in our domestic business with a focus on large-scale fleet under the pay-per-use model. Such large contracts come with execution risks. If we are unable to comply with the various terms of agreement or unable to fulfil the necessary specifications and timelines, it would adversely harm our reputation and significantly impact our financial performance and results of operations.

Mitigations and opportunities

JLR has launched the Refocus programme to support the delivery of its Reimagine objectives. We maintain strong liquidity in the business to ensure that we can navigate any funding challenges that may arise in the future. Appropriate business model/financial structuring is being developed to address risks for execution of large-scale contracts, including contracts entered into for the pay-per-use model.

For the domestic CV business, we have modified our priority to the demand-pull strategy to focus on retail market share and minimising discounts to boost profitability. In Passenger and EV business, there has been a turnaround and strong operational cash flows and fund raise through the TPG Rise deal. This ensures that investment requirements are taken care and the business is self-sustaining.

RISK MANAGEMENT

5 Brand positioning, innovation and rapid technology change

STRATEGIC

Principal risks

Brand positioning is becoming increasingly challenging in a dynamic automotive market, with more intense competition from existing OEMs and new disruptive entrants, particularly in the EV segment.

Our future success depends on our ability to stay tuned to evolving automotive trends and to satisfy changing customer demands by offering innovative products in a timely manner, while maintaining product competitiveness and quality.

Consequences

Our potential inability to successfully position, maintain and articulate the strength of our brands, our failure 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 competitors, and/or the sale of our products could be prohibited in certain markets.

Mitigations and opportunities

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. Our PV business has witnessed a significant turnaround and perception change in the past three years. We have stepped up product launches, sustainable mobility solutions, new business avenues and have been frontrunners in EVs in India. Under the Reimagine strategy, both the JLR brands carry forward the 'Modern Luxury' vision to bolster its brand position in the market, with Jaguar relaunching as an all-electric brand from 2025, targeting a more premium segment. At Auto Expo 2023, Tata Motors unveiled its future-ready range of safer, smarter and greener vehicles and concepts, designed to transform personal mobility, people mobility and cargo transport.

6 Manufacturing operations and COVID-19 pandemic

OPERATIONAL

Principal risks

Any losses to scheduled production adversely affects financial performance, customer delivery and customer satisfaction. We have been, and may in the future be, impacted by the COVID-19 pandemic, considering the emergence of new variants of the virus. Uncertainty continues in the medium and long-term over the effectiveness of the vaccines and future government action in response to a recurrence.

Consequences

Any disruptions to our manufacturing operations and losses in vehicle production could result in delays, affecting both retailer and customer deliveries, with potential delays or loss of revenue in key regions. During FY 2022-23, the lockdowns in China, carried out as a part of the government's Zero COVID strategy, impacted a part of our supplies, including semiconductors. We also witnessed a temporary decrease in demand in our China markets.

Mitigations and opportunities

Manufacturing works closely with the purchasing and supply chain functions to monitor and manage suppliers that pose supply risks. Data analytics tools and integrated S&OP tools have been set up to monitor volatile demand so that inventories can be managed efficiently. Multiple response measures have been implemented to ensure our sites are safe working environments.

Financial | Manufactured | Intellectual | Human | Social Relationships | Natural

7 Distribution channels, retailer network and customer service delivery

OPERATIONAL

Principal risks	Consequences	Mitigations and opportunities
To achieve customer delight, every customer must receive a seamless and consistently hassle-free experience. Our retailer partners reflect our brand strategy and vision, and effectively communicate our values through trained and capable representatives. Skilled frontline salespersons tailor their responses to appeal to both new and existing customers and are crucial to driving high customer satisfaction and retention.	Inconsistent customer experience impacts the satisfaction and retention of existing customers, and negatively impacts drawing in new customers. Failure to deliver an exceptional sales and service experience through online and physical means can lead to a weakening of our competitive positioning, potentially impacting our business and financial performance too. We may be compelled to invest in newer evolving distribution models such as D2C, as 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 and helping them deliver a seamless and consistent customer experience. Several other initiatives have been undertaken over the past few years to aid seamless sales and improve after sales experience (for example, SOTA-Software Over the Air and FOTA -Features Over The Air services now in development), Fleet Edge, Sampoorna Seva 2.0, and Uptime guarantee.

8 Environmental regulations and compliance

LEGAL AND COMPLIANCE

Principal risks	Consequences	Mitigations and opportunities
We are subject to a rapidly evolving regulatory landscape with associated laws, regulations and policies that impact our facilities and vehicles. The transition away from traditional fossil fuels to renewable energy sources - and the increasing pace of that transition - creates compliance challenges. Notable to mention here are tailpipe emissions for automotive companies and wider compliance requirements for carbon emissions produced during manufacturing and other operations.	We may incur additional compliance costs to avoid facing significant civil and regulatory penalties, and our competitors may gain an advantage by adopting new emissions-reducing and fuel-efficient technologies before we do. Furthermore, we may incur significant reputational damage, which could materially impact our brands and sales, if we fail to maintain environmental compliances. Regulatory and governmental policy changes may introduce additional operational costs in the form of carbon pricing and taxation.	JLR has committed to approved science-based targets as part of its carbon reduction strategy. JLR is aiming for net zero carbon emissions across its supply chain, products and operations by 2039. Tata Motors is ahead of the curve in meeting the Environment regulations and compliance as we view every regulatory norm change as an opportunity to add significant value to our products while meeting our stakeholder's aspirations. e.g. In the BS4 to BS6 transition, we have capitalised by refreshing our entire portfolio with significant product upgrades that add immense value throughout the product life-cycle..

RISK MANAGEMENT

9 Climate change

STRATEGIC

Principal risks	Consequences	Mitigations and opportunities
Climate Change poses acute and chronic physical risks to our operations and value chain. Climate change also poses transition risks to our business, which include technological advances in products and evolving market and policy landscape changes.	An increase in the frequency of extreme weather events like storms, floods, heatwaves, could have significant direct and indirect impact on our supply chain and our operations, thus adversely affecting our ability to fulfil demand. Evolving customer choices may lead to increased demand for low-carbon vehicles. Policy direction may require us to adopt low carbon manufacturing. Carbon pricing mandates may potentially enhance transition risk.	Tata Motors is cognizant of the physical and transition risks posed by climate change in the short, medium and long term. We have set ourselves ambitious targets of achieving Net Zero GHG emissions by 2045 in CV business, and 2040 in the PV business. We have set intermediate targets of achieving RE100 before the end of this decade and are committed to set interim Science Based Targets. Our roadmap, at the operations level, and product level, are fully aligned to our ambition and our intermediate targets.

Financial *Manufactured* *Intellectual* *Human* *Social Relationships* *Natural*

10 Human capital

OPERATIONAL

Principal risks	Consequences	Mitigations and opportunities
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, well-being and engagement of our employees is paramount and needs to be maintained in the face of a challenging external environment.	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 in ways of working, significant ACES upskilling, and the introduction of a new business purpose and supporting behaviours. The four culture pillars we follow are: **Be Bold; Own It; Solve Together; Being Empathetic**. Our diversity and inclusion strategy harnesses the unifying power of our differences and the unique qualities of each member in our workforce. Leveraging the digital capability and solutions through In Digital, as part of JLR's Refocus programme, enables a more efficient, focused and productive workforce.

GOVERNANCE

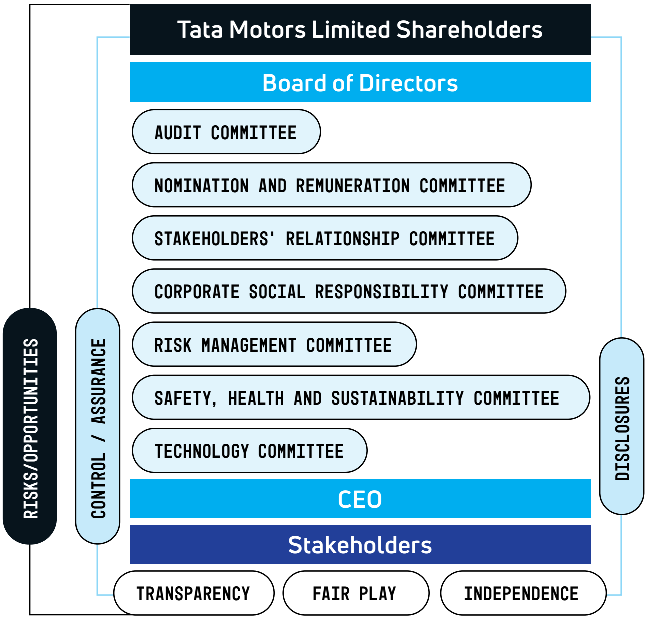
A philosophy of high standards

Tata Motors is guided by the Tata group's legacy of transparent and ethical governance practices. Our good governance principles encourage the highest standards of professionalism and integrity in day-to-day business activities and decisions. We are supported by our Board of Directors that charts the strategic roadmap for our Company and helps navigate business complexities and industry challenges.

Corporate philosophy

As a Tata Company, the corporate philosophy of Tata Motors is led by ethical, fair, and transparent governance practices. As an international organisation, our corporate governance practices, together with our subsidiaries, are in alignment with international best practices and standards. Our Board, together with the committees, upholds all fiduciary responsibilities by ensuring fairness, independence and transparency in all decisions through the governance framework.

Corporate governance framework



Board responsibility

Directing value-driven processes

Our Board supervises and guides us through the value-creation process. The key areas of focus include:

- Overseeing, guiding, and making recommendations to streamline the performance of our Company.
- Assessing the progress of our Company as per the laid our strategic roadmap.
- Monitoring the duties delegated to Board Committees.
- To safeguard strong adherence to governance principles and to control of our Company's activities.
- To determine and monitor the risk management process for our Company.
- Closely scrutinise the financial, non-financial and the ESG functioning of our Company.

Board committees and their responsibilities

AUDIT COMMITTEE

Assesses the financial statements, the adequacy of internal control systems within our Company, and the internal audit report. It ensures the transparent and independent participation of auditors.

NOMINATION AND REMUNERATION COMMITTEE

Makes suggestions to our Board. These include making recommendations regarding the set-up, the composition of our Board and committees. They also counsel on various policies and culture.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Evaluates the statutory compliances and services concerning dividend payments, security holders, and performance of the Registrar and Transfer Agents.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Creates and suggests the CSR policy to our Board. It supervises the activities, budget, and expenditure for CSR.

RISK MANAGEMENT COMMITTEE

Supports our Board in directing the risk management process, the controls and risk tolerance. It makes recommendations related to risk mitigation and reviews our Company's risk governance system.

SAFETY, HEALTH AND SUSTAINABILITY COMMITTEE

Reviews our Company's execution on SHS aspects. These include ESG and execution of the appropriate policies and approaches.

TECHNOLOGY COMMITTEE

Governs the technology roadmap of the Company.

GOVERNANCE

Code of conduct

Tata Motor's has adopted the Tata Code of Conduct (CoC). It embodies the essence of the Tata Group in five foundational values of Unity, Integrity, Responsibility, Pioneering and Excellence. The Tata CoC 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 Code details appropriate mechanisms to report any concern pertaining to non-adherence to the said Code. Additionally, we have adopted a CoC applicable to our Non-executive Directors which also includes a CoC 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.

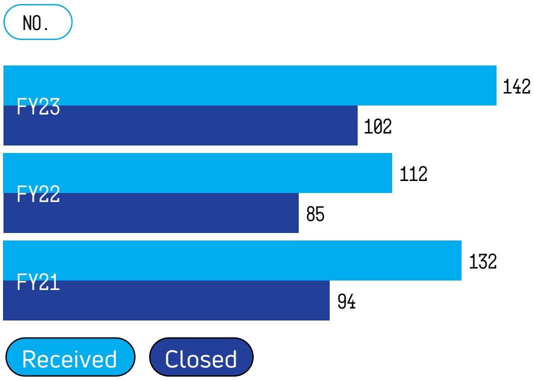
Core policies

- Safety and Health Policy
- Quality Policy
- Environmental Policy
- Sustainability Policy

Other policies

- Anti-Bribery and Anti-Corruption Policy
- Remuneration Policy for Directors, Key Managerial Personnel and Employees
- Audit Committee Charter
- Whistle Blower Policy
- Corporate Social Responsibility Policy
- Dividend Distribution Policy
- Environmental Procurement Policy
- Climate change Policy
- Privacy Policy
- Code of Corporate Disclosures Practices

Whistle-blower cases



As a reputable global enterprise undergoing radical transformation, at Tata Motors, we prioritise safeguarding our information assets, ensuring privacy, and reducing human risk through active technological transformations. We are aware of the constant threat of cyber-crimes in the perilous cyber environment we operate in, and we strive to reduce the security risks which adds great value to our customers and shareholders. We have a documented Business Continuity Plan and an Incident Response Procedure in place, and we conduct Disaster Recovery drills twice a year to check their effectiveness.

Being an ISO27001-certified company, we have implemented 21 Information Security Management System (ISMS) policies that undergo annual review and audit. Additionally, we conduct a people awareness campaign called iProtect to ensure that all employees are aware of the policies and procedures around information security.

At Tata Motors, the protection of our customers' personal data is paramount and respect their discretion over its use. Our comprehensive privacy programme is regulated by principles from the EU's GDPR, and our privacy notice outlines the information we collect

through our website, how it's used, maintained, and shared, as well as how customers can update it. These policies apply to all personal data received by TML from the European Economic Area (EEA).

Cyber security governance

Cyber security governance includes a Board member overseeing the cybersecurity strategy, and the executive management team, including the CISO, CIO and CTO are accountable for managing cyber security.
The Management Information Security Forum, led by the Group CFO, includes senior leadership from Tata Motors and its IT team to manage related issues.

0 INCIDENTS OF IT SECURITY BREACHES

0 BREACHES ON CUSTOMER PRIVACY

Evaluation of effectiveness

The Board of Directors at Tata Motors are evaluated for their respective performances using select criteria.
The measures taken are:

- Composition and structure
- Usefulness of Board meetings, processes,
- Information flow and collaboration with executive management
- Directors are individually evaluated in terms of their,
  - Support to the Board and Board Committee.
  - Meetings/preparation on the questions to be discussed.
  - Number of meetings and the type of contribution in the meetings.

Board meeting and attendance

	ATTENDANCE	MEMBERS	MEETINGS
BOARD	93%	9	6
AUDIT COMMITTEE	96%	5	6
NOMINATION AND REMUNERATION COMMITTEE	100%	3	2
STAKEHOLDERS' RELATIONSHIP COMMITTEE	83%	3	2
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE	100%	4	3
RISK MANAGEMENT COMMITTEE	100%	4	3
SAFETY, HEALTH AND SUSTAINABILITY COMMITTEE	100%	3	3
TECHNOLOGY COMMITTEE	100%	3	1

BOARD OF DIRECTORS

Leaders in action

Mr. Ratan N Tata
Chairman Emeritus

MR. N CHANDRASEKARAN
Non-Executive Director and Chairman

N

06 years on the Board

MR. OM PRAKASH BHATT
Non-Executive, Independent Director

N A C

06 years on the Board

MS. HANNE SORENSEN
Non-Executive, Independent Director

A N R S SHS T

05 years on the Board

MS. VEDIKA BHANDARKAR
Non-Executive, Independent Director

A C S

03 years on the Board

MR. MITSUHIKO YAMASHITA
Non-Executive, Non-Independent Director

R SHS T

02 years on the Board

MR. KOSARAJU V CHOWDARY
Non-Executive, Independent Director

A C

02 years on the Board

MR. AL-NOOR RAMJI
Non-Executive, Independent Director

A T

01 year on the Board

MRS. USHA SANGWAN
Non-Executive, Independent Director

A C

Appointed in 2023

MR. GIRISH WAGH
Executive Director

C R S SHS

01 year on the Board

Jaguar Land Rover Automotive PLC

MR. N CHANDRASEKARAN
MR. P B BALAJI
MR. CHARLES NICHOLS
MR. AL-NOOR RAMJI
MS. HANNE SORENSEN
SIR RALF D SPETH

Members common to both Boards

MR. N CHANDRASEKARAN
MS. HANNE SORENSEN
MR. AL-NOOR RAMJI

COMMITTEES

A Audit
R Risk Management
N Nomination and Remuneration
T Technology
Chairperson
Member
C Corporate Social Responsibility
S Stakeholders' Relationship
SHS Safety, Health and Sustainability

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

Average age of
Directors on the Board (in years)

63

52 72

Average Tenure on
the Board (year)

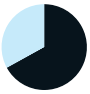
3

0 5

Average Tenure of Independent
Directors on the Board (in years)

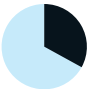
2

0 5



67%

INDEPENDENT
DIRECTORS



33%

BOARD
DIVERSITY

Core Board skills

Entrepreneur/ Leadership

100%

Engineering and Technology

55%

Financial Exposure

78%

Global Exposure

78%

Automobile Industry Experience

67%

Diversity

89%

Mergers and Acquisitions

100%

Board Services and Governance

89%

Sales and Marketing

67%

TATA MOTORS

SUSTAINABILITY REVIEW

The future is greener and cleaner

The sustainability transition is a unique opportunity to bring about a positive change in individuals, corporations, and nations. Through careful planning and execution, collaborations and new paradigms offer numerous opportunities for progress. However, the transition also poses challenges, particularly in complex industries such as ours. Recognising interdependencies and ensuring fairness for stakeholders is crucial. At Tata Motors, we have embraced this challenge and are committed to building planet resilience through three pillars: Driving Net Zero, Pioneering a Circular Economy, and Preserving Nature and Biodiversity, over and above our continued focus on the expanding ESG domain.

Building momentum towards planet resilience

Tata Motors has adopted a holistic approach towards Net Zero, and it involves our business and operational impact and strategy. We are embedding sustainability into our business by focusing on the three interconnected pillars of driving decarbonisation of our businesses and value chain, applying a systemic circular economy approach to reduce resource consumption and waste, along with preserving and restoring our natural environment.

Our sustainability goals are aligned with the global climate change mitigation targets, and we follow universally accepted guidelines and commitments like the Science Based Targets Initiative (SBTi) and RE100 to reach these goals. The way we operate is reflective of our pioneering objective of enabling a greater number of individuals to access and utilise clean mobility solutions. Considerable investments have been made in renewable energy sources, innovations in emissions reduction technologies, sustainable materials and circular processes.

UNITED NATIONS GLOBAL COMPACT

SIGNATORY TO THE UN GLOBAL COMPACT

CDP

B

CLIMATE CHANGE SCORE

Tata Motor Limited
Automobiles

S&P Global ESG Score 2022

64 /100

As of November 18th, 2022
Scores are industry specific.
Learn more at spglobal.com/esg/scores

S&P Global   Sustainable1

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

Our sustainability pillars for planet resilience

Driving Net Zero

Products driven
- PV by 2040, CV by 2045

Operations driven
- Sourcing 100% renewable electricity by 2030

Following science-based approach for emissions reduction

Pioneering circular economies

Operational circularity
- Zero Waste to Landfill by 2030
- Water Neutral by 2030 and Water Positive by 2040

Product circularity

Preserving nature and biodiversity

- Aligning to Global Biodiversity Framework
- Aligning to science to map and set targets across our value chain
- Taking up flagship projects for Nature-based-Solutions

Driving decarbonisation with renewable power

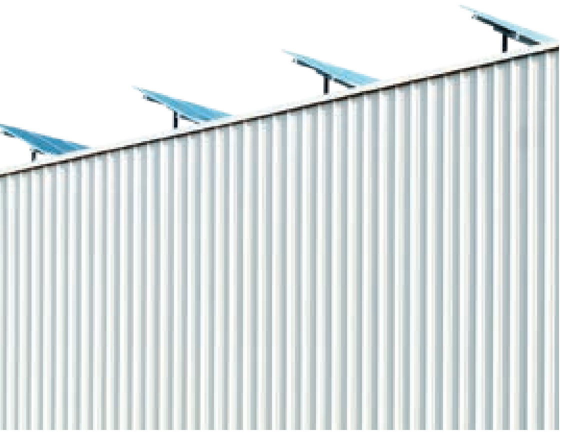
At Tata Motors, decarbonisation in operations will be primarily driven by transitioning to renewable energy sources. We are collaborating with power companies to drive our renewables initiatives forward.

Renewable energy strategy

On-site renewables
In-house generation through rooftop solar power

Off-site renewables
Investments in captive wind power

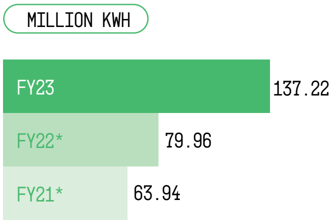
Renewable energy PPAs
Power purchase agreements with RE producers



Highlights for FY 2022-23

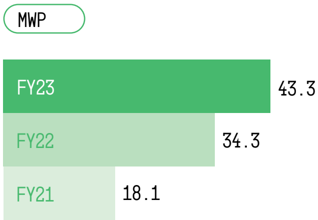
Our Company continued to add on-site Renewable Energy (solar) generation capacity in FY 2022-23, bringing the total installed capacity of Solar PV installation to 5.8 MWp at Pune (Pimpri); 7.5 MWp at Jamshedpur; 7 MWp at Pantnagar; 0.435 MWp at Chinchwad; 4.07 MWp at Lucknow; 1 MWp at Dharwad; 15.5 MWp at Chikhali & 2 MWp at Sanand.

Renewable electricity



*restated

Total on-site renewable power installations



GHG emissions reduction

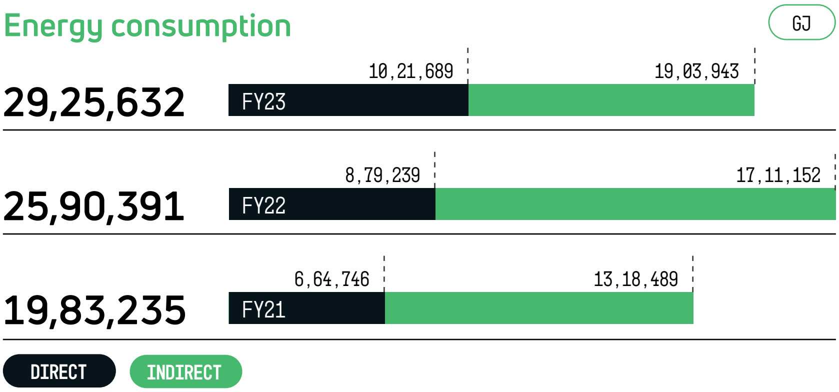
A roadmap has been prepared for reducing our Greenhouse Gas (GHG) emissions impact measured as Scope 1, 2 and 3 GHG emissions.

Emission reduction action plan

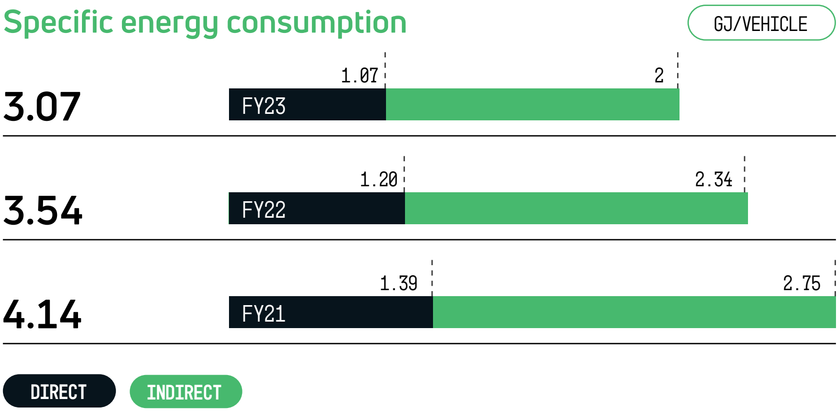
Scope 1 & 2	Scope 3
ACCELERATING TRANSITION TO RENEWABLE ENERGY REDUCING PER UNIT ENERGY CONSUMPTION IMPROVING ENERGY EFFICIENCY	REDUCING AND NEUTRALISING TAILPIPE EMISSIONS THROUGH OUR SHIFT TO LOW-EMISSION AND CLEAN MOBILITY

All our product plans across TML are aligned with our decarbonisation and Net Zero targets. Our product plans involve a whole spectrum of clean alternatives–across Battery Electric Vehicles, Hydrogen Fuel Cell Vehicles and Hydrogen ICE Vehicles.

Energy consumption



Specific energy consumption



Operational energy consumption

MWh

FY23	8,12,676
FY22	7,19,553
FY21	5,50,899

GHG emissions

Scope 1 GHG emissions

tCO_2e

FY23	63,728
FY22	54,793
FY21	41,882

Scope 2 GHG emissions

tCO_2e

FY23	2,78,465
FY22*	2,81,098
FY21*	2,11,614

Specific GHG (Scope 1+2) emissions

tCO_2e/vehicle

FY23	0.359
FY22*	0.459
FY21*	0.529

*restated

FY23

25.9% OF TOTAL ELECTRICITY USED WAS SOURCED FROM RENEWABLES

Scope 3 emissions (tCO_2e)

PURCHASED GOODS & SERVICES[1]	3,26,061
FUEL & ENERGY RELATED ACTIVITIES	1,08,446
UPSTREAM TRANSPORTATION & DISTRIBUTION[6]	2,05,787
WASTE GENERATED IN OPERATIONS[3]	1,512
BUSINESS TRAVEL	2,354
EMPLOYEE COMMUTING[2]	14,004
UPSTREAM LEASED ASSETS[5]	1,886
USE OF SOLD PRODUCTS[7]	98,41,571
FRANCHISES[4]	14,130

[1] *Purchased Goods & Services: Based on data received from 134 suppliers in FY23 for 11 months.*
[2] *Employee Commuting: Emissions from company provided buses used for employee commute.*
[3] *Waste generated in operations: Includes emissions from composting of biodegradable waste, incineration & landfill of hazardous waste.*
[4] *Franchises: Based on data received from 417 franchise outlet in FY23 for 11 months.*
[5] *Upstream leased assets: Emissions from Company offices (rented).*
[6] *Upstream transportation & distribution: Based on data received from 134 suppliers in FY23 for 11 months.*
[7] *Use of sold products: Emissions from Passenger cars.*

Tata Motors

6.12 m³/vehicle

WATER WITHDRAWAL INTENSITY

58,42,982 m³

OPERATION WATER WITHDRAWAL

Water management

Tata Motors acknowledges the significance of water as a shared and scarce resource. We are committed to using water efficiently by maximising effluent recycling and re-use at all our manufacturing plants, and minimising leakage and wastage. We have created water bodies and ground water recharge structures within our manufacturing sites 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.

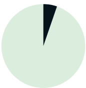
Going forward, our approach will be holistic and encompass all aspects of sourcing water and its optimal utilisation. We are working to augment natural water availability in the areas surrounding our Operations in order to achieve 'Water Positive' status.

Although none of our manufacturing plants are located in water-stressed regions, we are vigilant about how we manage our water resources. All our manufacturing units operate keeping in mind our long-term Aalingana goal of Net Water Neutrality, striving to achieve it by reducing water consumption and promoting water conservation. Our manufacturing facility in Lucknow was certified 'Water Positive' and the Pantnagar facility was certified 'Water Neutral' by CII-GBC in FY 2022-23.

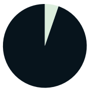
Tata Motors

1,69,844

OPERATIONAL WASTE GENERATED



9,376
HAZARDOUS



1,60,468
NON-HAZARDOUS

Waste management

All our manufacturing facilities ensure that the management of wastes is done in full compliance of the legal requirements as specified by the operating permits, consents and authorisations. Waste is segregated as per material type and shape and sold to recyclers for conversion and utilisation. We ensure the sale of all flexible and rigid plastic packaging to authorised plastic waste processors for recycling and utilisation in the manufacture of new packaging material. Hazardous and Other Waste are similarly routed to authorised recyclers or re-processors for material recovery or to co-process for energy recovery through cement plants. E-wastes from our operations are limited to devices, their components and IT assets which are discarded after their useful life or due to obsolescence. These designated e-waste are disposed only to authorised recyclers.

Special efforts are taken to divert hazardous waste from landfill/incineration by deriving value from the same. Several plants divert hazardous waste for energy recovery through co-processing at cement plants. Where technically feasible, we are utilising the recovered material such as reclaimed thinner, secondary paint made from paint sludge or sand from our foundries in our own manufacturing operations or in our supply chain. Going forward, our efforts will be more focused, guided by our internal Circularity Framework to achieve status of 'Zero Waste to Landfill'.

Biodiversity

Tata Motors approach to preserving nature and biodiversity in our operational area and value chain includes conserving habitats around our operating sites, aligning to Science to map and set targets across our value chain and taking up flagship projects for Nature based Solutions beyond our value chain. In FY 2022-23, we commenced biodiversity baselining across our operational sites, which will cover all seasons. The baseline survey will enable the next phase of enhancing biodiversity at our sites through suitable habitat and species management.

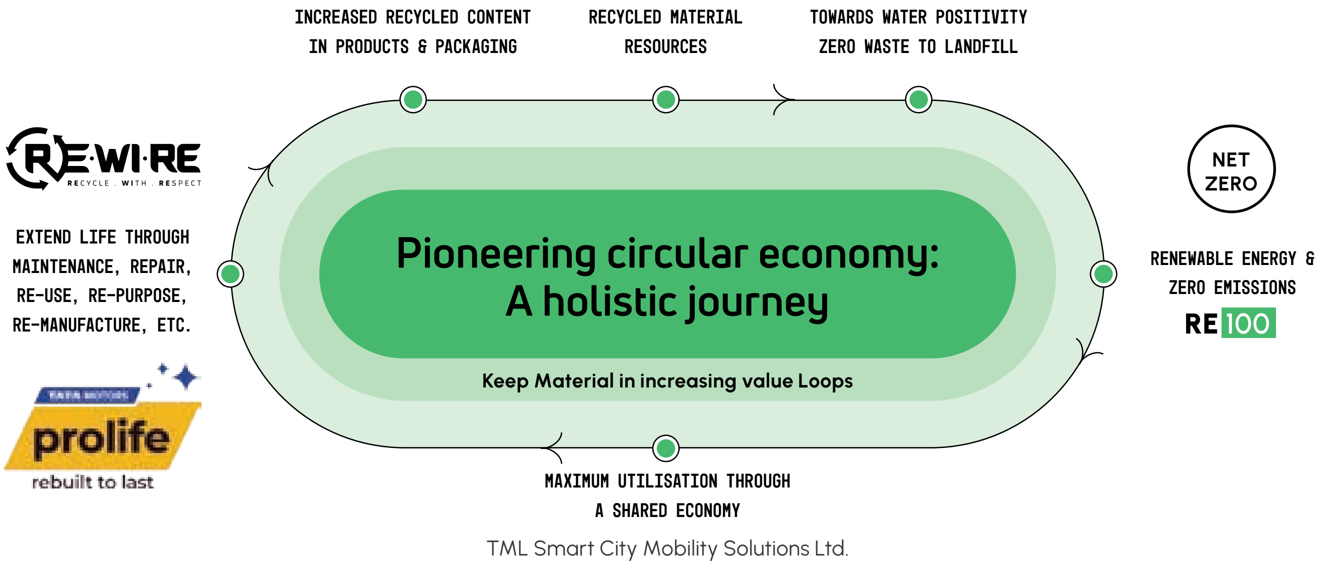
Wetlands developed at our Operations for optimal resource management and habitat creation

All our major operational sites have created artificial water bodies using the available storm water run-off. These water bodies and the surrounding areas have been developed as natural habitats which attract a large number of resident and migratory birds.

Pioneering circular economy

Natural resources are finite, and an enlightened approach to long-term manufacturing growth with consumer focus must integrate circularity and also work at prolonging product life. At Tata Motors, our consistent efforts are towards optimising the use of virgin material and moving determinedly towards a circular economy approach. Across the product lifecycle we have identified several processes that offer positive interventions in favour of greener product development, longer product use and safe and effective recycling.

To aid this transition, Tata Motors is developing a comprehensive Circularity Framework by using guidelines from principles originating from a model proposed by the World Economic Forum (WEF) and the World Business Council for Sustainable Development (WBCSD). Our transition will lead to product decarbonisation, material circularity, extending lifetime and improving utilisation.



Initiatives across circular economy pathways

We are working on higher use of secondary materials, extending useful life of parts and consumables and ensure a lower carbon footprint of materials.

We are also building enablers to close the loop in the form of vehicle scrappage facilities, expanding the scope of Prolife business, and introducing new business models through shared mobility.

Recycled material resources

Through life cycle impact assessment, we are identifying the various prospects to reduce vehicle-level environment impact. This helps us identify major hot spots and take effective measures to decrease the vehicle-level carbon footprint and enhance resource efficiency.

In support of our objective of eliminating hazardous materials and Persistent Organic Pollutants (PoP) from our value chain, we are working on omitting paints from polymeric parts.

Ambition into action

Internal experts across design and development, operations and manufacturing, sales, customer care and sourcing are working to establish practical principles and metrics. Furthermore we have pledged for long-term targets of Water Neutrality by 2030, and Zero Waste to Landfill by 2030 from our own operations, roadmaps and action plan for which are being charted.

We are utilising the following to fully leverage the potential of circularity

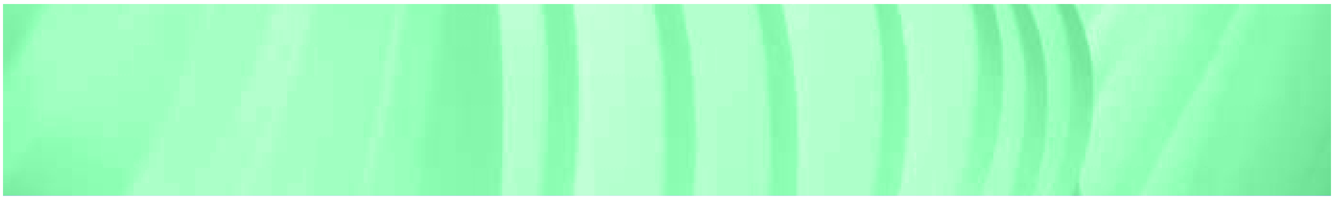
- NANO TECHNOLOGY
- NATURAL FIBRE COMPOSITES
- USE OF PRE-CONSUMER WASTE FROM TEXTILES
- RECOVERY OF PRECIOUS MATERIALS
- EXTENSION OF LIFE FOR THE DRAIN PERIOD OF OILS
- USE OF RECYCLED GLASS FOR WINDSHIELD AND SUNROOF ASSEMBLY

Renewable energy and zero emissions

We have taken a holistic approach towards our long-term ambition of net-zero emissions which recognises the role of circularity. Our decarbonisation journey is driven by our products where we focus on clean mobility solutions aspiring to achieve Net Zero by 2040 (PV business) and 2045 (CV business) as well as through our operations by focusing on maximising our renewable electricity share to 100% by 2030.

Maximum utilisation through a shared economy

With the launch of TML Smart City Mobility Solutions Limited (TSCMSL), Tata Motors intends to bring specific focus to its EV segment as a service offering across its CV portfolio. A diverse portfolio of commercial vehicles are being offered under a supply, operate and maintain model. So far the e-bus fleets has clocked 70 million cumulative miles. MoUs with Delhi Transport Corporation and Bengaluru Metropolitan Transport Corporation for the deployment of 1,500 and 921 buses, respectively, have been signed.



Extend life through maintenance, repair and re-use

TML offers a range of services by way of customer support for maintenance, repair and minimising downtime for our products. These services extend through the useful life of a product. There are over 1,600 service points as well as 24x7 on-site service support and mobile service vans. In order to actively develop the service support ecosystem, we provide extensive drivers' trainings and mechanics trainings.

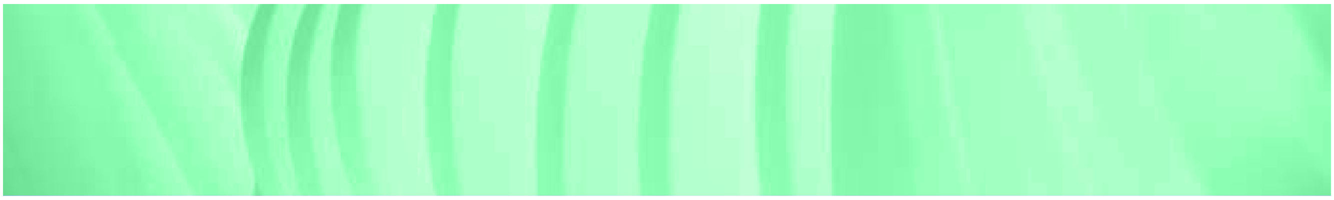
To build a robust and dynamic service support infrastructure we are also ensuring proper inventory, usage analysis, replenishment and fulfilment of our spares. This supplements our efforts to build a collaborative ecosystem whereby the Mobility as a Service value proposition makes service and downtime easy for the customer. This is particularly in reference to our efforts towards daily preventive and corrective maintenance activities.

We also offer on-site dedicated container workshops that are equipped with the necessary tools, fast moving parts/lubes storage space, small office spaces so that repair and support operations can be carried out smoothly. Apart from this, we also provide many other value-added services under:

- Tata Kavach: For quick accident repair
- Tata Zippy: For quick vehicle repair
- Tata Alert: Roadside assistance programme with 24-hour problem resolution assurance for all CV models under warranty.

Lifetime parts planning, technician training to prolong life of vehicles

Our technicians are specially trained in carrying out scheduled services of vehicles in a way that prolongs the life of the vehicle and its components. Measures are taken for lifetime planning and stocking of phased out models so that working vehicles are not forced into obsolescence due to parts unavailability. Likewise, special tools and equipment are also maintained so that less common parts can still be easily handled. We provide repair kits for restoration, servicing of aggregates and major assemblies to avoid opting for expensive replacement of aggregates.



Tata Assured

Our 'Tata Assured' vertical, which is our in-house pre-owned vehicle programme, is operational across 150+ outlets. We help dealers buy, exchange and sell certified used cars, giving them the full benefit of our brand's trust assurance.

Tata OK

The Tata OK service offers similar services for trucks owners and buyers, with presence across 350+ exclusive Tata OK dealers across India. The range of services include buying, selling or exchange of commercial vehicles and ensuring complete reliability through 120 quality checks, engine warranty, document transfer and financing.

Prolife

The Tata PROLIFE programme gives a new lease of life to vehicle aggregates like engine, clutch plates and discs, and cabins. The remanufacturing makes the used aggregates as good as new, at a fraction of the cost, and also improves fuel mileage by 5-10% vis-à-vis the older parts. The environmental benefits are huge, as vehicle life gets prolonged. The PROLIFE aggregates are processed at our technologically advanced plants at Lucknow, Surat and Hyderabad.

PROLIFE SERVICES ARE AVAILABLE ACROSS THE COUNTRY THROUGH 1600+ WORKSHOPS AND OBVIATES THE NEED TO OPT FOR UNORGANISED SECTOR REPLACEMENTS.

25,807
CV ENGINES REMANUFACTURED

33,975
CLUTCH PLATE AND CLUTCH DISC REMANUFACTURED

Remanufacturing at Tata Motors

COMMERCIAL VEHICLE ENGINES FROM 2-6CYL. PRODUCT RANGE FROM BSII TO BSVI FUEL TYPES: DIESEL AND CNG

CLUTCH PLATE AND CLUTCH DISC RANGING 170 TO 380 DIA.

CABINS FOR 1516 TYPE AND SIGNA VEHICLE.

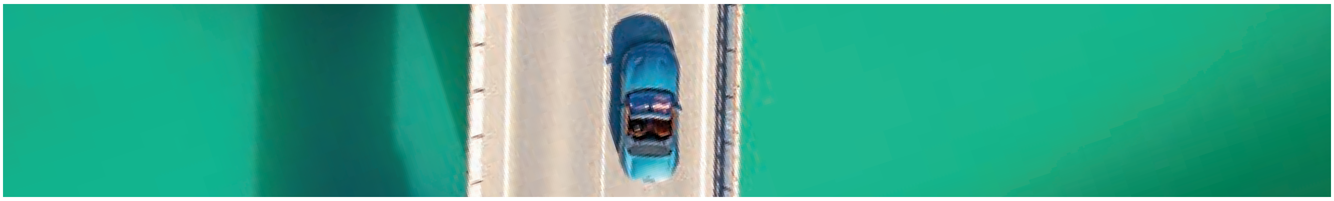
Re.Wi.Re: Responsibly managing the end-of-product life phase

Scrapping and recycling of vehicles in a responsible way at the end of the product lifecycle supports environmental goals. Tata Motors demonstrated its holistic commitment towards sustainable mobility with the launch of Re.Wi.Re –Recycle with Respect, our first state-of-the-art franchise-based Registered Vehicle Scrapping Facility (RVSF) in Jaipur, Rajasthan. Launched in February 2023, the plan is to open more such facilities across India. This move will lessen the pollution involved in the dismantling of ELVs and bring this activity within the organised sector. So far, scrap handling has been entirely run by the unorganised sector, often following primitive processes.

Re.Wi.Re.

LOWERING EMISSIONS | ENABLING MATERIAL CIRCULARITY | ACCELERATING CARBON NEUTRALITY

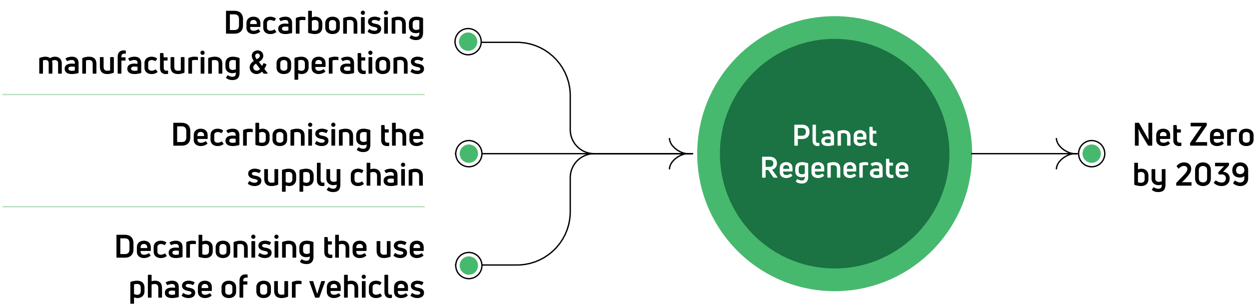
As a part of end-of-life product management, we work tirelessly to improve our products' circularity, by making vehicle designs with easy disassembly, and opting for sustainable materials.



JLR

Planet Regenerate is driving JLR's transformation with the aim to become carbon net zero by 2039.

GHG emissions reduction



We published Science-Based Targets in March 2022 for ambitious CO2e reduction across Scope 1, 2 and 3 emissions by 2030

60%

REDUCTION PER VEHICLE KM, ACROSS THE USE OF OUR VEHICLES

46%

REDUCTION ACROSS JLR'S OWN OPERATIONS (SCOPE 1&2 EMISSIONS)

54%

REDUCTION PER VEHICLE, ACROSS OUR VALUE CHAIN (SCOPE 3 EMISSIONS)

During the development of our Science-Based Targets, we assessed that our total annual emissions across Scope 1, 2 and 3 were over 35MtCO_2e for FY 2019-20. This included emissions across our entire value chain, from raw material suppliers to client use through to end of life. This scale of CO_2e emissions is comparable with many countries' annually reported emissions and shows the scale of influence that our company can have in mitigating climate change. Tata Group's Project Aalingana has also established a number of group-wide targets in relation to carbon net zero, such as a 25% reduction in absolute carbon emissions by 2030 and carbon net zero across the group by 2045.

CARBON NET ZERO ACROSS TATA GROUP BY **2045**

Decarbonisation can drive immense impact

FY20

>35MtCO_2e

JLR'S TOTAL ANNUAL EMISSIONS ACROSS SCOPE 1, 2 AND 3

THIS SCALE OF CO_2E EMISSIONS IS COMPARABLE WITH MANY COUNTRIES' ANNUALLY REPORTED EMISSIONS

Our strategy to deliver

We have built a robust strategy to meet our targets, and it has been integrated into our Refocus 2.0 programme. Delivery against targets for Scope 1, 2 and 3 emissions has also been linked to the enterprise strategic bonus FY 2022-23 plan. We will drive energy consumption reduction across our sites and increase the use of on-site and off-site renewable electricity. This includes degasification; with the use of gas currently 74% of our market-based Scope 1 and 2 emissions.

Use of sold products: By 2030, in addition to 100% of Jaguar sales, we anticipate that around 60% of Range Rover, Defender and Discovery models sold will not have tailpipe emissions. We have established targets for future vehicle programmes, primarily focused on reducing the impact of key materials within our supply chain, such as steel, aluminium and battery cells.

Absolute Scope 1 & 2 emissions for FY23	152ktCO_2e
Scope 3 'Use of sold products'	24.6%
Use of sold products' emissions for FY23	255gCO_2e per vehicle km
Reduction on FY20 SBTi baseline	0.3%
Scope 3 'combined use of sold products and purchased goods and services'	64.0tCO_2e/vehicle
Reduction on FY20 SBTi baseline	0.5%

The last couple of years were impacted by the pandemic and the supply chain shortages that followed. This has resulted in a production and retail mix of vehicles that has driven with a marginal decrease compared to the SBTi baseline.

Introduction of the new Range Rover-and Range Rover Sport, which improved CO_2e by 14.7% (9.2tCO_2e/ vehicle) over previous models. This was due to the replacement of the AJ133 V8 engine with the new NC10 V8 engine and efficiency improvements with the new MLA platform.

In September 2022, we invited our global supplier network to commit to sustainability targets approved by the SBTi. All tier 1 suppliers were asked to set a decarbonisation pathway, report transparently and demonstrate progress towards their targets, disclosing their carbon reporting and collaborating with their own supply chain to deliver the same reductions. This requirement was shared with more than 5,000 companies.

Biodiversity

As part of our Planet Regenerate focus area, we are creating a nature and biodiversity strategy, using developing frameworks such as Taskforce for Nature-related Financial Disclosures (TNFD) and the Science-Based Targets Network (SBTN). In line with Tata Group's Project Aalingana strategy and approach, we are defining a nature and biodiversity strategy, and assessing our impact and dependences on nature.

We are in the early stages of standardising our approach to biodiversity management across our direct operations. However, our global facilities are already addressing biodiversity as part of ongoing site management, and this approach is looking to be replicated elsewhere.

In the UK, Gaydon and Fen End Proving Grounds continue to maintain and enhance habitats under their site ecology management plans. In June 2022, our Engine Manufacturing Centre in Wolverhampton invited the Staffordshire Wildlife Trust to visit the site and offer recommendations around specific management actions that will improve the diversity of wild pollinator species, and tree planting for a memorial garden.

Our vehicle manufacturing sites in Brazil and Slovakia have ongoing initiatives centred around habitat restoration and species monitoring.

In Brazil, this is in partnership with the State Environmental Institute (INEA) and researchers of the Middle Paraiba Wildlife Refuge (REVISMEP) to contribute to the goals within the Wildlife Refuge to protect plant and animal communities. In Slovakia, there is ongoing cooperation with the University of Constantine the Philosopher, to monitor the natural restoration of habitats as well as the inundation and revitalisation of wildlife communities (REVISMEP). The plan aims to protect natural environments for communities of flora and fauna species.

Circular economy

The circular economy is an essential part of our pathway to Net Zero, creating value in a resource-constrained world and maintaining resilience in our supply chain. We have clearly established Tata Group targets and a strategy in active development to meet these targets. We recognise that reducing resource consumption and waste and increasing recycled content in our materials will reduce the carbon intensity of key raw materials such as steel, aluminium and battery cell materials.

Our strategy is based around three key focus areas of:

01 **Circular resources**

02 **Circular products**

03 **Circular enablers**

Circular resources

We aim to maximise our resource efficiency, resilience and regenerative content, through increased recycled content in our vehicles, reducing waste and the proportion of our waste that goes to either landfill, or incineration.

We further support innovative projects that enable circular supply chains.

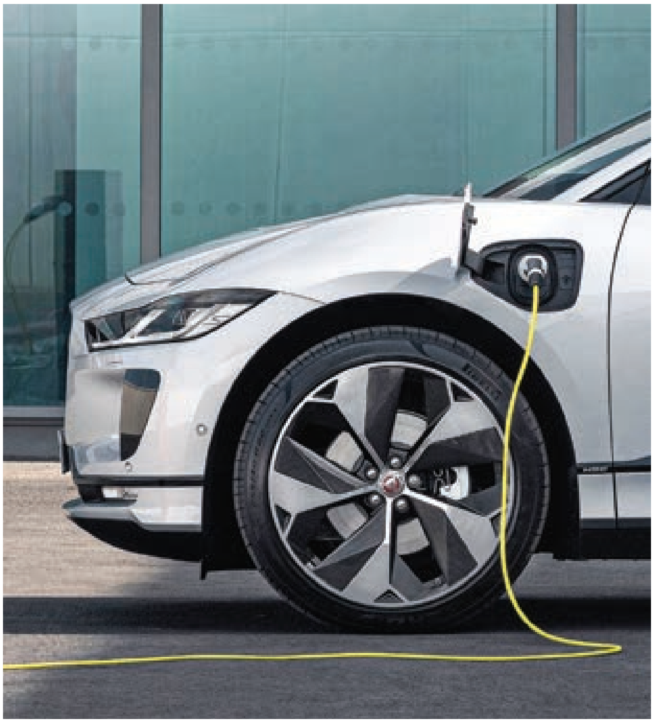
Two Innovate UK projects that enable circular supply chains

Recycling of EV Cells from Obsolete Vehicles at Scale (RECOVAS)

RECOVAS offers the potential for a new circular supply chain for electric vehicle batteries in the UK.

Securing Critical Rare Earth Magnets (SCREAM)

SCREAM is a project to produce recycled NdFeB magnets from scrap, to be used in clean technologies such as wind turbines generators in EVs.



Circular products

We will increase the longevity of our components and products, through the implementation of circular economy principles in design and engineering, to increase repairability and recyclability. We will also target new business models from re-manufacturing and secondary products, such as engines, powertrains and 'second life' batteries.

Reusing vehicle batteries will create new circular economy business models for JLR in energy storage and beyond. Second-life battery supply for such applications could exceed 200 gigawatt-hours per year by 2030, creating a global value over $30 billion, and we are expanding such battery end of life circular economy initiatives.

JLR partnership with Pramac

In March 2022, we partnered with Pramac, to develop a portable, zero-emission energy storage unit powered by second-life electric vehicle batteries. Their Off Grid Battery Energy Storage System (ESS) feature lithium-ion cells from Jaguar I-PACE batteries, supplying zero-emission power where access to the main supply is limited or unavailable. It was showcased through the year by the Jaguar TCS Racing Formula E team, powering their on-grid utilities on race days.

Circular enablers

We will generate value through circular business models, such as our 'Transport as a Service' offering, Pivotal, while increasing engagement on circularity with our employees and value chain partners. To provide validation of our future progress as well as support the development of partnerships, education and communication of our activities, we have partnered with the Ellen MacArthur Foundation.

In the coming year, we plan to establish a baseline across our circular economy activities.

Progress through collaborations

We partnered with the Ellen Macarthur Foundation, an organisation dedicated to accelerating the transition to a circular economy based on three principles: Eliminate waste and pollution, circulate products and materials, and regenerate nature. Further, we have joined the World Economic Forum Circular Car Initiative, a network platform, to share insights, best practices and challenges in the area of circularity (always in line with anti-trust requirements). These tie-ups come from our belief that knowledge sharing and collaboration are critical to accelerate sustainability in our industry.

> **Our goal is to establish an environment where diversity is natural and business as usual.**
>
> At Tata Motors, we promote Diversity, Equity and Inclusion at all locations, for all segments of employees and stakeholders bychallenging many myths in place of breaking many myths. The movement opens up a plethora of opportunities for the future of work.
>
> **ANURADHA DAS**
> Chief Diversity Officer

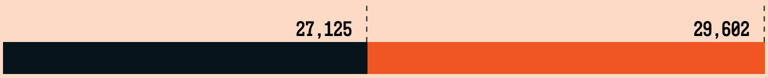
Motivated to be better together

At Tata Motors, our people are key to retaining our competitive edge. We are continuously working to create an environment of empowerment through well-defined policies that reflect empathy, celebrate meritocracy and provide ample professional and personal development opportunities.

Our people are welcomed into safe workspaces designed around our values of diversity, equity, inclusion and fair play, giving them a healthy space to flourish. In the year 2021, we launched an internal initiative to refresh our organisational culture and key leadership behaviours.

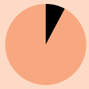
56,727

TOTAL EMPLOYEES



PERMANENT CONTRACTUAL

SENIOR MANAGEMENT[1] MIDDLE MANAGEMENT[2]
JUNIOR MANAGEMENT[3] NON-MANAGEMENT[4]



7.9%

TOTAL EMPLOYEE TURNOVER RATE

[1]*Senior Management:* L2 and above
[2]*Middle Management:* L3, L4
[3]*Junior Management:* L5, L6, Cadre
[4]*Non-Management:* Blue collar, Flexi Blue Collar

Diversity and Inclusion (D&I)

Tata Motors has a long history of embracing diversity and nurturing many overlooked and under-represented groups who have gone on to prove their mettle.

To further strengthen our D&I governance, we appointed our first Chief Diversity Officer, Anuradha Das, who is a long-time Tata leader and well versed with our cultural ethos and ambitions for the future.

D&I governance and implementation structure

Our D&I objectives are handled by the DEI office, which is governed by the DEI Advisory Council. At the unit level, the objectives are driven by the local DEI chapter and DEI champions. The DEI office works to include activities around sensitisation and communication in the workplace, policy checks and changes, devising psychological safety nets, designing appropriate learning strategies and individual development plans.

Over the year, several D&I activities have been rolled out:

1. Reviewing the existing policies and practices to make the workplace inclusive. Introduction of policies like paternity leave, hybrid working model and flexible work timings for working mothers.
2. Creation of a dashboard to track Gender Diversity parameters like hiring, retention, performance appraisal, etc.

7.64%

WOMEN EMPLOYEES EMPLOYED IN FY 2022-23

4,987

TOTAL WOMEN WORKFORCE

6.7%

SHARE OF WOMEN IN ALL MANAGEMENT POSITIONS, INCLUDING JUNIOR, MIDDLE AND TOP MANAGEMENT

4.4%

SHARE OF WOMEN IN TOP MANAGEMENT POSITIONS (L1&L2)

84

PEOPLE WITH DISABILITIES IN THE WORKFORCE

7.2%

SHARE OF WOMEN IN JUNIOR MANAGEMENT (L5&L6)

Tata Motors follows a no discrimination policy and has several policies in place that ensure flexibility, parent friendliness, work-life balance, while also taking care of healthcare needs and the special needs of new mothers and women interested in returning after career breaks. Our sensitivity and progressiveness get demonstrated in the facilities that we extend to our employees' partners too, not just spouses.

"WE ARE TAKING ACTIONS TO MAKE A TANGIBLE IMPACT, MEASURED AGAINST AN INTERNAL TARGET TO HAVE 30% WOMEN WORKFORCE BY 2030."

SOCIAL: PEOPLE

A breakdown of our policies:

Policy Name	Applicability	Objective	Benefits
Time off from work- Maternity and Paternity leaves	All permanent and probationary employees	→ Allows soon-to-be parents to focus on their family and take some time from work	→ Paid maternity leave up to 182 days and paternity leave for 10 days
Flexible work options for working mothers	All permanent and probationary women employees who are: → New mothers stepping into parenthood → Working mothers with children up to 12 years of age → Availing an extension to maternity leave	→ Enables women employees to meet their personal and professional goals by providing a work-life balance and supporting gender inclusivity	→ Part-time work option, up to 6 months
Day care/creche facilities	All permanent and probationary employees	→ Helps employees balance their personal and professional goals better	→ Day-care facilities exist at all plant locations → For non-plant locations, our Company has tied-up with proximate day care facility providers
Tata SCIP (Second Careers Inspiring Possibilities)	Minimum 2 years continuous work experience	→ Launched by Tata Group in 2008, offering qualified women a chance to revive their professional journeys → Supports increasing gender diversity and prevents loss of professional competence	→ Offers part-time/full-time/flexi-time options → Conversion to TML rolls based on the performance/ potential of candidate and vacancy
Wheels of Love (Maternity Support Programme)	Women employees who are: → Expectant parent → New parent → Returning Parent	→ To guide and support new mothers in their parenthood journey → Steps towards Tata Motors becoming a parent-friendly organisation promoting a culture of Care, Sensitisation and Inclusion	→ One-to-one coaching for mothers and managers → Other forms of support through webinars, Employee Resource Groups, counselling, and buddy connects

Changing norms with a 'diverse' shopfloor

To make our shopfloors more diverse and create a level-playing field, we introduced robotics and raised workstations, redesigned tools and lifts to address several challenges like physical dimensions of machineries being oriented to male physique. The team drove this initiative and prioritised creating infrastructure, including hygiene, residential options, secure workspace, transportation, cafeteria, and medical facilities.

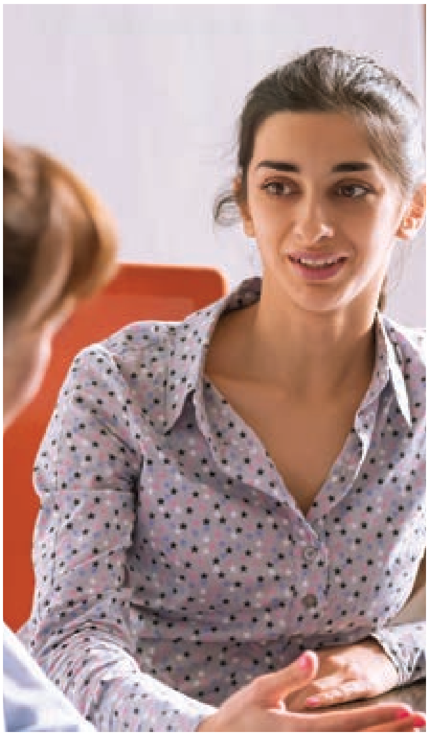
Under the 'Women in Blue' initiative launched in 2021, we are hiring 12th pass outs and putting through structured orientation program before getting on to Earn & Learn program which will qualify them for a diploma. Today, our Harrier and Safari line at the TCF II plant in Pune has more than 1,500 women working across three shifts.

1,500

WOMEN WORKING ACROSS THREE SHIFTS AT TCF II PLANT IN PUNE

7.38%

SHARE OF WOMEN IN STEM RELATED POSITIONS



POSH

Our Prevention of Sexual Harassment at Workplace (POSH) Policy is in line with our commitment towards gender inclusion and diversity, and helps create a safe and secure workplace for all. The POSH framework includes various Internal Committees (IC). In addition, an Apex Internal Committee acts as an Appellate Body and is responsible for cascading this policy.

We create awareness on expected behaviour and how an employee can raise a concern. We have formulated standard guidelines to address the issue of sexual harassment. These guidelines are administered by the location /sub-unit specific committees at local (plant/region) level. All women employees (permanent, temporary, contractual and trainees), woman service providers, as well as any woman visiting our Company are covered under this policy. Any breach of this policy is subject to strong disciplinary actions.

Incidents of discrimination and harassment

POSH cases: 15 complaints filed during FY 2022-23, of which 6 are pending resolution as on March 31, 2023.

POSH trainings

About 30,000 employees covered through e-learning module and classroom/ virtual sessions.

SOCIAL: PEOPLE

Talent attraction and retention

We consider our employees critical to our success. Our human resource strategy is outlined to build better organisational capabilities, hire and retain the best talent and create a culture that delivers long-term value and sustain competitiveness in the global marketplace.

People analytics

People analytics plays a critical role in driving HR strategy focused on organisation effectiveness, employee engagement and capability building. Employment data – organisation size, grades, tenure, diversity in experience, performance data, data points on rewards & recognition is being used to create trends, insights and enable leaders to drive decisions.

Predictive analytics on employee retention is leveraged to strengthen feedback and development platforms at Tata Motors. To have skilled workforce on board for a sustainable future, efforts are on to drive people analytics which would provide prescriptions to build, buy or borrow talent and promote diversity in gender, education and experience across industries.

Individual performance appraisal

The performance of all management staff employees is managed through a performance appraisal process called LOOP. The individual goals are decided at the start of the year, reviewed mid-year and evaluated at the end of the year. The performance evaluation is based on two parameters: Key Performance Indicators (KPIs) and eight Leadership behaviours.

Long-term incentives for employees

'Tata Motors Limited Share-based Long-Term Incentive Scheme 2021' was launched with the following objectives:

- To drive the long-term objectives of our Company
- To attract, motivate and retain employees by rewarding performance
- Ring-fence and incentivise key talent to drive the long-term objectives of our Company
- To ensure that the senior management employees' compensation and benefits match the long gestation period of certain key initiatives
- To drive ownership behaviour and collaboration amongst employees.

These objectives are sought to be achieved through Grant of PSUs and/or Options to eligible Employees, upon meeting certain performance parameters.

Leadership and succession planning

Organisation Talent Review (OTR) and Succession Planning are annual processes at Tata Motors to review, identify and develop talent for leadership roles with the objective of ensuring management continuity – the right people taking up the right positions at the right time. The OTR process focuses on reviewing talent readiness, the progress on the development plans for the identified successor pool: Ready Now (0-1 year), Ready later (1-3 years). While Succession planning process focuses on successor Identification vis-à-vis critical roles, superannuation and other employee parameters to ensure the succession health check across all business units as well as across employee demographics.

Understanding the OTR process

Nominations screening

A comprehensive guideline is instated on the basis of which this process is deployed. The guidelines specify the criteria to be adhered to ensure objectivity of the process.

Talent review committee

Nominated successor profiles are reviewed for readiness for future-roles and calibrated within the talent review committee, comprising of senior leadership representation from HR, Business Heads and respective EXCOM members

Nomination and remuneration committee

A summary of the outputs is presented to the NRC (Nomination and Remuneration Committee) which provides guidance on the overall leadership pipeline development at EXCOM level.

The inputs from OTR and succession planning processes are analysed and converted to clear action plans for development. The nominated successor pool undergoes a structured development journey curated based on the assessment process. The process is followed by creating structured individual development plan, for employees identified as future successors. Planned initiatives under Experience (GEMS Projects, role enhancements), Exposure (CFTs, deputation) and Education (formal learning interventions) are deployed to ensure qualitative completion of development goals of successors. This is actively supported by leaders through their involvement in key talent initiatives such as Executive Coaching, Development Centres, IDP development, Career Accelerators, etc.

Employee engagement

As part of our Culture Transformation journey, the Culture Credo and Leadership Behaviours were launched in 2021. In January 2023, the Culture Survey was rolled out with a 69% response rate, of the 11,500 employees who took the survey, to gauge their engagement and their response to the movements made on the desired culture. To qualitatively measure the delta change made, questions were designed to focus on the dimensions of Engagement, Culture Pillars and Change Management. The Engagement Score increased from 59% in 2020 to 70% in 2022 and further increased to 71% in 2023..

Culture Connect workshops

Cascade and co-creation: Over 40 workshops, covering over 1,750 staff employees, were conducted across all business units with leadership participation. Action plans co-evolved. 165+ projects were finalised across eight themes at the organisation and BU level for action sponsored by unit leadership.

Industrial relations

Wage settlement

Seven of our eight manufacturing units are unionised. The seven trade unions represent ~10,000 bargain-able employees under the provisions defined in labour acts.

The relationship between the Management and theUnions has evolved significantly in Tata Motors. Both the parties have recognised the benefits of collaboration and working together towards the organisation's larger interests.

Continuous dialogue and communication at periodic intervals have helped in addressing the grievances and challenges, faced by both the people and the organisation.

The Management ensures timely updates and cascading of critical information and updates on the business side to Unions, while the Unions engage with the Management to nurture positive working environment.

Effective cooperation from the Unions proved instrumental in facilitating amicable wage settlement at Pune PV and Pantnagar CV site. In a landmark move, five additional minutes of available production time was achieved at the Pune PV location, which enhanced productivity.

As part of Ford India's Sanand facility acquisition, a tripartite agreement with Tata Passenger Electric Mobility Limited Management, Ford India Management, and the Union was signed and all employees who wanted to join Tata Motors have transitioned smoothly into the new company.

Employee onboarding and skill upgradation at Sanand

We have designed a structured on-boarding plan for employees who joined the new company to undergo an ITI Diploma Programme in EV Technology–an investment in the skill upgradation of our employees.

Skill development

In today's highly competitive business environment, investing in the employees' skill development is of paramount importance. We provide educational programmes to assist in the skill development of our technician-grade employees. In FY 2022-23, we conducted several training programmes to create an agile workforce with multiple skills. The areas covered were auto electrical and electronics, mechatronics, developing specialised welding skills, among others.

Pragati: Education for success

Pragati is a higher education programme designed and developed for technician grade employees working in our plants. Under this, Tata Motors partners with an institute for Diploma in Engineering, with a focus on Auto Electrical & Electronics. Multiple training batches are running across our plant locations at Jamshedpur, Lucknow, Sanand, Pune, Dharwad and Pantnagar and more than 200 employees have signed up for this diploma.

Learning and development

Consistent capability-building initiatives are critical for navigating this fast-changing world. The Learning and Development function at Tata Motors addresses this critical need through regular assessments of capabilities in demand, and the external environment and designs appropriate initiatives for our workforce. The other important aspect that this function fulfils is to build leadership capabilities.

Leadership training

Developing leadership capabilities is a key focus area, with the end goal to create a Talent Factory across all employee levels. The developmental focus areas identified for succession planning nominees during our annual OTR process are addressed through tailor-made programmes. These are designed in partnership with top-ranked global business schools and knowledge partners like Tata Management Training Centre (TMTC).

Initiatives in FY23	Segments covered	Brief outline
Leadership Trails	Senior Leadership	→ At the L1-L2 levels, immersions, masterclasses and e-Learning, in partnership with IMD Switzerland and TMTC
Leadership Quest	Selected talent at mid-level management	→ For L3 Talent: A 12-month-long leadership development journey, with elements of classroom sessions, online learning, immersions, coaching, mentoring, action learning and more
Inner Circle	Selected high-potential mid-level and junior management talent	→ For L4: Curated developmental programme delivered in association with OHIO state university and TMTC
Growth Leaders	First Time Managers and People Managers	→ Focus is on empowerment and collaboration for better delivery by teams. → Topics covered: Manager as a coach, art of giving and receiving feedback; hiring right talent, and critical transition attributes for First-Time Manager; delegation and working through teams

Organisation-wide training programmes

In today's VUCA world, with new skills gaining prominence, augmenting existing skills becomes extremely critical since they are fast becoming irrelevant. To keep our organisation future-ready, we constantly work at strengthening functional, managerial, behavioural and leadership capabilities. The Tata Motors Academy designs and creates functional, professional and leadership modules to address the development needs across our workforce.

Functional pillars: CUSTOMER EXCELLENCE | PRODUCT LEADERSHIP | OPERATIONAL EXCELLENCE | MANAGEMENT EDUCATION

Initiatives in FY23	Segments covered	Brief outline
Professional skills development	General	→ The Agile Way of Working; Getting Things Done; Business Communication; iLead → Simulation workshops based on leadership behaviours; Programme on Effective Presentation Skills; Adapting to Change; Art of Decision Making
Financial functional skills	Finance professionals	→ Key functional programmes like Training on Driver Based Analysis; Spend Effectiveness Analysis; Decoding the Internal Controls Framework
Safety functional skills	Safety professionals	→ Developed and launched High Voltage Safety programmes under CESS Advanced Programmes leading to different levels of safety certification: Battery & BMS and ADAS programmes across plant locations
Digital & Industry 4.0	For workforce in CV operations	→ Data Engineering & Foundation Analytics certification programme launched to build expertise in analytics

L&D metrics for FY 2022-23

Initiatives in FY23	For management staff employees	For technicians
Person hours of training provided	3,42,368	23,91,726
Average training hours (hrs/Full-time Employee)	29	49
Average training hours (Male)	29	50
Average training hours (Female)	28	40
Total amount spent on training & development (₹)	24,12,62,260	1,58,84,665
Average amount spent on training & development (INR/Full Time Employee)	20,210	499

Occupational Health & Safety

Tata Motors considers the health and safety of its employees as the very basic foundation for a positive organisational work culture that is focused on business excellence.

Safety governance framework

Tata Motors has a robust governance mechanism to monitor occupational safety and health where reviews are conducted at multiple levels. The Safety, Health and Sustainability (SHS) Committee of Board of Directors is an apex review body that reviews performance once in four months, followed by the business unit head (ED, TML & MD TMPV/TPEM)-led SHE Council that does a monthly review. Further, reviews at the factory level are taken by Apex Committee (led by the plant heads), 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 frequencies at regional offices, with the Customer Service and Warehouse teams.

Safety performance is a part of the corporate and plant Balanced Score Card (BSC), measured through Proactive Safety Index (PSI) II. The plant-level apex committees and the department-level committees guide the facilities on institutionalising safety culture in day-to-day operations.

Identifying high-risk zones, taking appropriate measures

Basis on Hazard Identification & Risk assessment protocols, Below initiatives were under taken to minimise risk and improve safety.

- Identification of Critical to Safety (CTS) stations
- Contractor Safety Management (CSM)
- Establishing processes for preventing Serious Injury & Fatality (SIF)
- Red Corner notices for horizontal deployment of recommendation

Critical to Safety (CTS) stations

A Critical to Safety (CTS) station is a work station where high risk activity is carried out or there is high injury potential. 1076 CTS stations were identified across all manufacturing locations of Tata Motors Ltd. and S1(Administrative Control) S2 (Engineering Control) S3 (Failsafe Control) are implemented.

Contractor Safety Management (CSM)

Detailed evaluation of all contractor activities revealed vehicle movement/ store management and conservancy to be focus areas. 269 administrative & 60 engineering control were established to make these processes safe. All Non routine activities were assessed through Job Safety Analysis (JSA) and hazard mitigation completed before start of the activity.

Serious Injury & Fatality (SIF)

The SIF programme identifies potentially serious fatal situations in work areas and The SIF observations identifies serious injury and fatal situations in work areas and suggest action plan for closing of the same. The task is given to Plant Safety Managers to identify and FIC Head to prepare and implement closure actions including Interim containment actions (ICA) and permanent corrective actions (PCA)

Red Corner notices for horizontal deployment of Incident investigation recommendations

To close the loop on Red Corner notices that are issued by Safety Heads, the FIC/ Division must file Action Taken Report (ATR) with evidence of action being taken.

Further accelerating these initiatives	
Targets	**Progress**
Critical to Safety Station (CTS)	
New CTS Station added	329
S1 (Administrate Control) established	3,377
S2 (Engineering Control) established	2,078
S3 (fail safe Control) established	782
Contractor Safety Management (CSM) (Vehicle movement & conservancy activities)	
Administrate controls established	269
Engineering controls established	60
Serious Injury and Fatal Observation (SIF)	
No of SIF Observation closed	16 nos.
Red Corner Recommendations	
Red Corner recommendation closure	94%

ALL RISK ASSESSMENTS ARE DONE ACCORDING TO THE HIRA STANDARD

ALL TML PLANTS ARE ISO 45001 CERTIFIED

Every TML plant has a zero incident plan

- Governance
- Felt leadership
- Safety observation
- Incident investigations
- Standards and procedures

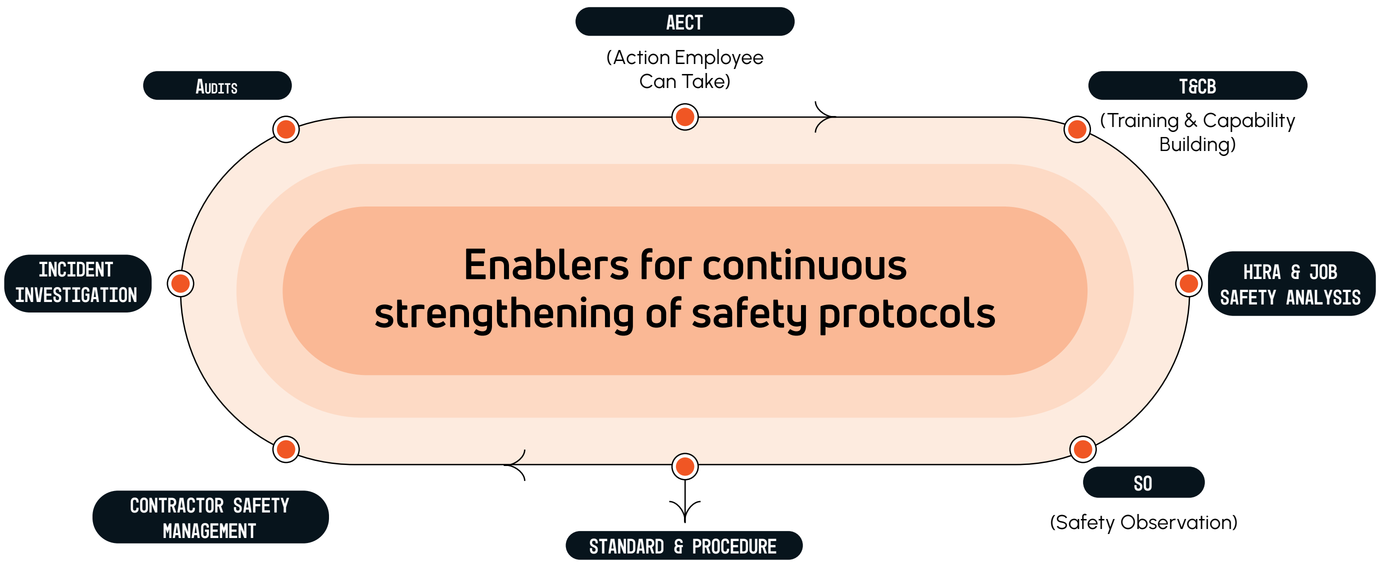
Hazard Identification and Risk Assessment (HIRA)

At Tata Motors, all activities are mapped and hazards are accordingly identified based on the nature of activity, history of incidents and experience of workers. The hazard categories considered are: Trivial, Tolerable, Moderate, Substantial, and Intolerable. For all such identified hazards, risk is calculated based on severity and likelihood.

CRITICAL BEHAVIOURS WERE IDENTIFIED BASED ON THE 33,000 SAFETY OBSERVATIONS AND INCIDENT ANALYSIS FOR PAST 3.5 YEARS

Critical safe behaviors

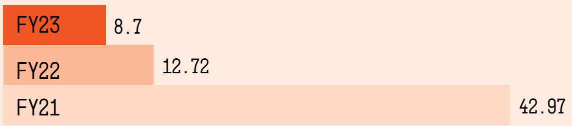
- Follow SOP/Work instructions
- Safe driving
- Safe walking & road manners
- Right PPE usage
- Responsible mobile use

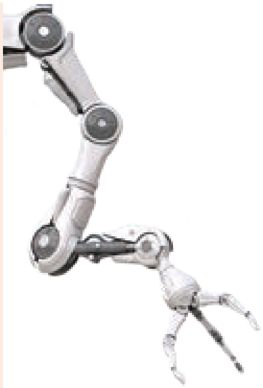


Evolution of S1-S2-S3 controls in Critical to Safety (CTS) stations

As a next step towards achieving the aim of Zero Harm, CTS Initiative was further strengthened with inclusion of 329 new stations during FY 23. Stations were managed with S1 (people control) S2 (engineering control) S3 (failsafe control) safety controls. With implementation of planned safety controls in CTSs incident trend is reducing and high injury potential eliminated (no lost time injury reported in CTS station in FY 23)

Incident per 100 CTS Station





Wellness at Tata Motors

TML adopted 'A Healthy Workplace' framework by Arogya World, an NGO working to prevent non-communicable diseases in India. In this framework, there are 2 distinct themes namely non-communicable disease (NCD) prevention and emotional wellness. Various initiatives like tobacco de-addiction, weight management programme, promoting healthy eating, supporting recovery, managing stress and manager sensitisation programme on stress signals were undertaken. A counselling drive for employees with diabetes and hypertension was conducted for a year, resulting in 94.3% employees achieving control status, thus preventing progression towards complications associated with disease. Special focus was provided for employees with pre-diabetes status. For this

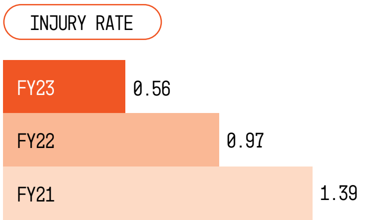
TATA MOTORS WON THE OCCUPATIONAL HEALTH AND SAFETY GOLD CATEGORY AWARD AT THE OHSSAI 7TH ANNUAL HSE EXCELLENCE & SUSTAINABILITY CONVENTION BY OHSSAI FOUNDATION

TBEM EXTERNAL ASSESSORS RECOGNISED TWO SAFETY INITIATIVES AS A PROMISING PRACTICES-PROACTIVE SAFETY INDEX & CRITICAL FOR OCCUPATIONAL HEALTH. TML RECEIVED A GOLD AWARD FOR HEALTHY WORKPLACE PROGRAMME BY 'AROGYA WORLD'.

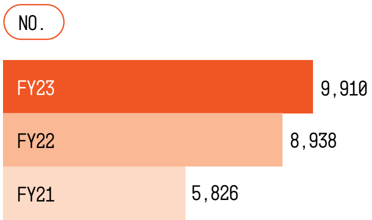
initiative, 3,013 pre-diabetic employees were identified and various interventions we executed to raise awareness about the progression of the diabetes. They were encouraged to participate in drives like weight management, healthy eating and lifestyle modification. At the end of the year, just 3.5% pre-diabetic employees progressed to diabetes status against the stated annual average of 15-19%. Under the Contractor Employee Dignity Program, 12,590 employees underwent annual medical check-ups and 6,457 employees were provided free consultation/ medicines through medical centres at our plants.

TML provides Employees Assistance Program- a confidential, third party, free-of-cost counselling services for employees and dependants since April 2020. During FY 2022-23, 543 employees and dependants availed this service through the helpline. Twenty four online sessions on emotional wellbeing were organised and 4,646 employees attended these sessions.

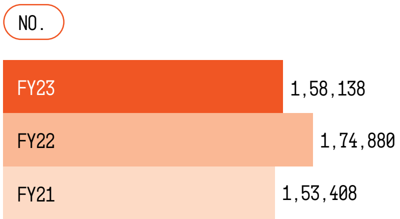
Total recordable case frequency rate



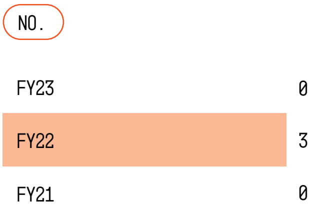
H&S training sessions



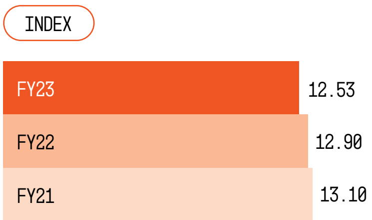
Safety observation rounds



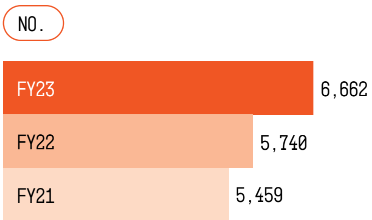
Fatality



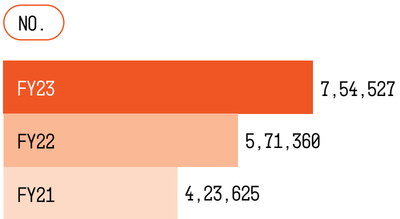
Health index



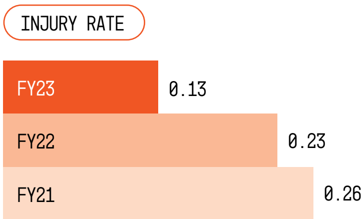
Employees registered on EAP portal



Training hours



Loss Time Injury Frequency rate



JLR

Our workforce is our greatest asset. With a commitment to promoting holistic development and creating a safe, inclusive and progressive work environment, through the strategic focus of Responsible Business, we strive to foster a culture of learning and support for our employees.

Health & Safety

The Occupational Health and Safety (OHS) Management System is a framework of practical plans and procedures which describe how the business should operate in order to reduce the risk of harm. The OHS is based around three pillars: Safe Place; Safe Systems and Safe People, underpinned by ten principles and 'ambition of Zero Harm.' This is measured by year-on-year continuous improvement via our Zero Harm Metric. The Zero Harm Metric is derived from First Aid and Lost Time Incidents, where an injury has occurred regardless of fault or severity. The trend over the last 2+ years is positive overall but has started to show more fluctuation in the data as the numbers become progressively smaller. Lost time incidents continue to show an improving trend year-on-year.

Zero Harm framework

Zero Harm
Our safety journey

SAFE PLACE	SAFE SYSTEMS	SAFE PEOPLE
Safe Facilities & Equipment	Process & Safe Systems of Work	Contractors & Agency Workers
Induction & Familiarisation	Managing Change	Super vision & Monitoring
	Suitable & Sufficient Risk Assessment	Competence & Training
	Auditing & Process Confirmation	Communication & Instructions

COMPETENCE, CONTROL, COMMUNICATIONS, CO-OPERATION

Diversity & Inclusion (D&I)

IN FY 2022-23, WE PRODUCED OUR FIRST ETHNICITY PAY GAP REPORT, ALONGSIDE THE ANNUAL GENDER PAY GAP REPORT IN THE UK.

We are committed to fostering a more diverse, inclusive and unified culture that is representative of our employees, our clients and the society in which we live.

Not only do we believe it is critical that JLR reflects the diversity of the world, we also believe we can truly thrive when we create a culture where employees feel included, where everyone can be their authentic selves, and where fresh ideas, challenges, and opinions are heard. We are taking action to make tangible impact, measured against three internal targets:

Targets	Future targets	Current status
Target 1	Globally, 30% of all senior leaders to be female, by 2026	Currently at 16% achieving this year's target
Target 2	In the UK 15% of all senior leaders to be from a Black, Asian or Mixed Ethnicity background, by 2026	Currently at 6% achieving this year's target
Target 3	Globally for our Inclusion Index to reach over 80, by 2026.	Currently at 74 exceeding this year's target

BARBARA BERGMEIER AND FRANCOIS DOSSA APPOINTED AS DIVERSITY AND INCLUSION JLR LIMITED BOARD CO-SPONSORS, SUPPORTED BY 14 GLOBAL EMPLOYEE RESOURCE GROUPS PROMOTING SAFE SHARING AND LEARNING OPPORTUNITIES.

Beyond the UK, our global markets are actively supporting in their local approach to diversity and inclusion. To create meaningful progress toward diversity and inclusion, we are working with our regional and country leaders to establish an understanding of local cultures, legislations & current inclusivity status.

Our global diversity and inclusion policy highlights and zero-tolerance approach to bullying, harassment, and other negative behaviours, regardless of an employee's characteristics.

Training in diversity

We have developed three e-learning modules for the UK business with future plans to create the same for all regions to ensure that all our colleagues have a good understanding of diversity and inclusion, and how inclusivity can affect those around us. These modules have reached a minimum completion rate of 92%.

We have also established a face-to-face diversity and inclusion training programme, for colleagues across our UK manufacturing sites.

We also joined in partnership with the Business Disability Forum, and in FY 2023-24, we will have a specific focus on disability and neurodiversity, to help ensure that we are providing colleagues with everything they need to work at their best and feel confident and comfortable in doing so.

SOCIAL: PEOPLE

Upskilling for the future

JLR is also focused on evolving the skills of the workforce through upskilling programmes that build critical capabilities internally. To enable the transition from internal combustion engines to battery electric vehicles, we have upskilled our engineers on electrification through the cocreation of bespoke courses in partnership with a local university. Focus has also been placed on upskilling employees in 'product owner' and 'scrum master' roles to enable agile ways of working in programme delivery.

We took key actions to recruit and re-train our people for our digital future. In September 2022, we announced our Future Skills Programme, a global upskilling drive to train 29,000 people over the next three years, in connected and data capabilities, and to support our rapid transformation.

10,000

JLR AND FRANCHISED RETAILER EMPLOYEES IN THE UK. EMPLOYEES WILL BE TRAINED UNDER FUTURE SKILLS PROGRAMME

19,000

INDIVIDUALS ACROSS THE REST OF THE WORLD WILL BE SKILLED UNDER FUTURE SKILLS PROGRAMME

WE ANNOUNCED A DRIVE TO RECRUIT SKILLED WORKERS FROM THE DIGITAL TECHNOLOGY INDUSTRY INTO MORE THAN 800 NEW DIGITAL AND ENGINEERING POSITIONS GLOBALLY.

Talent attraction and recruitment

Software is essential for us to deliver next-generation automated driving systems, digital services, and experiences for clients. ADAS (Advanced Driver Assistance Systems) and autonomous driving skills have been identified as critical to this ambition but are a sought-after skill set in the market. To attract these skills, and compete with other industries, we have expanded our global operational footprint in Germany, Italy and Spain, in addition to existing hubs in Manchester, Ireland, Hungary, Portland, India and China. This also gives us access to a wider skills pool and harness the best talent for our business.

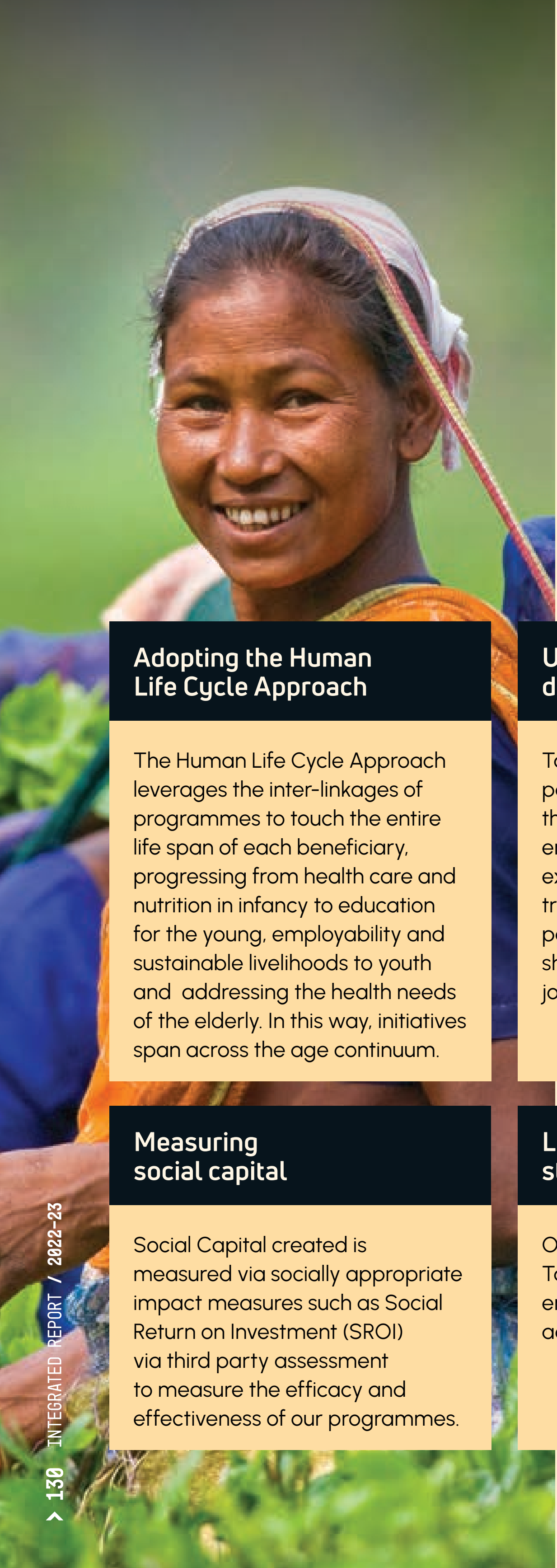
Shortly after the Future Skills Programme, and following large-scale job losses from technology firms, we announced a drive to recruit skilled workers from the digital technology industry into more than 800 new digital and engineering positions globally, across Autonomous Driving, Artificial Intelligence, Electrification, Cloud Software, Data Science, and Machine.

Created global tech hubs

We have created three global tech hubs which will be focusing on autonomous technologies, in Germany, Italy and Spain. They come in addition to the existing JLR tech hubs in the USA, Hungary, Ireland, the UK, China and India. The new recruits come in to support our 1,100 engineers who are working on various areas including driver assistance systems and artificial intelligence for self-driving cars.

Apprenticeships

During the last quarter of FY 2022-23, we offered a record number of degree apprenticeships, to deepen our talent pool and develop the next generation of modern luxury vehicles.



Accelerating change, leveraging synergies

Commitment to social development and shared prosperity is deeply embedded in the Tata ethos. At Tata Motors, we develop our Corporate Social Responsibility (CSR) policies, strategies and programmes aligned with the national priorities and UN Sustainable Development Goals.

Tenets of our CSR Strategy

Adopting the Human Life Cycle Approach

The Human Life Cycle Approach leverages the inter-linkages of programmes to touch the entire life span of each beneficiary, progressing from health care and nutrition in infancy to education for the young, employability and sustainable livelihoods to youth and addressing the health needs of the elderly. In this way, initiatives span across the age continuum.

Upstream and downstream linkages

Tata Motors' network of business partners and associates provide the strong business connect for its employability programmes. For example, they provide on-the-job training to youth for nine months, pay two-thirds of the stipend, share their training infrastructure jointly provide certification.

Philosophy of 'More from Less for More' (MLM)

We have established multi-stakeholder partnerships to access a wider set of communities by efficient and judicious use of available resources for creating higher and sustainable impact based on our belief of 'More from Less for More'.

Measuring social capital

Social Capital created is measured via socially appropriate impact measures such as Social Return on Investment (SROI) via third party assessment to measure the efficacy and effectiveness of our programmes.

Leveraging all stakeholders

Our CSR outreaches leverage Tata Motors' ecosystem by engaging business partners across the entire value chain.

Leveraging technology

Technology has improved our ability to upscale all our CSR processes and programmes and to achieve optimal efficiency and improve oversight.

₹20.81 crore

CSR SPEND

35,756

HOURS VOLUNTEERED BY EMPLOYEES

OUR CSR DESIGN RESTS ON THE MLM PHILOSOPHY. WE COLLABORATE WITH DEVELOPMENT EXPERTS AND AGENCIES FOR BOTH SKILLS AND SCALE. OUR INITIATIVES FOLLOW A CONVERGENCE MODEL, USING EXISTING GOVERNMENT SCHEMES TO PARTNER WITH STAKEHOLDERS AND TRANSFER OWNERSHIP THEREBY EMPOWERING LONG-TERM CAPABILITY DEVELOPMENT.

Our CSR initiatives are aligned with the Common Minimum Programme (CMP), which applies to all such developmental work carried out across India while also serving local interests through Location Specific Projects (LSP). The wide spectrum of goals covered tests our agility and flexibility leading to innovation and presence across the development ecosystem.

Focus areas

Health

- Addressing Child Malnutrition
- Preventive & Curative Health Services
- Strengthening the government delivery mechanism
- Health awareness in women

Education

- Financial support and scholarships
- Special coaching for secondary and senior secondary government schools students
- School infrastructure improvement
- Co-curricular activities

Employability

- Training in auto and technical trades
- Training in agriculture and allied trades
- Training in non-auto trades

Environment

- Tree plantation
- Environment awareness

LEAN OPERATING MODEL – ENSURING SUSTAINABILITY

- Affirmative Action
- Volunteering
- Disaster Relief

SOCIAL: COMMUNITY

Arogya (Health)

Arogya is a health initiative for the community that addresses malnutrition in children between the formative of 0 to 6 years. Under this programme, supplementary diets and supplements are provided. We enable behavioural changes in communities, especially among young mothers and parents through awareness sessions, antenatal and postnatal services. We also facilitate curative health care services where communities are serviced through diagnosis, administration of generic medicines and consultations.

FY23

₹3.38 crore

SPENT ON THE AROGYA PROGRAMME

5,31,137

PEOPLE BENEFITED

Kaushalya (Employability)

Kaushalya is our skill development programme for unemployed youth. The programme covers auto trades, non-auto trades, agriculture and allied activities, among others. Under the 'Learn and Earn' model of training, students with ITI/ 12th pass background are taken and trained on curriculum specifically designed for the automotive industry. After completion of diploma they get jobs with auto dealers, retail network, vendors and channel partners. At financial year end, 8000 students enrolled into the programme with a gender diversity of 24%.

Other CSR outreaches involve community-based groups of women and farmers, with opportunities being given to them for generating supplemental pay through agriculture.

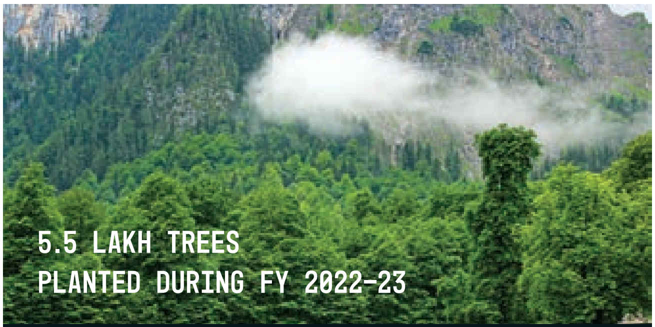
FY23

₹3.9 crore

SPENT ON THE KAUSHALYA PROGRAMME

28,896

PEOPLE BENEFITED



Vasundhara (Environment)

We strive to minimise our impact on the environment through a range of green initiatives like promotion of renewable resources, creation of carbon sinks through large-scale sapling plantation, construction of water conservation structures and building awareness among the communities. In FY 2022-23, we planted 5.5 lakh trees. We also planted 90% saplings of indigenous varieties and worked towards maintaining the survival rate as high as 90%. Through these initiatives, we could convert numerous locations into micro-habitats for diverse varieties of flora and fauna. We strive to sensitise people, especially younger children about the environment, and were able to reach 98,045 people.

CSR spend

₹ IN CRORE

FY23	20.81
FY22	23.70
FY21	23.90

Lives impacted

IN LAKH

FY23	8.01
FY22	7.92
FY21	7.54

FY23

₹3.97 crore

SPENT ON THE VASUNDHARA PROGRAMME

98,045

PEOPLE BENEFITED

Vidyadhanam (Education)

Our multi-pronged approach towards education is deployed via targeted programmes and initiatives that focus on augmenting learning levels of secondary and higher secondary government school students. We facilitate special coaching classes for secondary section and coaching for Medical and Engineering entrance examinations for senior secondary. We also provide need-based scholarships to meritorious disadvantaged students, conduct sports and co-curricular activities, sessions on value-based life skills and fills gaps in school infrastructure to create a happy school environment. Each of these is intended to bridge gaps in the quality of education and infrastructure available in government-run public school.

FY23

₹8.05 crore

SPENT ON THE VIDYADHANAM PROGRAMME

1,07,722

PEOPLE BENEFITED

SOCIAL: COMMUNITY

₹1.16 crore

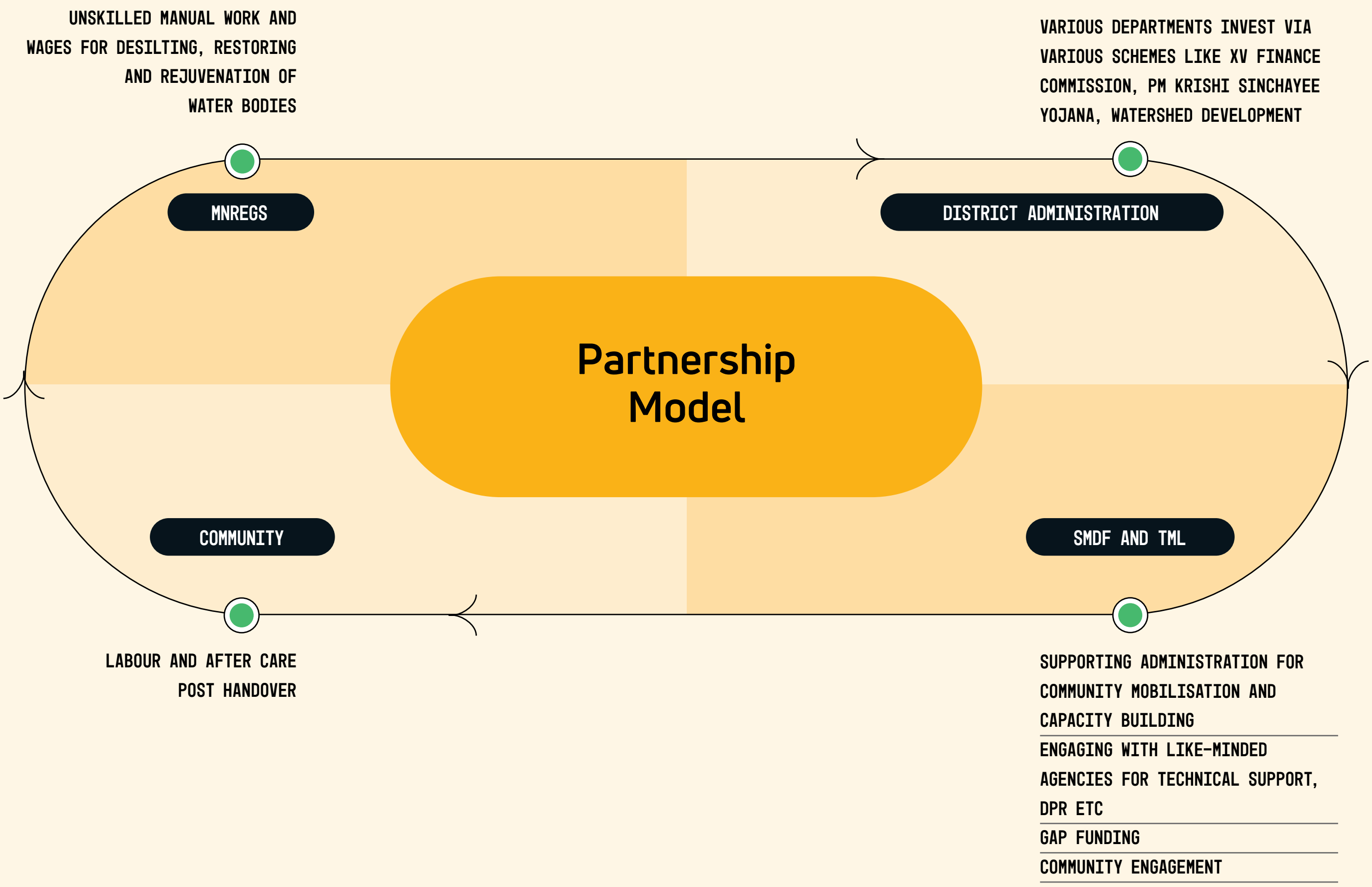
SPENT ON RURAL DEVELOPMENT PROGRAMME IN FY 2022-23

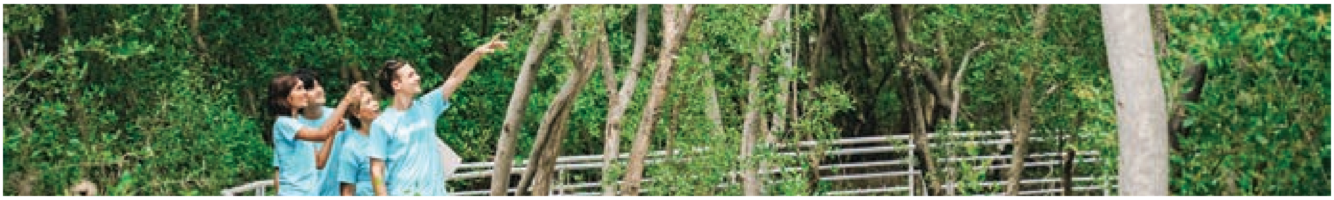
35,068

PEOPLE REACHED

Rural development programmes and governance

In rural development, we deploy the Partnership Convergence Model, whereby we leverage the available resources of an area and drive development through convergence with government schemes. We also utilise government schemes like MNREGS to make an impact at scale across India. Along with development, we also empower the communities and strengthen the governance mechanism of local institutions to ensure improved last-mile awareness and delivery of government welfare schemes.





FY23

35,756

HOURS DEDICATED BY EMPLOYEES TO SOCIAL CAUSES

Employee volunteering

Tata Motors employees retirees and their family members volunteer for various social causes throughout the year. Rigorous volunteering happens during Tata Volunteering Week (TVW), scheduled in March, starting from the birth anniversary of our Founder, Jamsetji Tata, and then in September. Employees and their families also offer pro-bono skill-based, professional services to voluntary organisations under the Tata Group-wide 'PROENGAGE' format that extends over a period of six months.

PLAN FOR FY24

1 million

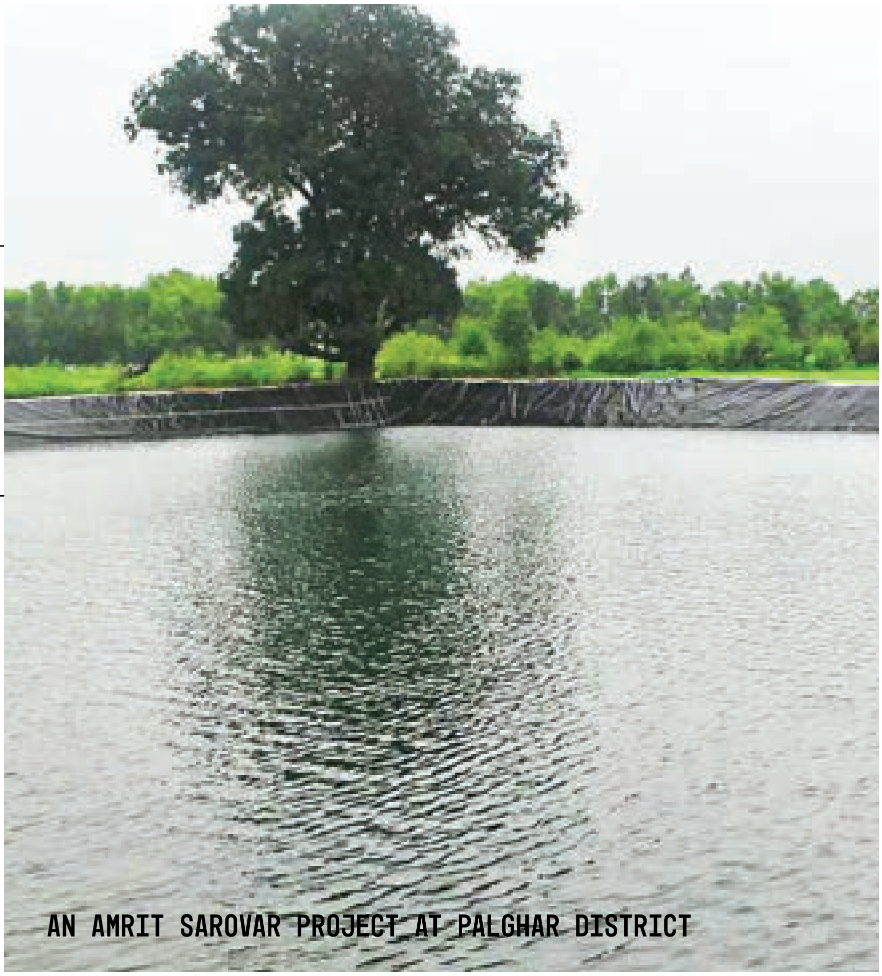
SAPLINGS IN PALGHAR DISTRICT

₹30 crore

MNREGS SUPPORT FOR LABOUR WORK AND AFTER CARE

100

AMRIT SAROVARS' REJUVENATION



AN AMRIT SAROVAR PROJECT AT PALGHAR DISTRICT

SOCIAL: COMMUNITY

TML-sponsored NEET coaching centres create a level playing field for medical aspirants

Abandoned by his father at a very young age, Deepak and his sibling were raised by his mother who earned by giving home tuitions. Determined to educate her children, she did all she could to ensure that the children could continue with their studies. Deepak's academic excellence led to him joining JNV Prayagraj, where he had the opportunity to join the Tata Motors-sponsored NEET coaching provided by Ex Navodayan Foundation (ENF). For Deepak, the coaching, direction and guidance provided by his ENF teachers made a definite difference.

Deepak achieved 715/720 in NEET 2020 and secured an All India Rank (AIR) of #5, becoming the first from the Tata Motors coaching programme and JNV ecosystem to enter AIIMS.

Krishnanshu Tanwar, who belonged to a small, remote village in the Bharatpur district of Rajasthan, lost his mother when he was only six years old. Academically bright, Krishnanshu got the opportunity to be coached at the Tata Motors sponsored NEET coaching centre, though the pandemic forced him to shift to the virtual platform. The remoteness of his village meant he had to struggle with internet connectivity. However, just a month prior to the NEET exams, Krishnanshu resumed studies at the ENF headquarters.

From thereon, his sheer determination helped Krishnanshu crack NEET 2020 with a remarkable score of 705/720 and an All India Rank (AIR) of #53, securing admission in the Maulana Azad Medical College (MAMC), New Delhi, among the top 5 medical colleges in India.

Seed funding organic farming start-up

Sandip trained with the BAIF Development Research Foundation, an NGO based near Jawhar in Palghar District of Maharashtra, and was a pioneer in agricultural development. He was trained in preparing organic fertiliser, Jivamrut, a product patented by BAIF. He utilised the training to set up his enterprise with a seed capital of ₹26,000 provided by Tata Motors, and another ₹16,000 from his own savings.

Jivamrut products are organically manufactured using raw materials from the farm and village. The first tranche of Jivamrut was used in Sandip's farm, and by a few other farmers. Not only were the results heartening, but the product was worked out to be a lot cheaper than chemical pesticides. Encouraged by the feedback he received, Sandip decided to expand his production with regular technical support from BAIF.

The lockdown led to positive outcomes. Local farmers began buying fertilisers and pesticide from him as procurement from outside became a problem. As the demand for his products kept increasing, production and distribution of Jivamrut grew sufficiently large and revenues crossed ₹2,00,000 per year. Sandip now aims to take the message of organic farming to all farmers—for better human and soil health.

JLR

Engage for Good is a part of our three-pronged sustainability strategy and focuses on acting as a global corporate citizen to take care of the communities and environments in which we operate to make a positive impact. This is done by reducing inequalities, promoting education and mitigating climate change.

Community engagement

We gain momentum in our community engagement activities through partnerships with NGOs, employee volunteering, vehicle supply and project funding. We also supply vehicles and share technology to support conservation and humanitarian projects across the globe. Through our volunteering programme, we encourage and enable our UK employees to contribute to local community development. Our policy enables UK employees in our Company to volunteer for up to 16 working hours per year.

British Red Cross and International Federation of the Red Cross

Our long-standing partnership with the British Red Cross and the International Federation of the Red Cross (IFRC) was first established in 1954. The current focus is on supporting emergency crisis affected by floods and other weather-related events such as heavy rain, wind and snow, house fires and power cuts. Alongside the supply of vehicles, our funding enables the training of volunteers, and provides essential items. Our support spans the globe, strengthening risk reduction and developing emergency response mechanisms, helping reduce disaster and humanitarian risks for the most vulnerable areas.

Enhancing community resilience
Supported Community Resilience Teams (CRT) in New South Wales, Australia to identify people of influence in small communities to map resources and strengths, and connect them with one another to ensure the community is prepared for disruption.
In Italy, we have supported the creation of integrated urban disaster preparedness and response plans, mapping urban services' capacity helping communities transform information into emergency response plans.
In Nepal, we have supported communities to increase the resilience of their people, services and institutions.

Disaster Relief Alliance

We are an honorary partner of the Disaster Relief Alliance (DRA), whose contributions help with global disaster preparedness, as well as responding quickly to emergencies across the globe.

Recently, the British Red Cross released £30,000 from DRA to support the humanitarian relief response during the Turkey and Syria earthquakes.

Humanitarian relief efforts in action

JLR's contribution to the British Red Cross Ukraine Crisis Appeal and transportation support to the IFRC have made a significant impact on the lives of those affected by the conflict. The donation of £20,000 provided vital resources for vulnerable individuals fleeing their homes and seeking refuge in a safe place. The mobilisation of 23 vehicles from the UK and Europe ensured that individuals were transported safely from Ukraine border to Moldova. Furthermore, the six vehicles that remain on loan in the field continue to support ongoing relief efforts.

DONATED 1,000 EYE CARE KITS AND £144,578 WORTH OF OPHTHALMIC MEDICAL EQUIPMENT.

BENEFITTED MORE THAN 2,60,000 YOUNG PEOPLE SINCE INCEPTION.

Agroforestry educational programme with Toré Institute

In partnership with the Toré Institute, we created an agroforestry educational programme for 550 children aged 7-14 in a public school located near our Itatiaia manufacturing plant, with a focus on sustainability. The programme teaches children about reforestation and composting, and also provides them with the opportunity to plant and grow their own food. Through this initiative, we aim to promote sustainability and environmental awareness among the younger generation.

China Soong Ching Ling Foundation

The 'Journey for Vision Programme' started a new journey in Qinghai Province. The programme carried out vision screening for nearly 30,000 children, providing 300 children with free surgical treatment. Since its launch in 2014, the initiative has covered seven Chinese provinces, investing nearly £3.3 million.

'Give her a Crown, South Africa'

This is a female empowerment platform in South Africa that utilises the power of storytelling and the arts to combat gender inequality and promote female empowerment. To date, we have supported six female artists with a bursary, as well as female-owned production companies, female students, female journalists, and influencers.

Planting sustainability in the value chain

Tata Motors is dedicated to undergoing a profound transformation to establish itself as a leader in Sustainable Mobility. Recognising the crucial role of the supply chain in this transformation, TML initiated the Sustainable Supply Chain Initiative in 2017. In this journey, Tata Motors has implemented several measures to ensure ethical and sustainable practices throughout its value chain.

Tata Motors has established a Supplier Code of Conduct, an Environmental Procurement Policy, and Sustainability Guidelines for Suppliers. These guidelines cover a range of key topics, including governance, legal compliance, management system certification, transparency and reporting, occupational health and safety, labour rights, and human rights. By setting these standards, Tata Motors aims to foster responsible practices among its suppliers and partners.

In addition to establishing these guidelines, we conduct sustainability assessments of our suppliers through assessment questionnaires. These serve to evaluate the sustainability performance of suppliers, allowing Tata Motors to gain insights into their environmental and social practices. We furthered this initiative downstream in 2019 wherein the Dealer Code of Conduct and the Dealer Sustainability Guidelines were developed to guide dealerships to improve their sustainability practices along with assessments of their ESG performance through assessment questionnaires.

AS A PART OF THIS EXERCISE, IN FY 2022-23, WE ASSESSED 134 SUPPLIERS AND 417 FRANCHISE OUTLETS, RESPECTIVELY.

JLR

Responsible supply chain

We aim to achieve carbon net zero emissions across our value chain including our suppliers, by 2039, with a CO_2e reduction of 54%, per vehicle, by 2030.

Digitalisation for a more sustainable supply chain

In the past 12 months, we have enhanced the sustainability data received from our direct, indirect, after-market and branded goods suppliers. We have also established a pilot process to identify high risk suppliers in relation to sustainability, to develop with them performance improvement plans. The pilot completed in January 2023, with the ultimate target to incorporate sustainability performance reviews with our tier one suppliers through the Supplier Relationship Management process. Further, in collaboration with our suppliers, we are also committed to using the latest digital technologies to map and utilise multi-tier traceability data sustainable and ethical value chain. We will be on-boarding the first supplier partner at the start of FY 2023-24, with a defined a due diligence assessment process that proactively identifies potential risks based on the data received. This will help us subsequently work with impacted suppliers through resolution.

Enhancing our sustainability insights

We have developed new capabilities to measure our upstream purchased goods and services emissions, with real supplier data. This is helping us generate insights into emissions hotspots, allowing us to better tailor our product development and sourcing to minimise the environmental footprint of our vehicles. From 2023, we aim to directly measure supplier emissions for 95% of the footprint of our new vehicles.

We now require our global supplier network to commit to SBTi-approved targets. All tier 1 suppliers need to set a decarbonisation pathway, report transparently, demonstrate progress, disclosing their carbon reporting and collaborating with their own supply chain to deliver reductions.

Board's Report

TO THE MEMBERS

The Directors are pleased to present herewith the Seventy Eighth Annual Report ('Integrated') of Tata Motors Limited ('the Company') along with the Audited Financial Statements for the Financial Year ('FY') ended March 31, 2023.

FINANCIAL HIGHLIGHTS

(₹ in crore)

PARTICULARS	Standalone**		Consolidated	
	FY 2023	FY 2022*	FY 2023	FY 2022
Revenue from operations	65,757.33	47,263.68	3,45,966.97	2,78,453.62
Total expenditure	60,047.46	45,034.04	3,03,475.46	2,44,430.90
Operating profit	5,709.87	2,229.64	42,491.51	36,147.23
Other Income	820.94	659.91	4,633.18	3,053.63
Profit before interest, foreign exchange, depreciation, amortization, exceptional item and tax	6,530.81	2,889.55	47,124.69	37,076.35
Finance cost	2,047.51	2,121.73	10,239.23	9,326.31
Profit before depreciation, amortization, exceptional item, foreign exchange and tax	4,483.30	767.82	36,885.46	27,750.04
Depreciation, amortization and product development/ engineering Expenses	2,665.92	2,354.47	35,522.32	34,045.19
Foreign exchange (gain)/loss (net)	279.76	136.81	(103.88)	78.68
Profit/(loss) before exceptional items and tax	1,537.62	(1,723.46)	1,467.02	(6,373.83)
Exceptional Items - (gain) / loss (net)	282.82	(83.41)	(1590.53)	629.58
Profit/(loss) before tax	1,254.80	(1,640.05)	3,057.55	(7,003.41)
Tax expenses/ (credit) (net)	(1,473.33)	99.18	704.06	(4,231.29)
Profit/(loss) for the year from continuing operations	2,728.13	(1,739.23)	2,353.49	(11,234.70)
Profit/(loss) before tax for the year from discontinued operations	-	392.51	-	-
Tax expense/(credit) (net) of discontinued operations	-	44.14	-	-
Profit/(loss) after tax for the year from discontinued operations	-	348.37	-	-
Share of profit of joint venture and associates (net)	-	-	336.38	(74.06)
Profit/(loss) for the year	2,728.13	(1,390.86)	2,689.87	(11,308.76)
Other comprehensive income/(loss)	(250.35)	282.35	(1,915.33)	(455.19)
Total Other comprehensive income/(loss) for the year	2,477.78	(1,108.51)	774.54	(11,763.95)
Attributable to:				
Shareholders of the Company	-	-	479.20	(11,897.28)
Non-controlling interest	-	-	295.34	133.33

* The results of Passenger Vehicle ('PV') undertaking along with joint operation Fiat India Automobiles Private Limited ('FIAPL') for the period April 1, 2021 to December 31, 2021 has been disclosed as discontinued operations.

** It includes the Company's proportionate share of income and expenditure in its joint operations, namely, Tata Cummins Private Limited.

FINANCIAL PERFORMANCE

The commitment of the Company to cater to the aspirations of its valued customers, sustained efforts in creating the right teams and culture and embedding innovation, technology and sustainability at the core of its business has resulted in your Company achieving an improved financial performance through better volumes, improved product mix and cost savings.

Operating Results and Profits

Consolidated revenue of the Company from operations was ₹3,45,967 crore in FY 2022-23, which was 24.2% higher than the revenue of ₹2,78,454 crore in FY 2021-22 and the highest ever revenue in the history of the Company.

The consolidated EBITDA margin was at 10.7% in FY 2022-23 as compared to 9.6% in FY 2021-22. EBIT margin stood at 3.6% in FY 2022-23 as compared to 0.7% for FY 2021-22. Profit for the period (including share of associates and joint ventures) stood at ₹2,690 crore in FY 2022-23 as compared to loss of (₹11,309 crore) in FY 2021-22.

The free cash flow (auto) was positive at ₹7,840 crore in FY 2022-23 compared to a free cash flow (auto) negative at ₹9,472 crore in FY 2021-22.

Please refer to the paragraph on Operating Results in the Management Discussion & Analysis section for detailed analysis.

Standalone revenue from operations (including joint operations, excluding discontinued operations) was ₹65,757 crore in FY 2022-23 which was 39% higher than the revenue of ₹47,264 crore in FY 2021-22. The profit before and after tax (including joint operations) for FY 2022-23 were ₹1,255 crore and ₹2,728 crore, respectively as compared to loss before and after tax (including joint operations) of ₹1,640 crore and ₹1,391 crore, respectively for FY 2021-22. The Company has recognized deferred tax asset of ₹1,615 crore because of arising from planned divestments which will yield capital gains against which such unabsorbed depreciation and capital loss will be set off.

Jaguar Land Rover ('JLR'), (as per IFRS) recorded revenue of GBP 22.8 billion in FY 2022-23 compared to GBP 18.3 billion in FY 2021-22, up by 24.5%. For FY 2022-23, wholesales (excluding China joint venture) were 3,21,362, up by 9% and retails were 3,54,662, down by 6%. This reflects the continued improvement we are seeing in the ongoing semiconductor constraints, while FY 2021-22 retails were supported by one time inventory reductions. While full year financial results reflect the constrained sales volumes, the continuing reduction in our breakeven point through revenue and cost management under the Refocus transformation programme enabled the Company to achieve positive margins and cash flow for the year. Loss before tax and exceptional items was GBP 64 million in FY 2022-23, an improvement compared to the GBP 412 million loss before tax and exceptional items in FY 2021-22, reflecting the improvement in y-o-y volumes.

DIVIDEND

Dividend Distribution Policy

Pursuant to Regulation 43A of the Securities 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

Declaration and Payment of Dividend

Considering the Company's improved financial performance, the Board is pleased to recommend a dividend of ₹2.00 per Ordinary share of ₹2.00 each (100%) and ₹2.10 per 'A' Ordinary share of ₹2.00 each (105%) for FY 2022-23. The Board has recommended such dividend based on the parameters laid down in the Policy and dividend will be paid out of the profits for the year.

The said dividend, if approved by the Members at the ensuing Annual General Meeting ('the AGM") will be paid to those Members whose name appears on the register of Members (including Beneficial Owners) of the Company as at the end of July 29, 2023. The said dividend, if approved by the Members, would involve cash outflow of ₹771 crore, resulting in a payout of 28% of the standalone net profit of the Company for FY 2022-23.

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

Book Closure and Record Date

The Register of Members and Share Transfer Books of the Company will be closed from Saturday, July 29, 2023, to Tuesday, August 8, 2023 (both days inclusive) and the Company has fixed Saturday, July 29, 2023 as the "Record Date" for the purpose of determining the entitlement of Members to receive final dividend for the financial year ended March 31, 2023.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for FY 2022-23 in the distributable retained earnings.

An amount of ₹ 199.80 crore and ₹ 1.30 crore was transferred from Debenture Redemption Reserve and Share based payments reserve respectively, to distributable retained earnings, as at March 31, 2023.

BUSINESS PERFORMANCE

Tata Motors Group sales for FY 2022-23 stood at 12,84,898 vehicles, up by 24% as compared to FY 2021-22. Global sales of all Commercial Vehicles were 4,22,580 vehicles, while sales of Passenger Vehicles were at 8,62,318 vehicles.

Please refer to the paragraph on Overview of Automotive Operations in the Management Discussion & Analysis section for detailed analysis.

Commercial Vehicles ('CV')

The Indian CV Industry continued the growth trajectory and overall, the industry saw a robust growth of 34% in wholesale and 38% by VAHAN registrations in FY 2022-23. This growth was primarily led by the Medium and Heavy Commercial Vehicle ('M&HCVs') (+52.4% vs FY 2022-23) and continued robust recovery in passenger carriers (+155% in FY 2022-23). This growth was catalysed by robust demand for heavy trucks required to service the strong infrastructure push by the Government of India and increased activity in e-commerce, construction, and mining. Higher replacement demand, advance buying in anticipation of price hikes, further buoyed the demand in Q4 FY 2022-23. Overall, Tata Motors CV domestic sale in FY 2022-23 was 22% higher than in FY 2021-22, while domestic VAHAN registrations volumes were 29% higher than FY 2021-22.

CV business recorded its highest ever revenue for the quarter Q4 FY 2022-23 and for the FY 2022-23. We revised our operating model to deliver "Profitable Growth". Shifting gears from "supply chain push" to "retail pull", which impacted registration VAHAN market share in October 2022, however, the share has sequentially grown thereafter in second half.

CV business improved on key customer facing metrics and its Net Promoter Score and Brand power increased by 300bps and 170 bps, respectively to reach their highest ever levels. The business also improved its Composite Customer Satisfaction Index from 792 to 813 (+3%) in FY 2022-23.

The CV Business transitioned its entire portfolio to BSVI Phase II with improved competitiveness. In FY 2022-23, 40+ products and 150+ variants were launched. The business also shared its Green portfolio plans through 14 exhibits across all future powertrain technologies at Auto Expo23.

Tata Motors achieved Industry Leadership band in Tata Business Excellence Model ('TBEM') external assessment qualifying for JRD QV award, with significant jump in score across categories. Tata Motors CV was assigned Level-5, Exemplary category in recent CII Total Cost Maturity ('TCM') assessment, the highest achieved score by any organization.

CV exports, remained subdued due to the prevailing economic situation in most overseas markets. In FY 2022-23 the export shipments were 42% lower than FY 2021-22, while revenue was down by 22% due to improved mix. Major drop was witnessed in the SAARC region (-62%) driven by Total Industry Volume ('TIV') softening, forex shortages, and liquidity crunch in the latter half of the year. MENA and ASEAN regions witnessed 6% y-o-y growth in exports. The business retained or grew its market share and also sequentially improved margins across most markets.

Please refer to the paragraph on Commercial Vehicles in India in the Management Discussion & Analysis section for detailed analysis.

Passenger Vehicles ('PV')

The PV industry recorded 27% y-o-y wholesale growth in FY 2022-23. The industry recorded highest ever annual wholesale volumes of 3.8 million in FY 2022-23. Sports Utility Vehicle ('SUVs') continue to garner larger share of sales in the market. The growth has come on the back of pent-up demand in the first half of FY 2022-23, exciting launches, good festive demand and overall increase in supplies. Share of SUVs increased to 43.1% in FY 2022-23, 3% higher than FY 2021-22 and share of Hatches decreased to 34.5% in FY 2022-23, 3.1% lower than FY 2021-22. Share of Sedans, MPVs and Vans remained flat at around 10.5%, 8.5% and 3.5%, respectively.

In FY 2022-23, the PV business crossed the coveted milestone of 5 lakh annual vehicle sales first time in the history and became the 3rd manufacturer to do so in the Indian market. Domestic wholesale volumes were 539K and VAHAN market share stood at 13.5% in FY 2022-23, an increase of 210bps vis-à-vis FY 2021-22. The growth has come on the back of continued response for the product range, thoughtful 'New Forever' interventions, multi-powertrain options, focused reimagining initiative towards demand generation and consistent increase in supplies. For the year FY 2022-23, the SUV segment achieved market share of 21.4% and emerged as #1 SUV manufacturer for FY 2022-23.

In January 2023 at Auto Expo, 12 promising showcases which include Avinya, Sierra EV, Harrier EV, Curvv ICE, Altroz and Punch CNG with twin cylinder technology and Altroz

Café racer were displayed. The #DARK (Red Hot Dark) versions for Nexon, Harrier and Safari were launched in February 2023, extending the lineage of the iconic #DARK philosophy and already established strong design, these SUVs exude dynamism through the newly added Carnelian Red highlights, giving it an exclusive premium feel combined with a bold look. Harrier and Safari were further enhanced with a desirable larger infotainment Screen of 26.03 cm (10.25 inch) and 10 new ADAS features.

PV exports for FY 2022-23 closed at 2,451 units, 36% higher than previous year, largely on account of market recovery and penetration of Electric Vehicle in Nepal. Major highlights for FY 2022-23 was that the business achieved highest ever shipment market share of 50.1% in Nepal. Nexon remained the highest selling Brand name and Tigor remained the highest selling Sedan in Nepal.

Please refer to the paragraph on Tata Passenger Vehicles in the Management Discussion & Analysis section for detailed analysis.

Electric Vehicles ('EV')

EV industry witnessed significant growth in FY 2022-23 owing to progressive EV polices launched by multiple state governments, launch of new products, proliferation of public charging infrastructure, increasing awareness of home charging and increasing acceptance of EVs amongst customers. The industry grew by ~170% from ~22,000 in FY 2021-22 to ~59,000 in FY 2022-23. EV fleet demand has seen a considerable growth in FY 2022-23 as corporates started 'work-from-office' and people re-started using ride hailing services with receding of Covid-19 scare. In addition, owing to commitment towards sustainability, both Corporates and Ride hailing companies, are driving the agenda of converting respective fleets to electric.

Tata Motors continued to lead the charge in EVs and crossed 50,000 units (50,0043) sales, including International business sales, in FY 2022-23 registering growth of 154% over FY 2021-22. We exited Q4 FY 2021-23 with EV penetration ~12% in our portfolio. In addition, given our compelling offering, the Tigor EV, for the fleet segment and our continuous engagement with fleet operators, we garnered the largest share of the orders floated across industry. In FY 2022-23, we signed MoUs for deploying over 45,000 EVs to multiple service providers.

JAGUAR LAND ROVER ('JLR')

JLR wholesales (excluding the China joint venture) were 3,21,362 vehicles in FY 2022-23, up 9% compared to FY 2021-22 reflecting the gradual improvement in chip supplies. JLR retail sales (including the China joint venture) were 3,54,662 vehicles in FY 2022-23, down 6% y-o-y as a result of destocking of inventory during FY 2021-22 creating a timing difference vs wholesales. Retail sales have been improving during FY 2022-23.

Please refer to the paragraph on JLR in the Management Discussion & Analysis section for detailed analysis.

Some of the key highlights of FY 2022-23 were:

- Order book at ~200,000 units remained strong but as expected was down from the peak of around 215,000 units.
- Ramp up of the new Range Rover and Range Rover Sport approaching target production levels.
- Demand for Defender remained well ahead of the expectations at launch and was the best-selling model in FY 2022-23. A third shift has been added in Nitra to meet customer demand.
- Strong engagement with chip suppliers continued to secure in calender year 2023 and 2024 supplies.
- Pricing and mix have been managed throughout the year to offset the impacts of inflation leading to an increase in average wholesale price to dealers from £62k per unit in FY 2021-22 to £71k per unit in FY 2022-23.

Tata Daewoo Commercial Vehicle Company Limited ('TDCV')

The revenues for FY 2022-23 were increased by 6.5% to KRW 937.89 billion as compared to KRW 880.74 billion in FY 2021-22. Overall sales volume increased by 0.4% to 9,493 units in FY 2022-23 from 9,454 units in FY 2021-22. From the second half of FY 2022-23, domestic sales were adversely impacted due to downturn in Korean economy, which was compensated by strong demand in exports.

Please refer to the paragraph on Tata Commercial Vehicles and Tata Passenger Vehicles in the Management Discussion & Analysis section for detailed analysis.

TMF Holdings Limited ('TMFHL')

Covid-19 linked concessions granted to creditors, affected the restructured book in first half of FY 2022-23, resulting in a sharp increase in credit losses during the year. The Company also increased provisions on restructured book to cover for expected losses. Tata Motors Finance Group Assets Under Management ('AUM') reduced by 4.2% y-o-y to ₹43,338 crore, as against ₹45,220 crore in the previous year. CV market share dropped to 17% due to aggressive competition from Banks in heavy commercial vehicle space. Net Income Margins shrunk from 5.2% to 5.0%, mainly on account of an increase in borrowing rates during the year. Gross Non-Performing Assets provision coverage increased from

43% as of March 31, 2022 to 48% as of March 31, 2023. As a result, consolidated profit before tax for FY 2022-23 was at loss of ₹993 crore as against profit of ₹101 crore in FY 2021-22.

Please refer to the paragraph on Tata and other brand vehicles-Vehicle Financing in the Management Discussion & Analysis section for detailed analysis.

SHARE CAPITAL

During the year, the Company issued and allotted 6,82,318 Ordinary shares of ₹2/- each of the Company, pursuant to exercise of stock options by the eligible employees of the Company and its subsidiary companies, under the Tata Motors Limited Employees Stock Option Scheme 2018. As a result of such allotment, the paid up share capital increased from ₹ 7,65,88,07,311 (comprising of 3,82,91,64,903 equity share of ₹ 2/- each) to ₹ 7,66,01,71,947 (comprising of 3,82,98,47,221 equity share of ₹ 2/- each). The shares so allotted rank pari-passu with the existing share capital of the Company. Expect as stated herein, there was no other change in the share capital of the Company.

FINANCE & CREDIT RATING

Despite challenges caused by supply chain issues at JLR, the Tata Motors Group managed its finances prudently, meeting the business needs and maintaining sufficient liquidity at all times to navigate the impact of external challenges. In FY 2022-23, owing to strong business performance, Tata Motors Limited prepaid some of its long-term borrowings, in line with its commitment to deleverage. The Company prudently managed its finances in rising interest rate scenario. The Company did not raise any long-term debt in FY 2022-23. As at March 31, 2023, the Group liquidity for domestic operations was ₹9,233 crore, whereas the liquidity at JLR was £ 5.3 bn (including unutilized credit facility of £1.5 bn). The net debt for domestic operations stood at ₹6,159 crore, whereas the net debt at JLR was £ 3.0 bn.

As business performance improved sequentially, the credit ratings of the Company underwent positive revisions. In February 2023, ICRA upgraded the outlook to Positive from Stable, whereas in April 2023, S&P upgraded the credit rating of the Company from BB-/Stable to BB/Stable.

Please refer to the paragraph on Credit Ratings in Corporate Governance Report and Liquidity and Capital Resources in the Management Discussion & Analysis section for detailed analysis.

Material Changes and Commitment Affecting the Financial Position

There are no material changes affecting the financial position of the Company subsequent to the close of the FY 2022-23 till the date of this Report.

CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements of the Company and its subsidiaries for FY 2022-23 have been prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and as stipulated under Regulation 33 of 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 form part of this Annual Report.

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

Further, pursuant to the provisions of Section 136 of the Act, the Company will make available the said financial statement of the subsidiary companies upon a request by any Member of the Company or its subsidiary companies. These financial statements of the Company and the subsidiary companies will also be kept open for inspection by any member. The members can send an e-mail to inv_rel@tatamotors.com upto the date of the AGM 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 88 subsidiaries (15 direct and 73 indirect), 11 associate companies, 4 joint ventures and 2 joint operations as at March 31, 2023, as disclosed in the accounts.

A diagrammatic representation of the subsidiary structure is available on the Company's website at: https://www.tatamotors.com/investors/annual-reports/

During FY 2022-23, the following changes have taken place in subsidiary / associates / joint venture companies:

- Trilix S.r.l, ceased to be Wholly Owned Subsidiary ('WOS') of Tata Motors Passenger Vehicles Limited ('TMPVL') and became a WOS of Tata Passenger Electric Mobility Limited ('TPEML') w.e.f April 28, 2022.
- TML Smart City Mobility Solutions Limited was incorporated on May 25, 2022, as a direct subsidiary of Tata Motors Limited.
- TML Smart City Mobility Solutions (J&K) Private Limited was incorporated on October 13, 2022, as a direct subsidiary

of TML Smart City Mobility Solutions Limited, a direct subsidiary of Tata Motors Limited.

- JT Special Vehicles Private Limited's name was changed to Jaguar Land Rover Technology and Business Services Private Limited with effect from April 12, 2022.
- The Company during the year has completed the procedural requirements mentioned under the Share Purchase Agreement executed between Marcopolo S.A, Joint Venture Partner, Tata Marcopolo Motors Limited ('TMML') and the Company for acquiring the entire shareholding in TMML held by Marcopolo SA. TMML became the Company's WOS w.e.f August 29, 2022. The name of TMML was changed to Tata Motors Body Solutions Limited w.e.f. December 30, 2022.
- Jaguar Land Rover Ventures Limited acquired 39.80% shre holding in Sertec Corporation Limited on June 17, 2022, consequent to which Sertec Corporation Limited become an associate Company.
- TPEML, a WOS of the Company recieved the second tranche of investment amount ₹3,750 crore from TPG Rise Climate ('TPG') in January 2023, pursuant to the Shareholders Agreement ('SHA') signed in November 2021. With this investment, TPG completed its investment of ₹7,500 crore as contemplated in the SHA.

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

RISK MANAGEMENT

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement, monitor and review the Risk Management plan and to ensure its effectiveness.

Through an Enterprise Risk Management Program, the business units and the corporate functions address their short term, medium term and long terms risks. The Audit committee has an additional oversight on the financial risks and controls.

Please refer to the paragraph on the Risk factors in the Management Discussion & Analysis section for detailed analysis.

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.

Please refer to the paragraph on Internal Control Systems and their Adequacy in the Management Discussion & Analysis section for detailed analysis.

HUMAN RESOURCES

Please refer to the paragraph on Human Resources / Industrial Relations in the Management Discussion & Analysis section for detailed analysis.

DIVERSITY AND INCLUSION

The Company believes that 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. 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 diversified leaders in near future.

The Company employed 7.64% women employees in FY 2022-23 vis- à-vis 4.97 % in FY 2021-22.

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 2022-23, the Company had received eleven complaints on sexual harassment of which six have been suitably closed in accordance with the Company's processes. The pending cases are largely cases that were registered in Q4 FY 2022-23 and are in various stages of enquiry / redressal (of the five open cases, three have been closed as of May 12, 2023). The Company organized over 279 awareness workshops across various locations in order to cover flexible and temporary workforce, contractual staff, blue collar employees, new joiners etc. covering approximately 12,500 resources. An e- module on Prevention of Sexual Harrasment ('POSH') awareness is rolled out as a mandatory training for all permanent White collar employees from time to time and mandatory for new joiners on joining. In order to ensure uniform understanding and larger coverage, a video based awareness module has been developed in local languages for the blue collar and contractual employees and is ready for deployment.

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

TML ESOP 2018

Pursuant to the approval of Members at the AGM held on August 3, 2018, the Company adopted TML ESOP 2018, in order to retain and incentivize key talent, for driving long term objectives of the Company and ensuring that employee payoffs match the long gestation period of certain key initiatives whilst simultaneously fostering ownership behavior and collaboration amongst employees. The TML ESOP 2018 was implemented for grant of not exceeding 1,38,00,000 Stock Options in aggregate to entitle the grantees to acquire, in one or more tranches, not exceeding 1,38,00,000 Ordinary Shares of the Company of the face value of ₹ 2/- each at an Exercise price of ₹ 345/- per share.

During the FY 2022-23 at the AGM held on July 4, 2022 Members approved amendment in TML ESOP 2018. As of March 31, 2023, out of the said 81,47,633 stock options so granted, 24,96,465 stock options have been vested, out of which 11,13,230 stock options have been exercised. Further, stock options 19,34,853 remained unvested and 2,72,335 stock options had been treated as lapsed and forfeited.

Subsequently, the Company had allotted 79,821 Ordinary Shares of ₹2/- each during the period from April 1, 2023 to the date of this Report under TML ESOP 2018.

TML SLTI Scheme 2021

Pursuant to the approval of Members at the AGM held on July 30, 2021, the Company adopted TML SLTI Scheme 2021. The TML SLTI Scheme comprises of two reward mechanisms; (a) Performance Share Units, and (b) Stock Options. The objective of TML SLTI Scheme 2021 is to reward Eligible employees of the Company and of the subsidiary companies, to drive long term objectives of the Company, to motivate and retain employees by rewarding for their performance, to retain and incentivize key talent to drive long term objectives of the Company, to ensure that the senior management employees' compensation and benefits match the long gestation period of certain key initiatives; and to drive ownership behaviour and collaboration amongst employees.

In terms of TML SLTI Scheme 2021, (i) Not exceeding 75,00,000 Ordinary Shares of the face value of ₹2/- each fully paid up, and (ii) Not exceeding 14,00,000 Ordinary Shares of the face value of ₹2/- each fully paid up; are available for 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 performance share units, as determined by Nomination and Remuneration Committee ('NRC').

During FY 2022-23, there has been no change in the TML SLTI Scheme 2021. In FY 2021-22, 8,39,650 stock options and 9,64,569 Performance share units were granted and in FY 2022-23, 659,186 Performance share units were granted. There were no performance share units vested or any shares issued on vesting during the year and no stock options and no performance share units had lapsed and forfeited.

The statutory disclosures as mandated under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI Regulations 2021') and a certificate from the Secretarial Auditors confirming implementation of the above Schemes in accordance with SBEB Regulations and Members approval, will be available for electronic inspection by the Members during the AGM and is also hosted on the website of the Company URL: https://www.tatamotors.com/investors/ESOP/

PARTICULARS OF EMPLOYEES AND REMUNERATION

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

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

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

SAFETY & HEALTH – PERFORMANCE & INITIATIVES

With continuation of Safety Excellence Journey, the Company has achieved another Fatality Free Year 2022-23. In our endeavor towards achieving benchmark safety culture, multiple initiatives were started last year which helped the Company improve on hazard mitigation and risk reduction.

The Company Leadership team conducted detailed review of safety management system in April 2022 and came up with a comprehensive 'Zero Incident Plan'. 31 themes and 51 major actions were initiated across the Company with a L2 leader leading 5 pillars of a plan each. For Hazard mitigation, first project to be launched was on identifying Critical to Safety Stations ('CTS') and mitigation of hazards through appropriate safety controls namely; S1 (People control), S2 (engineering control) and S3 (elimination/substitution or failsafe control) across the Company's plant locations. This systematic approach towards hazard identification and mitigation helped the Company reduce injuries at 801 CTS stations by 33%. In FY 2022-23, the Company started focused contractor employee safety initiative for 2 critical areas where potential hazard is highest. These activities are vehicle movement/ store management and conservancy services. Over a year, 109 administrative/ 26 engineering safety controls were established in vehicle movement/store management and 69 administrative/8 engineering controls in conservancy operations. In addition, 72 Safety Kaizen exercises were done across locations with themes such as manual handling of material, safety implementation in logistics area, ladder/ stair safety and vehicle movement safety. In commercial safety, we launched a 'Model Workshop plan' for our dealer workshops in all corners of the country. In this initiative a standardized safety management system was installed in workshops, Capability building on safety done, appointment of a safety resource ensured and continuous improvement in safety initiated. In the first year of the program, 42 workshops across country were identified as a 'Model workshops'.

Tata Motors safety performance was monitored and reviewed through Pro-active Safety Index which is a combination of lag ('TRCFR reduction') and lead (18 lead safety measures) parameters. Focused training sessions on Root Cause Failure Analysis, Incident investigation techniques and I-care to improve risk perception among employees were conducted. Special Attention was given to impart training to new joiners to improve their capabilities on risk perception and working safely. Digital analytics is being leveraged for improved analysis and identifying focus areas.

In FY 2022-23, for the Company's plants, Total Recordable Case Frequency Rate is reduced by 37% to 0.66, against 1.04 reported in FY 2021-22. Lost Time Injury Frequency Rate in FY 2022-23 reduced by 41% to 0.13 compared to 0.22 in FY 2021-22. Measure of Proactive Safety performance, Proactive Safety Index-2 (higher the better) was at 98.06% in FY 2022-23 compared to 70% in FY 2021-22.

The Company has robust governance mechanism for Occupational Safety & Health, where reviews are undertaken at multiple levels. The Safety, Health and Sustainability Committee of Board is an apex review body, which reviews performances quarterly, followed by monthly reviews by SHE Council, chaired by Executive Director. Further reviews at factory level are taken by Apex Committees (led by plant heads), various Sub-committees for Safety Standards and then the Factory Implementation committees. For Non-manufacturing areas, focused safety reviews happen at defined frequency at regional offices with Customer Service and Warehouse teams.

The Company adopted 'A Healthy Workplace' framework by "Arogya World" which is a NGO working to prevent non-communicable diseases in India. In this framework, there are 2 distinct themes namely; non-communicable disease prevention & Emotional wellness. Various initiatives like Tobacco de-addiction, weight management program, healthy eating, supporting recovery, managing stress & manager sensitization program on stress signals were undertaken.

The Company provides "Employees Assistance Program"- a confidential, third party, free of cost counselling service for employees and dependants since April 2020. During FY 2022-23, 543 employees and dependents availed counselling service through helpline. 24 online sessions on Emotional wellbeing were organized and 4646 employees attended these sessions.

BOARD'S REPORT

During FY 2022-23, the Company received recognition and accolades for Occupational Health & Safety. TBEM external assessors identified 2 safety practices- 'Critical to safety Stations and S1S2S3 safety controls' & 'Proactive safety Index' as a Promising Practices. The Company also received Gold award from OSSHAI for excellence in Occupational Health & safety. For Occupational health, the Company received Gold award in healthy workplace program by Arogya World.

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 2022-23 the said ENCON efforts contributed to energy savings of 34.42 lakh kWh electricity and 23,098 GJ of fuel, resulting into avoided emission of 5220 tCO_2e and cost savings of ₹4.89 crores to the Company. In FY 2022-23, the Company generated / sourced 81 million kWh of renewable electricity for its manufacturing operations, which amounts to 23.5 % of the total power consumption and contributed in avoidance of emission of 57,427 tCO_2e.

The Company generates renewable energy (RE) in-house through solar PV (photovoltaic) installations, off-site captive wind farms and through procurement of off-site wind and solar power through "Power Purchase Agreements" ('PPA's'). As on FY 2022-23, the Company's in-house installed Solar PV installation capacity is Pimpri (Pune) - 5.8 MWp; Chinchwad (Pune) - 0.435 MWp; Jamshedpur - 7.5 MWp; Pantnagar - 7 MWp; Lucknow - 4.07 MWp; and Dharwad - 1 MWp.

In FY 2022-23, the Company conserved a total of 8,09,036.3 lakh m^3 of water through recycling effluent and rainwater harvesting, which is 21% of total water consumption. Two Plants achieved Water Neutral certification in FY 2022-23 and remaining Plants are working towards achieving the same. In FY 2022-23, 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 CSR 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 2022-23 is uploaded on the website of the Company and the same is available on https://www.tatamotors.com/investors/annual-reports/

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment / Re-appointment

As reported last year, Mr Al-Noor Ramji (DIN: 00230865), was appointed as an Additional Director and Non-Executive Independent Director on the Board of the Company w.e.f May 1, 2022. Mr Om Prakash Bhatt (DIN: 00548091) and Mrs Hanne Birgitte Sorensen (DIN: 08035439) were re-appointed as Non-Executive Independent Directors on the Board of the Company w.e.f May 9, 2022 and January 3, 2023, respectively. Aforesaid appointments were approved by the Members at the 77th AGM held on July 4, 2022.

The Board of Directors on the recommendation of NRC and in accordance with provisions of the Act and SEBI Listing Regulations has appointed Mrs Usha Sangwan (DIN: 02609263) as an Additional and Non-Executive Independent Director on the Board for a tenure of 5 years w.e.f. May 15, 2023, subject to approval of Members at this

AGM. She shall hold office as Additional Director upto the date of this AGM and is eligible for appointment as a Director.

In accordance with provisions of the Act and the Articles of Association of the Company, Mr N Chandrasekaran, Non-Executive Director (DIN: 00121863) is liable to retire by rotation at the ensuing and is eligible for re-appointment.

Mr Theirry Bolloré (DIN: 08935293) vide letter dated November 16, 2022, tendered his resignation as the Chief Executive Officer of Jaguar Land Rover Automotive Plc, UK ("JLR"), a WOS of the Company due to personal reasons w.e.f. December 31, 2022. Consequent upon cessation of his aforesaid employment with JLR, Mr Thierry Bolloré has resigned as Non-Executive Non-Independent Director of the Company w.e.f December 31, 2022.

The Board of Directors places on record their appreciation for contributions made by Mr Bolloré during his tenure.

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

Independent Directors

In terms of Section 149 of the Act and the 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 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 and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with 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 2022-23 were:

- Mr Girish Wagh, Executive Director
- Mr Pathamadai Balachandran Balaji, Group Chief Financial Officer
- Mr Maloy Kumar Gupta, Company Secretary

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 Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis, as required in terms of the SEBI Listing Regulations, is annexed to this Report.

MEETINGS OF THE BOARD

The Board of Directors held 6 (six) meetings during the FY 2022-23. For details, please refer to the Report on Corporate Governance, which forms 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
- Technology Committed

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 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 provision 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

Please refer to the Paragraph on Familiarisation Programme in the CG Report for detailed analysis.

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 (salient features) has been briefly disclosed hereunder and in the Report on Corporate Governance, which is a part of this 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, KMPs 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 Wemployees 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. All persons have 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').

The policy of vigil mechanism 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 re-appointed as the Statutory Auditors of the Company for a tenure of 5 years commencing from the conclusion of the 77th AGM of the Company until the conclusion of the 82nd AGM of the Company to be held in the year 2027.

The Statutory Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

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 of the forthcoming AGM.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Director appointed M/s Parikh & Associates, (Registration No. - P1988MH009800), a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the year ended March 31, 2023. The Report of the Secretarial Audit is annexed herewith as **Annexure - 4**. The said Secretarial Audit Report does not contain any qualification, reservations, adverse remarks and disclaimer.

Cost Audit & Cost Records

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, 2024. 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 Board on recommendations of the Audit Committee have approved the remuneration payable to the Cost Auditor, subject to ratification of their remuneration by the Members at the forthcoming AGM. The resolution approving the above proposal is being placed for approval of the Members in the Notice for this AGM.

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 the FY 2022-23 with related parties were on an arm's length basis and in the ordinary course of business and approved by the Audit Committee. Certain transactions, which were repetitive in nature, were approved through omnibus route.

As per the SEBI Listing Regulations, if any Related Party Transactions ('RPT') exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as material and would require Members approval. In this regard, during the year under review, the Company has taken necessary Members approval. However, there were no material transactions of the Company with any of its related parties as per the Act. Therefore the disclosure of the Related Party Transactions as required under Section 134(3)(h) of the Act in AOC-2 is not applicable to the Company for FY 2022-23 and, hence, the same is not required to be provided.

The details of RPTs during FY 2022-23, 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 the FY 2022-23, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees, commission and reimbursement of expenses, as applicable.

Pursuant to the requirements of the Act and the SEBI Listing Regulations the Company has formulated a policy on RPTs and is available on Company's website URL: https:// investors.tatamotors.com/pdf/rpt-policy.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As per Section 186 of the Act, the details of Loans, Guarantees or Investments made during FY 2022-23 are given below:

₹ in crore

Name of Companies	Nature of Transactions	Loans	Investments
TML Smart City Mobility Solutions Ltd.	Equity infusion	--	5.00
Tata Motors Body Solutions Ltd. (previously known as Tata Motors Marcopolo Ltd.)	Equity investment	--	99.99
	ICD	15.00	--
TML CV Mobility Solutions Ltd.	Equity infusion	--	44.95
TML CV Mobility Solutions Ltd.	Loan	45.00	--

During FY 2022-23, 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 2022-23.

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 profit 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.

Please refer to the paragraph on Internal Control Systems and their Adequacy in the Management Discussion and Analysis report for detailed analysis.

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

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 Statement.
- 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 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 members, 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, 2023

Annexure – 1

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

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

1. a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2022-23:

Sr No.	Names of Directors	Designation	Ratio of remuneration@ to median remuneration	% increase in the remuneration
I	Non-Executive Director(s)			
1	Mr N Chandrasekaran(1)	Chairman- Non-Executive Director	-	-
2	Mr Om Prakash Bhatt	Independent Director	10.22	76.27
3	Ms Hanne Sorenson	Independent Director	10.18	86.87
4	Ms Vedika Bhandarkar	Independent Director	9.89	75.57
5	Mr Kosaraju Veerayya Chowdary	Independent Director	7.65	51.09
6	Mr Al Noor Ramji(2)	Independent Director	*	*
7	Mr Mitsuhiko Yamashita	Non-Executive & Non-Independent Director	7.61	52.01
8	Mr Thierry Bolloré(3)	Non-Executive & Non-Independent Director	*	*
II	Executive Director			
9	Mr Girish Wagh(4)	Executive Director	*	*
III	Key Managerial Personnel			
1	Mr P B Balaji	Group Chief Financial Officer	N.A	21.07
2	Mr Maloy Kumar Gupta	Company Secretary	N.A	*

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

@ includes non executive remuneration which is payable on obtaining shareholder's approval, being sought at the ensuing Annual General Meeting.

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, effective from May 1, 2022. Hence, his remuneration is not comparable.
3) Mr Bolloré ceased to be Non Executive Director of the Company effective December 31, 2022. Hence, his remuneration is not comparable.
4) Appointed as an Executive Director of the Company effective July 1, 2021. Hence, his remuneration is not comparable.

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	15.00	12.1
Blue Collar	9.15	15.2

The Median Remuneration of employees for the FY 2023 is ₹ 10.90 lakh. The percentage increased in the median remuneration of employees in the financial year was 17.6%.

2. The number of permanent employees on the rolls of Company as at March 31, 2023: 20,777

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 FY 2023 (in %)
All permanent (Blue Collar and White Collar)	12.40
White Collar	10.31
Blue collar	15.77
Executive Directors / Managerial Remuneration	
Girish Wagh	*

* since the remuneration of the Director is only for the part of the previous year the increase in remuneration is not comparable.

Note: Salaries for blue collar includes only TFP (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.

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

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

On behalf of the Board of Directors

N CHANDRASEKARAN
Chairman
(DIN: 00121863)

Mumbai, May 12, 2023

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]

(i) A 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, Company's CSR efforts shall focus on Health, Education, Environment, Employability and Rural Development 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.

(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): Drivers 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 2022-23, a total of 8.01 Lakh beneficiaries were covered through CSR programmes.

(iii) **Employee Volunteering:** Volunteering is one of the key mechanisms that we have chosen to give back to the society by channelizing our most valuable assets, our people, towards societal good. Over and above directing professional expertise and rich experience towards pressing environmental and social issues, volunteering enhances social cohesion and strengthens communities. Through this institutionalized volunteering, employees associate and engage with important causes and create a positive impact on the lives of many. In the year 2022-23, 9495 employees volunteered for 35,756 man-hours and benefitted 47,360 people.

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 Kosaraju Veerayya Chowdary	Member, (Non-Executive, Independent Director)	3	3
4	Mr Girish Wagh	Member, (Executive Director)	3	3

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, 2014, 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. (a) Average Net Profit of the Company as per Section 135(5): ₹ (4,141.67) crore

(b) Two percent of average net profit of the company as per section 135(5): Not applicable in view of loss.

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not applicable in view of the loss.

(d) Amount required to be set off for the financial year, if any: Not Applicable

(e) Total CSR obligation for the financial year (b+c+d): Nil

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Onging Project): ₹ 20.46 crore (details attached)

(b) Amount spent in Administrative Overheads: ₹0.35 crore

(c) Amount spent on Impact Assessment, if applicable: Not applicable

(d) Total amount spent for the Financial Year (a+b+c): ₹20.81 crore

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year	Amount Unspent (in ₹ Crore)				
	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.
₹ 20.81 crore	Not Applicable				

(f) 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)	Not applicable
(ii)	Total amount spent for the Financial Year	20.81
(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

BOARD'S REPORT

7. (a) Details of Unspent CSR amount for the preceding three Financial Years:

Sr. no.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in 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(5), if any.		Amount remaining to be spent in succeeding Financial Years. (in ₹)	Deficiency, if any
					Amount (in ₹ Crore)	Date of transfer.		
Not applicable								

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Years

☐ Yes ☑ No

If Yes, enter the number of Capital assets created/ acquired: Not applicable

Furnish the deatils relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year:

Sr. no.	Short particulars of the Property or asset(s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registrered address
Not applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no. Municipal office /Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable propery as well as boundaries)

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

Mumbai, May 12, 2023

Girish Wagh
Executive Director
DIN: 03119361

Om Prakash Bhatt
Chairman - CSR Committee
DIN: 00548091

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.	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.

Not Applicable

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	CSR Registration number
				State	District						Name	
1.	Skill Development and vocational skills in Automotive and Non-Automotive Sector	Employability Enhancing Skill Development	yes	Andhra Pradesh	Visakhapatnam, Vizianagaram	1 yr	3.90	3.90	NA	NO	MITCON Foundation	CSR00001242
				Chhattisgarh	Champa						Agnel Institute of Technical Training & Entrepreneurship Development	CSR00003513
				Goa –	Goa						Yashaswi academy for skills	CSR00000192
				Gujarat -	Ahmedabad, Vadodara						Y4D Foundation	CSR00000374
				Jharkand -	East Singhbum,						Shashwat Trust Junnar	CSR00003294
				Karnataka -	Bijapur, Dharwad, Hassan, Honnavar, Mangalore						Pratham education foundation	CSR00000258
				Kerala -	Ernakulam, Kannur, Kottayam, Thrissur, Thiruvananthapuram						Skills for Progress	CSR00006979
				Maharashtra	Mumbai, Nashik, Pune, Palghar, Thane						Ramkrishna Mission	CSR00006101
				Meghalaya -	Shillong, West Jaintia Hills, West Khasi Hills						Canara Bank Deshpande Rural Self Employment Training Institute	CSR00010246
				Orrisa -	Balasore, Mayurbhanj						Sankalpa Rural Development Society	CSR00005657
				Punjab -	Jalandher						Vikas Samities	CSR00016403
				Tamil Nadu -	Dindugal, Erode, Karur, Kumbakonam, Madurai, Thiruvallur, Nagapattinam, Thiruvannamalai, Tiruchirapalli, Villuppuram						Sanand Education Trust	CSR00008524
				Uttarakhand-	Udham Singh Nagar						Punyaprapti medical & educational foundation	CSR00019785
				Uttar Pradesh -	Barbanki, Lucknow						Lok bharti education society	CSR00001361
				West Bengal	Asansol, Bankura, Kolkata, Purba Medinipur						Paryavaran evam jan kalyan samiti	CSR00020683

TATA MOTORS

BOARD'S REPORT

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	CSR 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 Delhi, Noida Ahmedabad, Gadhinagar East Singhbum Dharwad Mumbai, Kolhapur, Palgarh, Pune, Sindhudurg, Thane Nainital, Udham Singh Nagar Barbanki, Lucknow	1 yr	8.05	8.05	NA	No	Suprabhat Mahila Mandal	CSR00001592
											The Bombay Young Men's Christian Association	CSR00003039
											Moinee Foundation	CSR00000043
											Sevasahyog Foundation	CSR00000756
											Youth Organisation for Joining Action And Knowledge	CSR00004499
											Swadeep Shikshan Vikas Sansthan	CSR00000116
											Avanti Fellows	CSR00000837
											Tata Institute of Social Sciences	CSR00003475
											Swami Vivekananda Youth Movement	CSR00002215
											Shiksha Prasar Kendra	CSR00014723
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	3.38	3.38	NA	No	Sneh Foundation	CSR00002375
											Snehdeep Janklyan Foundation	CSR00003437
											Niramaya health foundation	CSR00000186
											LTH Silver Jubilee Research Foundation	CSR00008795
											Family Planning Association of India	CSR00002424
											Parivar Kalyan Sansthan	CSR00014716
											Nav Jagrat Manav Samaj	CSR00012716
											Namaste Life	CSR00007943
											Sumant Moolgaokar Development Foundation	CSR00006722
											Institute of Social Development	CSR00006539
4.	Ensuring environmental sustainability through awareness and protection of natural habitats			Gujarat - Jharkand - Karnataka Maharashtra Uttarakhand	Ahmedabad, Dharwad East Singhbum All district All district Udham Singh nagar	1yr	3.97	3.97	NA	No	Terre Policy Center	CSR00001446
											Wildlife research and Conservation Society	CSR00004158
											Gram Vikas Kendra	CSR00014729
											Astittva welfare foundation	CSR00006147
											Manav Seva Education & Charitable Trust	CSR00005326
5.	Rural Development	Rural development projects		Maharashtra Gujarat	Palghar Bavla- Ahemadabad	1yr	1.16	1.16	NA	No	BAIF institute for sustainable livelihoods and development	CSR00000259
											Collectives for Integrated Livelihood Initiatives (cini)	CSR00000508
											Dharti Charitable Trust	CSR00007331

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. Some of the major ENCON Projects in FY 2022-23 include:

- Jamshedpur: Elimination of baking oven operation through Quick Dry Paint implementation in Frame Factory, operation of cooling tower pump motor of CCHF furnace through VFD in Heat Treatment-Transmission.
- Pimpri : VFD, LED, HVLS fan projects in manufacturing areas, fuel saving by process temperature optimization for manufacturing area.
- Chinchwad and Maval Foundry : Commonisation of pump room, cycle optimisation of de-coring machine, yield improvement & diesel consumption reduction in ladle preheater area.
- Lucknow : Top coat booth balancing at paint shop and installation of VFD for wash pump of beam washing machine.
- Pantnagar: Pressure scheduling in paint shop by installing IFC unit ,New ED paint implementation having low baking temperature.
- Dharwad: Monitoring power consumption through Industry 4.0 digitalisation and LED migration projects.

These ENCON efforts in FY 2023 have resulted into energy savings of 34.42 lakh kWh electricity and 23098 GJ of fuel resulting into avoided emission of 5220 tCO_2e and cost savings of ₹ 4.89 crore.

(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 2022-23, which brings the total installed capacity to:

- 5.8 MWp Solar PV installation at Pune (Pimpri);
- 7.5 MWp Solar PV at Jamshedpur;
- 7 MWp Solar PV installation at Pantnagar;
- 0.435 MWp Solar PV installation at Chinchwad;
- 4.07 MWp Solar PV installation at Lucknow ;
- 1 MWp Solar PV installation at Dharwad;

The Company also sources off-site renewable energy through Power Purchase Agreements (PPA) with Third Party Wind & Solar Power Generators .The Company plans to continue to source off-site renewable power in line with regulatory policies / frameworks and tariffs in the States where we operate. These efforts will continue to help offset greenhouse gas emissions in the coming years.

In FY 2022-23 the Company generated / sourced 81 million kWh of renewable electricity for its manufacturing operations which is 23.5% of the total power consumption. This contributed to avoidance of 57,427 tCO_2e

(iii) The capital investment on energy conservation equipment:

In FY 2022-23, the Company has invested ₹ 2.87 crore in various energy conservation projects.

Awards / Recognition received during the year is as below:

1. Jamshedpur won the top position in Energy Intensive Group at the 15th CII ENCON Awards 2022, organised by CII Eastern Region.
2. Pimpri won 23rd "CII - National Award for Excellence in Energy Management-2022"

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Technology & Product Development with Sustainability focus: In fiscal 2023, on the commercial vehicle front, Tata Motors continued with focus on the developing products & technologies for catering to the megatrends (CESS – Connected, Electric, Safe & Shared) that have been impacting the automotive industry. To leverage new growth areas in product and services, company furthered the features being offered through its connected vehicle platform in the Indian market, which is branded under the Fleet Management Solution through homegrown Fleet Edge brand to enhance the connected mobility experience.

Being committed to holistic sustainability & net zero carbon emission goals, Tata Motors set the direction of the Auto industry by showcasing 14 vehicle demonstrators & powertrain at the Auto Expo 2023, organized at Greater Noida. All of these concept vehicles/technology demonstrators were dedicated towards pathways of emission reduction, New & alternative energy along with cutting edge solutions for Connectivity, Safety, Comfort & Convenience. Starbus fuel cell EV, Prima E.55S, Prima H.55S, Signa (28 to 55 T range), Azura (7 to 19T range), Ultra E.9, Magic EV, Prima E.28K and TML revealed Yodha CNG & Intra V20 BiFuel, Prima G.35K, Premium version of Winger, were on the display which have been highly appreciated by all stakeholders ranging from the prospective customers, industry bodies, Govt agencies and competition alike.

Advanced design engineering, further reduction in vehicle out emissions, efficiency improvements CNG/ LNG based powertrains, battery electric vehicles, Hydrogen based fuel cell propulsion systems and Internal Combustion engine technologies are an indicator to TML accelerating the adoption of sustainable mobility.

Tata Motors is redefining the ecosystem partnership model in the clean mobility space through shared portfolio of efforts (towards net zero), de-carbonization expertise and advocacy, and an active projects pipeline. Development of driver assistance features & safety technologies is a focus area considering upcoming regulations.

During FY 2022-23, Tata Motors created new trucking history with the launch of India's first CNG-powered Medium & Heavy Commercial Vehicle (M&HCV) truck. 7 new Intermediate & Light Commercial Vehicles (I&LCV) trucks LPK 610, LPT 709g XD, SK 710, Ultra T.12g, Ultra K.14, LPT 1512g, Ultra T.16 Cx were launched. On Small Commercial Vehicles front, company launched Yodha 2.0, Intra V20 bi-fuel and Intra V50 which are ideal to service the diverse mobility needs of the fast-growing agriculture, poultry and dairy sectors as well as the expanding delivery requirements of FMCG, e-commerce and logistics sectors.

The Company continued to deliver variants of BS6 products across all segments covering diesel, gasoline with up to E10 blend and CNG fuels as per domestic market requirements. Engine design & development releases for compliance to emission certification for identified international markets was in parallel to domestic deliveries.

Some of the key areas where features were added aiming to improve fuel economy, to lower cost of ownership and the footprint of conventional powertrains are - extension of BS6 automotive technology to engines used in industrial and genset applications, proprietary engine oil formulation to double oil change intervals and fuel economy by 1-3%, improved diagnostics of powertrain components through connected vehicle platform technology.

(i) Efforts made towards innovation, technology development, absorption and adaptation

- The introduction of the Ace EVs on Indian roads marks a big step forward in the journey towards zero-emission cargo mobility. As a part of technology adaption strategy the company has been executing a long term multi stepped approach i.e. developing solutions for conventional fuels, various blends of Ethanol, Bio Diesel & Bi Fuels, Alternate fuels (CNG/ LNG) and a multi-pronged for zero emission in the form of BEVs, Fuel Cell & Hydrogen based internal combustion engine.

- Revisit of engine design & material aspects for compliance to higher ethanol blends; typically beyond E20 (flex fuel technology) and other emerging blends in conventional fuels. New Technology Conceptualization and Demonstration (TCDS) process which is part of the New Technology Planning and Development Systems has been institutionalized for encouraging evaluation of practically implementable technologies leading to value addition and being classified as first-in-world and/or first-in-India categories. Initiation of hydrogen IC engine design and development; a major step towards sustainability and net zero commitment.
- Company has already pioneered driver assistance feature in commercial vehicles by launching ADAS features in Prima & Signa Heavy commercial trucks. Further company has initiated development of enhanced ADAS features across all platforms to improve vehicle & road safety.
- Tata motors is working on development of in-house control software development for electric powertrains, prognostics and high fidelity powertrain plant models for HIL testing.
- As part of its efforts to nurture Industry Academia collaboration, the company is participating in the Govt of India initiated Ucchatar Avishkar Yojana(UAY) project with IIT Kharagpur and Indian Institute of Science(IISc), Bangalore through which indigenous technology for battery packs, traction motors and engineering solutions for system integration is being developed. TML is also collaborating with academic institutions like IISc Bangalore and IIT Bombay for indigenous development of power electronics converters, fuel cell accessories, and control algorithm for battery management system and heat exchanger for fuel cell applications.
- In steps towards leveraging its long standing strategic partnership, Tata Motors signed MoU with Cummins for development of next generation, hydrogen propulsion systems. Tata motors is working to indigenize the cutting-edge hydrogen technology to offer its customers an expanded portfolio of green and future ready commercial vehicles, accelerate the adoption of sustainable mobility in the country, and to contribute towards India's 'net zero' carbon emission goals.

IPR Generation

On the IPR front, during Fiscal 2023, the company filed a record number of 642 IPRs during the period of April 22 to March 23 which include 102 patent applications, 44 design applications, 465 Notarizations, 31 copyright application. The company also got a grant of 27 patents during the same period. 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.

- Continuing its winning streak at IP creation, Tata Motors emerged a winner at the ASSOCHAM (The Associated Chambers of Commerce and Industry of India) 'IP Excellence Awards 2022' under the category of 'Top Patent Driven Industry Award (Large Enterprise) of the Year'.
- Tata Motors won 'Asia IP Elite 2022' award from Intellectual Asset Management (IAM) Tokyo, in recognition of commitment to world-class IP Value creation.
- Best Patent Portfolio, Large (Manufacturing/ Engineering)' from Confederation of Indian Industry (CII).
- IP Excellence Award, 2022' from Questel.

(ii) Benefits derived as a result of the above efforts

- Tata Motors is the market leader in commercial vehicle segment in India due to its continuous & laborious efforts towards Research & Development activities. Major technologies are developed in-house or in collaboration with global technology partners.
- Through focused in-house development of technology, TML is able to offer new technology products at more affordable prices compared to global equivalent products. For example, TML won the electric bus and Electric cars orders from the Govt of India through a global

tender in which electric buses and electric cars from TML came out at the lowest cost. Further, the indigenously developed fuel cell buses would be far cheaper than the fuel cell buses available from a handful of global bus manufacturers, if put to production.

- As a result of an exciting product launches & exhibits, Tata Motors commercial vehicle business is seeing continuous growth in terms of sales & market share over last few quarters.
- The Technology Creation & Development Systems (TCDS) process has helped to advance the introduction of new technology integration into the identified products and maintain competitive edge by being the first in Industry, country or the globe; as the case may be.
- 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:
  - Company won 7 awards at Apollo CV Awards 23 - CV maker of the Year 2023, CV of the year 2023 - Tata Ace EV, EV (4-wheeler) of the year 2023 - Tata ACE EV, LCV Cargo Carrier of the year 2023 - Tata LPT 709 CNG, HCV Tractor of the year 2023 - Tata Prima 5530.S, MCV Cargo Carrier of the year 2023 - Tata Signa 2818.T CNG, CV Transport Solution 2023 - TML Smart City Mobility Solutions Limited.
  - Company was conferred with a total of 307 awards at the 23rd All India Creativity Summit 2022 organized by Indian National Suggestion Scheme's Association (INSSAN).
  - Tata Motors received 'Level 5 Exemplary' in the CII Total Cost Management (TCM) Maturity Assessment at the 21st edition of CII Cost Congress 2022.
  - Tata Motors won the Golden Peacock Innovative Product/Service Award – 2023 for TATA's 2818 CNG Heavy Commercial Vehicle.

Major technology absorption projects undertaken during the last year includes:

Sr. No.	Technology	Status
1	Performance improvement for EV Powertrain Aggregates	Under development
2	Aggregates/Components for fuel cell technology	Under development
3	Slipper Suspension	Developed
4	Advanced alternator	Developed
5	Fuel economy improvements and connected features using Machine Learning/Reinforcement learning	Under development
6	Development of high efficiency traction systems (e-AXLE and Hub Wheel)	Under development
7	In house battery pack development - Unified Architecture	Under development
8	EGR bypass system for fuel economy improvement	Developed
9	Hydrogen IC engines	Under development
10	Flex fuel engine development	Under development
11	Advanced formulation of lubricating engine oil	Developed

Major technology imports include-

Sr. No.	Technology For	Year of Import	Status
1	Advanced Power Systems Engineering test facility for BS6 and beyond	2019-20	Implemented
2	Technology for virtual validation of engines testing	2020-21	Developed
3	Wireless Technologies for Electrification	FY 22-23	Developed and demonstrated
4	Integrated Power Electronics controller	FY 22-23	In progress
5	Advanced energy storage systems - UOT	FY 22-23	In progress

(iii) Specific areas in which R & D carried out by the Company

- Company's focus remains on development of extending EV product range, developing flex fuel powertrain, fuel cell EV & Hydrogen ICE with necessary strategic investments for supporting infrastructure. Also, TML is working in a big way to enhance vehicle & occupant safety of its complete product portfolio. Many active safety features are already developed across its all vehicle platforms.
- Some of the forward-looking R&D programs that the Company is concentrating on are-
  - Electrification of vehicle sub - systems/ auxiliaries for electric buses.
  - Development of advanced electric power train architecture suitable for SCV segment.
  - Ways and means to recover waste heat from existent systems & and harness solar energy
  - 5G connectivity & its applications for infotainment, vehicular communication & other areas
  - Alternative, light weight materials for Commercial vehicle applications
  - Use of Artificial Intelligence & Machine Learning for various use cases
- New Technology initiatives such as - Hydrogen IC engine. Flex fuel engine. Design & development for other emerging fuels such as blends of Methanol, LNG, synthetic fuel. 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 liner coating and other measures. Dynamic spark advance in gasoline engine.

Initiatives Towards Digital Product Development Systems: for Road to Lab Approach & Enhanced Productivity

Digital Excellence Through New Technology Adoptions And Digitalization: Enhanced Digital Product Development Systems

Tata Motors has been a leader in Digitalization in Engineering Space in Indian industry and an influencer in this domain in the global auto industry. Enhanced digital product development systems are contributing to design of safe, smart connected vehicles. Achievements through various initiatives are listed below:

- Connected Vehicle & IoT Platform ('CVP') crossed milestone of 4.6 lakhs of Commercial vehicles on boarding in March 2023. Development and release of 200+ core platform features, 100+ end customer features facilitated Tata Motors to remain in the forefront in connected vehicle segment.
- In-house developed Augmented Reality Platform (Arena) is further matured to create NextGen Augmented Experience of Product for customers and Process Insight for product development teams. Technology is implemented in product attribute verification (PAT) for passenger vehicles. Use of AR in design, testing, manufacturing & service, vehicle benchmarking reduces physical work involved in validation thereby improving productivity of product development.
- Introduced use of latest Block chain technology in automotive cybersecurity domain and successfully completed proof-of-concept project to block unauthorized connection to TML Connected Vehicle Platform
- Business process digitalization, automations, KBE applications and use of BOTS contributed to many areas - Productivity Improvement, Business Execution Excellence & facilitating management to execute business anytime, anywhere.
- Product Engineering has embarked on standardizing interfaces between and within modules as part of its modularity initiative and the compliance of these interfaces are coded through rules which are getting digitalized in coming years. This will help faster time to market as well as to improve productivity of the engineer who needs to ensure compliance of interface rules.

Competency Development

- Tata Motors has given many firsts to the mobility world. To continue this journey, TML consistently works to empower employees to achieve their best, based on right set of Learning and Development programs, Professional Development programs and Industry Academic Partnerships. Company is following systematic approach to identify competency requirement, gaps & training needs at organizational level. Specific training and learning paths are being arranged by learning and development team in collaboration with global Ed-tech platforms.

- To align workforce with our sustainability goal, company has initiated systematic learning approach for its employees. It started right from basics of sustainability & awareness about our goal & what it means for every individual. Company is investing heavily to gain and maintain EV share being the leader in the segment. With more and more data inflow, cloud connectivity, cyber security & vehicle network security is being focused across the vehicle platforms like never before.

Future Areas of Focus

Multiple areas of intervention identified as an enabler to our sustainability goals like vehicle life cycle analysis, adaption of clean technology, fleet fuel economy, value chain environment management etc. Our focus will be to continue on improvements & developing powertrains with cleaner fuel options like natural gas, flex fuel, EV & hydrogen ICE. Subsequently making alternate fuel options affordable to masses will be the next step in this journey.

- There is a clear focus on improving & adding various new features to our digital solution fleet edge connectivity application over & above fuel efficiency, trip management, truck health, safe parking zone, route planning etc.
- Developing the EV strategy for Commercial Vehicle platforms. Modular concept for Electric power train components across all CV EV platforms.
- In house value creation through development of new age vehicle systems & sub systems like high efficiency traction systems (E-axle & Hub wheel). Developing an integrated Electric Vehicle Control Unit EVCU Develop competency for Digital Validation of All EV components through simulation.
- With Digital twin, Customizable, parameterized Battery model will be available with TML, which predicts battery performance degradation with age and Remaining Useful Life Algorithms for battery internal resistance & capacitance estimations will be also ready to extend to programs. Battery cell and pack level fault predictions and prognostics will be used to improve fleet data analytics.
- Process to improve competency enhancement in identified areas of powertrain, core vehicle systems, material technology, digitalization & Softwarization, will continue.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings and Outgo in FY 2022-23	(₹ in crore)
Earning in Foreign Currency	2,979.25
Expenditure in Foreign Currency	1,297.57

ANNEXURE - 4

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

(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-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, 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 March 31, 2023 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 and Sweat Equity) Regulations, 2021;

(e) 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, 2021 and amendments from time to time; (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)

BOARD'S REPORT

(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 report that the managerial remuneration paid during the year is subject to approval of the shareholders pursuant to the provisions of section 196, 197 read with Schedule V of the Act.

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 the Company is required, in terms of Regulation 23(4) of The Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to obtain the approval of shareholders for the transactions with fiat India Automobiles Private Limited, Which has become material related party transactions for the year March 31, 2023 and the Company proposes to take approval of the shareholders at the forthcoming AGM.

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. Tata Passenger Electric Mobility Limited ('TPEML'), a wholly owned subsidiary of the Company acquired Ford India Private Limited's manufacturing plant situated at Sanand, Gujarat, for a total consideration, exclusive of taxes, of ₹725.7 crore.

2. Tata Technologies Limited, a subsidiary of the Company, had filed a draft red herring prospectus dated March 9, 2023 with the Securities and Exchange Board of India for an initial public offering by way of an offer for sale of up to 95,708,984 equity shares for cash, representing approximately 23.60% of its paid-up share capital.

3. The Company has in aggregate allotted 6,82,318 Ordinary shares of Rs. 2/- each under Tata Motors Limited Employees Stock Option Scheme 2018. Also, during the financial year 659,186 Performance Share Units were granted to the eligible employees under Tata Motors Limited Share-based Long Term Incentive Scheme 2021.

4. The Company had completed the procedural requirements mentioned under the Share Purchase Agreement executed between Marcopolo S.A, Joint Venture Partner, Tata Marcopolo Motors Limited ('TMML') and the Company for acquiring the entire shareholding in TMML held by Marcopolo SA. Consequently, TMML became a wholly owned subsidiary of the Company.

5. The Company delisted its American Depositary Shares from the New York Stock Exchange and termination of its American Depositary Share program. However, the Company will continue to be subject to the reporting obligations under the U.S Securities Exchange Act of 1934 until such time as it can terminate its registration under the Exchange Act.

6. The Company executed the Securities Subscription Agreement (the "SSA") with TPG Rise Climate TopGun Pte. Ltd. ("TPG"), a private equity fund, for investment

aggregating to ₹7,500/- crore in the compulsory convertible instruments to secure between 11% to 15% stake in TPEML. Two Tranches amounting to ₹3,750/- crore each were subscribed by TPG on March 30, 2022 and January 31, 2023, respectively.

7. The Company has redeemed non-convertible debentures aggregating to ₹900 crore.

8. The Company has issued commercial paper aggregating to ₹1100 crore and redeemed commercial paper aggregating to ₹2000 crore.

For **Parikh & Associates**
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN: F000327E000294071
PR No.: 1129/2021

Place: Mumbai
Date: May 12, 2023

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: F000327E000294071
PR No.: 1129/2021

Place: Mumbai
Date: : May 12, 2023

Business Responsibility and Sustainability Report (BRSR)

Section A: General Disclosures

I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identity Number (CIN):	L28920MH1945PLC004520
2.	Name of the Listed Entity:	Tata Motors Limited
3.	Year of Incorporation:	1945
4.	Registered Office Address:	Bombay House, 24, Homi Mody Street, Mumbai, Maharashtra- 400001, India
5.	Corporate Address:	Bombay House, 24, Homi Mody Street, Mumbai, Maharashtra- 400001, India
6.	E-mail:	inv_rel@tatamotors.com
7.	Telephone:	+91 22 66658282
8.	Website:	https://www.tatamotors.com/
9.	Financial year for which reporting is being done:	2022-23
10.	Paid-up Capital:	₹ 7,66,01,71,947
11.	Name of the Stock Exchange(s) where shares are listed:	BSE Limited and National Stock Exchange of India Limited
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Mr. Jyotindran Sastabhavan Kutty - Chief Sustainability Officer Telephone: +91 20 6613 2781 E-mail address: kutty@tatamotors.com
13.	Reporting boundary:	Report is done on a standalone basis

II. Products / services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of turnover
1.	Automobile Manufacturing	Motor Vehicles, Trailers, Semi Trailers, and other transport vehicles	84.55%

15. Products / Services sold by the entity (accounting for 90% of the entity's turnover):

Sr. No.	Product / Service	NIC Code	% of total turnover contributed
1.	Vehicles	291, 292, 293	84.55
2.	Spare parts	453	11.11

III. Operations

16. Number of locations where plants and / or operations / offices of the entity are situated:

Locations	Number of plants	Number of offices	Total
National	7*	31 (includes 8 Common offices)	36
International	0	2 (Bangladesh & Dubai)	2

*The Company's manufacturing locations in India are situated at Jamshedpur (Jharkhand), Pune (Maharashtra), Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand), and Dharwad (Karnataka).

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

17. **Markets served by the entity:**

a) **Number of locations:**

Locations	Number
National (no. of states)	Pan-India
International (no. of countries)	125

b) **What is the contribution of exports as a percentage of the total turnover of the entity?**

4.58%

c) **A brief on types of customers:**

The Companies Commercial Vehicles ('CV') caters to a diverse range of customers with varying needs and requirements. Customers include - fleet owners, transporters, government agencies, small and medium enterprises (SMEs), agriculture and rural segment, construction industry etc.

IV. Employees

18. **Details as at the end of financial year:**

a) **Employees and workers (including differently abled):**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
		EMPLOYEES				
1.	Permanent (D)	8901	8290	93	611	7
2.	Other than Permanent (E)	360	288	80	72	20
3.	**Total employees (D + E)**	**9261**	**8578**	**93**	**683**	**7**
		WORKERS				
4.	Permanent (F)	11876	11656	98	220	2
5.	Other than Permanent (G)	16964	14957	88	2007	12
6.	**Total workers (F + G)**	**28840**	**26613**	**92**	**2227**	**8**

b) **Differently abled employees and workers:**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
		DIFFERENTLY ABLED EMPLOYEES				
1.	Permanent (D)	12	12	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D+E)**	**12**	**12**	**100**	**0**	**0**
		DIFFERENTLY ABLED WORKERS				
4.	Permanent (F)	56	56	100	0	0
5.	Other than Permanent(G)	0	0	0	0	0
6.	**Total differently abled workers (F+G)**	**56**	**56**	**100**	0	0

19. **Participation / Inclusion / Representation of women:**

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9*	2	20.22
Key Management Personnel	2**	0	0

*Mr. Thierry Bollore' ceased to be Non-Executive Non-Independent Director of the Company w.e.f. December 31, 2022.

** excludes Executive Director as already covered under Board of Directors.

20. **Turnover rate for permanent employees and workers:**

(Disclose trends for the past 3 years)

	FY 2022- 23			FY 2021- 22			FY 2020- 21		
	Male(%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Permanent Employees	6.90	16.90	7.91	7.50	21.40	8.44	6.50	10.40	6.78
Permanent Workers	0.20	0.50	2.22	0.50	0.50	0.50	3.90	1.00	3.78

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

21. Names of holding / subsidiary / associate companies / joint ventures:

The Company has 88 subsidiaries (15 direct and 73 indirect), 11 associate companies, 4 joint ventures and 2 joint operations as at March 31, 2023, as disclosed in the Integrated Annual Report of FY 2022-23.

The Company positively influences and encourages its subsidiaries to adopt business responsibility 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 also addresses key business responsibility issues like Quality and Customer Value, Corruption and Bribery, Health and Safety, Environment, Human Rights and Employee well-being.

VI. CSR Details

(₹ in crore)

22.	I.	**Whether CSR is applicable as per section 135 of Companies Act, 2013:**	Yes
	II.	**Turnover:**	65,009.35
	III.	**Net worth:**	21,200.27
	IV.	**Total amount spent on CSR for FY 2022-23:**	20.81

VII. Transparency and Disclosures Compliances

23. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place	FY 2022-23			FY 2021-22		
	If Yes, then provide web-link for grievance redress policy	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks
Communities	TML has not instituted a dedicated structure for a formal local community grievance, however the CSR vehicle partially addresses the question by formalising a community feedback mechanism across all its CSR projects and any aggrieved individual/ groups can express their grievances through this annual exercise or on as and when required basis	NIL	NIL	NIL	NIL	NIL	NIL

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place	FY 2022-23			FY 2021-22		
	If Yes, then provide web-link for grievance redress policy	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks
Investors (other than shareholders) - Debentures	Yes, https://www.tatamotors.com/investors/investor-contacts/	NIL	NIL	NIL	NIL	NIL	NIL
Shareholders	Yes, the shareholders can register their grievances at https://scores.gov.in/scores/Welcome.html	86	NIL	NIL	40	1	One pending case was closed subsequently
Employees and Workers	Yes* https://investors.tatamotors.com/pdf/whistle-blower-policy.pdf https://www.tata.com/content/dam/tata/pdf/Tata%20Code%20Of%20Conduct.pdf ethicsoffice@tatamotors.com	82	29	We are currently in process of evaluating the pending complaints. Appropriate action will be taken in case any one is found guilty	48	12	Tata Code of Conduct concerns and POSH cases
Customers	Yes, stakeholders can raise their grievances through ethicsoffice@tatamotors.com https://www.tata.com/content/dam/tata/pdf/Tata%20Code%20Of%20Conduct.pdf	9	2		8	1	NIL
Value Chain Partners		10	2		9	2	NIL
Others (anonymous cases, contractual employees, former employees, other third parties)		52	12		56	13	NIL

*The complaints received under Tata Code of Conduct includes complaints received from Tata Motors Passenger Vehicles Limited, a Wholly Owned Subsidiary.

24. **Overview of the entity's material responsible business conduct issues: Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:**

Please refer to Materiality Assessment and Risk management section in Integrated Annual Report of FY 2022-23.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

	Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Policy and management processes									
1	a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies	https://www.tatamotors.com/investors/corporate-governance/policies/ https://www.tatamotors.com/wp-content/uploads/2015/10/09042523/tata-code-of-conduct1.pdf 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://www.tatamotors.com/wp-content/uploads/2020/05/29134505/affirmative-action-policy.jpg https://investors.tatamotors.com/pdf/anti-bribery-anti-corruption-policy.pdf								
2	Whether the entity has translated the policy into procedures.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes / certifications / labels / standards adopted by your entity and mapped to each principle	The Environmental Policy, Safety & Health policy and Quality policy are aligned with the requirements of international standards ISO 14001, ISO 45001 and IATF 16949. The Company follows GRI Standards to disclose on its material topics in the Integrated Report, which is also mapped against principles of United Nations Global Compact ('UNGC') and Sustainable Development Goals ('SDGs'). The Company voluntarily discloses to Carbon Disclosure Project (CDP) on Climate Change, S&P Global Corporate Sustainability Assessment (CSA) and is committed to Science Based Targets initiative (SBTi).								
5	Specific commitments, goals and targets set by the entity with defined timelines	The Company has set internal goals and targets on each of the principles with a few listed below. In line with Principle 6, following commitments have been made by the Company: (i) Driving Net Zero - The Company is committed to achieving Net Zero Emissions by 2040 for Passenger Vehicles Business and 2045 for Commercial Vehicles Business and has also committed to setting Science Based Targets to act as intermediate milestones in this journey. (ii) Pioneering Circular Economy - The Company already has strong foundations in its operations around responsible use of fresh water aiming for water neutrality by 2030 and disposal of waste, aiming for Zero Waste to Landfill by 2030. (iii) Preserving Nature and Biodiversity - While the Company has a rich legacy of creating water body-based ecosystems around its plants which nurture a wide variety of flora and fauna, the Company intend to take this forward with a more scientific approach and aspire to become a catalyst of Transformation on this subject.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met:	Performance on goals on each of the principles is reviewed periodically by various Committees led by the Management and Board of Directors. A few of them detailed below: 1. Improvement in RE share in total electricity consumption for all our CV Operations – 17.7% in FY 2021-22 to 23.5% in FY 2022-23 2. Our manufacturing facility in Lucknow has been certified as "Water Positive" & facility in Pantnagar has been certified "Water Neutral" by CII-GBC in FY23								

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	Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).	Please refer Message of the Executive Directors in Integrated Annual Report of FY 2022-23								
8.	Details of the highest authority responsible for implementation and oversight of the business responsibility policy (ies):	Mr. Girish Wagh (DIN: 03119361) Designation: Executive Director Telephone: 022-66657609 E-mail id: girish.wagh@tatamotors.com								
9.	Does the entity have a specified committee of the board / director responsible for decision making on sustainability related issues? If Yes, provide details.	The Safety, Health and Sustainability ('SHS') Committee reviews the Company's performance on SHS aspects, including Environment Social & and Governance and oversees the implementation of relevant policies and strategies. The Corporate Social Responsibility ('CSR') Committee formulates and recommends the CSR policy to the Board and monitors CSR budget, activities and expenditure.								

10 Details of Review of NGRBCs by the Company.

Subject for review	Indicate whether review was undertaken by director / committee of the board / any other committee									Frequency (annually / half yearly / quarterly / any other)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
a Performance against above policies and follow up action	The Company follows a systematic, multi-tiered approach to review the Safety, Health & Sustainability ('SHS') performance. The Factory Implementation Committee is the first level (monthly), followed by plant level Apex Committee/Sub-Committee (monthly) followed by Business Unit ('BU') Safety & Health Council and Sustainability Council (monthly) and finally by the SHS Committee of the Board (3 to 4 times in a year).																	
b Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with the statutory requirements as applicable.																	

		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? If Yes, provide name of the agency.	The implementation of TCoC and other policies are reviewed through internal audit function/ Ethics Counsellor. External assessment through the Tata Business Excellence Model ('TBEM') reviews the implementation of all the Company policies. Any opportunities for improvement are addressed through implementation of TBEM action plan. The Quality, Safety & Health and Environmental policies are subject to internal and external audits as part of certification process.								

12 If principles not covered by a policy, provide reasons for the same.

	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
A	The entity does not consider the Principles material to its business	NA	NA	NA	NA	NA	NA	NA	NA	NA
B	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
C	The entity does not have the financial or / human and technical resources available for the task	NA	NA	NA	NA	NA	NA	NA	NA	NA
D	The entity does not have the financial or / human and technical resources available for the task	NA	NA	NA	NA	NA	NA	NA	NA	NA
E	Any other reason	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors ('BoD')	During the year, the Board of Directors of the Company (including the Committees) has invested time on various matters relating to an array of issues viz., business, regulations, economy, environment, social and governance parameters.		100
Key Managerial Personnel ('KMP')	The Company has adopted the Tata Code of Conduct (TCoC), and KMP's are required to undertake training on TCoC periodically and certify that they have not violated TCoC		100
Employees other than BoD and KMPs	Our employees received training on TCoC, POSH and other topics including employee well-being, health & safety, product sustainability etc.		100
Workers	Our workers received training on TCoC, POSH and other topics including employee well-being, health & safety, product sustainability etc.		100

2. **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30f SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

	NGRBC Principle	Name of the regulatory / enforcement agencies judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred?
Monetary	NIL	NIL	NIL	NIL	NIL
Penalty / Fine	NIL	NIL	NIL	NIL*	NIL*
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL
Non-Monetary	NIL	NIL	NIL	NIL	NIL
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

*In 2014, the Competition Commission of India ('CCI') held that the automobile manufacturers, including the Company, had engaged in anti-competitive practices and imposed a penalty of 2% of the Company's total turnover in India. The Company was ordered to pay a penalty of ₹ 1,346 crore within a period of 60 days of the receipt of the order. The Company challenged the order of the CCI in the Delhi High Court on constitutional issues.

3. **Of the instances disclosed in question 2 above, details of the appeal / revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
Not applicable, since their were no cases pending during the year where monetary and non-monetary action has been appealed.	

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4. **Does the entity have an anti-corruption or anti-bribery policy? If Yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes, the Company has adopted the Tata Code of Conduct and is committed to act professionally, fairly and with integrity in all its business dealings and relationships wherever it operates, and to implement and enforce adequate procedures to counter bribery and corruption. In June 2022, the Company launched the Anti-Bribery and Anti-Corruption Policy ('ABAC Policy') to outline guiding principles and adequate procedures to prevent any activity or conduct relating to bribery, facilitation payments, or corruption. The policy is available at the Company's website at: https://investors.tatamotors.com/pdf/anti-bribery-anti-corruption-policy.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

   No disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption against any of the Directors/KMPs/employees/workers of the Company.

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	N.A.	Nil	N.A.
Number of complaints re-ceived in relation to issues of Conflict of Interest of the KMPs				

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

   No fines / penalties / actions were imposed by regulators/ law enforcement agencies or judicial institutions on cases related to corruption and conflicts of interest.

Leadership Indicators

1. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? If Yes, provide details of the same.**

   Yes, we do have a process in place which is governed by the "Tata Code of Conduct for Non-Executive Directors and Independent Directors" of Tata Motors. Web link to the same is: https://investors.tatamotors.com/pdf/ned-id.pdf

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23 (%)	FY 2021-22 (%)	Details of improvements in environmental and social impacts
R&D	67	62	Please refer to the Technology Absorption, Adaptation and Innovation in Annexure-3 of the Board's report.
Capex	68	65	

2. **Does the entity have procedures in place for sustainable sourcing? If Yes, what percentage of inputs were sourced sustainably?**

Yes, the Company has formulated the Environmental Procurement Policy and Sustainability Policy to engage with its value chain partners on sustainability. 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.
https://investors.tatamotors.com/pdf/Enviro-Procur-Policy.pdf

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste.**

Products post-consumer waste:

As a part end-of-life product management, we are continuously working on improving our product's circularity. It involves designing the vehicle for recyclability, selection of sustainable materials by studying its environmental impact, designing vehicle assemblies / components that are easy to dismantle and providing information for the same in our products, etc. Design for recycling approach complements our initiative on circular economy which aims to minimize waste and reduce the negative impact.

At the end of the product lifecycle, scrapping and recycling of vehicles in a responsible way supports environmental goals. Tata Motors demonstrated its holistic commitment towards sustainable mobility with the launch of "Re.Wi.Re – Recycle with Respect" to facilitate the safe recycling of End-of-life Vehicles(ELV). Our first state-of-the-art franchise based Registered Vehicle Scrapping Facility (RVSF) commenced operations at Jaipur, Rajasthan. Launched in February 2023, we are planning to open many more such facilities across India in future. This move will lessen the pollution involved in the dismantling of ELVs and bring this activity within the organized sector.

Operations:

Our manufacturing operations generate various types of wastes which are covered under various National regulations. All our Plants ensure that the management of such wastes is done in full compliance of these legal requirements as specified by the operating permits, consents, and authorizations. Our manufacturing operations receive a large and diverse number of parts, components, and consumables in various forms of packaging which are discarded. These are segregated as per material type and shape and sold to re-cyclers for conversion and utilization. Specifically – we ensure the sale of all flexible and rigid plastic packaging to authorized plastic waste processors for re-cycling and utilization in manufacture of new packaging material. Hazardous and Other Waste are similarly routed to authorized re-cyclers or re-processors for material recovery or to co-processing for energy recovery through cement plants. We also ensure safe disposal of specific hazardous wastes as mandated in operating Consent/Authorizations, through Government authorized Treatment Storage and Disposal Facilities. E-wastes from our Operations comprising of electronic devices, their components and IT assets which are discarded after their useful life or due to obsolescence is disposed only to authorized re-cyclers. Where technically feasible, we are utilizing the recovered material such as reclaimed thinner, secondary paint made from paint sludge or sand from our foundries in our own manufacturing operations or in our supply chain. Going forward, our efforts will be more focused and continue in this direction, guided by our internal Circularity framework to achieve status of 'Zero Waste to Landfill'.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If Yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, the EPR provisions under The Plastic Waste Management & Handling Rules, 2016 (as amended) are applicable. We are registered as a "Brand Owner" and as an "Importer" with the CPCB and have complied with the requirements of the Registration for the concluded year 2022-23. The Company have set up internal systems to track and ensure compliance on a running basis, for current year 2023-24 and beyond.

Legal compliance of our EPR target for FY 2022-23 has been ensured by the procurement of re-cycling certificates through a third party. Going forward, we will continue to fulfil our EPR targets through this route using the established systems for collection, transportation and the re-cycling of post-consumer plastic packaging waste. In the case of The Battery Waste Management Rules-2022, Company is Registered as a 'Producer' with the CPCB, and is working towards meeting the necessary requirements going forward.

Leadership Indicators

1. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed.**

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	1,230	0	0	0	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

(Plastic used for protecting or Packaging parts of the vehicles sold & Packaging used in Spare parts business)

2. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic used for protecting or Packaging parts of the vehicles sold & Packaging used in Spare parts business	The Company recycled 1230 MT of plastic as a part of its EPR compliance under the Plastic Waste Management Rules, 2016
a. Total number of CV engines remanufactured during FY 2022-23: 25807 no's b. Total number of Clutch plate & Clutch disc remanufactured during FY 2022-23: 33975 no's The data has been expressed as numbers as the 'end-of-life' parts have come from legacy vehicles sold in previous years.	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1a. Details of measures for the well-being of employees:

Category	Total (A)	Health insurance No. (B)	Health insurance % (B/A)	Accident insurance No. (C)	Accident insurance % (C/A)	Maternity benefits No. (D)	Maternity benefits % (D/A)	Paternity benefits No. (E)	Paternity benefits % (E/A)	Day care facilities No. (F)	Day care facilities % (F/A)
Permanent employees											
Male	8290	8290	100	8290	100	0	0	8290	100	8290	100
Female	611	611	100	611	100	611	100	0	0	611	100
Total	8901	8901	100	8901	100	611	7	8290	93	8901	100
Other than Permanent employees											
Male	288	288	100	288	100	0	0	288	100	288	100
Female	72	72	100	72	100	72	100	0	0	72	100
Total	360	360	100	360	100	72	20	288	80	360	100

(% of employees covered by)

1b. Details of measures for the well-being of workers:

Category	Total (A)	Health insurance No. (B)	Health insurance % (B/A)	Accident insurance No. (C)	Accident insurance % (C/A)	Maternity benefits No. (D)	Maternity benefits % (D/A)	Paternity benefits No. (E)	Paternity benefits % (E/A)	Day care facilities No. (F)	Day care facilities % (F/A)
Permanent workers											
Male	11656	11656	100	11656	100	0	0	11656	100	11656	100
Female	220	220	100	220	100	220	100	0	0	220	100
Total	11876	11876	100	11876	100	220	2	11656	98	11876	100
Other than Permanent workers											
Male	14957	14957	100	14957	100	0	0	14957	100	14957	100
Female	2007	2007	100	2007	100	2007	100	0	0	2007	100
Total	16964	16964	100	16964	100	2007	12	14957	88	16964	100

(% of workers covered by)

2. **Details of retirement benefits, for current financial year and previous financial year:**

Benefits	FY 2022-23 No. of employees covered as a % of total employees	FY 2022-23 No. of workers covered as a % of total workers	FY 2022-23 Deducted and deposited with the authority	FY 2021-22 No. of employees covered as a % of total employees	FY 2021-22 No. of workers covered as a % of total workers	FY 2021-22 Deducted and deposited with the authority
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
Employee State Insurance (ESI)	100	100	Y	100	100	Y
Others (Please specify)	-	-		-	-	

3. **Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

At all of our commercial locations where we own property, we prioritize inclusivity by providing ramps to assist differently abled individuals. In the properties we rent, we strive to ensure accessibility by offering ramps or elevators at the majority of our locations. However, there are a few instances where only steps are available leading to the building. In such cases, we actively engage with the building management team or owner to request the implementation of provisions for accessibility. Additionally, all high-rise buildings within our ownership are equipped with elevators to accommodate individuals with mobility challenges.

When it comes to our plants, we maintain a commitment to accessibility by ensuring that the floors are predominantly situated at ground level, allowing for easy access for everyone. In situations where we have building blocks with multiple floors, we make sure that ramps or elevators are available to enable smooth navigation for individuals with disabilities.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

We provide equal opportunities to all our employees and to all eligible applicants for employment in our company. Tata Motors follows a no discrimination policy and fosters workspaces that promote diversity and equal opportunities. Refer Section D of the Tata Code of conduct. The weblink of the same is: https://www.tata.com/content/dam/tata/pdf/Tata%20Code%20Of%20Conduct.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Return to work rate	Retention rate
Permanent employees		
Male	100	98
Female	100	98
Total	100	98
Permanent workers		
Male	100	100
Female	100	100
Total	100	100

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If Yes, give details of the mechanism in brief:**

	If Yes, then give details of the mechanism in brief
Permanent Workers **Other than Permanent Workers**	The Company has adopted the Tata Code of Conduct that outlines commitment to ethical conduct. All internal and external stakeholders of the Tata Group are expected to work within boundaries of the TCoC. Training and awareness on TCoC is provided to employees and relevant stakeholders from time to time. 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.

	If Yes, then give details of the mechanism in brief
Permanent Employees **Other than Permanent Employees**	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. 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: 1. A Whistle-blower 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. 2. Written application: Concerns can also be reported in writing to Chief Ethics Counsellor or Chairman of the Audit Committee. In line with our commitment towards Gender Inclusion and Diversity, and creating a safe, fair and just workplace, Company has the Prevention of Sexual Harassment at Workplace (POSH) Policy. The Prevention of Sexual Harassment at Workplace (POSH) set up includes various Internal Committees (IC). In addition, an APEX Internal Committee acts as an Appellate Body and is responsible for disseminating this policy. We have formulated standard guidelines to address the issue of sexual harassment at the workplace. These guidelines are administered by the Location /sub-unit specific committees at local (Plant/Regions) level. All the women associates (permanent, temporary, contractual and trainees), woman service providers as well as any woman visiting the Company's workplace are covered under this policy. Any kind of objectionable conduct is subject to disciplinary actions.

7. **Membership of employees and worker in association(s) or unions recognized by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union(D)	% (D/C)
Total Permanent Employees						
Male	Permanent white collar employees are not part of trade association(s) or union.					
Female						
Total Permanent Workers	11876	11786	99.2	100% of permanent workers at plants except Dharwad have a trade union and are part of workers association recognized by the Management.		
Male	11656	11566	99.2			
Female	220	220	100			

8. **Details of training given to employees and workers:**

	FY 2022-23					FY 2021-22				
	Total (A)	Health and safety measures		Skill upgradation		Total (A)	Health and safety measures		Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees		313365 hours of training on Health and safety measures imparted through 2758 training sessions organized for employees.		342368 hours of training imparted *			256708 hours of training on Health and safety measures imparted through 2407 training sessions organized for employees.		4,06,502 hours of training imparted *	
Male	8578					8469				
Female	683					666				
Total	**9261**					**9135**				

	FY 2022-23					FY 2021-22				
	Total (A)	Health and safety measures		Skill upgradation		Total (A)	Health and safety measures		Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
Workers		215406 hours of training on Health and safety measures imparted through 4776 training sessions organized for workers.		2391726 hours of training imparted			160460 hours of training on Health and safety measures imparted through 3748 training sessions organized for workers.		16,98,854 hours of training imparted	
Male	26613					20079				
Female	2227					1195				
Total	**28840**					**21274**				

* Includes training provided to employees of Tata Motors Passenger Vehicles Limited ('Wholly Owned Subsidiary')

9. Details of performance and career development reviews of employees and worker:

	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	8290	8290	100	8185	8185	100
Female	611	611	100	613	613	100
Total	**8901**	**8901**	**100**	**8798**	**8798**	**100**
Workers						
Male	11656	11656	100	11618	11618	100
Female	220	220	100	199	199	100
Total	**11876**	**11876**	**100**	**11817**	**11817**	**100**

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? If Yes, the coverage such system?

Yes, Tata Motors believes that the health and safety of its employees is critical to attain business excellence. All our manufacturing sites are ISO 45001 certified and comply with relevant legal requirements ensuring protection of Safety and Health of its employees, Contractors, Visitors, and other relevant stakeholders.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Yes, Company has a structured process for Risk Management necessary for preventing injuries & occupational diseases. For all routine activities -Hazard Identification & Risk Assessment (HIRA) is carried out by cross functional team and reviewed regularly with mitigation plan in place. HIRA is referred to prepare Standard Operating Procedure (SOP) which is referred while carrying out the job. For non-routine jobs, Job Safety Analysis (JSA) is carried out and relevant mitigation plan put in place, including issuance of permit, barrication of activities area etc.

c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks?

Yes, employees are encouraged to report all incidents, Safety Observations and Near misses on a Digital platform. Processes like Action Employee Can Take (AECT), Near Miss Reporting, Self-Directed Team (SDT) safety point leaders programs, Medical Check-up, Safety Committee are few processes where workers can report the work, which helps in mitigating hazards and reducing risks.

d) Do the employees / worker of the entity have access to non-occupational medical and healthcare services?

Yes, All plants have Medical Centres equipped and manned for management of non-occupational medical conditions. Further all employees are covered under health insurance, statutory health insurance or ESIC as per eligibility for non-occupational medical and healthcare services.

11. Details of safety related incidents:

Safety Incident / Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.14	0.2
	Workers	0.15	0.27
Total recordable work-related injuries	Employees	63	73
	Workers	18	21
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	2
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Tata Motors has a robust governance mechanism for occupational safety & health where reviews are undertaken at multiple levels. The Safety, Health and Sustainability (SHS) Committee of Board of Directors is an apex review body, which reviews performance once in four months, followed by business unit head led Safety & Health Council which reviews performance 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.

Below measures are taken to ensure safety & health in TML operations:

- Critical to Safety Stations (CTS): TML has recognized CTS stations across plant locations, creating a focused approach towards stations having higher injury potential. Over the last year, a total of 801 CTS stations were worked upon. This exercise placed special attention to risk mitigation, leading to 65.44% reduction in incidents at CTS stations over the year.
- Safety Kaizen: To facilitate a deep dive into the safety issues, 72 Safety Kaizens were held across locations on themes such as working in line of fire, driving safety, PPE compliance, material handling etc.
- Long Term Settlement: Safety-linked payment system based on both Lead and Lag Safety Parameters introduced in manufacturing locations for permanent technicians.
- Safety Observations: A six step process is being implemented by 3500+ 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: Under the AECT programme (Actions Employee Can Take), workers report unsafe acts and situations in their respective areas. These observations are assessed by supervisors and relevant corrective actions are implemented.
- Training and awareness across organization is considered as a key element of the Safety Strategy. Managers & workers are trained on Safety management aspects such as Safety Management Fundamentals, Incident Investigation, Contractor Safety Management, Actions Employees Can Take (AECT) etc.

13. Number of Complaints on the following made by employees and workers:

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health and Safety	2	1	NIL	2	NIL	NIL

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
	FY 2022-23	FY 2021-22
Health and safety practices	100%	100%
Working Conditions	100%	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

1. All safety related incidents are investigated thoroughly as per TML incident investigation standard. Learnings from incidents are shared across organization for horizontal deployment & prevent recurrence. Key recommendations are communicated through process of red/blue corner notices & deployment is confirmed with evidence. Recommendation closure effectiveness is also checked by various audits.
2. All unsafe acts & conditions identified during safety observations are closed with corrective actions within stipulated time. Effectiveness check on closure actions is confirmed through sample audits.
3. Significant risks which were detected through Hazard identification & risk assessment process is managed through applying appropriate S1 (People), S2 (engineering/ technological intervention) & S3 (Failsafe/ hazard elimination) safety controls. In addition, additional measures like safety training, supervision & use of appropriate PPEs are also deployed to enhance safety.

Leadership Indicators

1. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

For Downstream Value Chain: Our Channel Partners are required to ensure legal compliance as per provisions in the Channel Partner agreement. Tracking compliance through GSTIN portal, Invoice Running Number (IRN) control and e-way bills control are some of the processes used to ensure compliance.

2. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	FY 2022-23	FY 2021-22
Total no. of affected employees / workers	**NIL**	**2**
Employees	Nil	Nil
Workers	Nil	2
No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	**NIL**	**1**
Employees	Nil	Nil
Workers	Nil	1

3. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	Downstream Channel Partners	100%
Working Conditions	Downstream Channel Partners	100%

4. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

For Downstream value chain, following best practices have been initiated:

- Defensive Driver training across all locations. Only Authorized Drivers are allowed to drive inside the workshop.
- Under Model Workshop program daily Work Management (DWM) initiated and safety committee started functioning. Safety champions developed at workshops to ensure implementation of safety practices.
- A monthly safety audit conducted, and action were taken to close the gaps.
- Identification & sharing of best safety practices across value chain.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

Internal and external stakeholders have been identified that have a direct impact on the operations and working of the Company. This includes Investors & Shareholders, Employees, Customers, Communities, Suppliers/service providers, Regulators/Government, Dealers & Service centers, Experts/Academic & Research institutions, Media. For more details, refer to the Stakeholder Engagement section of the Integrated Annual Report 2022-23.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

	Stakeholder Group	Whether identified as vulnerable and marginalized group	Channels of communication	Frequency of engagement (annually / half yearly / quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Investors & Shareholders	No	Investor meets, investor calls, press releases and mail updates, email support for investor queries	Quarterly engagement post results. Annual engagement at AGM. Investor meetings on request	Timely business updates and updates on material events, enhancing level of disclosures, compliances.
2	Employees	No	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	Regular engagement	Build strong employee engagement, Recognition and Rewards, building strong organisational culture, leadership development, cess capability, union engagement
3	Customers	No	Customer meets, feedback calls, home visits	Feedback is collected regularly post customer visit to workshop. Customer meets and home visits are planned activity and being monitored on monthly basis.	Product and service-related issues
4	Regulators/ Government	No	Strategic representation and meetings with government agencies, Representation through trade bodies	Regular engagement	Obtaining permissions / licenses / clarifications/ waivers /business development approvals/vendor and logistical support /recoveries as per group requirement

	Stakeholder Group	Whether identified as vulnerable and marginalized group	Channels of communication	Frequency of engagement (annually / half yearly / quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
5	Communities	Yes	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	Regular engagement	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
6	Suppliers/service providers	No	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. Annual performance review of ESG parameters. Need based category buyer engagement with suppliers. Focused engagement with suppliers from Affirmative Action community.	Periodic (structured) and Need-based	Key topics discussed include product improvements, technologies, additional demand fulfilment for semiconductors due to global demand supply deficit; commodity price inflation, ESG performance, and any other topic/concern specific to a particular supplier.
7	Dealers & service centres	No	Dealer meetings, visits, audits, dealer council, joint programmes & sustainability initiatives.	Regular engagement	Ordering complexity and turnaround time, reduction in inventory cost, timely settlement of claims, and timely support from insurance surveyors.
8	Experts/Academic and Research Institutions	No	Collaborative need-based engagements on mutually beneficial projects, Case-based meetings	Need basis	Consistency and Maturity of process and associated protocol, of collaborating institutions; Ensuring technical, managerial and leadership alignment with customer requirement and regulatory needs

	Stakeholder Group	Whether identified as vulnerable and marginalized group	Channels of communication	Frequency of engagement (annually / half yearly / quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
9	Media	No	· Press releases Media Interviews, Authored articles, Quotes in industry stories · Participation in media led industry forums as thought leader / guest speaker · Content reused/reproduced by media basis what is published on proprietary digital assets	· Company and its business-related announcements supported with news releases and media interactions – As and when required · Sales Releases – Monthly · Global Sales Releases – Quarterly · Financial Results – Quarterly · Speaking on media led platforms – as and when required	Need for consistent internal and external communication to amplify key identified themes/storylines that portray the company and its business' future readiness, leadership, talent and culture, customer centricity, contribution to nation and community

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Directors occasionally visit the manufacturing plants and interact with the stakeholders on health and safety matters. The feedback is shared with the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   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.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.**

   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 Tata Business Excellence Model (TBEM).

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:**

	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	8901	Majority of our employees and workers received training on Tata Code of Conduct which covers aspects of human rights		8798	Majority of our employees and workers received training on Tata Code of Conduct which covers aspects of human rights	
Other than permanent	360			337		
Total Employees	**9261**			**9135**		
Workers						
Permanent	11876			11817		
Other than permanent	16964			9457		
Total Workers	**28840**			**21274**		

2. **Details of minimum wages paid to employees and workers:**

	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage (B)	% (B/A)	More than Minimum Wage (C)	% (C/A)	Total (A)	Equal to Minimum Wage (B)	% (B/A)	More than Minimum Wage ©	% (C/A)
Employees										
Permanent										
Male	8290	-	-	8290	100	8185	-	-	8185	100
Female	611	-	-	611	100	613	-	-	613	100
Other than Permanent										
Male	288	-	-	288	100	284	-	-	284	100
Female	72	-	-	72	100	53	-	-	53	100
Workers										
Permanent										
Male	288	-	-	288	100	284	-	-	284	100
Female	72	-	-	72	100	53	-	-	53	100
Other than Permanent										
Male	10061	2324	23	7737	77	8461	4010	47	4451	53
Female	628	52	8	576	92	996	352	35	644	65

3. **Details of remuneration / salary / wages:**

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	**105.20**	**2**	109.40
Key Managerial Person-nel (KMP)	2*	**724.70**	**0**	0
Employees other than BoD and KMP	8286	**15.16**	**611**	12.07
Workers	11656	**9.17**	**220**	7.38

* excludes Executive Director who is also a KMP and included under BoD.

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

The Company has no specific Policy on Human Rights. However, all our Human Resource Policies and initiatives, directly or indirectly or indirectly, promote preservation and promotion of Human Rights.

The Company 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 Committee is in place for all works and offices of the Company to redress complaints received regarding sexual harassment.

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:

1. 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.
2. Written application: Concerns can also be reported in writing to Chief Ethics Counselor or Chairman of the Audit Committee

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Whistle Blower Policy lays down guidelines for reporting of protected disclosures by employees, Directors & other stakeholders, relating to violation of TCoC. The Company 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 Committee is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. The Company also has an ethics helpline where employees can place anonymous complaints of alleged ethics violations.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	11	5	Nil	9	1	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour / In-voluntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

A. In Whistle Blower Policy, the Company has a separate section mentioned on the protection of Whistleblower against any unfair practice 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 Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law.

B. As part of the Prevention of Sexual Harassment at Workplace (POSH) Policy, the Company has mentioned that the complainant, if the charge is found valid, or the alleged harasser, if found innocent, are protected against any impacts of retaliation.

C. Also, as part of Tata Code of Conduct (TCoC), the Company does not tolerate any form of retaliation against anyone reporting concerns. Anyone involved in targeting such a person will be subject to disciplinary action.

8. Do human rights requirements form part of your business agreements and contracts?

Yes, Compliance to the Tata Code of conduct is included in the business agreements and contracts / purchase orders. Tata Motors have specific clauses related to human rights as part of the TCoC, Supplier Code of conduct and Dealer Code of conduct.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced / involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Child labour: Our systems and controls are such that anyone below 18 years can't be on boarded on Manpower system. We have tight Gate control that anyone below 18 years is not given gate pass.

Forced/involuntary labour: Salaries of all employees are deposited to employees through bank accounts and no forced labour practice observed.

Wages: Wages are paid basis the market study and with adherence to the statutory compliances.

Leadership Indicators

1. **Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

At all of our commercial locations where we own property, we prioritize inclusivity by providing ramps to assist differently abled individuals. In the properties we rent, we strive to ensure accessibility by offering ramps or elevators at the majority of our locations. However, there are a few instances where only steps are available leading to the building. In such cases, we actively engage with the building management team or owner to request the implementation of provisions for accessibility. Additionally, all high-rise buildings within our ownership are equipped with elevators to accommodate individuals with mobility challenges.

When it comes to our plants, we maintain a commitment to accessibility by ensuring that the floors are predominantly situated at ground level, allowing for easy access for everyone. In situations where we have building blocks with multiple floors, we make sure that ramps or elevators are available to enable smooth navigation for individuals with disabilities.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity:**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) (in GJ)	12,29,475	11,54,988
Total fuel consumption (B) (in GJ)	6,54,171	5,99,495
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C) (in GJ)	18,83,646	17,54,483
Energy intensity per crore rupee of turnover (GJ/ ₹ Cr) (Total energy consumption/ turnover in crore rupees)	28.97	37.59
Energy intensity (GJ/Vehicles produced)	**4.61**	**4.87**
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	Yes, DNV Business Assurance India Private Ltd has assured this data set for Tata Motors India operations which includes CV, PV and EV businesses. The data disclosed here is for Tata Motors standalone (CV business)	

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If Yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken.**

Not Applicable.

3. **Provide details of the following disclosures related to water:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	53,801	51,662
(ii) Groundwater	5,04,960	4,89,012
(iii) Third party water	28,17,246	19,63,735
(iv) Seawater / desalinated water		
(v) Others	6,49,036	416976
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**40,25,043**	**29,21,385**
Total volume of water consumption (in kilolitres)	**38,29,298**	**25,49,050**
Water intensity per crore rupee of turnover (kL / ₹ Cr) (Water consumed / turnover)	**58.90**	**54.62**
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?) If yes, name of the external agency.	Yes, DNV Business Assurance India Private Ltd has assured this data set for Tata Motors India operations which includes CV, PV and EV businesses. The data disclosed here is for Tata Motors standalone (CV business)	

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If Yes, provide details of its coverage and implementation.**

Our India Operations are located in the States of Jharkhand, Uttar Pradesh, Uttarakhand, Gujarat, Maharashtra and Karnataka. The management of treated effluents arising from Plant operation and its disposal are specified in their individual operating Consents issued by the respective State Pollution Control Boards, which our Plants comply with.

In line with respective Consent/Authorisation, some Plants have in place full-fledged tertiary treatment and Reverse Osmosis set-up for re-cycling of treated effluent for re-use in process while some Plants ensure ZLD through re-use of treated effluents for secondary purposes, gardening and maintenance of Green Belts established within the Plant premises and in own Residential Areas.

Going forward, our approach will be holistic and encompass all aspects of sourcing water and its optimal utilisation. Our current efforts at augmenting natural water availability in the regions where we operate will be further enhanced as we intensify our drive to achieve 'Water Positive' status.

5. **Please provide details of air emissions (other than GHG emissions) by the entity:**

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	MT	**92**	247
SOx	MT	**26**	83
Particulate matter (PM)	MT	**577**	789
Others – Ozone Depleting Substances (ODS)	kg as CFC-11 Equivalent	**88**	100
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency	Yes, DNV Business Assurance India Private Ltd has assured this data set for Tata Motors India operations which includes CV, PV and EV businesses. The data disclosed here is for Tata Motors standalone (CV business)		

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:**

Parameter	Break-up	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions	CO_2	MT	42,200	38,407
Total Scope 2 emissions	CO_2	MT	1,85,394	1,87,633
Total Scope 1 and Scope 2 emissions per crore rupee of turnover		tCO_2/ ₹ Cr	3.50	4.84
Indicate if any independent assessment/ eval-uation/assurance has been carried out by an external agency? If yes, name of the external agency.	Yes, DNV Business Assurance India Private Ltd has assured this data set for Tata Motors India operations which includes CV, PV and EV businesses. The data disclosed here is for Tata Motors standalone (CV business)			

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

At Tata Motors, decarbonization in operations will be primarily driven by transitioning to renewable energy sources. Some of the key highlights last year were:

i) The Company continued to add on-site Renewable Energy (solar) generation capacity in FY 2022-23, which brings the total installed capacity to:

- 5.8 MWp Roof-top Solar PV installation at Pune (Pimpri);
- 7.5 MWp Roof-top Solar PV at Jamshedpur;
- 7.0 MWp Solar PV installation at Pantnagar;
- 0.435 MWp Solar PV installation at Chinchwad;
- 4.07 MWp Solar PV installation at Lucknow ;
- 1 MWp Solar PV installation at Dharwad;

ii) Energy Conservation (ENCON) projects have been implemented at all Plants and Offices of the Company in a planned and budgeted manner to reduce the consumption of power and subsequently lower our emissions. Some of the major ENCON Projects in FY 2023 include:

- Jamshedpur Plant: Elimination of Baking Oven operation through Quick Dry Paint implementation in Frame Factory, Operation of Cooling Tower pump motor of CCHF Furnace through VFD in Heat Treatment-Transmission.
- Pimpri Plant: Energy Saving by Efficiently Managing Air Supply & Exhaust System of Base coat paint booth, Power Saving by Empty skid conveyor Capacity improvement, Energy Saving by Development and Implementation of low bake pre-gel seam sealant.
- Chinchwad Plant: Optimisation of glass bead blasting machine air consumption, Modified cover for metal transfer ladles.
- Maval Foundry: Yield improvement for items by double or multiple cavities, Core box cavity improvement, elimination of separate core box by including in parent core box, Diesel consumption saving in ladle preheater area.
- Lucknow Plant: Top coat booth balancing (exhaust modification) at Paint shop, Installation of VFD for Wash pump of Beam washing machine for energy saving at Rear Axle.
- Pantnagar Plant: Pressure scheduling in Paint Shop by installing IFC unit, FFC fuel saving kit installation in ED oven.
- Dharwad Plant: Electrical Energy consumption monitored daily through Industry 4.0 digitalisation implementation. LED migration projects.

8. **Provide details related to waste management by the entity:**

Waste generated from our operations includes a wide variety of Hazardous & Non-Hazardous waste , as well as scrap material. Waste management is regulated by operating permits & authorizations by the respective Authorities in the States we operate. Our Operations continuously drive initiatives to eliminate ,minimize and recycle wastes in line with the legal permission and available opportunities. These initiatives include material recovery (secondary paint from paint sludge,reclaimed thinner, reclaimed foundry sand etc), energy recovery (Co-processing, biomethanation) and recycling of scrap through authorized recyclers.

	FY 2022-23	FY 2021-22
Total waste generated (in metric tonnes)		
Plastic waste (A)	2,163	1,710
E-waste (B)	25	77
Bio-medical waste (C)	43	111
Construction and demolition waste (D)	3727	620
Battery waste (E)	157	70
Radioactive waste (F)	Nil	Nil
Other hazardous waste. Please specify, if any. (G)	4,614	3,592
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	89,042	84,290
Total (A+B + C + D + E + F + G + H)	**99,744**	**90,470**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	48,321	45,518
(ii) Re-used		
(iii) Other recovery operations		
Total	**48,321**	**45,518**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	49,887	48,210
(ii) Landfilling		
(iii) Other disposal operations		
Total	**49,887**	**48,210**
Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? If Yes, name of the external agency.	Yes, DNV Business Assurance India Private Ltd has assured this data set for Tata Motors India operations which includes CV, PV and EV businesses. The data disclosed here is for Tata Motors standalone (CV business)	

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Waste management practices across our manufacturing locations has been explained in question 8 above.

We are continuously working on reducing the use of hazardous and toxic chemicals in our manufacturing process through design as well through appropriate selection of manufacturing technology and raw materials.

We are continuously evaluating the environmental impact of the vehicle and working on finding out opportunities to improve the Material circularity. We have made efforts to eliminate paints from polymeric parts, eliminating hazardous materials & PoP (Persistent Organic Pollutants) and working on new initiatives to track and upgrade our sustainability & environmental performance.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

10. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

None of our Operations are located near notified ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency	Results communicated in public domain	Relevant web link
The Environmental Impact Assessment ("EIA") Notification, 2006 and its amendments govern the process of granting 'Environmental Clearance' to certain projects, which are specified in the Schedule to the Notification. None of our manufacturing plants were required to obtain environmental clearances in the concluded FY2022-23.					

12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances:

Yes, All our manufacturing units are compliant with the applicable environmental law/regulations/guidelines.

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources:**

Parameter	FY 2022-23 (GJ)	FY 2021-22 (GJ)
From renewable sources		
Total electricity consumption (A)	2,90,770	2,04,946
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	2,90,770	2,04,946
From non-renewable sources		
Total electricity consumption (D)	9,38,705	9,50,042
Total fuel consumption (E)	6,54,171	5,99,495
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	15,92,876	15,49,537
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	Yes, DNV Business Assurance India Private Ltd has assured this data set for Tata Motors India operations which includes CV, PV and EV businesses. The data disclosed here is for Tata Motors standalone (CV business)	

2. **Provide the following details related to water discharged:**

	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	1,95,745 (TDS* 471 mg/L)	3,72,335 (TDS* 539 mg/L)
(ii) To groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

	FY 2022-23	FY 2021-22
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	195745	372335
Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? If Yes, name of the external agency	Yes, DNV Business Assurance India Private Ltd has assured this data set for Tata Motors India operations which includes CV, PV and EV businesses. The data disclosed here is for Tata Motors standalone (CV business)	

*Total Dissolved Solids

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres). For each facility / plant located in areas of water stress, provide the following information:**

   I. **Name of the area: Manufacturing operations are located as Pune, Jamshedpur, Lucknow, Pantnagar and Dharwad**

   II. **Nature of operations: Automobile Manufacturing**

   III. **Water withdrawal, consumption and discharge in the following format:**

	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	53,801	51,662
(ii) Groundwater	5,04,960	4,89,012
(iii) Third party water	28,17,246	19,63,735
(iv) Seawater / desalinated water		
(v) Others	6,49,036	4,16,976
Total volume of water withdrawal (in kilolitres)	**40,25,043**	**29,21,385**
Total volume of water consumption (in kilolitres)	**38,29,298**	**25,49,050**
Water intensity per crore rupee of turnover (water consumed / turnover)	**58.90**	**54.62**
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	1,95,745 (TDS* 471 mg/L)	3,72,335 (TDS* 539 mg/L)
(ii) Into groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	1,95,745	3,72,335
Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? If Yes, name of the external agency.	Yes, DNV Business Assurance India Private Ltd has assured this data set for Tata Motors India operations which includes CV, PV and EV businesses. The data disclosed here is for Tata Motors standalone (CV business)	

* Total Dissolved Solids

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)

Energy Conservation (ENCON) projects have been implemented at all Plants and Offices of the Company in a planned and budgeted manner to reduce the consumption of power and subsequently lower our emissions. Some of the major ENCON Projects in FY 2023 included:

- Jamshedpur Plant: Elimination of Baking Oven operation through Quick Dry Paint implementation in Frame Factory, Operation of Cooling Tower pump motor of CCHF Furnace through VFD in Heat Treatment-Transmission.
- Pimpri Plant: Energy Saving by Efficiently Managing Air Supply & Exhaust System of Base coat paint booth, Power Saving by Empty skid conveyor Capacity improvement, Energy Saving by Development and Implementa-tion of low bake pre-gel seam sealant.
- Chinchwad Plant: Optimisation of glass bead blasting machine air consumption, Modified cover for metal transfer ladles.
- Maval Foundry: Yield improvement for items by double or multiple cavities, Core box cavity improvement, elimination of separate core box by including in parent core box, Diesel consumption saving in Laddle pre-heater area.
- Lucknow Plant: Top coat booth balancing (exhaust modification) at Paint shop, Installation of VFD for Wash pump of Beam washing machine for energy saving at Rear Axle.
- Pantnagar Plant: Pressure scheduling in Paint Shop by installing IFC unit, FFC fuel saving kit installation in ED oven.
- Dharwad Plant: Electrical Energy consumption monitored daily through I4.O digitalisation implementation. LED migration projects.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1a. Number of affiliations with trade and industry chambers / associations: 9 (Nine)

1b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to:

	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	Society of Indian Automobile Manufacturers (SIAM)	National
2	Confederation of Indian Industry (CII)	National
3	Federation of Indian Chambers of Commerce & Industry (FIC-CI)	National
4	Indian Merchant Chambers	State
5	Indo American Chamber of Commerce	State
6	Bombay Chamber of Commerce	State
7	Bangalore Chamber of Industry and Commerce	State
8	Mahratta Chamber of Commerce, Industries & Agriculture	State
9	State Industrial Development Corporation of Uttarakhand Lim-ited (SIDCUL) Entrepreneur Welfare Society	State

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
	Nil*	

*** The Competition Commission of India (CCI) had passed 2 order against the Company in year 2011 and 2021. Details as under:**

Case title: PV Auto parts case (Complaint filed by Mr. Shamsher Kataria): In the year 2011, CCI initiated the enquiry & investigation against the car manufacturers in India (including Tata Motors). Finally, CCI vide its order dated 25.08.2014 held the car manufacturers of having indulged in anti-competitive practices. CCI, among other directives, imposed a penalty on Tata Motors amounting to ₹ 1346.46 crores. TML, along with a majority of car manufacturers, challenged the order of CCI and presently there is a stay on CCI's order. Now the matter shall be listed in due course before Supreme Court for further proceedings.

Case title: CV Abuse of dominance case (Complaint filed by Mrs. Neha Gupta and Mr. Nishant Bhutada) : In the year 2021, CCI ordered its Director General ("DG") to conduct an investigation on the complaint against TML, TMFL and TCFSL for concerting together to form a cartel, abusing their dominance in the vehicle market and causing irreparable financial losses to its dealers. Subsequently, TMFL and TCFSL have been dropped from the investigation. The DG has concluded his investigation and submitted the report with CCI prima facie holding TML guilty of imposing territorial restrictions on its dealers from selling the vehicles. We have filed our objections to DG's report and are now awaiting further instructions from CCI.

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

   Company's Government & Public Affairs (GPA) team is approached by the concerned stakeholder that have been adversely impacted or feel they might get impacted in the future due to the emerging situation or any impending public policies/regulations being introduced by the Government. We also constantly monitor the developments and proactively engage with teams on policy & developments.

   After internal preparation of the issue, thought processes in the industry, access to relevant public data & reports and suitable alignment, we engage with personnel across various levels in the Government agencies [Departments, Ministries, Autonomous bodies, Trade Bodies like SIAM, CII etc.) to represent our perspective.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results Communicated in public domain (Yes/ No)	Relevant Web link
Not Applicable.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

Sr. No	Name of project for which R & R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in FY 2023 (₹ in crore)
Not Applicable.						

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The Company's CSR department has 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.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23 (%)	FY 2021-22 (%)
Directly sourced from MSMEs small producers	8.05	6.57
Sourced directly from within the district and neighbouring districts	66.57	68.87*

* Commercial Vehicles and Passenger Vehicles business combined

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: question 1 of Essential Indicators above).**

   Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

   Tata Motors has its CSR presence in 107 Aspirational Districts.

State	Aspirational District	Amount spent (₹ In Lakh)
Jharkhand	East Singhbhum, Garhwa, Chatra, Giridih, Godda, Sahibganj, Pakur, Bokaro, Lohardaga, Purbi Singhbhum, Palamu, Latehar, Hazaribagh, Ramgarh, Dumka, Ranchi, Khunti, Gumla, Simdega, Pashchimi Singh	802.73
Uttarakhand	Udham Singh Nagar & Hardwar	72.03
Jammu and Kashmir	Kupwara & Baramula	1.81
Himachal Pradesh	Chamba	1.59
Punjab	Moga & Firozpur	2.34
Rajasthan	Dhaulpur, Karauli, Jaisalmer, Sirohi, Baran	3.88
Uttar Pradesh	Chitrakoot, Fatehpur, Bahraich, Shrawasti, Balrampur, Siddharthnagar, Chandauli, Sonbhadra	10.92
Bihar	Sitamarhi, Araria, Purnia, Kati har, Muzaffarpur, Begusarai, Khagaria, Banka, Sheikhpura, Aurangabad, Gaya, Nawada, Jamui	3.87
Sikkim	West Sikkim	0.19
Nagaland	Kiphire	0.26
Manipur	Chandel	1.46
Mizoram	Mamit	0.23
Tripura	Dhalai	0.37
Meghalaya	Ribhoi	0.69
Assam	Dhubri, Goalpara, Barpeta, Hailakandi, Baksa, Darrang, Udalguri	9.59
West Bengal	Dakshin Dinajpur, Murshidabad, Birbhum, Nadia	2.52
Odisha	Dhenkanal, Gajapati, Balangir, Kalahandi, Rayagada, Koraput, Malkangiri, Nuapada, Nabrangpur	3.48
Chhattisgarh	Korba, Rajnandgaon, Mahasamund, Uttar Bastar Kanker, Narayanpur, Dakshin Bastar Dantewada, Bastar, Kondagaon, Sukma, Bijapur	2.16
Madhya Pradesh	Chhatarpur, Damoh, Barwani, Rajgarh, Vidisha, Guna, Singrauli, Khandwa (East Nimar)	5.55
Gujarat	Dahod	3.35
Maharashtra	Nandurbar, Washim, Gadchiroli, Osmanabad	5.34
Andhra Pradesh	Vizianagaram, Visakhapatnam	1.9
Kerala	Wayanad	5.08
Arunachal Pradesh	Namsai	0.26
Telangana	Khammam	0.91

3a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups?**

   Tata Motors' Affirmative Action Policy clearly speaks about its commitment towards Social equity and further its commitment to enable the people from socially and marginalized communities, especially Scheduled Castes and Scheduled Tribes, by assisting them for employment opportunities and as business associates, with merit, cost and quality being equal.

3b. From which marginalized / vulnerable groups do you procure?

The Company procures materials and services from the people from socially and marginalized communities, especially Scheduled Castes and Scheduled Tribes and women.

3c. What percentage of total procurement (by value) does it constitute?

₹ 40.06 crore worth of business awarded to Affirmative Action suppliers during FY 2023 (0.08% of total procurement spent). In addition, as a practice preference is given to firms promoted by members of the marginalised societies, the monetary value of which is not included here.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Not Applicable.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable.

6. **Details of beneficiaries of CSR Projects:**

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1. Aarogya (Health): Addressing child malnutrition; health awareness for females; preventive & curative health ser-vices and institutional strengthening, drinking water pro-jects	5,31,137	100
2. Vidyadhanam (Education): Scholarships; Special coach-ing classes for secondary school students; IIT-JEE & com-petitive exams coaching, school infrastructure improve-ment; co-curricular activities; financial aid to engg. students	1,07,722	100
3. Kaushalya (Employability): Diver's training – novice and refresher; ITI partnership & allied-auto trades; Motor Me-chanic Vehicle (MMV); Training in retail, hospitality, white goods repair, agriculture & allied trades	28,896	100
4. Vasundhara (Environment): Tree plantation, environmen-tal awareness for school students	98,045	100
5. Rural Development and Governance, such as Integrated Village Development Programme (IVDP) in Gujarat and Ma-harashtra	35,068	100

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   Our customers can raise their complaints/feedbacks through multiple channels, such as: call center 24x7 toll free number, website, social media, email, letter or by directly reaching out to Channel partners (Showrooms & Workshops). All complaints raised have a defined Turn Around Time (TAT) & escalation matrix. Call center executives reach out to customers to ensure the timely and satisfactory closure of complaints registered through any touchpoints.

2. **Turnover of products and / services as a percentage of turnover from all products / service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and / or safe disposal	100%

3. **Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL		NIL	NIL	
Advertising	NIL	NIL		NIL	NIL	
Cyber-security	NIL	NIL		NIL	NIL	
Delivery of essential services	NA	NA		NA	NA	
Restrictive trade practice	NIL	NIL		NIL	NIL	
Unfair trade practices	NIL	NIL		NIL	NIL	
Other	NIL	NIL		NIL	NIL	

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	NIL	
Forced recalls	NIL	

5. **Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.**

   Yes, Tata Motors has privacy policy and procedures as per General Data Protection Regulation (GDPR) and Indian Information Technology Act. Tata Motors is also ISO 27001 compliant. All the policies related to Privacy and Information Security Management System (ISMS) are hosted on the Company's Intranet.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   There are no issues within the reporting period with respect to advertising, and delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls. No penalty /action taken by regulatory authorities.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Details on products and services of the company can be accessed on the company's website, social media handles, mobile apps like E-Dukaan, FleetEdge, E-Bandhu and by connecting with Customer service on 1800 209 7979.

   https://www.tatamotors.com/about-us/

   https://edukaan.home.tatamotors/#/

   https://fleetedge.home.tatamotors/login

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.**

   We emphasise safe and responsible usage of our vehicles and services in all our communication efforts and audio-visual materials. The Owner's Manual document for all products contains important product information, instructions for safe and fuel efficient use of vehicles and customer support details.

3. **Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.**

   Not Applicable.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?**

   The Owner's Manual document for all products contains important product information, instructions for safe and fuel efficient use of vehicles and customer support details. 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.

   Customer Centricity has been intrinsic to our culture. The Company continuously strived to provide the 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').

5. **Provide the following information relating to data breaches:**

   a) Number of instances of data breaches along-with impact: NIL

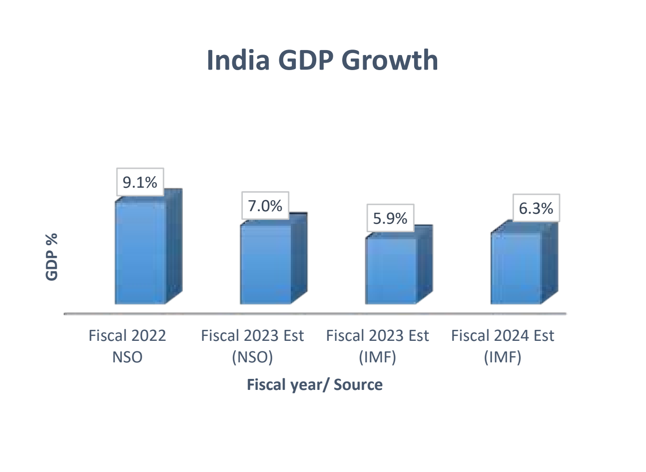
   b) Percentage of data breaches involving personally identifiable information of customers

   No such incidents have taken place.

Management Discussion and Analysis

Economy Overview

India



Source: NSO, IMF

GDP Growth: The estimates for the Indian economic growth are as below:

National Statistical Office ("NSO"): The growth in the real GDP during FY 2022-23 is estimated at 7.0%, compared to 9.1% in FY 2021-22. This is driven by the accentuated headwinds from prolonged geopolitical tensions, tightening global financial conditions and slowing external demand.

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 are as below:

Particulars	FY 2022-23	FY 2021-22
Import of goods and services	7.5%	9.6%
Export of goods and services	23.1%	22.1%

Inflation: As per the Monetary Policy Committee (the "MPC") of the RBI, the inflation outlook will be influenced by several factors, both global and domestic. While crude oil and commodity prices have been stabilized in recent months, their future trajectories remain uncertain, given the lingering geopolitical hostilities and the likelihood of a rebound in demand from countries reopening from pandemic-related lockdowns. Global financial markets are exhibiting volatility. Domestically, the expectations of a bumper rabi harvest augur well for the future trajectory of food inflation. On the other hand, adverse weather shocks are becoming more frequent and there is heightened uncertainty about the south-west monsoon rains. Considering the initial conditions, signals from forward-looking surveys and estimates from structural and other time-series models, CPI inflation is projected to average 5.2% in FY 2023-24, assuming a normal monsoon, a progressive normalization of supply chains, and no further exogenous or policy shocks.

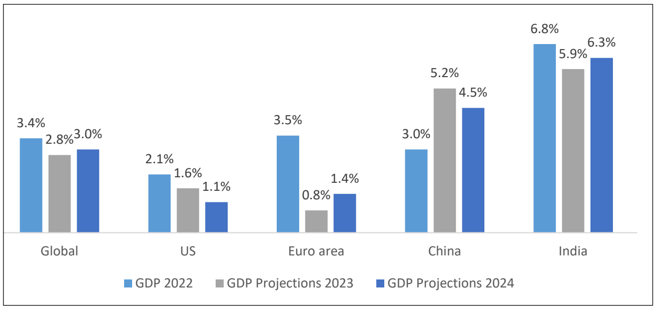
Automobile Industry: According to data released by SIAM, the rate of change in industry volumes is depicted in the below table:

Segment	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Domestic industry	48,51,241	37,86,547	28.1%	15.4%
Commercial vehicle	9,62,347	7,18,155	34.0%	26.0%
Passenger vehicle	38,88,894	30,68,392	26.7%	13.2%

The Passenger Vehicle segment posted its highest ever domestic sales surpassing the previous peak in FY 2018-19 while the Commercial Vehicles segment posted its second highest domestic sales and was close to the previous peak of FY 2018-19. While FY 2022-23 began with supply chain disruptions from the Russia-Ukraine conflict, such disruptions were alleviated by efficient supply chain management. The commodity prices have also moderated. Over the longer term, favorable policy initiatives including significant investments in infrastructure called out in the Budget, the new PLI schemes to accelerate investments by the private sector, forward looking logistic & foreign trade policies and recently announced gas pricing guidelines are expected to further encourage the growth in coming years.

World

Global economy GDP



Source: IMF

Economic Growth: The global economy appears to be poised for a gradual recovery from the powerful blows of the pandemic and of Russia's war on Ukraine. China has reopened its economy. Supply-chain disruptions are unwinding, while the dislocations to energy and food markets caused by the war are receding. Simultaneously, the massive and synchronous tightening of monetary policy by most central banks has started to tame inflation. Conversely, the rapid rise in interest rates has contributed to stresses in parts of the financial system raising financial stability concerns. The unanticipated failures of two regional banks in the United States and the collapse of the Credit Suisse have exerted significant pressure on financial markets. The fall in fuel and energy prices, particularly in the United States, Euro area and Latin America has contributed to the decline in global headline inflation.

Commodities: Primary commodity prices declined 28.2% between August 2022 and February 2023. The decrease was led by energy commodities, down 46.4%.

Crude Oil: Crude oil prices retreated by 15.7% between August 2022 and February 2023 as the slowing global economy weakened demand. European natural gas prices declined by 76.1% amid lower consumption and high storage levels. China experienced its first annual decline in oil consumption in this century. Risks of price spikes remain somewhat elevated, however, for next winter.

Metals: Base and precious metal prices rebounded by 19.7% and 3.3%, respectively as compared to FY 2021-22. Prices had surged after the invasion but experienced a broad-based retreat amid slowing Chinese metal demand (accounting for roughly half of global consumption of major metals) and monetary policy tightening. With China's reopening and increased infrastructure spending the prices rebounded.

China: The lifting of COVID restrictions after many months of lockdown resulted in a surge of COVID infections in the last quarter of the year which compounded the headwinds from property market stresses in China. Declining property sales and real estate investment posed a drag on economic activity. In January 2023, high frequency economic indicators started picking up as COVID-19 waves subsided.

United States: The US Federal Reserve has been raising interest rates to restore price stability and to bring balance to the labor market. The demand for new hires is exceeding the supply of available workers in the US, as the unemployment rate has fallen to its lowest level in over 50 years, and this has contributed to higher inflation. To help bring the economy back into balance, IMF analysis shows that staying the course and keeping interest rates elevated this year will tame inflation. Although these higher rates will temporarily increase unemployment, they will pave the way for stable inflation and sustainable economic growth, which will ultimately help create more jobs in the future.

Europe: GDP is projected to fall to 0.8% in 2023 and 1.4% in 2024. Headline inflation is forecasted to fall from 9.2% in 2022 to 6.4% in 2023 and 2.8% in 2024 in the EU. In the euro area, it is projected to decelerate from 8.4% in 2022 to 5.6% in 2023 and to 2.5% in 2024. The EU economy has seen several positive developments including the fall in the Europe's main gas benchmark price to pre-war levels, aided by a sharp fall in gas consumption as well as continued diversification of supply sources. Despite the energy shock the economy managed a broad stagnation instead of the expected 0.5% contraction. The unemployment rate remains at its all-time low of 6.1%. However, core inflation increased in January and consumers and businesses continue to face high energy costs and with more than 90% of the core items in the harmonized index of consumer prices ("HICP") basket registering above-average price increases. Domestic demand could turn out higher than projected, if the recent declines in wholesale gas prices pass through to consumer prices more strongly. Risks to inflation remain largely linked to developments in energy markets in the short run, but upside risks dominate in the outer quarters, as a still tight labor market could result in stronger than anticipated wage pressure.

United Kingdom: Following a contraction of 0.4% in 2023, GDP is projected to increase by 0.2% in 2024. Consumer price inflation will peak at around 10% in late 2023 due to high energy prices and continuing labor and goods supply shortages, before gradually declining to 2.7% by the end of 2024. Private consumption is expected to slow, owing to rising living costs, but will be aided by a 9.7% increase in the

MANAGEMENT DISCUSSION AND ANALYSIS

minimum wage and the usual uprating of welfare benefits and pensions in April 2023

(Source: RBI, World Bank, IMF, DEA, OECD etc.)

Automotive Operations

Automotive operations are the Company's most significant segment, which 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:

- Tata and other brand vehicles - Commercial Vehicles;
- Tata and other brand vehicles – Passenger Vehicles;
- Jaguar Land Rover; and
- Vehicle Financing.

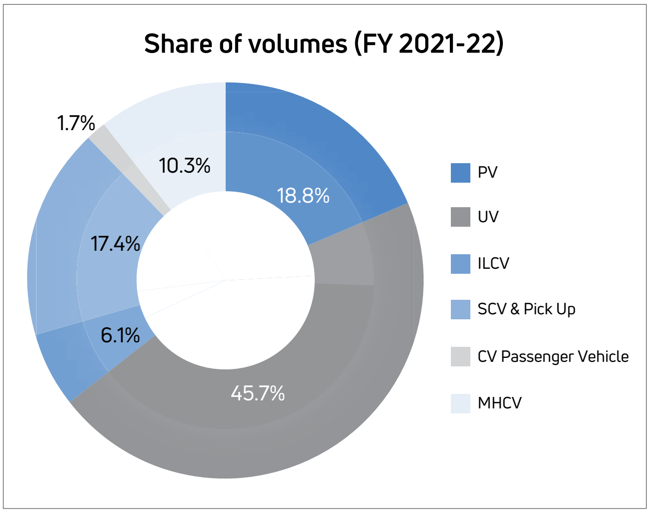
Overview of Automotive Operations

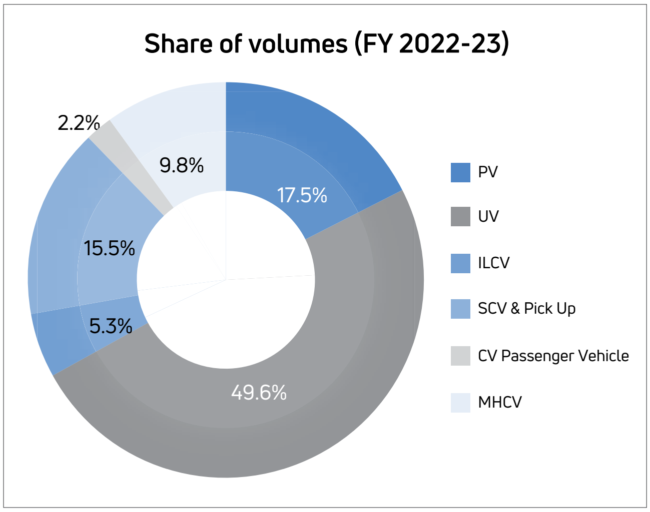
The total vehicle sales (excluding China joint venture) for FY 2022-23 and FY 2021-22 are set forth in the table below:

	FY 2022-23		FY 2021-22	
	Units	%	Units	%
Passenger cars	2,24,450	17.5%	1,94,185	18.8%
Utility vehicles	6,37,877	49.6%	4,72,154	45.7%
Intermediate and Light Commercial Vehicles	68,606	5.3%	63,097	6.1%
SCV & Pick Up	1,99,769	15.5%	1,80,222	17.4%
CV Passenger Vehicle	28,374	2.2%	17,699	1.7%
Medium and Heavy Commercial Vehicles	1,25,888	9.8%	1,06,547	10.3%
Total	**12,84,964**	**100.0%**	**10,33,904**	**100.0%**

We sold 9,31,602 units of Tata Commercial Vehicles and Tata Passenger Vehicles and 3,21,362 units (excluding wholesales from the China Joint Venture) of Jaguar Land Rover vehicles in FY 2022-23.

In India, we sold 9,31,429 and 6,93,036 units, during FY 2022-23 and FY 2021-22, respectively (constituting 72.5% and 67.0% of total sales in FY 2022-23 and FY 2021-22, respectively). In North America, we sold 81,629 units and 79,360 units in FY 2022-23 and FY 2021-22, respectively (constituting 6.4% and 7.7% of total sales in FY 2022-23 and FY 2021-22, respectively).





Tata and other brand vehicles

The following table sets forth our total wholesale sales worldwide of Tata Commercial Vehicles and Tata Passenger Vehicles:

	FY 2022-23		FY 2021-22	
	Units	%	Units	%
Tata Passenger Vehicles	5,40,965	56.1%	3,72,157	50.3%
Tata Commercial Vehicles	4,22,637	43.9%	3,67,565	49.7%
Total	**9,63,602**	**100.0%**	**7,39,722**	**100.0%**

We sold a total of 9,63,602 units in FY 2022-23, of which 9,31,429 units were sold by Tata and other brand vehicles in India and 32,173 units outside India. There were 7,39,722 units sold overall in FY 2021-22, with 6,93,036 units and 46,686 units, respectively.

We maintained our leadership position in the Commercial Vehicle category in India, which was characterized by increased competition during the year. In the Passenger Vehicle category, the Company is now the third largest automotive company in India.

The following table sets forth our market share in various categories in the Indian market based on Vahan Registration volumes:

	FY 2022-23	FY 2021-22
	%	%
Passenger Vehicles	13.5%	11.4%
Heavy Goods and Motor Vehicles (HGV+MGV)	49.6%	52.6%
Medium Goods Vehicles	44.2%	48.6%
Light Goods Vehicles	37.8%	41.4%
CV Passenger Vehicles	38.4%	35.9%
Total Commercial Vehicles	**41.7%**	**44.7%**

Source: Society of Indian Automobile Manufacturers Report and our internal analysis.

The following table sets forth our total domestic wholesales and retails of Tata Commercial Vehicles and Tata Passenger Vehicles:-

	Wholesale Volume (In Units)			Retail Volume (In Units)		
	FY 2022-23	FY 2021-22	% Change	FY 2022-23	FY 2021-22	% Change
Tata Commercial Vehicles	3,92,911	3,22,682	21.7%	3,97,229	3,19,141	24.5%
Tata Passenger Vehicles	5,38,518	3,70,354	45.4%	5,23,547	3,63,061	44.2%
Total	**9,31,429**	**6,93,036**	**34.4%**	**9,20,776**	**6,82,202**	**35.0%**

Passenger Vehicles in India

Industry sales of Passenger Vehicles increased by 27% to 37,57,703 units in FY 2022-23 from 29,60,047 units in FY 2021-22. The following table sets forth the breakup of the wholesale sales in various categories.

Category	Industry Sales			Tata Passengers Vehicles Sales		
	FY 2022-23 (In Units)	FY 2021-22 (In Units)	% Change	FY 2022-23 (In Units)	FY 2021-22 (In Units)	% Change
Passenger Cars	17,47,392	14,67,061	19.1%	1,81,407	1,44,226	25.8%
Utility Vehicles	20,10,311	14,92,986	34.7%	3,57,111	2,26,128	57.9%
Total	**37,57,703**	**29,60,047**	**26.9%**	**5,38,518**	**3,70,354**	**45.4%**

Industry-wide sales of Passenger Cars in India increased by 19.1% in FY 2022-23 as compared to the 4.9% decline in FY 2021-22. While Utility Vehicles sales increased by 34.7% in FY 2022-23, which is lower with respect to the 40.5% increase in FY 2021-22. The overall industry sales are on the rise at an increasing rate since FY 2020-21. Our Passenger Vehicle sales in India increased by 45.4% from 370,354 units in FY 2021-22 to 5,38,518 units this fiscal year, reflecting a strong response for the New Forever Range.

We sold 1,81,407 units in the Passenger Car category (Tata-brand vehicles in India) in FY 2022-23, compared to the 1,44,226 units in FY 2021-22, representing a strong demand of Tiago, Altroz and Tigor. Our market share for Passenger Cars in India rose to 10.4% in FY 2022-23, as compared to 9.8% in FY 2021-22.

MANAGEMENT DISCUSSION AND ANALYSIS

In the Utility Vehicles category, we sold 3,57,111 units in FY 2022-23, an increase of 57.9% from 226,128 units in FY 2021-22, representing a strong demand for Tata Nexon, Punch and Tata Harrier. Our market share of Utility Vehicles in India has increased to 16.7% in FY 2022-23, as compared to 14.1%. in FY 2021-22.

At Auto Expo in January 2023, we displayed promising future products which include Curvv, Altroz and Punch CNG with twin cylinder technology, and Altroz racer. In February 2023, we launched #DARK (Red Hot Dark) version for Nexon, Harrier and Safari. Extending the lineage of the iconic #DARK philosophy and already established strong design, these SUVs exude dynamism through the newly added Carnelian Red highlights, giving its customers an exclusive feel of premium-ness combined with a bold look. Harrier and Safari are further enhanced with a desirable larger infotainment screen and new ADAS features.

Commercial Vehicles in India

Industry sales of commercial vehicles rose by 34.0% to total 962,347 units in FY 2022-23 compared to the sales of 718,155 units in FY 2021-22. The following table sets forth the breakup of the wholesale sales in various categories.

Category	Industry Sales			Tata Commercial Vehicles Sales		
	FY 2022-23 (In Units)	FY 2021-22 (In Units)	% Change	FY 2022-23 (In Units)	FY 2021-22 (In Units)	% Change
Medium and Heavy Commercial Vehicles (MHCV)	2,30,720	1,51,546	52.2%	1,22,440	88,191	38.8%
Intermediate and Light Commercial Vehicles (ILCV)	1,24,388	1,09,997	13.1%	54,636	53,847	1.5%
SCVs and Pickups	5,23,923	4,23,560	23.7%	1,81,715	1,65,822	9.6%
CV Passenger Vehicles	83,316	33,052	152.1%	34,120	14,822	130.2%
Total	**9,62,347**	**7,18,155**	**34.0%**	**3,92,911**	**3,22,682**	**21.8%**

MHCVs in India

Industry saw a significant increase of 52.2% in the sale of medium and heavy commercial vehicles in FY 2022-23 compared to FY 2021-22. We sold 1,22,440 units in FY 2022-23, compared to 88,191 units in FY 2021-22 in this segment, a growth of 38.8%. The quarter-on-quarter improvement was observed, due to increase in infrastructure projects, housing construction and the mining segments in India.

ILCVs in India

Our sales in the ILCVs in India increased to 54,636 units in FY 2022-23, compared to the 53,847 units in FY 2021-22, representing an increase of 1.5%.

SCVs and Pickups in India

Our sales in SCVs and Pickups segment in India increased by 9.6% from 1,65,822 units in FY 2021-22 to 1,81,715 units in FY 2022-23. Among all segments in commercial vehicles, the SCV and pickup category has experienced increased demand from e-commerce players primarily due to the necessity for last-mile distributions to retail consumers by such companies.

CV Passenger Vehicles in India

Our sales in CV Passenger Vehicles segment in India increased by 130.2% in FY 2022-23 compared to FY 2021-22, from 14,822 units in FY 2021-22 to 34,120 units in FY 2022-23, 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 39 countries, including most 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, since our inception in 1961, we strive to maintain, improve and expand our relations with the nations of the world.

Our overall sales in these International Markets dropped by 42% to 20,222 units in FY 2022-23 compared to 34,791 units in FY 2021-22. A major drop was witnessed in SAARC region (down by 62%) driven by total industry volumes softening, forex shortages and liquidity crunch in the latter half of the year. MENA and ASEAN regions witnessed 6% year on year growth in shipments. Non-SAARC markets contributed to 57% of total shipments in FY 2022-23 as compared to 34% in

FY 2021-22. Democratic Republic of Congo achieved highest ever shipments of 1,005 units in FY 2022-23; Saudi Arabia hits highest ever shipments of 1,292 units and retails of 1,401 units in FY 2022-23; Vietnam achieves highest ever retails of 998 units in FY 2022-23.

TDCV, a subsidiary company engaged in the manufacturing of MHCVs and LCVs, reported an increase of 0.4%, with total units sold reaching 9,493, in FY 2022-23. This is almost flat compared to 9,454 units in FY 2021-22. Domestic volume witnessed a degrowth of 13.8% from 7,400 units in FY 2021-22 to 6,381 units in FY 2022-23, mainly due to a downturn in the domestic economy during the second half of the year. However, this decline in domestic was compensated by strong export growth of 51.5% from 2,054 units in FY 2021-22 to 3,112 units in FY 2022-23. During the year, TDCV launched LCV range of product "DEXEN" to strengthen its portfolio.

Tata Commercial Vehicles and Tata Passenger Vehicles — Sales and Distribution

Our sales and distribution network in India as at March 2023 comprised over 6,800 touch points for sales and service for our Passenger Vehicles and Commercial Vehicles businesses. We use a network of service centre's on highways and a toll-free customer assistance centre to provide 24-hour roadside assistance, including replacement of parts, to vehicle owners.

We have a customer relations management system at all of our dealerships and offices across India, which supports users both at our Company and among our distributors in India and abroad.

With a global presence in 39 countries, including most 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. Such 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

We face competition from various domestic and foreign automotive manufacturers in the Indian automotive market. Improving infrastructure and robust growth prospects 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 6 ("BS6") successfully and subsequently the BS6 Phase 2 norms, 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 vehicles.

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.

Tata Passenger Vehicles - Business environment continues to be challenging, with inflation and commodity price increases impacting profitability, consumer spending power and competitive nature of the industry. We aim to mitigate these risks by innovating, ensuring the portfolio remains "NEW FOREVER" by means of introducing exciting new variants, multiple powertrain options and fast tracking our cost reduction efforts to improve profitability.

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 ₹18,334 crores and ₹16,329 crores in vehicle financing during FY 2022-23 and FY 2021-22, respectively. Approximately 17% and 27% 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 2022-23 and FY 2021-22, respectively. TMF group's customer finance receivable portfolio comprised over seven lakhs, contracts as at March 31, 2023.

During FY 2022-23 TMF group revenue stood at ₹4,927 crores as compared to ₹4,827 crores in FY 2021-22, The profit before tax for FY 2022-23 was a loss of ₹993 crores as compared to a profit to ₹101 crores in FY 2021-22. The reason for increase in loss in Fiscal 2023 was due to an increased provision for finance receivable.

Our portfolio contains ways to follow specified internal procedures, including quantitative guidelines, for selection 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.

Jaguar Land Rover's Performance Analysis

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 2022-23 and FY 2021-22 are set forth in the table below:

	Wholesale Volume (in units excluding CJLR)			Retail Volume (in units excluding CJLR)		
	FY 2022-23	FY 2021-22	% change	FY 2022-23	FY 2021-22	% change
Jaguar	**42,720**	**49,510**	**(13.7)**	**62,521**	**77,381**	**(19.2)**
UK	11,239	13,822	(18.7)	12,076	17,016	(29.0)
North America	11,930	11,469	4.0	10,755	13,785	(22.0)
Europe	12,350	15,178	(18.6)	12,832	17,841	(28.1)
China	2,374	2,887	(17.8)	22,370	21,858	2.3
Overseas	4,827	6,154	(21.6)	4,488	6,881	(34.8)
Land Rover	**278,642**	**244,672**	**13.9**	**292,141**	**299,000**	**(2.3)**
UK	50,903	43,371	17.4	51,935	46,422	11.9
North America	69,699	67,881	2.7	66,771	77,520	(13.9)
Europe	61,999	49,983	24.0	58,874	54,227	8.6
China	42,544	38,529	10.4	68,628	73,927	(7.2)
Overseas	53,497	44,908	19.1	45,933	46,904	(2.1)
Jaguar Land Rover	**321,362**	**294,182**	**9.2**	**354,662**	**376,381**	**(5.8)**
UK	62,142	57,193	8.7	64,011	63,438	0.9
North America	81,629	79,350	2.9	77,526	91,305	(15.1)
Europe	74,349	65,161	14.1	71,706	72,068	(0.5)
China	44,918	41,416	8.5	90,998	95,785	(5.0)
Overseas	58,324	51,062	14.2	50,421	53,785	(6.3)
CJLR	**50,855**	**53,468**	**(4.9)**	**50,904**	**54,035**	**(5.8)**

Jaguar Land Rover's performance on a wholesale basis:

Wholesales (excluding our China Joint Venture) for the FY 2022-23 were 3,21,362 up 9.2%, compared to FY 2021-22. Compared to the prior year, wholesale volumes were higher in all markets led by Overseas 14.2%, Europe 14.1%, UK 8.7%, China 8.5% and North America 2.9%. This increase was driven by the gradual improvement in the supply of semiconductor during the year though constraints on the supply of commercial semiconductor was not completely removed. Given these restrictions on availability of [our products], 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 2022-23 were 3,54,662 down 5.8% compared to FY 2021-22. Compared to the prior year, retail volumes were higher in the UK 0.9% and down in North America 15.1%, Europe 0.5%, China 5.0% and Overseas 6.3%. This reduction reflected the impact of the chip shortages during FY 2022-23 while retail volumes in FY 2021-22 were supported by destocking of inventories. Demand remains strong with the client order book at around 200,000 units as at March 31, 2023.

Retails by powertrain

The electrified mix, which includes mild hybrid, plug-in hybrid and battery electric vehicles ("BEV"), increased slightly from 66% in FY 2021-22 to 67% in FY 2022-23. Within this, plug-in hybrid sales increased from 8% to 10%. During FY 2022-23, JLR commenced handover to customers of the new Range Rover and Range Rover Sport PHEV models while we are planning to launch a new Range Rover BEV model in 2024.

Jaguar Land Rover's Sales and Distribution

In FY 2022-23, Jaguar Land Rover distributed its vehicles in 123 markets 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 — 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

Semiconductors and general supply constraints

The ongoing supply chain challenges, particularly around semiconductors, continued to limit our ability to build cars in line with customer demand during FY 2022-23. We saw significant volatility in raw material commodity markets during the year leading to abnormal pricing levels and elements of scarcity in some markets. Supply constraints were caused by various external factors, namely Covid-19 recovery, the conflict in Russia-Ukraine and energy inflation.

In response to these challenges, we focused production on higher margin products and improved our organisational

MANAGEMENT DISCUSSION AND ANALYSIS

capabilities and processes to more proactively manage our supply chain. We put in place long- term supply agreements directly with a number of semiconductor manufacturers to protect both current and future product programs. As a result of our actions, our wholesale volumes for the year were 3,21,362 up 9.2% compared to the prior year. Whilst general supply chain challenges are likely to continue in the coming year, we anticipate that the actions we have taken this year will minimise the impacts on our volumes.

Global inflation

Inflationary pressures have increased during the past year with energy prices in Europe, where we produce the majority of our cars, rising as a result of the Russian invasion of Ukraine. We have seen cost increases coming from higher commodity prices, energy costs, labour rates and semiconductor prices.

We have taken steps to offset these impacts under our Refocus program which has delivered over £1 billion of value to the business through actions taken to optimise sales, lower costs and to prioritise investment spending.

Geopolitics

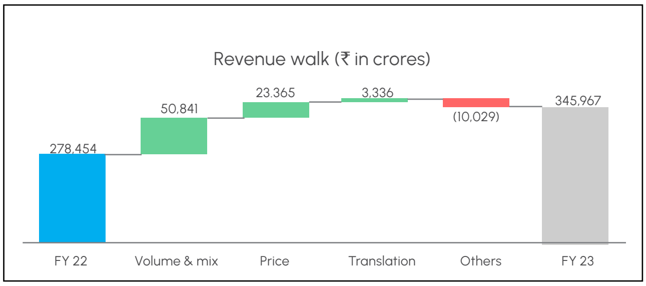
Geopolitical challenges including increasing geopolitical tensions and regulatory and legislative changes such as the US inflation reduction act have a global reach and can impact global of supply chains. While we have not observed any direct impacts on our business in the last year as a result of specific events, we proactively scenario plan against a range of outcomes to ensure we remain well balanced as a business.

A. Operating Results

All financial information discussed in this section is derived from our Audited Consolidated Financial Statements.

Overview

In FY 2022-23 consolidated income from operations including finance revenues increased by 24.2% to ₹345,967 crores from ₹278,454 crores in FY 2021-22. This increase was mainly attributable to increased vehicle volumes, mainly for Tata Commercial and Passenger vehicles and Jaguar Land Rover.



The net profit (attributable to shareholders of our Company) was ₹2,414 crores in FY 2022-23, compared to a loss of ₹11,441 crores in FY 2021-22. Tata Motors on a standalone basis recorded deferred tax asset of ₹1,615 crores in FY 2022-23, on carry forward losses (unabsorbed depreciation), as it is probable, profits will be available against which these will be utilized in coming years. The profit before tax was ₹3,058 crores in FY 2022-23 as against the loss before tax of ₹7,003 crores in FY 2021-22. Excluding the exceptional items, profit before tax was ₹1,467 crores in FY 2022-23, as compared to loss before tax of ₹6,374 crores in FY 2021-22. Increase in volumes, better management of costs, softening of commodity prices, have resulted in profits for the year.

Automotive operations

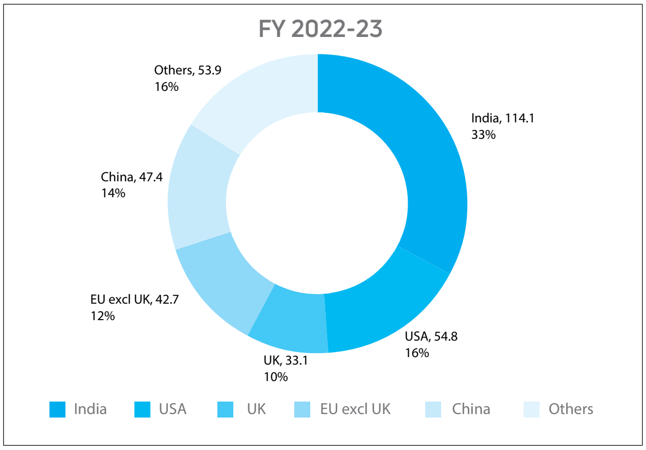
Automotive operations are our most significant segment, accounting for 99.0% of our total revenues in FY 2022-23 and FY 2021-22. In FY 2022-23, revenue from automotive operations before inter-segment eliminations was ₹342,641 crores compared to ₹275,780 crores in FY 2021-22.

Particulars	FY 2022-23	FY 2021-22	Change (%)
Total Revenues (₹ in crores)	3,42,641	2,75,780	24.2%
Earnings before other income, interest & Tax (₹ in crores)	9,041	1,424	535.0%
Earnings before other income, interest & Tax (% of revenue)	2.6%	0.5%	

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 (₹ in crores)		EBIT (₹ in crores)		EBIT (% of revenue)	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
CV	70,816	52,287	3,693	210	5.2%	0.4%
PV	47,868	31,515	542	(660)	1.1%	(2.1%)
JLR	2,22,860	1,87,697	3,482	(439)	1.6%	(0.2%)
Financing	4,595	4,585	1,499	2,466	32.6%	53.8%
Unallocable	360	314	(158)	(62)	(43.8%)	(19.9%)
Inter-Segment eliminations	(3,858)	(618)	(18)	(90)	0.5%	14.6%
Total	**3,42,641**	**2,75,780**	**9,041**	**1,424**	**2.6%**	**0.5%**

In FY 2022-23, Jaguar Land Rover contributed 64% of our total automotive revenue compared to 68% in FY 2021-22 (before intra-segment elimination) and the remaining 36% was contributed by Tata and other brand vehicles and Vehicle Financing in FY 2022-23, compared to 32% in FY 2021-22. This is reflecting higher growth of Tata branded vehicles as compared to Jaguar Land Rover.

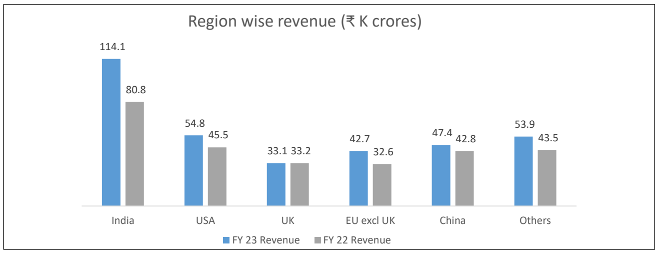


Other operations

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 2022- 23	FY 2021-22	Change (%)
Total Revenues (₹ in crores)	4,809	3,809	26.2%
Earnings before other income, interest & Tax (₹ in crores)	826	625	32.5%
Earnings before other income, interest & Tax (% of revenue)	17.2%	16.4%	

The following chart sets forth our revenue from key geographical markets:



Geographical Breakdown

In FY 2022-23, volume and percentage of revenues in India have improved from FY 2021-22 levels. The revenue of Jaguar Land Rover increased across most geographical markets in FY 2022-23. Jaguar Land Rover wholesale volumes increased in all regions including in China (increased 8.5% year-on-year), Europe (increased 14.1%), North America (increased 2.9%) and in the UK (increased 8.7%) in FY 2022-23. Further we are present across the Globe with well diversified product portfolio.

The "EU" 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 year indicated and shows these items as a percentage of total revenue:

Particulars	FY 2022-23 (%)	FY 2021-22 (%)	Difference (Bps)
Revenue from operations	100.0%	100.0%	-
Expenditure:			
Cost of material consumed (including change in stock)	65.5%	65.0%	50
Employee Cost	9.7%	11.1%	(134)
Product development/Engineering expenses	3.1%	3.3%	(22)
Other expenses (net)	17.9%	16.9%	93
Amount transferred to capital and other accounts	(5.3%)	(5.2%)	(16)
Total Expenditure	90.8%	91.1%	(29)
Profit before other income, Depreciation and amortization, Finance costs, Foreign exchange (gain)/loss, exceptional item and tax	9.2%	8.9%	29
Other Income	1.3%	1.1%	24
Profit before Depreciation and Amortization, Finance costs, Foreign exchange (gain)/loss, exceptional item and tax	10.5%	10.0%	53
Depreciation and Amortization	7.2%	8.9%	(173)
Finance costs	3.0%	3.3%	(39)
Foreign exchange loss (gain)/ Loss (net)	(0.0%)	0.0%	(6)
Exceptional Item (gain)/loss (net)	(0.5%)	0.2%	(69)
Profit/(loss) before tax	0.9%	(2.5%)	340
Tax expense / (credit)	0.2%	1.5%	(131)
Profit/(loss) after tax	0.7%	(4.0%)	471
Share of profits/(loss) of equity accounted investees (net)	0.1%	(0.0%)	12
Profit/(loss) for the year	0.8%	(4.1%)	483
EBITDA	10.7%	9.6%	110
EBIT	3.6%	0.7%	290

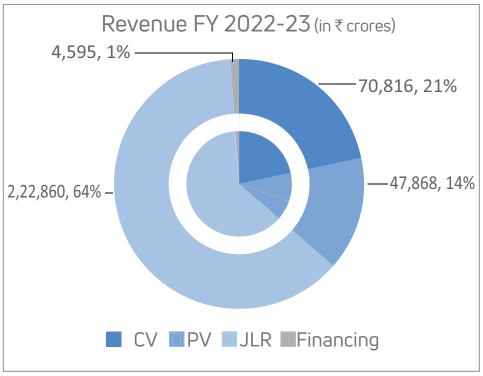
*Less than 0.0%

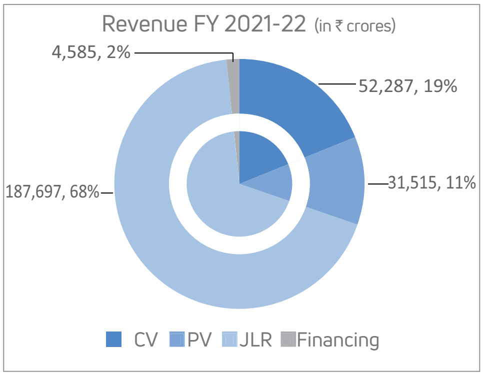
EBITDA is defined to include the product development expenses charged to P&L and realised FX and commodity hedges but excludes the revaluation of foreign currency debt, revaluation of foreign currency other assets and liabilities, MTM on FX and commodity hedges, other income (except government grant) 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 24.2% to ₹3,45,967 crores in FY 2022-23 from ₹2,78,454 crores in FY 2021-22. Revenue from the sale of vehicle increased to ₹2,90,006 crores in FY 2022-23, compared to ₹2,27,179 crores, an increase of 27.7%. We sold 12,84,898 vehicles in FY 2022-23, compared to 10,33,904 vehicles in FY 2021-22, an increase of 24.3%.





The revenue of our Tata brand vehicles including vehicle finance increased by 39.4% to ₹1,23,639 crores in FY 2022-23 from ₹88,701 crores in FY 2021-22, mainly due to increased volumes both in commercial vehicles and passenger vehicle segment.

Tata Commercial Vehicles:

The revenue from Tata commercial vehicle was ₹70,816 crores in FY 2022-23, compared to ₹52,287 crores in FY 2021-22, an increase of 35.4%.

Our revenues from sales of vehicles and spare parts of Commercial Vehicles manufactured in India increased by 38.7% to ₹64,029 crores in FY 2022-23 from ₹46,171 crores in FY 2021-22. The revenue from Commercial Vehicle in ILCVs category increased by 40.3% to ₹8,746 crores in FY 2022-23 from ₹6,233 crores in FY 2021-22. The SCVs and Pickups category in India increased by 20.2% to ₹7,416 crores in FY 2022-23 from ₹6,169 crores in FY 2021-22. Revenues from MHCVs category increased by 44.4% to ₹31,429 crores in FY 2022-23 from ₹21,759 crores in FY 2021-22 and CV Passenger Vehicles category revenue increased by 135.5% to ₹4,659 crores in FY 2022-23 from ₹1,978 crores in FY 2021-22. 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 necessity for last-mile distributions.

Revenue attributable to TDCV, increased marginally by 3.1% to ₹5,520 crores in FY 2022-23 from ₹5,352 crores in FY 2021-22. TDCV witnessed flat sales of 9,493 units in FY 2022-23 from 9,454 units in FY 2021-22. In South Korea market, volume witnessed a degrowth of 13.8% from 7,400 units in FY 2021-22 to 6,381 units in FY 2022-23 mainly due to downturn in domestic economy in second half of the year. Decline in domestic was compensated by strong export growth of 51.5% from 2,054 units in FY 2021-22 to 3,112 units in FY 2022-23.

Tata Passenger Vehicles:

The revenue from Tata Passenger Vehicles was ₹47,868 crores in FY 2022-23, compared to ₹31,515 crores in FY 2021-22, an increase of 51.9%.

Our revenues from sales of vehicles and spare parts of Passenger Vehicles manufactured in India increased by 49.2% to ₹48,226 crores in FY 2022-23 from ₹32,324 crores in FY 2021-22. The revenue from Passenger Cars in India has increased by 26.6% to ₹8,331 crores in FY 2022-23 from ₹6,579 crores in FY 2021-22, Electric vehicle increased to ₹6,586 crores in FY 2022-23 from ₹2,577 crores in FY 2021-22 and Utility Vehicles increased by 45.2% to ₹23,935 crores in FY 2022-23 from ₹16,490 crores in FY 2021-22. 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.

Vehicle financing:

Revenue from our Vehicle Financing operations was flat at ₹4,595 crores in FY 2022-23, compared to ₹4,585 crores in FY 2021-22.

Jaguar & Land Rover:

The revenue of our Jaguar Land Rover business increased by 18.7% to ₹2,22,860 crores in FY 2022-23 from ₹1,87,697 crores in FY 2021-22. This increase was after an unfavorable translation of ₹11,380 crores from GBP to Indian rupees in FY 2022-23. Excluding currency translation, the revenue of Jaguar Land Rover increased by 24.5% to GBP 22,938 million in FY 2022-23 from GBP 18,454 million in FY 2021-22. Jaguar Land Rover wholesale volumes improved across all key regions in FY 2022-23, up 9.2% year on year compared to FY 2021-22. Jaguar brand vehicles sales were 42,720 units in FY 2022-23 from 49,510 units in FY 2021-22, a decrease of 13.7%. However, Land Rover vehicles sales increased from 244,672 units in FY 2021-22 to 278,642 units in FY 2022-23, an increase of 13.9% (volumes excluding the China Joint Venture). The increase in revenue is also driven by product mix improvement.

Others:

Revenue from other operations (before inter-segment eliminations) increased by 26.2% to ₹4,809 crores in FY 2022-23 compared to ₹3,809 crores in FY 2021-22. 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 25.2% to ₹2,26,470 crores in FY 2022-23 from ₹1,80,886 crores in FY 2021-22, in line with increase in revenue. As a percentage of revenue material costs are 65.5% in FY 2022-23, compared to 65.0% in FY 2021-22.

Tata Commercial Vehicles:

Material costs for Tata Commercial Vehicles increased by 32.1% to ₹52,828 crores in FY 2022-23 from ₹39,999 crores in FY 2021-22, due to increased volumes. The material costs as a percentage of total revenue decreased to 74.6% in FY 2022-23, compared to 76.5% in FY 2021-22, primarily due to a improved product mix.

Material costs for ILCVs category increased by 32.6% to ₹7,166 crores in FY 2022-23, compared to ₹5,404 crores in FY 2021-22 and for SCVs and Pickups increased by 16.4% to ₹6,339 crores in FY 2022-23, compared to ₹5,444 crores in FY 2021-22 mainly due to increase in volumes. Material costs for MHCVs category increased by 37.0% to ₹24,624 crores in FY 2022-23, compared to ₹17,978 crores in FY 2021-22 and for CV Passenger Vehicles category substantially increased to ₹3,974 crores in FY 2022-23, compared to ₹1,707 crores in FY 2021-22 mainly due to increase in volumes. The material costs as a percentage of revenue decreased to 80.6% in FY 2022-23, compared to 84.5% in FY 2021-22.

Material costs remained flat at ₹3,528 crores in FY 2022-23, compared to ₹3,522 crores in FY 2021-22 for TDCV. As a percentage of total revenue, material costs increased to 62.0% in FY 2022-23, compared to 62.5% in FY 2021-22, reflecting commodity price increases, offset by product mix.

Tata Passenger Vehicles:

Material costs for Tata Passenger Vehicles increased by 42.7% to ₹36,833 crores in FY 2022-23 from ₹25,820 crores in FY 2021-22, due to increased volumes. The material costs as a percentage of total revenue decreased to 76.9% in FY 2022-23, compared to 81.9% in FY 2021-22, primarily due to a improved product mix.

For our India operations, material costs of Passenger Cars increased to ₹7,383 crores in FY 2022-23, compared to ₹6,072 crores in FY 2021-22, electric vehicles increased to ₹6,213 crores in FY 2022-23, compared to ₹2,301 crores in FY 2021-22 and Utility vehicles increased by 54.4% to ₹11,554 crores in FY 2022-23, compared to ₹7,483 crores in FY 2021-22. The increase in material costs is mainly due to increased sales volumes and increase price under BS6. The material costs as a percentage of revenue decreased to 85.5% in FY 2022-23, compared to 86.5% in FY 2021-22, primarily due to better product mix.

Jaguar & Land Rover:

At our Jaguar Land Rover operations, material costs in FY 2022-23 increased by 19.0% to ₹1,36,032 crores, from ₹1,14,340 crores in FY 2021-22. The increase was partially offset by a favourable currency translation from GBP to Indian rupees of ₹6,949 crores. Excluding currency translation, material costs attributable to our Jaguar Land Rover operations increased by 24.7% to GBP 14,007 million in FY 2022-23 from GBP 11,235 million in FY 2021-22, mainly due to a 9.2% increase in sales volume and change in product mix. Material costs at our Jaguar Land Rover operations as a percentage of revenue remains almost constant 61% in FY 2022-23 and FY 2021-22 (in GBP terms). The mix and pricing improvement have offset the impact of material cost pressures.

Employee Costs

Our employee costs increased by 9.2% in FY 2022-23 to ₹33,655 crores from ₹30,809 crores in FY 2021-22, including the foreign currency translation impact from GBP to Indian rupees as discussed below.

Our permanent employee headcount increased by 11.1% as at March 31, 2023, to 81,811 employees from 73,608 employees as at March 31, 2022. The average temporary headcount has decreased to 36,082 employees in FY 2022-23 from 40,717 employees in FY 2021-22.

Tata Commercial Vehicles:

The employee costs for Tata Commercial Vehicles increased by 10.4% to ₹5,073 crores in FY 2022-23 from ₹4,595 crores in FY 2021-22, mainly due to yearly increments and various wage settlements during the year. The employee costs as a percentage of revenue decreased to 7.1% in FY 2022-23 from 8.7% in FY 2022-23, due to increase in revenue.

Employee costs at Tata Motors Ltd, increased by 11.6% to ₹3,867 crores in FY 2022-23 from ₹3,466 crores in FY 2021-22, mainly due to annual increments and production Linked Incentive. The permanent headcount decreased by 4% as at March 31, 2023 to 35,332 employees from 36,854 employees as at March 31, 2022

Employee costs at TDCV were increased to ₹832 crores in FY 2022-23, compared to ₹787 crores in FY 2021-22 primarily due annual increments given during FY 2022-23.

Tata Passenger Vehicles:

The employee costs for Tata Passenger Vehicles increased by 35.5% to ₹1,723 crores in FY 2022-23 from ₹1,272 crores in FY 2021-22, mainly due to yearly increments and various wage settlements during the year. The employee costs as a percentage of revenue decreased to 3.6% in FY 2022-23 from 4.0% in FY 2021-22, due to increase in revenue.

Employee costs of Tata Motors Passenger Vehicles Limited increased by 34.0% to ₹1,309 crores in FY 2022-23 from ₹977 crores in FY 2021-22, mainly due to increase in headcount by 26.5%, annual increments and increase in production.

Jaguar & Land Rover:

The employee costs at Jaguar Land Rover increased by 6.2% to ₹24,502 crores (GBP 2,524 million) in FY 2022-23 from ₹23,058 crores (GBP 2,265 million) in FY 2021-22. Increase is driven by rise in average headcount and also annual increments. The average headcount increased by 6.6% (FY 2022-23 average 38,379 vs FY 2021-22 average 36,031). The increase was partially offset by favourable foreign currency translation impact from GBP to Indian rupees of ₹1,252 crores. The employee costs as a percentage of revenue increased to 11.0% in FY 2022-23 from 12.3% in FY 2021-22 (in GBP terms).

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 cost stood at 3.1% and 3.3% of total revenues ₹10,662 crores and ₹9,210 crores for FY 2022-23 and FY 2021-22, respectively.

Other Expenses

Other expenses increased by 31.0% to ₹61,786 crores in FY 2022-23 from ₹47,134 crores in FY 2021-22. There was favourable foreign currency translation of GBP to Indian rupees of ₹2,436 crores. As a percentage of total revenues, these expenses increased to 17.9% in FY 2022-23 from 16.9% in FY 2021-22.

The major components of expenses are as follows: (₹ in crores.)

	FY 2022-23	FY 2021-22	Change	% of Revenue	
				FY 2022-23	FY 2021-22
Processing charges	1,786	1,406	27.0%	0.5%	0.5%
Stores, spare parts and tools consumed	1,610	1,446	11.3%	0.5%	0.5%
Freight, transportation, port charges, etc.	7,548	6,278	20.2%	2.2%	2.3%
Power and fuel	2,513	2,178	15.4%	0.7%	0.8%
Warranty charges and Product Liabilities	10,497	8,775	19.6%	3.0%	3.2%
Publicity	6,035	4,864	24.1%	1.7%	1.7%
Information technology/computer expenses	3,970	3,544	12.0%	1.1%	1.3%
Provision and write off of sundry debtors, vehicle loans and advances (net)	2,086	1,427	46.2%	0.6%	0.5%
Engineering expenses	4,401	3,031	45.2%	1.3%	1.1%
MTM (gain)/loss on commodity derivatives	1,415	(1,371)	(203.2%)	0.4%	(0.5%)
Works operation and other expenses	19,926	15,556	27.9%	5.8%	5.6%
Other Expenses	61,786	47,134	31.0%	17.9%	16.9%

1. Freight and transportation expenses increased by 20.2% to ₹7,548 crores in FY 2022-23. This is partially offset favourable currency translation of ₹313 crores from GBP to INR. At Jaguar Land Rover freight and transportation expenses were increased from GBP 485 million in FY 2021-22 to GBP 630 million in FY 2022-23, mainly due to increase in sales volume. For India operations, expenses increased by 7.3% from ₹1,254 crores in FY 2021-22 to ₹1,346 crores in FY 2022-23 contributed by an increase in Commercial Vehicles at 11.3% from ₹1,026 crores in FY 2021-22 to ₹1,142 crores in FY 2022-23, offset by decrease in Passenger Vehicles expenses by 10.7% from ₹228 crores in FY 2021-22 to ₹204 crores in FY 2022-23, . As a % to revenue, freight and transportation expenses was 2.2% in FY 2022-23, as compared to 2.3% in FY 2021-22.

2. Our works operation and other expenses represented 5.8% and 5.6% of total revenue in FY 2022-23 and FY 2021-22, respectively. Other expenses mainly relate to volume-related expenses at Jaguar Land Rover and Tata Commercial and Passenger Vehicles. On absolute terms, the expenses increased to ₹19,926 crores in FY 2022-23 from ₹15,556 crores in FY 2021-22, mainly on account of miscellaneous contract job/outsourcing expenses.

3. Publicity expenses remains constant at 1.7% of our total revenues in FY 2022-23 as well as FY 2021-22, respectively. The publicity expenses at Jaguar Land Rover decreased to GBP 509 million (2.2% of the revenue) in FY 2021-22, compared to GBP 402 million (2.2% of revenue) in FY 2021-22. In addition to routine product and

brand campaigns, we incurred expenses relating to new product introduction campaigns in FY 2022-23, mainly the new Range Rover at Jaguar Land Rover and the new dark variants at Tata Motors India operations.

4. The allowances for finance receivables are related to Vehicle Financing segment. These allowances mainly reflect provisions for the impairment of vehicle loans which increased by 55.9% to ₹2,039 crores for FY 2022-23, compared to ₹1,308 crores in FY 2021-22. The increase is mainly due to higher provisions for restructured portfolio. The allowances for trade and other receivables were ₹81 crores in FY 2022-23, compared to ₹151 crores in FY 2021-22.

5. Warranty and product liability expenses represented 3.0% and 3.2% of our total revenues in FY 2022-23 and FY 2021-22, respectively. The warranty expenses at Jaguar Land Rover increased to GBP 885 million (3.9% of the revenue) in FY 2022-23, compared to GBP 748 million (4.1% of revenue) in FY 2021-22, mainly due to increased retailer guidance, guided diagnostics enhancement, proactive issue detection, prioritisation and resolution coming from charge initiatives, quality improvements in vehicles and the implementation of other business enhancement activities. For Tata Motors' Indian operations, Commercial Vehicles remains at 1.5% in FY 2022-23 and FY 2021-2022, Passenger Vehicles partially decreased from 0.7% in FY 2021-22 to 0.5% in FY 2022-23, thereby on overall level represent 1.2% and 1.1% of the revenue for FY 2022-23 and FY 2021-22, respectively, due to quality improvements and product mix.

6. Engineering expenses increased by 45.2% to ₹4,401 crores in FY 2022-23, compared to ₹3,031 crores in FY 2021-22. These expenses represent 1.3% and 1.1% of our total revenues in FY 2022-23 and FY 2021-22, respectively and are attributable mainly to increased expenditure at Jaguar Land Rover.

7. There was loss of ₹1,415 crores in FY 2022-23 for commodity derivative as compared to gain of ₹1,371 crores in FY 2021-22.

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 28.0% to ₹18,435 crores in FY 2022-23 from ₹14,397 crores in FY 2021-22. The increase partially offset by unfavourable foreign currency translation impact from GBP to Indian rupees of ₹839 crores pertaining to Jaguar Land Rover.

Other income

There was a net gain of ₹4,633 crores in FY 2022-23, compared to ₹3,054 crores in FY 2021-22, representing increase of 51.7%.

- Interest income increased to ₹1,251 crores in FY 2022-23, compared to ₹625 crores in FY 2021-22, 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 ₹2,913 crores in FY 2022-23, compared to ₹2,125 crores in FY 2021-22. Government incentive includes exports and other incentives of ₹780 crores and ₹2,133 crores received by foreign subsidiaries on Tax credit on qualifying expenditure for research and development in FY 2022-23.
- MTM gain on investments fair valued through profit or loss of ₹93 crores in FY 2022-23, compared to ₹53 crores in FY 2021-22.
- Profit on sale of investments measured at fair value through profit or loss is ₹329 crores in FY 2022-23, compared to ₹217 crores in FY 2021-22.

Depreciation and Amortization

Our depreciation and amortization expenses were flat in FY 2022-23, the breakdown of which is as follows:

(₹ in crores)

Particulars	FY 2022-23	FY 2021-22	Change
Depreciation	11,799	11,068	6.6%
Amortization	11,954	12,652	(5.5%)
Amortization of Leased Assets (RTU)	1,107	1,116	(0.8%)
Total	**24,860**	**24,836**	**0.1%**

Finance Cost (interest expenses)

Our interest expense (net of interest capitalized) increased by 10% to ₹10,225 crores in FY 2022-23 from ₹9,312 crores in FY 2021-22. As a percentage of total revenues, interest expense represented 3.0% and 3.3% in FY 2022-23 and FY 2021-22, respectively. The interest expense (net) for Jaguar Land Rover was GBP 507 million (₹4,898 crores) in FY 2022-23, compared to GBP 369 million (₹3,757 crores) in FY 2021-22. The increase in interest expense primarily reflects interest accrued on increased indebtedness which included the new EUR€500 million and US$500 million unsecured bonds issued in FY 2021-22. For Tata Commercial Vehicles and Tata Passenger Vehicles, interest expense remained flat at ₹2,795 crores in FY 2022-23 from ₹2,792 crores in FY 2021-22, reflecting decrease in borrowings. For the Vehicle Financing business, interest expense increased by 6.1% to ₹2,885 crores in FY 2022-23 from ₹2,719 crores in FY 2021-22, mainly due to higher cost of borrowings.

Foreign exchange (gain)/loss (net)

We had a net foreign exchange gain of ₹104 crores in FY 2022-23, compared to a loss of ₹79 crores in FY 2021-22.

- Jaguar Land Rover recorded an exchange gain of ₹154 crores in FY 2022-23, compared to ₹61 crores in FY 2021-22. on account of foreign exchange and fair value adjustments.
- For our India operations, we incurred a net exchange loss of ₹308 crores in FY 2022-23, compared to ₹166 crores in FY 2021-22, mainly attributable to foreign currency denominated borrowings.

Exceptional Item (gain)/loss (net)

(₹ in crores)

Particulars	FY 2022-23	FY 2021-22
Employee separation cost	1	10
Defined benefit pension plan amendment past service cost	(1,495)	-
Write off/provision for tangible intangible assets (including under development (net))	230	-
Reversal for Onerous Contracts and related supplier claims	(61)	-
Reversal for costs of closure of operation of a subsidiary	-	(21)
Reversal of impairment in subsidiaries	(214)	(86)
Provision for Russia market	-	429
Others	(60)	(3)
Cost of scrap sale of Passenger vehicle undertaking	9	301
Total	**(1,591)**	**630**

FY 2022-23

Defined benefit pension plan amendment past service cost

During FY 2022-23, Jaguar Land Rover has recognized a pension past service credit of ₹1,495 crores (£155million) due to change in inflation index from RPI to CPI.

Reversal of impairment in subsidiaries

As part of slump sale (passenger vehicle undertaking), the investments in wholly owned subsidiaries of the Company engaged in designing services namely Tata Motors European Technical Centre PLC (TMETC) and Trilix S.r.l (Trilix) have been transferred to Tata Motors Passenger Vehicle Limited, a wholly owned subsidiary of the Company, w.e.f. January 1, 2022. These subsidiaries were then transferred to Tata Passenger Electric Mobility Ltd., another wholly owned subsidiary of the Company. During the year ended March 31, 2023, the Company reassessed the recoverable value of assets belonging to Tata Motors European Technical Centre PLC (TMETC) and accordingly provision for impairment towards the assets is reversed amounting to ₹214 crores. (£23.57 million). During, the previous year the Company reassessed the recoverable value of TMETC business and accordingly reversed the provision of impairment of ₹38 crores (£3.8 million) and also reversed the impairment to the tune of ₹48 crores (€5.6 million) with respect to Trilix.

Write off/provision for tangible/intangible assets (including under development (net))

Due to quick migration of Indian Emission Regulations norms and limited market availability of new products, some of the Company's undergoing projects are delayed. Hence, the Company has made provision of ₹277 crores for intangible assets under development.

FY 2021-22

Provision for Russia market

₹429 crores (GBP 43 million) were 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.

Cost of scrap sale of Passenger vehicle undertaking

Expenses in relation to transfer charges of land at Sanand and Pune for PV undertaking and stamp duty as per the scheme of arrangement.

Tax expenses / (credit)

Our income tax expenses were ₹704 crores in FY 2022-23, compared to ₹4,231 crores in FY 2021-22, resulting in consolidated effective tax rates of 20.0% and 60.4%, for FY 2022-23 and FY 2021-22, respectively. Tax rates applicable to individual entities increased to 36.5% for FY 2022-23, compared to 13.5% in FY 2021-22.

MANAGEMENT DISCUSSION AND ANALYSIS

There is significant decrease in tax expense as referred to above due to the following reasons:

- During FY 2022-23, Tata Motors Limited recognised Deferred Tax Assets on previously unrecognised unused unabsorbed depreciation and long term capital losses incurred in the current year based on the probability of sufficient taxable profit in future periods, mostly those arising from planned divestments which will yield capital gains against which such unabsorbed depreciation and capital loss will be set off. Accordingly, ₹ 1,615 crores deferred tax has been recognised as at March 31, 2023.
- During FY 2022-23, Tata Motors Ltd utilized tax losses of ₹365 crores, whereas in FY 2021-22, 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 ₹585 crores. The tax losses utilized in FY 2021-22 for certain subsidiaries and joint operations was ₹183 crores as compared to ₹140 crores in FY 2021-22.
- In FY 2022-23, deferred tax assets not recognized because realization is not probable was ₹692 crores as compared to ₹3,528 crores in FY 2022-23. Of this, amount pertains to JLR GBP 34 million (₹345 crores) for FY 2022-23, as compared to GBP 331 million (₹3,380 crores) in FY 2021-22, mainly due to inability to recognize deferred tax assets arising in the years due to current UK loss profile.
- There is tax charge on undistributed earnings of subsidiaries amounting to ₹602 crores in FY 2022-23 as compared to ₹407 crores in FY 2021-22, due to increased profitability.
- During FY 2021-22, Tata Motors Ltd has transferred its Passenger Vehicle Business to a subsidiary on a slump sale basis as per defined under section 2(42C) of the Indian-tax Act, 1961. This has resulted in Capital gain tax of ₹1,283 crores. However, due to set-off of brought forward unabsorbed depreciation against the capital gains, there is no capital gains tax payable on the same.

Profit/(loss) after tax

Our consolidated net profit in FY 2022-23, excluding shares of non-controlling interests, is ₹2,414 crores, as compared to loss of ₹11,441 crores in FY 2021-22. 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 profit of ₹3,482 crores in FY 2022-23, compared to loss of ₹439 crores in FY 2021-22. During FY 2022-23, Jaguar Land Rover has recognized a pension past service credit of ₹1,495 crores (£155million) due to change in inflation index from RPI to CPI.
- Earnings before other income (excluding Incentives), finance cost, foreign exchange gain/(loss) (net), exceptional items and tax for Tata Commercial Vehicles amounted to ₹3,693 crores in FY 2022-23, compared to ₹210 crores in FY 2021-22, primarily due to higher volumes and product mix.
- Earnings before other income (excluding Incentives), finance cost, foreign exchange gain/(loss) (net), exceptional items and tax for Tata Passenger Vehicles amounted to ₹542 crores in FY 2022-23, compared to loss of ₹660 crores in FY 2021-22, due to increased sales volume in cars and Utility Vehicle segment.
- Earnings before other income (excluding Incentives), finance cost, foreign exchange gain/(loss) (net), exceptional items and tax for Vehicle Financing amounted to ₹1,499 crores in FY 2022-23, compared to ₹2,466 crores in FY 2021-22. Profit was reduced mainly due to higher provisioning of impairment of vehicle loans.

Share of profit/(loss) of equity-accounted investees and non-controlling interests in consolidated subsidiaries, net of tax

In FY 2022-23, our share of equity-accounted investees reflected a profit of ₹336 crores, compared to loss of ₹74 crores in FY 2021-22. Our share of profit (including other adjustments) in the China Joint Venture in FY 2021-22 was of ₹144 crores, compared to loss of ₹206 crores in FY 2021-22. Further profits were increased mainly due to profits of ₹192 crores in other immaterial associates mainly Tata Autocomp Systems Ltd. and Tata Hitachi Construction Machinery Company Ltd in FY 2022-23. The profit was mainly due to increase in sales volumes and better business performance.

The share of non-controlling interests in consolidated subsidiaries was increased to ₹276 crores in FY 2022-23 from ₹133 crores in FY 2021-22, 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, 2023, and 2022, included elsewhere in this annual report.

₹ in crores

		As at March 31, 2023	As at March 31, 2022	Change	Translation of JLR	Net Change
	ASSETS					
(a)	Property, plant and equipment and intangible assets	1,45,514	1,48,299	(2,786)	2,519	(5,305)
(b)	Goodwill	841	807	33	-	33
(c)	Investment in equity accounted investees	4,676	4,349	326	73	253
(d)	Financial assets	1,18,279	1,22,867	(4,589)	1,192	(5,781)
(e)	Deferred tax assets (net)	5,185	3,871	1,314	79	1,235
(f)	Current tax assets (net)	1,816	1,457	359	3	356
(g)	Other assets	18,189	13,205	4,984	299	4,686
(h)	Inventories	40,755	35,240	5,515	719	4,796
(i)	Assets classified as held-for-sale	828	524	304	14	290
	TOTAL ASSETS	**3,36,081**	**3,30,620**	**5,461**	**4,899**	**562**
	EQUITY AND LIABILITIES					
	EQUITY	52,600	48,832	3,767	942	2,826
	LIABILITIES					
(a)	Financial liabilities:	2,35,516	2,35,953	(437)	3,110	(3,547)
(b)	Provisions	25,007	23,722	1,285	487	798
(c)	Deferred tax liabilities (net)	1,407	1,558	(151)	28	(180)
(d)	Other liabilities	20,297	19,297	1,001	307	693
(d)	Current tax liabilities (net)	1,254	1,254	0	24	(24)
(e)	Liabilities directly associated with Assets held-for-sale	-	3	(3)	-	(3)
	TOTAL LIABILITIES	**2,83,482**	**2,81,788**	**1,694**	**3,958**	**(2,264)**
	TOTAL EQUITY AND LIABILITIES	**3,36,081**	**3,30,620**	**5,461**	**4,899**	**562**

Our total assets were ₹3,36,081 crores and ₹3,30,620 crores as at March 31, 2023, and 2022, respectively. The increase by 1.7% in assets as at March 31, 2023, considers favourable foreign currency translation from GBP into Indian rupees as described below.

Our total current assets were flat at ₹1,51,528 crores as at March 31, 2023, compared to ₹1,46,978 crores as at March 31, 2022.

Cash and cash equivalents decreased by 16.4% to ₹31,887 crores as at March 31, 2023, compared to ₹38,159 crores as at March 31, 2022. 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, 2023, Jaguar Land Rover held the GBP 2,248 million equivalent of ₹22,852 crores, which consists of surplus cash deposits for future use. As at March 31, 2023, we had short-term deposits of ₹4,487 crores, compared to ₹2,038 crores as at March 31, 2022, increase of 120.2%, due to increase in the value of deposits invested over a term of three months or longer mainly at Tata Passenger Electric Mobility Limited.

As at March 31, 2023, we had finance receivables, including the non-current portion (net of allowances for credit losses), of ₹30,834 crores, compared to ₹33,231 crores as at March 31, 2022, a decrease of 7.2%, due to lower financing during the year. Gross finance receivables were ₹32,741 crores as at March 31, 2023, compared to ₹35,039 crores as at March 31, 2022. Vehicle financing is integral to our automotive operations in India.

MANAGEMENT DISCUSSION AND ANALYSIS

Trade receivables (net of allowance for doubtful receivables) were ₹15,738 crores as at March 31, 2023, representing increase of 26.5% over March 31, 2022. There was favourable foreign currency translation of ₹225 crores from GBP to Indian rupees. Trade receivables at Tata and other brand vehicles (including vehicle finance) increased by 1.4% to ₹4,813 crores as at March 31, 2023, from ₹4,748 crores as at March 31, 2022, primarily on account of higher sales volume due to pent up demand. The trade receivables of Jaguar Land Rover were ₹10,229 crores as at March 31, 2023, compared to ₹7,183 crores as at March 31, 2022, and increase of 43.4%. The past dues for more than six months (gross) decreased from ₹1,503 crores as at March 31, 2023 to ₹1,441 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, 2023, inventories were at ₹40,755 crores, compared to ₹35,240 crores as at March 31, 2022, an increase of 15.6%. The increase in finished goods inventory was ₹5,286 crores from ₹23,885 crores as at March 31, 2022, to ₹29,171 crores as at March 31, 2023, mainly due to an increase in volumes both at Tata Motors and Jaguar Land Rover. This increase was also due to favourable currency translation of ₹719 crores from GBP to Indian rupees. In terms of number of days to sales, finished goods represented 20 inventory days in sales in FY 2022-23, compared to 31 inventory days in FY 2021-22.

Our investments (current and non-current investments) decreased to ₹21,704 crores as at March 31, 2023, from ₹25,030 crores as at March 31, 2022, representing an increase of 13.2%. Our investments mainly comprise mutual fund of ₹18,704 crores as at March 31, 2023, compared to ₹21,972 crores as at March 31, 2022. Investments attributable to Jaguar Land Rover were ₹15,065 crores as at March 31, 2023, compared to ₹16,518 crores as at March 31, 2022, a decrease of 8.8% mainly on account of mutual fund. Tata Motors Limited on Standalone basis has investments in mutual funds of ₹3,143 crores as at March 31, 2023, compared to ₹5,143 crores as at March 31, 2022.

Our other assets (current and non-current) increased by 37.7% to ₹18,189 crores as at March 31, 2023, from ₹13,205 crores as at March 31, 2022.

Our other financial assets (current and non-current) increased to ₹9,814 crores as at March 31, 2023, from ₹8,979 crores as at March 31, 2022. This increase is mainly due to deposits of surplus cash of Tata Passenger Electric Mobility limited with financial institution amounting to ₹900 crores as at March 31, 2023.

Income tax assets (both current and non-current) increased by 24.6% to ₹1,816 crores as at March 31, 2023, from ₹1,457 crores as at March 31, 2022, Tata Passenger Electric Mobility Limited, Tata Motors Passenger Vehicles Limited, Tata Motors Limited and TMF Group.

Property, plants and equipment (net of depreciation) decreased by 5.3% from ₹80,900 crores as at March 31, 2022, to ₹76,641 crores as at March 31, 2023. The decrease is partly offset by favourable foreign currency translation of ₹1,211 crores from GBP to Indian rupees. After adjusting for the foreign currency translation impact, decrease of ₹5,470 crores is mainly due to lower addition during the year as compared to previous year.

Goodwill as at March 31, 2023, was ₹841 crores, compared to ₹807 crores as at March 31, 2022. 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 2.3% from ₹57,184 crores as at March 31, 2022, to ₹55,851 crores as at March 31, 2023. This decrease is mainly due to amortization charge for the year and lower capitalization of product development costs. This decrease is partially offset by favourable foreign currency translation of ₹1,080 crores from GBP to Indian rupees. As at March 31, 2023, there were product development projects in progress amounting to ₹9,055 crores compared to ₹6,722 crores as at March 31, 2022.

The carrying value of investments in equity-accounted investees increased by 7.5% to ₹4,676 crores as at March 31, 2023, from ₹4,349 crores as at March 31, 2022. The value of investments in equity-accounted investees increased mainly due to profit for the year FY 2022-23 from the associates and joint ventures.

A deferred tax asset (net) of ₹2,554 crores was recorded in our income statement and a deferred tax liability of ₹964 crores in other comprehensive income which mainly includes ₹1,123 crores towards cash flow hedges in FY 2022-23. The net deferred tax asset of ₹1,590 crores was recorded as at March 31, 2023, compared to net deferred tax liability ₹652 crores as at March 31, 2022.

Accounts payable (including acceptances) were ₹79,214 crores as at March 31, 2023, compared to ₹69,750 crores as at March 31, 2022, an increase of 13.6%, reflecting increase in operations at Jaguar land Rover and an unfavourable foreign currency translation of ₹1,237 crores from GBP to Indian rupees.

Other financial liabilities (current and non-current) were ₹22,151 crores as at March 31, 2023, compared to ₹19,754 crores as at March 31, 2022 (net of unfavourable currency translation impact of ₹407 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 increased to ₹3,022 crores as at March 31, 2023, from ₹2,658 crores as at March 31, 2022, mainly due to increase in the repurchase business at Jaguar Land Rover. Further Derivative financial instruments (representing options and other hedging arrangements, mainly related to Jaguar Land Rover) increased by 24.3% to ₹9,766 crores as at March 31, 2023, from ₹7,859 crores as at March 31, 2022.

Provisions (current and non-current) increased by 6% to ₹25,007 crores as at March 31, 2023, from ₹23,722 crores as at March 31, 2022.Provisions for warranties increased by 4.3% or ₹758 crores to ₹18,492 crores as at March 31, 2023, compared to ₹17,734 crores as at March 31, 2022 mainly at Jaguar Land Rover increased from GBP 1630 million to GBP 1,672 million as at March 31, 2023. Provision for emission has increased from ₹ 255 crores to ₹ 325 crores as March 31, 2023.

Other liabilities (current and non-current) increased by 5.2% to ₹20,297 crores as at March 31, 2023, compared to ₹19,297 crores as at March 31, 2022.

Our total debt was ₹1,25,660 crores as at March 31, 2023, compared to ₹1,39,677 crores as at March 31, 2022, a decrease of 10.0%, It includes an unfavourable currency translation of ₹1,335 crores from GBP to Indian rupees. Short-term debt (including the current portion of long-term debt) decreased to ₹36,965 crores as at March 31, 2023, compared to ₹41,918 crores as at March 31, 2022. Long-term debt (excluding the current portion) decreased by 9.3% to ₹88,696 crores as at March 31, 2023, from ₹97,759 crores as at March 31, 2022. Long-term debt (including the current portion) decreased by 8.75% to ₹1,11,594 crores as at March 31, 2023, compared to ₹122,299 crores as at March 31, 2022.

Total equity was ₹52,600 crores as at March 31, 2023, and ₹48,832 crores as at March 31, 2022, respectively.

Equity attributable to shareholders of Tata Motors Limited increased to ₹45,322 crores as at March 31, 2023, compared to ₹44,561 crores as at March 31, 2022. This increase was mainly due to profit of ₹2,414 crores in FY 2022-23. Further, hedging reserve loss of ₹1,356 crores compared to loss of ₹6,938 crores, currency translation reserve gain of ₹723 crores compared to loss of ₹111 crores.

C. Cash Flow

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

(₹ in crores)

	FY 2022-23	FY 2021-22	Change
Cash from operating activity	**35,388**	**14,283**	**21,105**
Profit/Loss for the year	2,690	(11,309)	
Adjustments for cash flow from operations	39,004	38,252	
Changes in working capital	(3,127)	(10,750)	
Direct taxes paid	(3,179)	(1,910)	
Cash from investing activity	**(16,804)**	**(4,775)**	**(12,029)**
Payment for Assets	(18,647)	(14,938)	
Net investments, short term deposit, margin money and loans given	801	9,478	
Dividend and interest received	1,042	685	
Net Cash from / (used in) Financing Activities	**(26,243)**	**(3,380)**	**(22,863)**
Proceeds/(buy back) from issue of share to minority shareholders	(395)	-	
Dividend Paid (including paid to minority shareholders	(141)	(100)	
Interest paid	(9,336)	(9,251)	
Net Borrowings (net of issue expenses)	(16,371)	5,971	
Net increase / (decrease) in cash and cash equivalent	**(7,659)**	**6,128**	**(13,787)**
Cash and cash equivalent, beginging of the year	38,159	31,700	
Effect of exchange fluctuation on cash flows	1,387	331	
Cash and cash equivalent, end of the year	**31,887**	**38,159**	**(6,272)**
Free Cash flow*	**9,237**	**(9,254)**	**17,654**

*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, excluding M&A linked asset purchase 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.

MANAGEMENT DISCUSSION AND ANALYSIS

Cash and cash equivalents decreased by ₹6,272 crores in FY 2022-23 to ₹31,887 crores from ₹38,159 crores in FY 2021-22. The decrease in cash and cash equivalents resulted from the changes to our cash flows in FY 2022-23 when compared to FY 2021-22 as described below.

Net cash provided by operating activities totalled ₹35,388 crores in FY 2022-23, an increase of ₹21,105 crores, compared to ₹14,283 crores in FY 2021-22. The net profit for the FY 2022-23 is ₹2,690 crores, compared to the loss of ₹11,309 crores in FY 2021-22. The cash flows from operating activities before changes in operating assets and liabilities is of ₹41,694 crores in FY 2022-23, compared to ₹26,943 crores in FY 2021-22. The changes in operating assets and liabilities resulted in a net outflow of ₹3,127 crores in FY 2022-23, compared to ₹10,750 crores in FY 2021-22.

In FY 2022-23, the net inflow in vehicle finance receivables was ₹617 crores compared to a net outflow of ₹76 crores in FY 2021-22. For Tata Commercial Vehicles and Tata Passenger Vehicles there was an inflow of ₹134 crores in FY 2022-23 on account of changes in operating assets and liabilities, compared to ₹3,755 crores in FY 2021-22. For Jaguar Land Rover brand vehicles, there was a net outflow of cash on account of changes in operating assets and liabilities accounting to ₹3,475 crores in FY 2022-23, compared to ₹13,830 crores in FY 2021-22.

Income tax paid has increased to ₹3,179 crores in FY 2022-23, compared to ₹1,910 crores in FY 2021-22, 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 ₹16,804 crores in FY 2022-23, compared to ₹4,775 crores for FY 2021-22, an increase of ₹12,029 crores.

The following table sets forth a summary of our cash flow on property, plants and equipment and intangible assets for the periods indicated.

(₹ in crores)

	FY 2022-23	FY 2021-22
Tata Commercial Vehicles & Tata Passenger Vehicles	5,056	2,902
Jaguar Land Rover	13,591	11,974
Total	**18,647**	**14,876**

Jaguar Land Rover had positive free cash flow of GBP 521 million in FY 2022-23, after total investment spending of GBP 1.4 billion. In FY 2022-23, payments for capital expenditures at Jaguar Land Rover decreased by 13.3% to ₹13,591 crores from ₹11,999 crores in FY 2021-22. Investment spending in FY 2022-23 was GBP 2.4 billion (10.3% of revenue), higher than GBP 2.0 billion (11.1% of revenue) in the prior year. Of the GBP 2.4 billion investment spending, GBP 966 million was expensed through profit and loss statement and the remaining GBP 1.4 billion was capitalised.

Further, in FY 2022-23, payments for capital expenditures at Tata Commercial Vehicles and Tata Passenger Vehicles increased to ₹4,942 crores from ₹2,902 crores in FY 2021-22. These capital expenditures are related to new products under development. Payment for acquisition of Ford plant by Electric vehicle was ₹836 crores.

Our net investment in short-term deposit margin moneys and loans resulted in an inflow of ₹487 crores in FY 2022-23, compared to inflow of ₹9,478 crores in FY 2021-22. This is mainly due to lower realisation of fixed deposit in FY 2022-23, compared to FY 2021-22

Net cash outflow from financing activities totalled ₹26,243 crores in FY 2022-23, compared to ₹3,380 crores in FY 2021-22. Net repayment of borrowings (net of issue expenses) done during FY 2022-23 of ₹18,623 crores, compared to a net proceed of ₹5,971 crores during FY 2021-22. For Tata Commercial Vehicles and Tata Passenger Vehicles excluding vehicle financing, the short-term debt (net) decreased by ₹1,973 crores, whereas long-term debt (net) decreased by ₹4,261 crores, due to repayments. There was a decrease in debt (short-term and long-term) of ₹2,499 crores in FY 2022-23 at Vehicle Financing, compared to ₹76 crores in FY 2021-22 on account of repayments.

For Jaguar Land Rover, short term debt decreased to GBP 1,478 million in FY 2022-23 (GBP 1,779 million in FY 2021-22) however, Long-term debt (excluding lease liabilities) increased to GBP 4,600 million in FY 2022-23 (GBP 5,248 million in FY 2021-22), including repayment of US$500 million & GBP 400 million bond and GBP 125 million of the UKEF-backed loan which amortized over the course of the year. As at March 31, 2023, the Group has a fully undrawn revolving credit facility of GBP 1,520 million (2022: GBP 2,015 million). The facility was renewed on December 16, 2022 with a new maturity date of April 2026 and includes a covenant requiring the Group to maintain a minimum quarter-end liquidity of GBP 1 billion. Lease obligations payments totalled GBP 72 million in FY 2022-23 compared to GBP 71 million in FY 2021-22.

Interest paid in FY 2022-23 was ₹9,335 crores, compared to ₹9,251 crores in FY 2021-22. For Jaguar Land Rover, interest paid was ₹4,288 crores in FY 2022-23, compared to ₹3,454 crores in FY 2021-2,2 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 ₹2,090 crores in FY 2022-23, compared to ₹2,744 crores in FY 2021-22. For Vehicle Financing, interest paid was ₹2,502 crores in FY 2022-23, compared to ₹3,053 crores in FY 2021-22.

D. KEY FINANCIAL RATIOS

The details of significant changes (25% or more) in the key financial ratios in FY 2022-23 compared to FY 2021-22 is as follows:

Particulars	Year ended Mar 31,		Change	Favourable/ Unfavourable	Reason for change
	2023	2022			
Debt Equity Ratio (number of times)	2.77	3.13	(11.5%)	Favourable	With the reduction in total debt during the year and increase in shareholders' equity on account of profit during the year, the ratio has decreased compared to previous year
Debt Service Coverage Ratio (number of times)	0.23	0.04	475.0%	Favourable	Due to repayment of borrowings in current year as compared to net proceeds from borrowings in previous year
Interest Service Coverage Ratio (number of times)	1.17	0.19	515.8%	Favourable	Due to higher Earnings before finance costs, exceptional items and Tax.
Current ratio (number of times)	0.98	0.98	0.0%	Favourable	
Long term debt to working capital (number of times)	5.30	5.42	(2.2%)	Favourable	
Debtors' turnover (in times)	24.25	21.84	11.0%	Unfavourable	
Inventory turnover (in times)	5.96	5.07	17.6%	Unfavourable	
Operating margin (%)	9.2%	8.7%	5.9%	Favourable	
Net profit margin (%)	0.8%	(4.1%)	(119.1%)	Favourable	Due to net profit after tax during the year

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 41 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,	
	2023	2022
Short-term debt (excluding current portion of long-term debt)	14,067	17,378
Current portion of long-term debt	22,898	24,539
Long-term debt net of current portion	88,696	97,759
Total Debt	1,25,660	1,39,677

During FY 2022-23 and FY 2021-22, the effective weighted average interest rate on our long-term debt was 5.77% and 5.23% 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, 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

Details of Long-term debt	Currency	Initial Principal amounts (millions)	Redeemable On	Interest Rate	Amount Repaid during FY 2022-23 (₹ crores)	Outstanding (₹ crores)	
						31-03-2023	31-03-2022
Non-convertible debenture	₹			Various		13,061	14,831
Collateralized debt Obligations	₹			Various		75	1,183
Buyers from credit bank	Various			Various		-	4,058
Loans from banks/financial institutions	Various			Various		45,225	44,250
Compulsory convertible Preference shares	₹			Various		11	11
Others	₹			Various		276	344
Senior Notes							
Tata Motors Limited	US$	250	due 2024	5.750%		2,043	1,877
Tata Motors Limited	US$	300	due 2025	5.875%		2,466	2,274
TML Holdings Pte. Limited	US$	425	due 2026	5.350%		3,486	3,199
Jaguar Land Rover	US$	500	due 2023	5.625%	3,777	-	3,777
Jaguar Land Rover	GB£	400	due 2023	3.875%	3,972	-	3,972
Jaguar Land Rover	US$	500	due 2027	4.500%		4,086	3,762
TML Holdings Pte. Limited	GB£	98	due 2023	4.000%		988	960
TML Holdings Pte. Limited	US$	300	due 2024	5.500%		2,466	2,261
Jaguar Land Rover	EU€	500	due 2029	5.500%		4,081	3,757
Jaguar Land Rover	US$	700	due 2025	7.750%		5,715	5,256
Jaguar Land Rover	US$	650	due 2028	5.875%		5,298	4,874
Jaguar Land Rover	EU€	500	due 2024	5.875%		4,457	4,198
Jaguar Land Rover	EU€	500	due 2028	4.500%		4,444	4,189
Jaguar Land Rover	EU€	650	due 2024	2.200%		5,807	5,473
Jaguar Land Rover	EU€	500	due 2026	4.500%		3,109	3,537
Jaguar Land Rover	EU€	500	due 2026	6.875%		4,500	4,256
Total Long-term debt					**7,749**	**1,11,594**	**1,22,299**

The following graph 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, 2023.

1. Including interest.
2. As at March 31, 2023, Jaguar Land Rover's long-term debt obligations were senior notes and bank loans of ₹55,099 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,	
	2023	2022
Total cash and cash equivalent	31,558	38,159
Total short-term deposits	4,817	2,038
Total mutual fund investments	18,704	21,972
Total liquid assets	**55,078**	**62,169**

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 ₹38,547 crores and ₹43,859 crores as of March 31, 2023, and 2022, 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 ₹38,000 crores in property, plants and equipment and product development during FY 2023-24.

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 has Investment plans of £15 billion over five years in its industrial footprint, vehicle programmes, autonomous, AI and digital technologies and people skills, 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 if needed, 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 self-sustaining, and we aim to get to turn net cash positive by Fiscal 2025.

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 positive at ₹7,840 crores compared to negative ₹9,472 crores in FY 2021-22. This is mainly on account of improvements in cash profit and working capital.

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, 2023: 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, 2023, was as follows.

Rating agency	Long-term borrowings	Short-term borrowings
CARE	AA- / Stable	A1+
ICRA	AA- / Positive	A1+
CRISIL	AA- /Stable	A1+
S&P	BB- / Stable	-
Moody's	B1 / Stable	-

Subsequently, S&P upgraded the long-term issuer and issue credit rating on Tata Motors Limited to BB/Stable from BB-/Stable in April 2023.

As at March 31, 2023, JLR's rating was "B1"/ Stable by Moody's, "B+"/Stable by Standard & Poor's. Subsequently, in April 2023, S&P upgraded the credit rating to BB-/Stable.

As at March 31, 2023, 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.

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 2021-22 and FY 2022-23. Details of major funding during FY 2021-22 and FY 2022-23 are provided below.

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. Tata Motors Limited also raised ₹1,000 crores through unsecured, rated, listed NCD's. During FY 2021-22, Tata Motors Limited prepaid ₹600 crores of secured term loan.

MANAGEMENT DISCUSSION AND ANALYSIS

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 GBP 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 (₹3,107 crores) 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, 6.95% Coupon, Redeemable, Non-Convertible Debentures of ₹500 crores, on private placement basis.

In December 2021, Jaguar Land Rover took GBP 625 million five-year amortising loan (backed by a UKEF guarantee). As at March 31, 2023, total amount outstanding in respect of the five-year amortising loan facilities of GBP 625 million taken in October 2019 and above-referenced facility of GBP 625 million taken in December 2021, stood at GBP 662 million with GBP 250 million repayment in FY 2022-23.

In FY 2022-23, Tata Motors Limited did not raise any new long-term borrowings.

In FY 2022-23, Tata Motors Limited prepaid the balance outstanding of secured term loan from Financial Institution (₹3,000 crores availed in June 2020) and Bank Term Loan (₹500 crores availed in April 2019).

In February 2023, the US$500 million senior notes with a coupon of 5.625% issued by Jaguar Land Rover Automotive Plc in January 2013 matured and were fully repaid. In March 2023, the GBP 400 million senior notes with a coupon of 3.875% issued by Jaguar Land Rover Automotive Plc in February 2015 matured and were fully repaid.

During FY 2022-23, TMFHL and its subsidiaries (TMF Group), raised ₹1,660 crores by issuing debentures (including Hybrid Perpetual NCDs). Total issuance through Hybrid Perpetual NCDs was ₹360 crores. Bank borrowings continued to be a major source for long-term borrowing and raised ₹872 crores during FY 2022-23.

In October 2022, TML Holdings Pte Ltd raised GBP 375 million syndicated loan facility for 5-year bullet maturity at the interest rate of SONIA + spread of 180 bps. The proceeds were used to prepay existing loan of GBP 225 million which were due in July 2023.

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, and the second tranche on January 31, 2023.

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 2022-23, refer "summary of long-term debt outstanding as of March 31, 2023" 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 ₹13,230 crores and ₹17,378 crores as of March 31, 2023, and 2022, respectively.

On January 1, 2022, we transferred our Passenger Vehicles business to TMPVL, a wholly owned subsidiary. Accordingly, the working capital limits for Tata Motors Limited were reduced to ₹7,000 crores and we entered into facility with a consortium bank for ₹3,000 crores working capital limits for TMPVL. The unutilized working capital Limits for TMPVL were ₹ 2,779 crores as at March 31, 2023. As at March 31, 2023, the unutilized working capital limits for Tata Motors Limited were at ₹4,724 crores. The working capital limit 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 limit are renewed annually.

For Jaguar Land Rover, the unutilized revolving credit facility was GBP 1.52 billion as at March 31, 2023. In our opinion, our working capital facilities and short-term borrowings are sufficient for the Company's present requirements.

As at March 31, 2023, Jaguar Land Rover Limited had sold receivables of GBP 373 million equivalent under the approximately US$500 million committed invoice discounting facility, which was renewed for another two years in March 2023. Under the terms of this facility receivables are accounted as sold (through trade receivables in working capital) and therefore not accounted as debt under IFRS.

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.

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. For FY 2022-23, the Company is in compliance with all the covenants. In one of our subsidiaries, we could not meet certain covenants and have obtained a waiver for FY 2022 -23. The outstanding term loan as at March 31, 2023, is ₹15 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 GBP 1.52 billion extended revolving credit facility, 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, 2023, the estimated amount that is available for dividend payments, other distributions and restricted payments was approximately GBP 4.4 billion.

(ii) Capital Expenditures

Capital expenditures totalled ₹18,543 crores and ₹14,907 crores during FY 2022-23 and FY 2021-22, respectively. Our automotive operations accounted for most of such capital expenditures. We currently plan to invest around ₹38,000 crores in FY 2023-24 in new products and technologies.

Our capital expenditures in India for Commercial Vehicles and Passenger Vehicles business during FY 2022-23 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 2022-23 was GBP 2.4 billion, primarily reflecting the product launches and refreshes, as well as towards electrification platforms, architectures and investments in future BEV's as a part of Reimagine Strategy.

MANAGEMENT DISCUSSION AND ANALYSIS

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 value in use. 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 statement of profit and loss.

Finance receivables

We provide allowances for losses on portfolio of finance receivables on the basis of expected future collection from receivables. The future collection is 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 entirely 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 program towards Sarbanes-Oxley Act, as required by the listing requirements at New York Stock Exchange and also as required under the Companies Act, 2013;
- Robust 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 programs including whistle blower mechanisms are operative across the Company;

- Adopted three Line Of Defence model. The 1st line of defence, ensures implementation of desired Internal Controls and Risk Management practices. The 2nd line of defence assist in determination of Risk Capacity, Appetite, Process and Procedures and facilitate oversight, monitoring and reporting on Risk and Controls. The 3rd line of defence is the internal audit, which provides Independent and Objective assurance to the Audit Committee on overall effectiveness of Risk Management, Internal Control and Compliance activities and recommendations on improvements required;
- An ongoing program, 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.

The Board takes responsibility for the overall process of risk management throughout the organization. Through an Enterprise Risk Management program, 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 2022-23, 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, 2023, is effective.

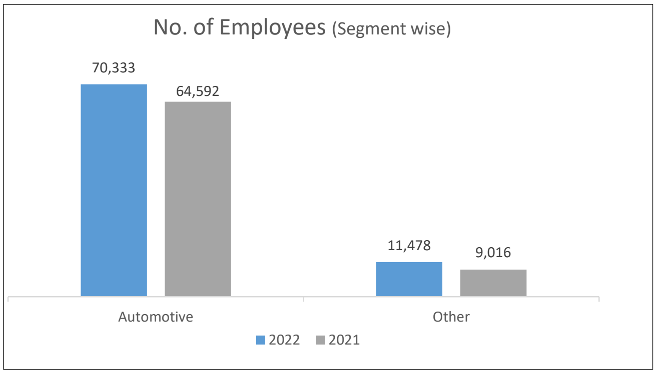
HUMAN RESOURCES / INDUSTRIAL RELATIONS

Our people are our best assets. Their caliber and commitment are our inherent strength. With the singular objective of always being the employer of choice in the Indian auto industry, we are encouraging our employees 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 81,811 and 73,608 permanent employees as of March 31, 2023 and 2022, respectively. The average number of flexible (temporary, trainee and contractual) employees for FY 2022-23 was approximately 36,082 compared to 40,717 (including joint operations) in FY 2021-22. We have a healthier gender diversity with 8.79% of our workforce comprising of women employees.

The following graph presents the breakdown of persons employed by the Company's business segments as of the following dates.



Culture

Culture is a key enabler to optimize potential, retain and also attract top talent to fuel performance within the organization. The collective desire to become more agile and future ready necessitated a refresh of the organizational culture. Following an intense process of co-creation wherein thoughts, opinions, perspectives and aspirations of every employee were heard, a new Culture Credo, summarized as – More When One with its four culture pillars – Be Bold, Solve Together, Own it & Be Empathetic, was launched. These culture pillars were further defined through eight distinct leadership behaviors – 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 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, Operational Excellence Academy and Customer Excellence Academy are designing and deploying the courses and learning programs for our employees in Engineering, Operations, and Customer facing functions, focused on the organization's technical roadmap on Connected, Electric, Shared & Safe vehicles (CESS), as well as domain capabilities in respective functional areas.

→ 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 Management Excellence Academy provides executive management education opportunities in the areas of B.Tech, M.Tech, and Executive MBA to develop general management education. The Academy also focusses on developing Professional and Growth leadership skill for staff. Programs for First Time Managers, People Managers, for Hiring Managers, Promotees are some of the interventions driven by this Academy.

→ By embracing digital, the academy has also embarked upon a decisive journey of curated functional e-learning journeys for all its employees. This includes e-learning and virtual classrooms, which augments the offering of functional as well as management education pillars.

TALENT MANAGEMENT

Healthy succession pipeline and leadership capabilities is the focus such that we create a Talent Factory across employee levels of the Organization. Our annual Organizational & Talent Review process and a robust Succession planning exercise ensures that we maintain a healthy succession pipeline of critical and leadership roles. This enables us to identify, groom and develop potential candidates across the organization. Comprehensive leadership development approach is established based on talent assessments and identification process. Basis the developmental needs identified, developmental programs are tailored to the requirements in partnership with a top ranked global business schools and esteemed knowledge partners like Tata Management Training Center (TMTC) as well as external partners. To cite examples, Leadership Trails curated for Senior Leadership of Tata Motors in collaboration with TMTC and global institutions of repute. Another example is that of Inner Circle, a developmental program 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.

Skill Development

The endeavor 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) 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 attraction at JLR

Software is essential for us to deliver next-generation automated driving systems, digital services, and experiences for clients. ADAS (Advanced Driver Assistance Systems) and autonomous driving skills have been identified as critical to this ambition, but are a sought-after skill set in the market. To attract these skills, and compete with other industries, we have expanded our global operational footprint in Germany, Italy and Spain, in addition to existing hubs in Manchester, Ireland, Hungary, Portland, India and China, to access a wider skills pool and harness the best talent for our business.

Upskilling for the future at JLR

We are also focused on evolving the skills of our workforce through upskilling programs that build critical capabilities internally. To enable the transition from internal combustion engines to battery electric vehicles, we have upskilled our engineers on electrification through the co-creation of bespoke courses, in partnership with a local university. Focus has also been placed on upskilling employees in 'product owner' and 'scrum master' roles, to enable agile ways of working in program delivery.

Early Careers at JLR

To expand our talent pool and establish a pipeline of skills to transition to an electrified future, there is continued investment in early careers programs which is made up of apprenticeships, undergraduate positions and graduate positions. Through hiring drives, we expect to see over 1,000 people join JLR in 2023 globally, a 55% increase on the previous year and a new record intake for the company. We were third in Target jobs' most popular graduate recruiter in Engineering, Design and Manufacturing award 2023 and named a Top 100 Apprenticeships Employer in 2022.

Training and development

We have developed three e-learning modules for our UK business with future plans to create the same for all regions, to ensure that all our colleagues have a good understanding of diversity and inclusion, and how inclusivity can affect those around us. These modules have reached a minimum completion rate of 92%.

We have also established a face-to-face diversity and inclusion training program, for colleagues across our UK manufacturing sites.

In July 2022, we announced the appointment of two diversity and inclusion co-sponsors, François Dossa, and Barbara Bergmeier, ensuring diversity and inclusion is represented at the highest levels of our business. They are supported by 14 global employee resource groups, ensuring that employees have spaces where they are able to share their lived experiences, and also to learn from one another's experiences. These have been instrumental in showcasing the power of allyship within our organization.

Diversity & Inclusion

Tata Motors fosters workplaces that promote diversity and equal opportunities. It is our endeavor to establish an environment where diversity is natural and business as usual.

We have the following strategic focus areas for diversity and inclusion:

→ Strategic workforce planning: We have designed a process for workforce planning that focuses on increasing gender diversity across levels and various segments of the organization. With this process, we are able to proactively anticipate current and future hiring needs and align them to driving more gender balanced hiring.

→ Culture transformation: We are working towards creating an inclusive workplace culture through our policies and processes. The Company organizes sensitization and awareness campaigns to help create an open mind and culture to leverage diversity at the workplace.

→ Business integration: We recognize that a diverse workforce enables us to better understand and serve our customers and intend to embed D&I into our business operations covering all aspects – business strategy, people or operations. We conceptualize product designs that are inclusive and cater to a diversified customer base. We encourage our suppliers to adopt gender diversity at their end too.

→ Partnership & external impact: We aim to create opportunities in all dimensions of diversity by partnering with specialists and NGOs to support local communities. We are committed to working with our external partners, such as suppliers and customers, to promote diversity and inclusion across the industry.

In a significant step forward toward 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 1,500 women employees. This is a benchmark practice in automobile industry. Also, women employees completely manage one line at Maval foundry. We have a development program called Gear-Up. Eligible women employees are provided training or mentorship basis each women employee's strengths and improvement areas. Some of these initiatives include providing opportunities with various teams like quality circles, GEMS projects, and innovation projects through the Imagineering platform. 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. Inclusive Internship policy is formulated to drive employability initiative and employment opportunities for LGBTQ+ and PwD.

Tata Motors measures the success of its diversity and inclusion initiatives via different parameters. These parameters measure success of diversity initiatives across H2R (Hire to Retire) journey of employees. Gender diversity for new hires is tracked. Attrition of women employees and the reasons for the same is closely monitored as well. We also compare performance appraisal normalization of ratings for women employees' function/BU wise vis-a-vis men employees to ensure that there are no biases at play at any stage. We track career development of women employees through a robust review mechanism of "Individual Development Plan (IDP)" and measure the success of it by tracking number of women managers identified and developed as successor to senior leadership roles.

External partnerships

Since 2018, we have held an official partnership with Stonewall. This relationship and the insight provided informs our policies and specific guidance and support, such as our 'transitioning at work' guidance for employees and managers. We have been steadily increasing our position in the Stonewall Index.

We have been a member of Business in the Community since 2019, providing support as a race partner. We were the first automotive company to sign the Race at Work Charter in 2019, outlining a list of commitments to improve equity in race. We signed the updated Charter in 2022, to re-state our commitment to driving action in this area.

Most recently, in 2022, we joined in partnership with the Business Disability Forum, and in FY 2023-24, we will have a specific focus on disability and neurodiversity, to help ensure that we are providing employees with everything they need to work at their best and feel confident and comfortable in doing so.

Industrial Relations

We have labor 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 as below:

Location/subsidiaries	Wage Agreement valid until
Jaguar Land Rover – UK Plants	31-Oct -23
Mumbai	31-Dec-25
Pune – Passenger Vehicles	31-Aug-25
Pantnagar – Commercial Vehicles	31-Mar-26
Lucknow – Commercial Vehicles	31-Mar-24
Sanand – Passenger Vehicles	30-Sep-24
Pune – Commercial Vehicles	31-Aug-25
Jamshedpur – Commercial Vehicles	31-Mar-26
Sanand – TPEM	31-Mar-24

LONG-TERM WAGE SETTLEMENTS (LTS)

We have successfully and amicably signed the long-term wage settlement (LTS) for our Pune PV and Pantnagar CV Units with complete support and cooperation from the Union Representatives. These settlements mark a significant milestone in our organization's journey towards growth and business excellence. The discussions with our Union colleagues were conducted in a constructive and collaborative manner, and we are grateful for their efforts and continued support in reaching a mutually beneficial agreement. In a first, we have transitioned from MOP to HPeV as a measure of productivity, setting international standards of productivity and also achieved historic five minutes increase in available production time which will result in increased output and higher market share.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEE ONBOARDING AT SANAND-2

We have successfully completed the on-boarding of over 600 employees from the recently acquired Ford Plant in Sanand, Gujarat. A comprehensive Orientation plan put in place in partnership with reputed educational institution for skill development of the onboarded employees.

SURRENDERING OF PROVIDENT FUND TO EMPLOYEE PROVIDENT FUND ORGANISATION (EPFO)

The transfer of provident fund balance for a majority of the ~ 65000 employees across all locations to their account EPFO account was completed. Members can now view the same by logging into the EPFO portal.

OPPORTUNITIES

A recent industry report by Nikkei Asia finds India to be the third largest auto-producing nation after China and the USA. India's automotive sector is worth more than $222 billion and contributes 8% of the country's total export, and accounts for 7.1% of India's GDP. It also provides direct and indirect employment to over 19 million people.

Phase 2 of Bharat Stage 6 emission norms came into effect on April 1, 2023, which requires the vehicles to meet real time driving emission standards. The vehicles will be equipped with an OBD (On Board Diagnostic) system that monitors the emissions in real world.

Phase-II of Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India (FAME India), with a total budgetary support of ₹10,000 crore is extended till March 31, 2024. The incentives are provided to buyers of electric vehicles in the form of an upfront reduction in the purchase price of electric vehicles based on battery capacity.

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. Its prime objectives include overcoming cost disabilities, creating economies of scale and building a robust supply chain. Tata Motors has got approval in PLI scheme.

The finance bill of FY 2023-24 has given reduction in customs duty (5 to 20%) on machinery and capital goods, used to produce lithium-ion batteries for EVs. This should help in reducing the price of EVs in the country from mid- to long-term and ensure the Advance Cell Chemistry PLI scheme is well supported. A national budget of ₹19,700 crore has been allocated to National Green Hydrogen Mission, which is an initiative by the government, focused on promoting the usage of Hydrogen as a renewable and clean energy source. 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 is accelerating its Reimagine transformation into a business that will deliver double-digit EBIT margins by Fiscal 2026 and achieve net zero carbon through our entire value chain, including our products, supply chain and operations, by 2039.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. The new BEV will be available for orders by end of 2024 and will be starting deliveries from 2025.

OUTLOOK:

Long-Term

India's annual production of automobiles in FY 2021-22 was 22.93 million vehicles. India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India such as the Automotive Mission Plan 2026, scrappage policy, and production-linked incentive scheme are expected to make India one of the global leaders in the two-wheeler and four-wheeler market.

The Indian passenger car market was valued at US$ 32.70 billion in 2021, and it is expected to reach a value of US$ 54.84 billion by 2027 while registering a CAGR of over 9% from 2022 to 2027. According to NITI Aayog and the Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach ₹ 3.7 lakh crore (US$ 50 billion) by 2030. A report by the India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026.

Due to the recent developments in this sector, we can still say that the Automobile Industry has the potential to contribute about 12% of the total GDP of the nation and create 65 million employment opportunities, as per the original Automotive Mission Plan 2016-26.

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.

The Range Rover introduced plug-in hybrid electric propulsion with a segment-leading official electric-only range of over 100km. From 2024, a pure electric Range Rover will join the family. By 2026, 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 Jaguar Land Rover to meet unprecedented policy shifts and an exponential rise in customer demand toward electric vehicles across its key markets. As adoption increases, Jaguar Land Rover expects over 60% of global Land Rover sales to be pure electric by 2030.

As part of the Refocus transformation program, Jaguar Land Rover also explores opportunities to source materials in a more cost-effective manner, as well as sharing components across platforms in order to gain economies of scale and reduce engineering costs per vehicle.

JLR aims to become net zero carbon by 2039 throughout its entire Value chain and had defined and committed to CO2e reduction targets by 2030, which have been validated by the Science Based Targets initiative ("SBTi"), aligning the business to a 1.5-degree emissions reduction set out by the Paris Agreement.

Short-Term

Trends suggest that the automotive industry is hurtling towards another challenging year. Globally, the gasoline crisis amid the Russia-Ukraine conflict, the global supply chain disruptions and stalled sales run rampant in the current scenario. However, Electric vehicle segment shows significant promise.

Energy costs in Europe have risen since the build-up to the start of the conflict in Ukraine and during FY 2022-23. These prices may not fall back to prior levels in the future, and this could have impact on the global competitiveness of Europe as a manufacturing location compared to countries such as the USA who do not rely on imports of gas. 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.

Domestically, factors such as fuel price hikes affect freight rates and transporter profitability in case of commercial vehicles. Reduced consumer spending due to inflation, higher costs due to the new emission norms and the subsequent anticipated reduction in sales are all issues plaguing the industry. There has been a marked shift in consumer interest towards connected vehicle features that provide updates regarding traffic congestion, road safety, and vehicle health status.

The Passenger Vehicle business landscape is seeing rapid transformation in the form of tightening emissions norms, the push toward electrification, enhanced disruptions from autonomous and connected technologies and, as the aspiration levels of the Indian consumer continue to rise, requiring stepped-up investments in contemporary products in a competitive market.

Meanwhile, Commercial Vehicle segment is introducing electric variants while pushing for connected vehicles. CV demand is expected to grow based on the government's continuing thrust on infrastructure development, as well as improvement in finance for fleet buyers who make up for the bulk of truck sales, and replacement demand for buses kicking in. In addition, EV adoption is also expected to see growth in the country once all vehicle segments demonstrate considerable ownership savings over those powered by internal combustion engines (ICE).

Customer requirements are increasingly pointing towards electrification and Jaguar Land Rover is driving forward connectivity in and with its vehicles. Through remote diagnostics and software-over-the-air updates, JLR can already predict, diagnose and update all major vehicle systems. To date, Jaguar Land Rover has completed more than three million updates on customer vehicles, and through its Electric Vehicle Architecture, it can monitor data points to continually enhance its customer experiences.

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

Jaguar Land Rover has also partnered exclusively with BNP Paribas, to broaden competitive automotive financing with new, innovative services across nine European markets. The ambition is to provide retail partner network and customers with an expanded range of financing solutions and insurance products by early 2023.

Risks Factor

Risks Associated with Our Business and the Automotive Industry

The ongoing shortage of semiconductors that are crucial to our products may prolong or worsen.

Semiconductor chips are an important component of the electrical architecture of our vehicles. In recent years, we and other major automotive companies have experienced constraints in availability of semiconductors, which has impacted production volumes. A limited number of companies produce the majority of semiconductors manufactured globally.

This concentration of production leaves our supply chains at risk from anything that can impact the production of semiconductors.

The shortage in the supply of semiconductors has impacted and continued to impact our production schedules in FY 2022-23 and our ability to meet the demand for our vehicles. Such shortages, which affect the entire automotive industry, may impact us more pronouncedly than our competitors as they may have greater buying power with suppliers or have a different range of features on their vehicles that are dependent on fewer semiconductors, or we may require more sophisticated semiconductors which are short in supply, 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 better able to 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. While we have definitive agreements signed to secure supply of semiconductors for JLR, if we do not get the supplies as intended, it would impact us significantly.

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 and our financial condition due to poor 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 related to our automotive operations, excluding the vehicle financing segment, by FY 2023-24. As a result of supply chain issues, production was impacted, resulting in adverse working capital, as a result of which debt for automotive business remained at elevated levels in FY 2021-22 and FY 2022-23, thereby posing a challenge to our near zero net auto debt commitment by FY 2023-24. The same is now deferred to FY 2024-25. 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 2023-24, there is no assurance that this will be the case.

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, having agreements with critical suppliers for high-risk chips and prioritizing the production of higher-margin vehicles, there can be no assurance that such measures will provide significant mitigation.

Disruptions to our supply chains and shortages of essential raw materials, parts and components 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 of supply. 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 match to 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.

In addition, because of 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 component 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 disruption to the supply of battery cells or constraints in availability 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.

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 significant 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, will 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 toward 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.

During FY 2022-23, we have seen a number of banking failures and crises. Our business relies on the banking sector for a range of credit facilities, including loans and hedging lines. We also hold cash balances that are invested with a range of financial institutions and monitored by internal credit risk policies. We have not had any significant direct impact due to any recent bank failures or crises; however, we may suffer from indirect effects as these may lead to more conservative lending decisions from other banks leading to a reduction in lending capacity among our banking group. This may have an adverse impact on our business as the availability of

RISKS FACTOR

funding may decrease in the future or we may see increases in the cost of credit.

Any reduction in the availability of credit to the wider economy as a result of these bank failures could lead to an economic slowdown which 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. Our 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, our business, prospects, financial condition and results of operations could be materially and adversely affected as a result.

Rising Geo-Political risk including 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 in the world. 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 other specified persons.

In FY 2021-22, Jaguar Land Rover recorded £43 million in relation to customer liabilities arising from sanctions imposed against Russia by countries, preventing the shipment of vehicles and certain parts to the market. No further provisions were taken in FY 2022-23. Jaguar Land Rover has, over the past three financial years, earned less than 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. Throughout FY 2022-23, Jaguar Land Rover has continued to import a restricted range of safety-related parts into Russia for the repair of vehicles in market in compliance with relevant sanctions and export controls measures.

The impact of the conflict on our production volume has been limited during FY 2022-23 as a result of active management of our 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.

Moreover, in FY 2022-23 Russia suspended gas supplies to several European Countries. Also, Russian gas supplies to Germany via the Nord Stream 1 pipeline have stopped indefinitely following economic sanctions and damage to both the Nord Stream 1 and Nord Stream 2 pipelines. European countries have switched to increased use of seaborne liquified natural gas shipments to replace supplies from Russia. Should there be any disruption to supplies in the future, it would impact us, since we import certain parts from mainland Europe, we may face parts shortages or be unable to run production in our manufacturing facilities based in the UK and Slovakia, which could have a material adverse impact on our business.

Energy costs in Europe have risen since the buildup to the start of the conflict in the Ukraine and during FY 2022-23. These prices may not fall back to prior levels in the future and this could impact on the global competitiveness of Europe as a manufacturing location compared to countries such as the United States who may not rely as much on imports of gas from Russia.

In the recent past, we have been witnessing increased geopolitical tensions globally. Any potential aftermaths of such tensions such as cross-border restrictions, sanctions, trade barriers, imposition of tariffs, etc. could adversely affect our supply chains and as a result affect production schedules.

We do not presently have any direct significant exposures to supply chain in Russia / Ukraine. Some parts of our automotive supply chain are sourced from Russia and Ukraine, including neon gas used in semiconductor production (Ukraine) and palladium (Russia) in compliance with sanctioned framework. While we have alternate supply sources, should the conflict lead to shortages of these or any other commodities globally, we may face challenges within our supply chain in sourcing parts or face significant price increases in the future.

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. Such risk includes, among other things, potential 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 IT risks, 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 certain cases, material financial loss due to business disruptions.

We may also be exposed to the challenges related to legacy IT systems, such as they may be more vulnerable to cyber security risks or we may not be able to explore the potential benefits of newer technologies which our competitors are using. Further, we are also migrating to advanced versions of SAP. Such system migration projects involves significant challenges, such as ensuring adequate backups and transfer of data, implementation within timelines and ensuring business operations are not hampered and IT systems are operating as intended. If the IT project implementation is not carried out as desired, it could materially adversely affect our operations, affect our financial performance and cause reputational damage. Further, in the course of our business operations, we have incorporated several new entities and manufacturing plants. It is of critical importance to ensure that IT systems and processes are established and aligned with the business to achieve the desired objectives.

Autonomous driving and the new regulatory requirement related to vehicle electronics possess a greater challenge of cyber security for our products. In this regard various countries, specifically developed countries like EU, South Korea, are increasing their regulatory requirements which are scheduled to be implemented in next couple of years. This calls for implementation of necessary advanced technologies/ process to protect our vehicles as well as various organizational functions from any potential risk of hacking/ data privacy issues. We have already initiated necessary actions in terms of training of people and certification of product and processes to mitigate such risk.

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 2022-23 and FY 2021-22, the consumption of raw materials and components aggregates and purchase of products for sale (including changes in inventory) constituted 65.5% and 65.0%, respectively, of our revenues. Prices of commodity items, such as steel, nonferrous metals, precious metals, rubber and petroleum products are governed by demand supply fundamentals and hence we are exposed to price risks arising out of these materials. 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. There also have been battery pricing fluctuations on account of lithium carbonate commodity price fluctuation.

Domestically, our Commercial Vehicles business was significantly impacted by increases in commodity prices, primarily steel. In FY 2021-22, and for the first half of FY 2022-23, the increase in steel prices and residual commodity inflation impacted the profitability of our domestic Commercial Vehicles business. While TML's Commercial Vehicle business has introduced price increases to mitigate the impact of price increases and steel prices, which have largely cooled off in second half of FY 2022-23, and certain other corrective actions have been taken, there is no assurance that we will not be affected by such headwinds in the future. Further, BSVI Phase 2 emission norms are applicable from April 1, 2023. As a result, the Company's input costs have increased to comply with the more stringent BSVI Phase 2 emission norms and consequently we have taken price hikes for our Commercial Vehicles and Passenger Vehicles. This may likely have some adverse impact on demand. Also, on account of anticipated increase in prices, we have witnessed certain pre-buying in Q4 of FY 2022-23 before the BSVI Phase 2 norms came into effect and this would have an adverse impact on demand in Q1 of FY 2023-24.

The COVID-19 pandemic 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,

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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 "Rising Geo-Political risk including, the ongoing conflict between Russia and Ukraine could have an impact on our business and results of operations" for more information.

Intensifying competition could materially and adversely affect our business, prospects, financial condition and results of operations.

The global automotive industry, including the luxury 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 focusing 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.

Tata Motors Limited has been a front-runner in EV adoption in India with close to 84% market share in EVs for FY 2022-23. With increased demand for EVs, favorable government policies, and the creation of charging infrastructure, the EV business space is gaining good traction. However, we have recently seen some launches by competitors and future product plans in the EV segment. The competitiveness in the EV segment is going to increase significantly. If we are not able to meet customer expectations, launch products in a timely manner, or if our competitors provide better product offerings in terms of features, range and cost than we do, this would severely affect our demand and dent our market leadership position.

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.

We are exposed to execution risks relating to our strategic partnerships or risks that the alliances entered into by our competitors may offer a better customer experience or prove to be financially 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 by both Tata Motors Limited and Jaguar Land Rover 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 impact our business, financial condition and results of operations. 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 toward electric and hybrid vehicles and away from diesel-powered engines. Such consumer preferences could materially affect our ability to sell premium passenger cars and luxury 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 vehicles 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.

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.

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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 transition to a pure electric only luxury 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. Further, in April 2023, Jaguar Land Rover also announced that it is committing investment of £15bn over five years in its industrial footprint, vehicle programmes, autonomous, AI and digital technologies and people skills. In October 2021, TML announced a commitment to invest over US$2 billion over the next five years to expand its EV business.

In FY 2022-23, we have taken a decisive step to minimize the practice of discounting that has plagued the CV industry. From September onwards, we have taken a decisive step by moving from a push system to a pull system with clear focus on VAHAN registration market share as against practice of offtake market share. This step is expected to have short-term impact on our market share. This step may bring a major shift to industry with focus on profitability. We have recently announced further price increases for our Commercial Vehicles ahead of BS VI Phase 2 emission norms. Further, there has been an increase in interest costs as a result of policies of Reserve Bank of India (the "RBI"). If the consumers are unable to absorb the price increases or our competitors continue with aggressive discounting and operate at better operating efficiencies, our business, prospects, financial condition and results of operations could be materially and adversely affected.

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 or 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 an 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 find right financing structure for this business or there are delays in collections, or our revenues are not able to cover our costs, it would adversely affect our revenues, profitability and liquidity.

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, Jaguar Land Rover or Tata Motors Limited may not be able to develop sufficiently efficient and low-cost batteries before its competitors or at all. As with most new technological advances, Jaguar Land Rover and Tata Motors Limited 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 Jaguar Land Rover or Tata Motors Limited 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, we may not recover the costs associated with developing electric 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 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 2021-22, our Indian and Jaguar Land Rover business witnessed disruptions at manufacturing plants 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 situations have caused disruptions to our business and have had negative impacts on our cash flows.

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.

During FY 2022-23, the lockdowns in China as a part of government's zero COVID strategy impacted our part supplies, including semiconductors, and we also witnessed a temporary decrease in demand of our products in our China markets.

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 impact of stand taken by central banks to curtail inflation, and any recession that has occurred or may occur. Specifically, difficult macroeconomic conditions, such as decreases in per capita income and levels 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 them.

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.

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.

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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 ("CVs"), Passenger Vehicles ("PVs"), 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 crore) was recorded in the fourth quarter of FY 2020-21 comprising non-cash write-downs of GBP952 million (₹9,606 crore) for previously planned products (capitalized as property, plant and equipment and intangible assets) that will not be completed and GBP534 million (₹5,388 crore) 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. See Management discussion and analysis—"Liquidity and Capital Resources—Principal Sources of Funding Liquidity—Loan Covenants" for more information.

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.

Further, elevated interest rates and volatile bond markets might impact liquidity. Any systemic banking stress can shut off access to the bank loans for refinancing. Also refer – "Deterioration or uncertainty in global economic conditions could have a material adverse impact on our business, sales and results of operations".

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 business and manufacturing processes result in the emission of greenhouse gases ("GHG"), such as carbon dioxide. Legal requirements to reduce GHGs have become increasingly more stringent and costly to address. Emissions Trading Scheme obligations apply to our vehicle manufacturing plants in the UK.

We have Climate Change Agreements ("CCAs") in the United Kingdom, which covers our three vehicle manufacturing plants and one of our Special Operations facilities. We are enacting a buy-out provision for Target Period 5 (calendar years 2021 and 2022) against an updated baseline period from 2008 to 2018.

In addition, and in the United Kingdom, we are required to comply with the Streamlined Energy and Carbon Reporting Scheme ("SECR"). Statements on this are included within Jaguar Land Rover Automotive plc Annual Report.

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. In Jaguar Land Rover's overseas facilities prior to purchase, it undertook studies that informed of 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. A remediation program will commence imminently.

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 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.

During FY 2020-21, the Government of India and 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 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. Post-pandemic, due to business disruptions, higher delinquencies for certain category of customers/products/locations and on account of higher prices of M&HCV vehicles, funding to first-time buyers/users can be challenging by financial institution due to economic viability of the customers and can impact volumes of Commercial Vehicles.

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, had given time until September 30, 2022, to put in place the necessary systems to implement this provision and, accordingly, the same has been implemented in FY 2022-23.

As a result of implementation of these upgraded norms in October 2022 and certain slippages in COVID restructured book, our GNPA's, NNPA's provisions increased significantly impacting our profitability for vehicle financing business.

On October 22, 2021, the RBI had revised the regulatory framework for non-banking financial companies ("NBFCs"), which became effective from 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 classified as Middle Layer NBFC category. Middle Layer NBFC's are required to have 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

Further, Middle Layer NBFCs are subject to certain additional governance matters, including but not limited to (1) except for directorship in subsidiary, Key Managerial Personnel shall not hold any office (including directorships) in any other Middle Layer or Upper Layer NBFC; (2) Board-approved compensation policy having principles for fixed/variable pay structure, malus/claw back provisions; (3) enhanced disclosure in Annual Report mainly on breaches in terms of covenants in respect of loans availed and debt securities issued; and (4) divergence in asset classification and provisioning above a certain threshold to be decided by the RBI.

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 is 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.

For invocation of PCA, 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 thresholds, stricter action being for higher risk thresholds. 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.

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 several markets across Europe and has 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 JLR 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, with looming inflationary concerns, all major central banks have turned aggressive and there have been significant rise in the interest rates. As market rates for new vehicle financing rise, our vehicles could 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, as 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 Co. Ltd. ("TDCV"), 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" or "CJLR").

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.

Moreover, our subsidiary company, TTL, works with new energy vehicle companies and their associated supply chains to address their product development and enterprise optimization needs, which often involve full vehicle development and turnkey projects. Successful delivery of the programs and management of credit risk from such exposures significantly influence TTL's financial performance. While TTL has a strong business development strategy for new energy vehicle companies by focusing on companies that have secured funding, some of the startup companies it works with may experience issues with their financial health and business continuity. Startup companies may have funding difficulties, uncertain product roadmaps, ownership changes and an unclear credit history. Further, such companies may be more susceptible to economic downturns, recession, inflation, supply chain shortages and similar crisis than larger, more established businesses, and if they fail to raise enough capital or are unable to efficiently manage growth, they may have to shut down their operations. These complications could have an adverse impact on TTL. Such projects may contribute to a significant portion of TTL's revenue, which may exacerbate the adverse impacts resulting from its arrangements with such new energy vehicle companies, including delays in payment and the credit risk involved in such transactions.

New energy vehicle companies may be prone to consolidation within the industry and, if subject to mergers or acquisitions and there is a subsequent change in their management, they may no longer require TTL's services. The acquiring companies may also have their own engineering departments which specialize in the services TTL offers. Thus, the acquired company would not need to outsource such activities to TTL anymore. Additionally, full vehicle development and turnkey projects generally have fixed contract periods and may cause a decline or fluctuation in TTL's revenue if such contracts are not renewed or are terminated prior to the expiry of the contracts or are completed or if TTL is unable to acquire other such similar full vehicle development or turnkey projects.

TTL is also expanding its innovative offering in the education space through its iGetIT platform by upskilling and reskilling in relation to the latest engineering and manufacturing technologies to public and private sector academic institutions through curriculum development and competency center offerings. With respect to the Education business, there is high dependency on third parties for quality, delivery and commercial details and there is also the risk of damaging or losing the reputation it has endeavored to establish in the markets where we operate. Historically, TTL's Education business has had lower margins compared to its other businesses and has also recently been particularly exposed to fluctuations in revenue due to nature and frequency of the projects and the payments involved in the contracts. Further, as the majority of its current projects in the Education business are with various state governments and public universities, it is required to liaise with multiple parties at various levels of the government to demonstrate its offering and the capability in order to be selected as the vendor for the particular project. TTL cannot guarantee that it will always be selected as a result of the bidding process to execute notable projects for the governments and that it will be able to sustain prior distinguished relationships with the relevant departments of the various governments for which it operates. Such projects may also be subject to changes in government policy which may have an impact of the existence of the agreement or its terms and may require TTL to renegotiate our contract or its principal terms, including its pricing. Although TTL tries to receive all or a substantial a portion of its fees upfront, it may not be successful and may still be exposed to a counterparty default risk with government institutions.

Similar to the Education business, in relation to any other industries TTL may consider venturing into, factors such as its lack of experience in the industry compared to global competitors, uncertainty of demand for such services and additional research and development costs may impact its ability to grow its market share in the segment. Further, the process of foraying into such new segments would require TTL to make long-term investments and commit significant resources before knowing whether these investments will eventually result in businesses that achieve client acceptance and generate the expected revenues and desired returns. There can be no assurance that TTL's competitors will not be able to develop similar products or solutions at a lower price than it can, which would have an adverse effect on TTL's competitive position. TTL's inability to deliver attractive and competitive products or to allocate the necessary resources for this purpose could delay or hinder the successful development, introduction or marketing of products in such businesses. If TTL is unable to achieve the anticipated returns in such new growth areas, it could have a material adverse effect on its business, results of operations and financial condition.

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 2022-23 with respect to the recall is GBP40 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 MoRTH issued the final notification mandating detailed CMV Rules for Implementation of various provisions on Auto Recall and Non-compliance from April 1, 2021. The final notification stipulates Rules for Implementation of Sections 39-40 of the Motor Vehicles (Amendment) Act, 2019, dealing with procedures for investigation, officers empowered to conduct investigations, procedures for hearing, and the penalties to be levied thereof, for violation of standards prescribed in Section 110; procedures for recall of defective motor vehicles; the accreditation, registration and regulation of testing agencies; and the procedures for type approval of motor vehicles and confirmatory of production. The MoRTH has also issued final notification prescribing the Vehicle Percentage by category of owners reporting identical defects in reference to CMV Rule 127C: Defective Motor Vehicle and Recall Notice. With the intent of incorporating various checks and measures toward ensuring safer public and private transportation, the MoRTH has issued final notification toward implementation of 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 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 JLR'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 by asset/liability matching and through the 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 [41(B)(d)(i) – (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 adversely affect some of our financing arrangements.

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 one-week and two-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, or SONIA, 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.

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

RISKS FACTOR

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.

As a part of strategy to achieve near zero net auto debt by FY 2024-25, we are also looking at divesting certain non-core investments and unlocking value. For instance, the IPO Committee [duly constituted by the Board of Directors of Tata Motors Limited, at its meeting held on December 12, 2022 accorded its in-principle approval to explore the possibility of partial divestment of the Company's investment in Tata Technologies Limited ["TTL"], a subsidiary of the Company, through an IPO route at an opportune time, subject to market conditions, applicable approvals, regulatory clearances (including observations from the Securities and Exchange Board of India ("SEBI")) and certain other considerations. Subsequently, TTL filed a draft red herring prospectus dated March 9, 2023 with SEBI for an IPO by way of an offer for sale of up to 95,708,984 equity shares for cash, representing approximately 23.60% of its paid-up share capital. The IPO comprises an offer for sale of (a) up to 81,133,706 Equity Shares by Tata Motors Limited, (b) up to 9,716,853 Equity Shares by Alpha TC Holdings Pte. Ltd. and (c) up to 4,858,425 Equity Shares by Tata Capital Growth Fund I, each representing up to 20%, 2.40% and 1.20%, respectively, of Tata Technologies' paid-up share capital. If we are unable to divest our non core investments and unlock value, it could have an impact on our deleveraging plans and increase the interest costs, thereby affecting our profitability.

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.

We entered into agreement with TPG Rise to secure funding of USD 1 billion (₹ 7,500 crores) through convertible instruments for a stake of 11% to 15% in the EV business, depending upon the conditions precedent. If the business fails to ramp up the volumes to plan or does not fulfill other necessary conditions, it would lead to lower valuation and dilution of a higher stake in EV Company and may also affect any future prospects of strategic actions.

We recently completed the acquisition of Ford's Sanand facility for a purchase consideration, exclusive of taxes of ₹ 725.7 crores. We also paid ₹9.8 crores towards employee severance cost for the erstwhile employees of Ford India Private Limited, who have not accepted to continue their employment with us. With existing capacities near saturation, this acquisition will unlock an additional state of-the-art manufacturing capacity of 300,000 units per annum which is scalable to 420,000 units per annum. It is critical for the business to unlock capacities to improve the growth further. Getting the plant operational within the desired timelines is critical for the success of business. If we are unable to complete the necessary reconfigurations of the plant, successfully deploy the plant and machinery, and complete investments in Gen 2 and Gen 3 platforms within the timelines, it could cause significant overlays in terms of costs and affect our financial performance and results of operations. Further, as a result of upward revision in the statutory rates, we may also have to incur higher costs towards payment of land transfer premium. In addition, we are also subject to risks pertaining to delays in transfer of Fiscal Incentives from Ford India Private Limited to TPEML. Any such factors may have a material adverse effect on our future results and financial condition.

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 65.8% of our total revenues in FY 2022-23. 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 GBP 2.0 billion in FY 2021-22 and GBP 2.4 billion in FY 2022-23. Total product and other investment expenditure guidance for FY 2023-24 is approximately GBP 3.0 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 ₹ 6,812 crores for FY 2022-23. We have plans to significantly step up our capital expenditure for our domestic business, and it is expected to be around ₹ 8,000 crores in FY 2023-24. TML continues to monitor the external challenges of dynamically managing capital expenditure and implementation of further cash improvement measures.

For FY 2023-24, on a consolidated basis, we expect to invest around ₹38,000 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 an 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 find right financing structure for this business or there are delays in collections , 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 be required to undertake sizable investment in EV component related ecosystem, in order to secure our supplies and mitigate the risks of rising battery prices.

To give impetus to the "Made 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. TML 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 Ltd. (TPEML), Tata Motors Body Solutions Limited ("erstwhile Tata Marcopolo Motors Limited") 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 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 a robust action plan to fulfil all the above criteria year on year/ cumulatively, but as most of the above depends upon many external factors, including demand of EVs and development of entire ecosystem, including charging infrastructure, the quantum of benefits, which TML would earn in future cannot be ascertained at this moment.

If we are unable to effectively secure the benefits of PLI and / or our competitors are able to reap the benefits better than us, it would materially and adversely affect our pricing, revenues, financial performance and results of operations and also severely impact our competitiveness in the markets.

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" for more information), 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.

The EV market and related opportunities may not evolve as anticipated.

There is a global trend, particularly in developed markets, toward 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 the UK, 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.

Further, as a part of our strategy, we have been focusing on electrification for our Passenger Vehicles business which will help us surpass the regulatory requirements. We are closely watching the evolution of market and consumer preferences in India. The EV adoption is still at early stages and hybrids may emerge as a possible alternative owing higher fuel efficiency, with some of the competitors having more focus on hybrids in the near term. As a result, if hybrids emerge more successful in the near future, we may be compelled to introduce hybrids to cater to the customer requirements and, as a result of this, it could have adverse effects on our business, prospects, financial condition and result of operations.

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 JLR's 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 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 Harmonized 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 models, including PHEVs 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 luxury Passenger Cars and luxury 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 possible 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 and introduce the 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.

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 M1 models. 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 CO_2 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.

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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 people's 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 GHG emissions to ultimately achieve Net zero emissions. We are continuing to work toward transitioning to improved fuel efficiency of ICE vehicles across Commercial Vehicles 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, JLR'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. We aim to achieve Net Zero targets for our PV business in 2040 and CV business in 2045. While we are working on aggressively scaling up EV penetration and exploring options of using cleaner emission-free technologies, there may be challenges to meet Net Zero commitments for the CV business, especially due to the presence of higher tonnage vehicles where the payload capacities are very high.

If we are not able to meet the ESG goals, it may also cause financial outflows in the form of penalties, purchase of carbon credits to comply with future regulations. This could significantly and materially affect financial performance, more importantly cause reputational damage.

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 past and any such headwinds if they occur would affect our dealers in 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. For instance, the economies of countries where we operate such as Bangladesh, Nepal and Srilanka have been affected as a result of economic slowdown as a result of which our dealers have also faced challenges.

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. Jaguar and Land Rover are exploring direct to consumer selling for future sales in some markets. Such a model may bring higher top line revenues and increase overall profitability of the business but it may lead to finished vehicle inventory moving from retailers to Jaguar Land Rover and consume working capital.

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.

The delisting of our ADSs from the New York Stock Exchange (the "NYSE") and our intended deregistration under the Exchange Act may influence or have influenced the trading opportunities and trading price of our Shares and the voting and dividend rights of ADS holders, and may cause adverse tax consequences for the ADS holders.

Our ADSs have been delisted from the NYSE effective close of trading on the NYSE on January 23, 2023. We will continue to be subject to reporting obligations under the Exchange Act until we can terminate and/or suspend our reporting obligations to the SEC under the Exchange Act. As a consequence of the delisting becoming effective, the amended and restated deposit agreement, dated as of September 27, 2004 and as amended as of December 16, 2009, by and among the Company, Citibank, N.A. (the "Depositary"), and all holders and beneficial owners of ADSs (the "Deposit Agreement"), under which the ADSs were issued has also been terminated effective close of trading on the NYSE on January 23, 2023 ("Termination Date of the Deposit Agreement"). After the ADSs were delisted from the NYSE, there has been no over-the-counter market trading of the ADSs in the United States due to regulatory restrictions under Indian law. As a result, investors may not have or have had sufficient liquidity, making it more difficult for holders of the ADSs to sell their securities. In addition, the delisting and the termination of our ADS Program may result or have resulted in holders of the Company's ADSs surrendering their ADSs in exchange for the underlying Shares and selling them on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). Such sales may affect or have affected the price of our Ordinary Shares listed on the BSE and NSE.

At any time prior to the expiration of six months from the Termination Date of the Deposit Agreement (the "ADS Cancellation Cut-off Time"), each ADS holder is entitled to surrender the respective ADSs for cancellation and to obtain the delivery of the Ordinary Shares relative to each ADS surrendered, upon payment by the ADS holder of any sums payable to the Depositary pursuant to the terms and conditions of the Deposit Agreement. ADS holders will also need to have a DR-Type demat account in India for receiving the underlying Ordinary Shares on surrender of the ADSs. Neither the Company nor the Depositary will provide assistance in establishing such account. In addition, ADS holders would continue to have the right to receive dividends (if any) until the ADSs are cancelled such dividends are liable to withholding at the applicable rates of tax in India as per the Indian Income Tax Act 1961. However, ADS holders will not be able to exercise any voting rights from the Termination Date of the Deposit Agreement.

Cancellation of ADSs into Ordinary Shares will not attract any tax in India as per the Income Tax Act in India. However, capital gains realized on the subsequent transfer of Ordinary Shares (received on surrender of the ADSs), whether in India or outside India to a non-resident of India or Indian resident, will be liable for short-term or long-term capital gains tax under the provisions of the Income Tax Act, 1961. Ordinary Shares held for a period of more than 12 months will be treated as long-term capital assets and the capital gains arising on the sale thereof will be subject to long-term capital tax in India. If the Ordinary Shares are held for a period of 12 months or less, such Ordinary Shares will be treated as short-term capital assets and will be subject to short-term capital gains tax in India. ADS holders should consult their respective tax advisors for application of any Indian taxes and foreign tax credit rules to any Indian or foreign taxes that the ADS holders are subject to in respect of a sale or disposition of the Ordinary Shares including evaluation of any tax treaty benefits.

At any time after the expiration of six months from the Termination Date of the Deposit Agreement, if the ADS holders have not surrendered their ADSs for cancellation as well as receipt of the corresponding Ordinary Shares prior to the ADS Cancellation Cut-off Time, the Depositary will promptly as commercially practicable sell the underlying Ordinary Shares and distribute the net proceeds of the sales to the remaining ADS holders (after conversion into U.S. dollars), less fees and applicable withholding taxes, pursuant to the Deposit Agreement. The withholding tax will be applied at the maximum rate of 40% on the gross proceeds plus applicable rate of surcharge and cess (effective rate of approximately 43.68%) and be deposited to the credit of the Government of India. ADS holders subject to withholding taxes on the sale of the underlying Ordinary Shares may be eligible to reclaim some or all of the taxes withheld in India. The Depositary will send a notice to the ADS holders on the tax reclaim process in connection with sale of the underlying Ordinary Share post the ADS Cancellation Cut-off Time. However, neither the Company, nor the Depositary, will provide any assistance in the tax reclaim process. In addition, if a record date for a dividend is set prior to such sale, then the ADS holders as of the record date would be entitled to the dividend subject to withholding tax at applicable rates as per Indian Income Tax act 1961, even if the Ordinary Shares are sold prior to dividend payment date.

We are more vulnerable to reduced demand for premium cars and 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, JLR'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 JLR'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 geo political tensions and rising energy costs as a result of supply issues in Europe, volatility in economic conditions across our key markets and inflationary scenario may have an impact on consumers 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 stand-alone 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 upon 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.

In India, Tata Motors Limited had been granted an exemption with effect from November 1, 1952, in respect of the Provident Fund Scheme and had accordingly set up its own Provident Fund Trust, the Tata Motors Limited Provident Fund Trust (the "TMLPFT"), and has been administering its own scheme in lieu of the Employee's Provident Fund Scheme 1952. Of the 31 conditions required to maintain such exemption, TML has breached one condition relating to reporting losses for three consecutive financial years, following the declaration of the stand-alone (India operations) financial results for FY 2021-22. As a result, the exemption available to TML to operate its own provident fund has been mandatorily withdrawn from the first day of succeeding financial year (i.e., from April 1, 2022), and TML had to forthwith report the same to the Employees Provident Fund Organization ("EPFO") and commence compliance as a non-exempted establishment with effect from the said date.

Provident fund accounts with the TMLPFT had consequently been frozen until the transfer was completed. Given the high volume and value of the funds, the transfer of the accounts and account balances from the TMLPFT to EPFO has taken several months. Many employees who had planned withdrawals as allowed under the scheme were not able to complete such withdrawals until the transfer from the TMLPFT to the EPFO was completed. As of the date of this annual report all such transfers have been completed and the account balances are now available to the employees.

Given the cyclical nature of automotive business, we have employed temporary workers at our manufacturing plants, including in production activities. With changes being proposed by new labor code and recent pronouncements by Indian courts, including one against TML by the Bombay High Court on practice of employment of temporary workers, we are re-examining our staffing model.

We are re-evaluating our options in the light of these recent developments. These include: (i) leveraging government-approved training schemes, including NAPS, NEEM, Trade Apprentice and others, which enables us to engage trainees for defined period and contribute to government plans to educate and provide skills to youth in India, (ii) leveraging automation, (iii) work content reduction, and other measures.

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 terrorism, 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 terrorism, natural disasters and extreme weather, fuel shortages and epidemics and pandemics (such as the 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. Also see "Rising Geo-Political risk including the ongoing conflict between Russia and Ukraine could have an impact on our business and results of operations" 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, local civil disturbances and riots. 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.

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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. Further, our rural demand for Commercial Vehicles comes largely from agriculture and allied sectors. Any adverse events such as below par monsoon or significant shifts in rainfall patterns could affect consumer sentiment and demand for our vehicles.

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 and FY 2022-23. The outstanding term loan as of March 31, 2023, is ₹15.2 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 enacted the Code on Social Security, 2020 (the "Code"), and shall come into force on such date as the Central Government may by notification in the official Gazette, appoint. The Code would impact the contributions by the Company toward Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code 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 JLR's strategic business review process, JLR closed its defined benefit pension plans to new joiners as of April 19, 2010. All new JLR 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.

The latest statutory valuation as at March 31, 2021 for cash funding purposes was completed on June 30, 2022. The valuations resulted in revised schedules of contributions effective from July 1, 2022. At the point the valuations were agreed each plan was in surplus, therefore, there are no further deficit recover contributions currently payable. The ongoing Group contribution rate for UK defined benefit accrual for FY23 was 24% of pensionable salaries in the UK, however following changes in financial conditions, this was reduced to 10 per cent from April 1, 2023. The ongoing rate will vary to reflect prevailing financial conditions over time. The next statutory funding valuations are scheduled as at March 31, 2024 and are expected to be completed by June 30, 2025.

On the accounting basis as at March 31, 2023, JLR reported GBP 637 million surplus as compared to a surplus (net) of GBP 409 million as at March 31, 2022, and a deficit of GBP 387 million as at March 31, 2021. This change was primarily due to an increase in the discount rate used to value the liabilities.

The Supreme Court of India's judgment in the case of Employees' Provident Fund Organization (EPFO) and Anr. Etc. vs. Sunil Kumar B. and Ors. Etc., allows the members of the statutory pension fund as on September 1, 2014, to exercise the joint option for contribution into the pension fund beyond the statutory limit. Paragraph 37 of the Supreme Court's judgment clearly stated that the Court was not addressing the case of the exempted establishments. The Company has been legally advised that due to incurrence of losses for three consecutive years, the Company has lost its pension fund exemption with effect from April 1, 2022. However, the Company is still maintaining the pension fund, as an interim measure, since the EPFO has still not accepted the transfer of pension fund/corpus to its statutory pension fund. Considering that the EPFO is in the process of providing clarity on various key elements on the pension scheme, the non-applicability of the Supreme Court judgement to exempted establishments and the legal advice on status of the exemption, the Company believes that no provision is warranted on this matter as of March 31, 2023.

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

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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 also have our wholly-owned subsidiary Tata Motors European Technical Centre PLC based in the United Kingdom, engaged in number of collaborative projects in low carbon technology, and electric and hybrid vehicle technology for future passenger and light commercial vehicles. Trilix, located in Italy, is engaged in commercial art and graphic design. If there is theft or compromise of data, technology, and intellectual property such as technical data, business processes, data sets, or other sensitive information, it could cause a material adverse impact on our operations.

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 GDPR, which was implemented in 2018, and China's Personal Information Protection Law, 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 laws 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 GHG 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. To comply with current and future environmental norms, we may have to incur additional capital expenditures and R&D expenditures to upgrade manufacturing facilities, install new emissions controls or reduction technologies and purchase or otherwise obtain allowances to emit GHGs, which may have an impact on our cost of production.

Our vehicles are also subject to significant regulation around the world relating to GHG and other emission levels. We expect these rules to continue to become more stringent in the future and any 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. 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.

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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.

On 31 January 2020, the United Kingdom ceased to be a member of the European Union which had previously allowed for tariff free movement of goods and services between the UK and other European member states. The end of the 11-month transitional period following the termination of the UK's membership of the European Union on 31 January 2020 (the "Brexit Transition Period") saw the agreement of a trade deal between the UK and the EU (the "EU-UK Trade Agreement"). The EU-UK Trade Agreement had provisional application pending completion of ratification procedures and entered into force on 1 May 2021.

These rules have led to increased border friction between the UK and EU due to the administrative requirements of completing customs documentation which have led to some increased costs for our business. To continue to qualify for zero tariff rates, Jaguar Land Rover will need to meet requirements relating to rules of origin which is not certain to be possible in the future. For example, the EU's rules of origin, which are due to start from 2024, stipulate that 45 percent of an electric vehicle's value must be sourced in the U.K. or elsewhere in Europe to avoid export tariffs of 10 percent. The tariffs would be a burden for automakers building cars in the U.K. and exporting them to the EU. This, and any other future changes to tariffs between the UK and EU, may have a material impact upon our ability to access the European market.

The Inflation Reduction Act of 2022 (the "IRA") was passed by the U.S. federal government in August 2022. Among other items, the IRA allows for purchasers of electric vehicles to access a consumer tax credit effectively providing a vehicle (i) is assembled in North America; (ii) 50% of the value of the battery components must be produced or manufactured in North America; and (iii) 40% of the value of the critical minerals used for the vehicle must be extracted, processed, and/or recycled domestically or in a country the United States has a free trade agreement with, with the minimum percentage increasing annually. EV manufacturing requires a range of minerals, including cobalt, copper, nickel, graphite, and lithium. The consumer tax credits are available on cars up to $55,000 (manufacturer suggested retail price) and $80,000 (manufacturer suggested retail price) for vans, sport utility vehicles and pickup trucks. Access to the consumer tax credit is also subject to income thresholds and other requirements. JLR's Reimagine strategy sets out a plan for the business to sell an increasing proportion of electric vehicles in the future. As we presently have no assembly facilities in North America, this may impact upon our ability to price our electric vehicles competitively in the U.S. market in the future. However, we continually assess the impact of such regulatory changes on our future business and are developing, and will continue to develop, strategies to minimize the potential impact.

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 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 had engaged in anti-competitive practices by colluding with its finance subsidiaries (TMFL and TMFSL) and abused its dominance in the market. The complaints include allegations that TML had coerced dealers to avail finance from Tata NBFCs, established a cartel to impose minimum stock requirements and make available financing and violated certain anti-competitive provisions of the Competition Act. In May 2021, the CCI issued an order directing the Director General ("DG") 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. The investigation was carried out and concluded and the report ("report") was submitted to CCI. We have filed our objection to the report with CCI. As of the date of this annual report, we are awaiting further directions from 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, SEBI regulations, 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 stand-alone 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, vide notification dated 9th November, 2021 effective April 1, 2022 unless otherwise specified in the respective provision of the regulation. 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 annual consolidated 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 shareholder 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 favor 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 geographic 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/Interest 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, including option to move to new tax regime with concessional tax rate, 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 a nd other matters affecting investment in India could change as well.

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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 the RBI 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 toward certain loans and taking other measures to enhance liquidity for 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.

SEBI and the various Indian stock exchanges are responsible for improving and setting standards for disclosure and other regulatory standards for the Indian securities markets. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. Nevertheless, there may be less information made publicly available in respect of Indian companies than is regularly made available by public companies in the United States as a result of differences between the level of regulation and monitoring of the Indian securities markets and of the transparency of the activities of investors and brokers in India compared to the United States. The Company's ADSs have been delisted from the NYSE effective close of trading on the NYSE on January 23, 2023. As a consequence of the delisting becoming effective, termination of the Deposit Agreement under which the ADSs were issued has also become effective close of trading on the NYSE on January 23, 2023. The said action has no impact on the current listing status or trading of the Company's equity shares on the National Stock Exchange of India Ltd. (the "NSE") and BSE Limited (the "BSE"). Our disclosure obligations under the rules of the NSE and the BSE, on which our equity shares are listed, may be less than the disclosure obligations of public companies on the NYSE.

The market value of your investment may fluctuate due to the volatility of the Indian securities market.

Stock exchanges in India, including 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.

Our ADSs have been delisted from the NYSE effective at the close of trading on January 23, 2023; the price of the ADSs was quoted in U.S. dollars. Our equity shares are quoted in Indian Rupees on the NSE and BSE. Any dividends in respect of our equity shares are paid in Indian Rupees after withholding of taxes as applicable under the Indian Income Tax Act 1961 and subsequently converted into U.S. dollars for distribution to ADS holders.

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 our ADSs would bear or have borne all of the risks with respect to a decline in the value of the Indian Rupee as compared to the U.S. dollar, which would adversely affect or have affected the U.S. dollar value of any dividends that are received or have been received by ADS holders.

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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 depositary (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.

For further details on the terms and conditions of the Company's ADSs and the rights and obligations of the Company's ADS holders, please see the amended and restated deposit agreement, dated as of September 27, 2004, among the Company, Citibank, N.A., as depositary, and all holders and beneficial owners of ADSs issued thereunder, as amended and supplemented by Amendment No. 1, dated as of December 16, 2009, hereinafter referred to as the "deposit agreement".

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 depositary, 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 Company filed Form 25 with the SEC on January 13, 2023 to delist its ADSs from the NYSE. The Company's ADSs have been delisted from the NYSE effective at the close of trading on the NYSE on January 23, 2023. As a consequence of the delisting becoming effective, termination of the Deposit Agreement under which the ADSs were issued has also become effective at the close of trading on the NYSE on January 23, 2023. The Company will continue to be subject to reporting obligations under the Exchange Act until such time as it can terminate its registration under the Exchange Act.

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 include 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 Whole-time 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 Companies Act, 2013 ('the Act') and Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('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, 2023 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 SEBI Listing Regulations. The Company's American Depositary Receipts Programme was listed on the New York Stock Exchange (NYSE) upto January 23, 2023, thereby requiring the Company to also comply 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 the year under review, the composition of the Board was in conformity with Regulation 17 of the SEBI Listing Regulations read together with Section 149 and 152 of the Act and rules framed thereunder. As on March 31, 2023, the Board consisted of 8 Directors, out of which 7 Directors (87.50%) were

Non-Executive Directors. The Company has a Non-Executive Chairman and 5 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, 2023, the Board is of the opinion that the IDs fulfill the conditions of Independence as specified in the Act, the SEBI Listing Regulations as well as the US SEC Regulations and they are independent of the Management.

None of the Directors on the Board hold the office of Director in more than 20 companies, including 10 public companies, as disclosed under Section 184 of the Act read with Rules framed thereunder and none of the Directors of the Company are related to each other. None of the IDs serve as IDs in more than 7 listed entities and none of the IDs are Whole-time Directors / Managing Directors in any listed entity. Furthermore, none of the Whole-time Directors of the Company serve as IDs in more than 3 listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors are members in 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 discussion 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 Executive Director ('ED') and the Group Chief Financial Officer ('Group 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, 2023.

During the year under review, 6 Board Meetings were held on May 12, 2022, July 27, 2022, September 8, 2022, November 9, 2022, January 25, 2023 and March 20, 2023. 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, 2023:

Name of Director, Director Identification Number & 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)	6	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)

REPORT ON CORPORATE GOVERNANCE

Name of Director, Director Identification Number & 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 Om Prakash Bhatt DIN: 00548091 ID(3)	6	Yes	-	4	1	4	-	Hindustan Unilever Ltd. (ID) Tata Consultancy Services Ltd. (ID) Tata Steel Ltd. (ID)
Ms Hanne Sorensen DIN: 08035439 ID (4)	5	Yes	-	1	-	1	-	Tata Consultancy Services Ltd. (ID)
Ms Vedika Bhandarkar DIN: 00033808 ID	4	Yes	-	3	-	2	-	Tata Motors Finance Solutions Ltd. (ID) Tata Motors Finance Ltd. (ID)
Mr Kosaraju Veerayya Chowdary DIN: 08485334 ID	6	Yes	1	4	2	4	-	Reliance Industries Limited (NINED) CCL Products (India) Limited (ID) Divi's Laboratories Limited (ID)
Mr Mitsuhiko Yamashita DIN: 08871753 NINED	6	Yes	-	-	-	-	-	-
Mr Al-Noor Ramji DIN: 00230865 ID (5)	5	Yes	-	-	-	-	-	-
Mr Girish Wagh DIN:03119361 ED	6	Yes	1	1	-	-	38,100 Ordinary Shares	Automobile Corporation of Goa Limited (NINED)
Mr Thierry Bolloré DIN: 08935293 NINED (6)	4	Yes	NA	NA	NA	NA	NA	NA

Table Key: (C) - Chairperson; (M) – Member; NINED – Non-Independent Non-Executive Director; ID-Independent Director; ED – Executive Director

(1) Excludes directorship held in private companies, foreign companies and Section 8 companies.

(2) Pertains to memberships/chairpersonships held in the Audit Committee and Stakeholders' Relationship Committee of other Indian public companies as per Regulation 26(1)(b) of the SEBI Listing Regulations.

(3) Re-appointed as an ID of the Company for a period commencing from May 9, 2022 to March 7, 2026, vide Special Resolution passed by the Shareholders at the 77th Annual General Meeting of the Company held on July 4, 2022.

(4) Re-appointed as an ID of the Company for a period of 5 years commencing from January 3, 2023 to January 2, 2028, vide Special Resolution passed by the Shareholders at the 77th Annual General Meeting of the Company held on July 4, 2022.

(5) Appointed as an ID of the Company for a period of 5 years commencing from May 1, 2022, vide Special Resolution passed by the Shareholders at the 77th Annual General Meeting of the Company held on July 4, 2022.

(6) Ceased to be an NINED of the Company with effect from December 31, 2022, consequent to his resignation as the CEO of Jaguar Land Automotive Plc. The Number of Directorships, Committee positions and shareholding details are as on the date of his cessation.

The Board of Directors at their meeting held on March 20, 2023, on favourable recommendation of the Nomination and Remuneration Committee appointed Mrs Usha Sangwan (DIN:02609263) as an Additional Independent Director, for a tenure of 5 years commencing from May 15, 2023, subject to the receipt of shareholders' approval at the forthcoming 78th Annual General Meeting of the Company. The recommendations of the Committees are placed before the Board for necessary approval. During the year under review, all Committee recommendations placed before the Board of Directors were unanimously accepted.

The Company offered the facility of video conferencing, as prescribed 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.

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 20, 2023 for FY 2022-23, 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 20, 2023, mainly to review the performance of NINEDs, Whole-time Directors ('WTDs') and the Chairman as also the Board as a whole for FY 2022-23 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, except Ms Vedika Bhandarkar, who communicated her feedback and inputs regarding the performance of individual Directors, the Board as a whole and Committees through a note to the Chairman of the NRC.

The Nomination and Remuneration Committee ('NRC') has formulated a policy to include criteria of Board Effectiveness Evaluation. Pursuant to the provisions of the Act, Regulation 17(10) of the SEBI Listing Regulations and Governance Guidelines on Board Effectiveness, the Board has conducted the annual performance evaluation of all the Directors individually, of its Committees and the Board, as a whole. The base scorecard of the evaluation was Board/ Committee composition and structure, fulfillment of key responsibilities, effectiveness of process, information and functioning, efficacy of communication with stakeholder, dynamics, inputs received from all the Directors, 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. As on March 31, 2023, our 8 member Board of Directors, consisted of 1 ED, 2 NINEDs and 5 IDs, 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, 2023 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 as well as enhance brand reputation.

REPORT ON CORPORATE GOVERNANCE

Name of Director	Entrepreneur/ Leadership	Engineering & Technology	Financial Expertise	Global Exposure	Automobile Industry Experience	Diversity	Mergers & Acquisitions	Board Service & Governance	Sales & Marketing
Mr Natarajan Chandrasekaran	√	√	√	√	√	√	√	√	√
Mr Om Prakash Bhatt	√	-	√	√	-	√	√	√	-
Ms Hanne Sorensen	√	-	√	√	√	√	√	√	√
Ms Vedika Bhandarkar	√	-	√	√	√	√	√	√	√
Mr Kosaraju Veerayya Chowdary	√	-	√	-	-	√	√	√	-
Mr Mitsuhiko Yamashita	√	√	-	√	√	√	√	√	-
Mr Thierry Bolloré (1)	√	√	-	√	√	√	√	√	√
Mr Al-Noor Ramji (2)	√	√	√	√	-	√	√	√	√
Mr Girish Wagh	√	√	-	-	√	-	√	√	√

(1) Ceased to be a Director of the Company with effect from December 31, 2022, consequent to his resignation as the CEO of the Jaguar Land Rover Automotive Plc..

(2) Appointed as an ID of the Company for a period of 5 years commencing from May 1, 2022, vide Special Resolution passed by the Shareholders at the 77th Annual General Meeting of the Company held on July 4, 2022.

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 Committees constituted by the Board, 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 Committees meetings. The Chairperson of each Committee briefs the Board on significant discussions at its meetings. During the year under review all recommendations made by the various Committees were 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 SEC Regulations applicable to the Company and is reviewed from time to time. The detailed terms of reference of the Audit Committee 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 5 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 the Financial Expert under the applicable Indian and US SEC Regulations. The quorum of the Committee is two members or one-third of its members, whichever is higher, with atleast two IDs being present.

The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company. During the period under review 6 Audit Committee meetings were held, a two-day meeting on May 11-12, 2022, May 31, 2022, a two-day meeting on July 26-27, 2022, November 8, 2022, January 24, 2023 and February 13, 2023. The requisite quorum was present for all the 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	6	6
Mr Om Prakash Bhatt	ID	6	6
Ms Hanne Sorensen	ID	6	6
Mr K V Chowdary	ID	6	6
Mr Al-Noor Ramji [1]	ID	4	3

(1) The Board of Directors appointed Mr Ramji as a member of the Audit Committee with effect from September 8, 2022.

The Committee meetings are held at the Company's Corporate Headquarters or at its plant locations and are attended by the ED, Group 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. The Members of the Audit Committee meet the Statutory Auditors before the quarterly financial results meetings. During the year under review, Mr Wagh and Mr Yamashita were permanent invitees to Audit Committee meetings. Mr Wagh attended all Audit Committee meetings, while Mr Yamashita attended all Audit Committee Meetings, except the meeting held on February 13, 2023. Mr Ramji attended a two day Audit Committee meeting held on July 26-27, 2022, as an invitee.

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.

B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No.101248 W/W – 100022), the Company's Statutory Auditor, appointed by the Shareholders of the Company at the 77th Annual General Meeting held on July 4, 2022, for a second consecutive term of 5 years, 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/auditfeepolicy.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, its objectives, 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 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.

During the year under review, the Committee comprises 2 IDs and 1 NINED. The Chairperson of the NRC attended the last Annual General Meeting of the Company. During the year under review, 2 NRC meetings were held on May 12, 2022 and March 20, 2023. 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	2	2
Ms Hanne Sorensen	ID	2	2
Mr N Chandrasekaran	NINED	2	2

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 detailed Remuneration Policy for Directors, KMP and other employees, in accordance with the provisions of the Act and the SEBI Listing Regulations and is available on the website at https://investors.tatamotors.com/pdf/directors-appointment-remuneration.pdf.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its 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 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 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. The Commission paid/ payable 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 fees of ₹60,000/- was paid to NEDs for attending meetings of the Board and meetings of the Committee of Audit and NRC as well as for participating at annual IDs meeting. Also a sitting fees of ₹20,000/- was paid for attending meetings of the Committee of Stakeholders' Relationship Committee; Safety, Health & Sustainability Committee, Corporate Social Responsibility Committee, Risk Management Committee and other special need based committees, is paid to its Members (excluding ED) 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.

REPORT ON CORPORATE GOVERNANCE

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 NEDs during FY 2022-23:

(₹ in lakh)

Name	Commission/ Remuneration Payable (1)	Sitting Fees Paid
Mr N Chandrasekaran (2)	-	4.80
Mr Om Prakash Bhatt	100.00	11.40
Ms Hanne Sorensen	100.00	10.20
Ms Vedika Bhandarkar	100.00	8.60
Mr K V Chowdary	75.00	8.40
Mr Mitsuhiko Yamashita	75.00	8.00
Mr Al-Noor Ramji	100.00	5.60
Total	**550.00**	**57.00**

(1) Commission relates to FY 2022-23, to be paid in FY 2023-24, in accordance with the shareholders' approval proposed to be obtained at the 78th AGM of the Company to be held on August 8, 2023.

(2) As a Policy, Mr N Chandrasekaran has abstained from receiving commission / remuneration from the Company.

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 NEDs have no pecuniary relationship or transactions with the Company, its subsidiaries and associates.

EXECUTIVE DIRECTOR

The remuneration paid to the ED is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by him and is in accordance with the terms of appointment approved by the Members, at the time of his appointment.

The NRC, reviews and recommends to the Board the changes in the managerial remuneration, generally being, increment in basic salary of the ED. 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.

Given below are certain details pertaining to the terms of appointment and payment of Managerial Remuneration to Mr Girish Wagh, the ED, for FY 2022-23:

(₹ in lakh)

Particulars	Remuneration Paid / Payable for FY 2022-23 Mr Girish Wagh April 01, 2022 to March 31, 2023
Basic Salary	108.73
Benefits, Perquisites and Allowances (includes payment in lieu of pension)	177.48
Commission, Bonus and Performance Linked Incentive Remuneration	148.07
Retirement Benefits (1)	29.36
Stock Option / Sweat Equity(2)	122.18
Total Remuneration	**585.82**

(1) Comprises contribution to Provident Fund and Superannuation fund as per the Rules of the Company.

(2) Includes an Employee Stock Option Plan (ESOP) and Performance Share Unit (PSU) charge for FY 2022-23 of ₹122.18 lakh under the Tata Motors Limited Employee Stock Option Scheme 2018 at an exercise price of ₹345 per Ordinary Share and Tata Motors Share based long term incentive scheme 2021, ESOP at an exercise price of ₹338 per Ordinary share and PSU at an exercise price of ₹2 per Ordinary share, which will vest only upon fulfilment of certain performance criteria by the ED and him choosing to subscribe to the ESOPs granted.

The terms of appointment with respect to the severance notice period and fees payable is reproduced below:

Mr Girish Wagh – Executive Director
→ 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.

Mr Girish Wagh – Executive Director
→ 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 ED 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 228,600 stock options exercisable into 228,600 Ordinary Shares of face value of ₹2, each fully paid-up against receipt of exercise price of ₹345 per Ordinary Share under the Tata Motors Limited Employees Stock Options Scheme, 2018, which will vest only upon fulfillment of certain performance criteria by the Executive Director and upon him choosing to subscribe to the ESOPs granted. Pursuant to the above, as on date 83,820 options have been vested upon Mr. Wagh at an exercise price of ₹345 per Ordinary Share.

In addition, pursuant to the approval of the Members obtained at the 76th Annual General Meeting held on July 30, 2021, Mr. Wagh was granted 24,767 Performance Shares and 60,431 Options at an exercise price of ₹2 and ₹338, respectively, 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 Key Managerial Personnel (KMP) of the Company, excluding Whole-time Directors/ ED of the Company, for FY 2022-23 during their tenure with the Company:

(₹ in lakh)

Particulars	Remuneration Paid / Payable for FY 2022-23	
	Mr P B Balaji Chief Financial Officer April 1, 2022 to March 31, 2023	Mr Maloy Kumar Gupta Company Secretary April 1, 2022 to March 31, 2023
Basic Salary	293.83	38.00
Benefits, Perquisites and Allowances (includes payment in lieu of pension)	494.28	64.88
Commission, Bonus and Performance Linked Incentive Remuneration	504.46	17.17
Retirement Benefits (1)	36.76	4.56
Stock Option / Sweat Equity (2)	344.42	10.74
Total Remuneration	1673.75	135.35

(1) Comprises contribution to Provident Fund and Superannuation fund as per the Rules of the Company.

(2) Includes an Employee Stock Option Plan (ESOP) and Performance Share Unit (PSU) charge for FY 2022-23 under the Tata Motors Employee Stock Option Scheme 2018 at an exercise price of ₹345 per Ordinary Share and Tata Motors Share based long term incentive scheme 2021, ESOP at an exercise price of ₹338 per Ordinary share and PSP at an exercise price of ₹2 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.

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.

During the year under review, 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, 2 SRC meetings were held on July 4, 2022 and January 24, 2023. The requisite quorum was present for both 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	2	1
Ms Hanne Sorensen	ID	2	2
Mr Girish Wagh	ED	2	2

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 8282, 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 2022-23 is as follows:

Type	Nos.
Complaints regarding non-receipt of dividend, shares lodged for transfer	1
Complaints received from the shareholders through SEBI and other statutory bodies and resolved	85
Complaints redressed out of the above	85
Pending complaints as on March 31, 2023	0

There were no pending share transfers pertaining to the Financial Year ended March 31, 2023.

Corporate Social Responsibility ('CSR') Committee

The Committee is constituted by the Board in accordance with provisions of Section 135 of 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 placed on the Company's website https://investors.tatamotors.com/pdf/csr-policy.pdf as required under the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the year under review, 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 12, 2022, July 13, 2022 and January 24, 2023. 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 (Chairman)	ID	3	3
Ms Vedika Bhandarkar	ID	3	3
Mr K V Chowdary	ID	3	3
Mr Girish Wagh	ED	3	3

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 results of the risk assessment are thoroughly discussed with the Senior Management before being presented to the RMC. The Board takes responsibility for the overall process of risk management in the organisation.

During the year under review the Members of the RMC comprises of 1 ID, 1 NINED, the ED and the Group 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 July 13, 2022, November 8, 2022 and March 17, 2023. 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 Girish Wagh	ED	3	3
Mr P B Balaji	Group CFO	3	3

REPORT ON CORPORATE GOVERNANCE

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 July 13, 2022, November 8, 2022 and March 17, 2023. 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 Girish Wagh	ED	3	3

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, 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, 7 Allotment Committee meetings were held on April 14, 2022, May 31, 2022, July 13, 2022, October 07, 2022, November 25, 2022 January 10, 2023 and February 23, 2023. 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 (Chairman)	ID	7	7
Ms Vedika Bhandarkar	ID	7	7
Mr P B Balaji	Group CFO	7	7
Mr Ravindra Kumar G P	CHRO	7	7

Technology Committee

The Technology Committee was constituted with effect from August 29, 2022, by the Board of Directors of the Company vide passing of a circular Resolution No. BCR-3/FY 2022-23 for reviewing Technology related practices. The brief terms of reference of the Committee inter alia include the following:

- → to govern the technology roadmap of the business;
- → to help the Management implement technological, digital and electronic initiatives;

- to design and review technology systems and roadmaps, electrical and electronics architecture and skill, talent development plan
- to syncronise synergies between Jaguar Land Rover and the Company;
- to oversee technology related actions of the key subsidiaries
- to carry out any other function as is referred by the Board from time to time

As on date of this report, the Members of the Technology Committee comprise of 2 ID and 1 NINED. The Chairperson of the Committee also attended the last Annual General Meeting of the Company. During the period under review, 1 Committee meeting was held on January 25, 2023. The requisite quorum was present for the meeting.

The composition of the Technology and attendance of its Members at its meeting held during the year is as follows:

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr Al-Noor Ramji (Chairman)	ID	1	1
Mr Mitsuhiko Yamashita	NINED	1	1
Mr Hanne Sorensen	ID	1	1

Code of Conduct

Whilst the Tata Code of Conduct is applicable to all employees of the Company, including Whole-time Directors, the Board has also 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. 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, 2023 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 Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices. Mr. P. B. Balaji, Group Chief Financial Officer, is the compliance officer under the Company's Prevention of Insider Trading Code. 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 4, 2022	2021-22	→ Appointment of Mr Al-Noor Ramji (DIN:00230865) as a Director and as an Independent Director → Appointment of Mr Om Prakash Bhatt (DIN:00548091) as a Director and his re-appointment as an Independent Director for the second term → Re-appointment of Ms Hanne Birgitte Sorensen (DIN:08035439) as an Independent Director for the second term → Amendment in Tata Motors Limited Employees Stock Option Scheme, 2018 → Change in place of keeping registers and records of the Company	Through video conferencing ('VC') / other audio visual means ('OAVM') at 3 p.m. (IST)
July 30, 2021	2020-21	→ Re-appointment of Mr Guenter Butschek (DIN: 07427375) as the Chief Executive Officer and Managing Director and payment of remuneration for the period February 15, 2021 to June 30, 2021 → Appointment of Mr Girish Wagh (DIN:03119361) as Executive Director 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	Through video conferencing ('VC') / other audio visual means ('OAVM') at 3 p.m. (IST)

Date of AGM	Year	Special Resolutions passed	Venue and Time
August 25, 2020	2019-20	→ Approval and ratification for payment of Minimum Remuneration to Mr Guenter Butschek (DIN:07427375), Chief Executive Officer and Managing Director for FY2019-20 → Approval for payment of Minimum Remuneration to Mr Guenter Butschek (DIN:07427375), Chief Executive Officer and Managing Director in case of no/ inadequacy of profits during FY2020-21	Through video conferencing ('VC') / other audio visual means ('OAVM') at 2 p.m. (IST)

There were no special resolutions passed through Postal Ballot during FY 2022-23. Further, no special resolution is proposed to be passed through Postal Ballot as on the date of this report.

All resolutions moved at the last years' Annual General Meeting, 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) the Singapore Stock Exchange (SGX) and as per US SEC Regulations 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, 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, SGX and US SEC Regulations 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 2022-23 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 2022-23 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	Tuesday, August 8, 2023 at 3 p.m. (IST)
Venue	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 this AGM.)

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, details of Director seeking appointment / re-appointment at this AGM are given in the Annexure to the Notice of the forthcoming AGM.

FINANCIAL CALENDAR

Financial Year	ending March 31
Results for the Quarter ending (Tentative)	
June 30, 2023	On or before August 14, 2023
September 30, 2023	On or before November 14, 2023
December 31, 2023	On or before February 14, 2024
March 31, 2024	On or before May 30, 2024
Date of Book Closure	July 29, 2023
Date of Dividend payment	August 14, 2023 onwards

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 400051; 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.

→ International Listing of securities issued by the Company:

Redeemable Senior Unsecured Notes aggregating US$ 550 million, as at March 31, 2023:

Security Type	ISIN	Issue Size (US$)	Yieldper 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	

The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges (both domestic and international) and Depositories viz; CDSL and NSDL, respectively for FY 2022-23 and 2023-24.

Market Price 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 2022	462.65	416.85	18596222	462.70	417.00	335633541	237.10	205.7	3520806	237.20	205.35	49449339
May 2022	449.50	366.05	26898566	449.50	366.20	471123560	222.20	180.5	4119412	222.25	180.45	59848613
June 2022	446.00	376.70	20431488	446.00	376.65	341676264	214.75	179.85	3441806	214.90	179.85	39716910
July 2022	460.75	402.15	15448508	460.75	402.30	313106433	235.45	192.3	3488641	235.55	192.00	55283941
August 2022	494.50	447.75	19920491	494.40	447.60	316991103	243.60	221.1	3233912	243.65	221.30	52850038
September 2022	474.40	390.45	23193345	474.40	390.35	344727174	236.00	191.25	2966843	236.00	191.05	64798095
October 2022	417.50	391.20	16105779	417.65	391.10	255155966	241.00	189.5	4689082	240.90	189.50	70681142
November 2022	441.10	409.30	17237892	441.20	409.20	272538198	260.35	214.2	7540666	260.40	214.20	137976077
December 2022	443.40	375.50	16870939	443.60	375.20	285898367	239.50	190.65	2647161	239.80	190.00	36923832
January 2023	454.85	381.00	19078194	454.80	381.00	416341489	232.50	204.40	3342147	232.50	204.05	49189313
February 2023	461.30	413.35	9539562	461.50	413.05	199377042	233.50	213.35	2005897	233.60	213.20	33375789
March 2023	442.00	400.40	6499518	442.05	400.45	181112839	224.50	202.05	2550070	224.55	202.00	30726112

The Performance of the Company's Stock Price vis-à-vis Sensex, Auto Index and American Depository Receipt (ADR):

Month	Ordinary Shares (₹) (BSE)	'A' Ordinary Shares (₹) (BSE)	BSE Sensex	Auto Index	ADR Price (US$)
	(average monthly closing price on respective indices)				
April 2022	440.73	221.52	58,165.86	24,824.06	$28.67
May 2022	414.91	201.19	54,436.66	24,691.49	$26.84
June 2022	415.18	200.28	53,478.91	25,827.42	$26.64
July 2022	436.83	217.17	54,684.80	28,033.53	$27.59
August 2022	470.58	231.12	58,990.51	29,751.27	$29.66
September 2022	434.67	214.20	58,843.43	29,938.58	$26.81
October 2022	402.34	203.96	58,632.37	29,219.85	$24.35
November 2022	427.15	228.50	61,631.46	29,971.04	$26.25
December 2022	409.87	217.38	61,767.33	29,377.50	$24.50
January 2023	410.44	214.54	60,397.23	29,368.96	$24.38
February 2023	437.57	222.00	60,345.93	30,085.65	*
March 2023	420.22	213.52	58,502.47	28,569.35	*

* Note - On account of delisting of ADR's from NYSE, the data for ADR price is available only upto January 23, 2023

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

(in US$)

Month	High	Low	Month	High	Low
April 2022	30.15	27.67	October 2022	25.45	23.47
May 2022	28.55	24.12	November 2022	27.4	25.27
June 2022	28.80	24.78	December 2022	26.81	22.35
July 2022	28.72	26.14	January 2023	25.54	22.99
August 2022	31.02	28.25	February 2023	On account of delisting of ADR's from NYSE, the data for ADR price is available only upto January 23, 2023	
September 2022	29.26	23.73	March 2023		

Each Depositary Receipt represents 5 underlying Ordinary Shares of face value of ₹2/- each.

Investor Grievance and 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.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialized form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/8 dated January 24, 2022, mandated all the listed companies to issue securities in dematerialised form only, while processes the service request for issue of duplicate securities certificates, renewal/ exchange of securities certificate, claim from Unclaimed Suspense Account, endorsement, sub-division/ splitting of securities certificate, consolidation of folios, transmission and transposition.

In view to 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 TSR Consultants Private Limited (formerly known as TSR Darashaw Consultants Private Limited), the Company's Registrar and Transfer Agent (RTA), for assistance in this regards. Also, share transactions in electronic form can be effected in a much simpler and faster manner.

Shareholders should communicate with RTA, quoting their folio number or Depository Participant ID "DPID") and Client ID number, for any queries on their securities holding.

Dispute Resolution Mechanism

SEBI has vide its Circular No.SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, issued a Standard Operating Procedure (SOP) for dispute resolution under the Stock Exchange Arbitration Mechanism for disputes between a listed company and/or registrars to an issue and share transfer agents and its shareholder(s)/ investor(s). The Company has complied with the same and the weblink is given below: https://www.tatamotors.com/wp-content/uploads/2023/05/TML-SOP-Dispute-Mechanism.pdf

Registrar and Transfer Agents

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 dematerialization, transmission or transposition or any service requests, 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: +91 8108118484; 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:

   (i) **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

   (ii) **Bangalore:** C/o. Mr. D. Nagendra Rao, "Vaghdevi" 543/A, 7th Main 3rd Cross, Hanumanthnagar, Bengaluru – 560019; Telephone: +91-80-26509004; Email: csg-unit@tcplindia.co.in

   (iii) **Jamshedpur:** Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur – 831 001; Telephone: +91-657-2426937; Email: csg-unit@tcplindia.co.in

   (iv) **Kolkata:** Qtr. No. L-4/5, Main Road, Bistupur, (Beside Chappan - Bhog Sweet Shop), Jamshedpur – 831001; Telephone: +91-33-40081986; Email: csg-unit@tcplindia.co.in

   (v) **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: csg-unit@tcplindia.co.in

   (vi) **Ahmedabad:** C/o Link India Intime Private Limited, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. 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: +91 810811 8484 Contact Person: Ms Nandini Nair / Ms Uttara Sahasrabudhe.

REPORT ON CORPORATE GOVERNANCE

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.

The details of the unclaimed dividends and shares transferred to IEPF during FY 2022-23 are as follows:

Financial Year	Amount of unclaimed dividend transferred (₹)	Number of shares transferred	
		Ordinary Shares	'A' Ordinary Shares
2014-15	NIL	NIL	NIL
Total			

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, 2023 (₹)	
			Ordinary Shares	'A' Ordinary Shares
2015-16	August 9, 2016	September 8, 2023	28,09,024.67	1,26,495.90
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		-	-
2021-22	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, 2023, the Company has transferred ₹45,86,44,368.34 to IEPF, including the following amounts during the year.

Particulars	FY 2022-23 (₹)
Unpaid dividend amounts of the Company	-
Application moneys received for allotment of any securities and due for refund	-
Unpaid matured deposit with the Company	60,000.00
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	**60,000.00**

Distribution of Shareholding as at March 31, 2023

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 Holders
1 – 500	21,68,49,915	0.08	6.45	6.53	37,71,778	0.42	95.40	95.82
501 – 1,000	6,54,90,653	0.06	1.91	1.97	88,234	0.07	2.17	2.24
1,001 – 2,000	6,12,67,421	0.08	1.77	1.85	42,689	0.05	1.04	1.09
2,001 – 5,000	7,24,90,957	0.10	2.08	2.18	23,404	0.03	0.57	0.60
5,001 -10,000	4,24,82,199	0.04	1.24	1.28	6,067	0.00	0.15	0.15
10,001-1,00,000	7,88,29,350	0.06	2.31	2.37	3,366	0.00	0.08	0.08
Above 1,00,001	2,78,39,33,830	0.01	83.81	83.82	681	0.00	0.02	0.02
Total	**3,32,13,44,325**	**0.43**	**99.57**	**100.00**	**39,36,219**	**0.57**	**99.43**	**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 Holders
1 – 500	3,68,31,592	0.01	7.23	7.24	4,61,361	0.11	91.00	91.11
501 – 1,000	1,67,35,869	0.01	3.29	3.29	21,527	0.01	4.25	4.26
1,001 – 2,000	1,67,75,531	0.00	3.30	3.30	11,308	0.00	2.23	2.23
2,001 – 5,000	2,40,61,032	0.00	4.73	4.73	7,431	0.00	1.47	1.47
5,001 -10,000	1,81,32,238	0.00	3.56	3.57	2,473	0.00	0.49	0.49
10,001-1,00,000	5,19,57,549	0.00	10.22	10.22	1,984	0.00	0.39	0.39
Above 1,00,001	34,40,09,085	0.00	67.65	67.65	271	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, 2023

Category	Number of Equity Shares held	% of holding
Promoters and Promoter Group	1,57,98,87,957	41.25
Mutual Funds and UTI	45,71,92,219	11.94
Banks, Financial Institutions, States and Central Government	64,88,839	0.17
Alternate Investment Funds	36,18,747	0.09
Insurance Companies	26,52,17,473	6.93
Foreign Institutional Investors and Foreign Portfolio Investors – Corporate	59,48,52,809	15.53
Provident Funds / Pension Funds	2,24,87,628	0.59
Non-Resident Indians / Overseas Bodies Corporates / Foreign Companies	3,31,45,065	0.86
Bodies Corporate / Trust	4,37,95,747	1.14
NBFCs / HUF / LLPs	2,25,70,798	0.59
Indian Public and Others	79,46,98,450	20.75
Directors and Director's Relatives	2,63,582	0.01
IEPF Suspense Account	56,27,907	0.15
GRAND TOTAL	**3,82,98,47,221**	**100.00**

ii) Top 10 Shareholders as on March 31, 2023

Sr. No.	Name of the Shareholder	Number of Equity Shares held	% of holding
1	Tata Sons Private Limited (Promoter)	1,49,06,25,082	38.92
2	Life Insurance Corporation of India	17,30,87,356	4.52
3	ICICI Prudential Transportation And Logistics Fund	12,08,93,525	3.16
4	SBI NIFTY 50 ETF	7,95,01,181	2.08
5	Tata Industries Limited	7,22,03,630	1.89
6	Rekha Rakesh Jhunjhunwala	6,22,56,000	1.63
7	Citibank N.A. New York, NYADR Department	5,19,17,567	1.36
8	HDFC Trustee Company Ltd. A/C HDFC Top 100 Fund	4,52,80,586	1.18
9	UTI - Nifty Exchange Traded Fund	4,25,37,076	1.11
10	Government Of Singapore	4,12,84,776	1.08

Note: Shareholding of Top 10 is consolidated based on 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, 2023 through the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) are as follows:

Particulars	Ordinary Shares (%)		'A' Ordinary Shares (%)	
	2023	2022	2023	2022
NSDL	92.23	91.98	83.76	81.11
CDSL	7.34	7.48	16.22	18.87
Total	**99.57**	**99.46**	**99.98**	**99.98**

Suspense Escrow Demat Account

SEBI has vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 directed listed entities to issue securities in dematerialized form only while processing various investor service requests. Pursuant to the said Circular, SEBI had issued "Guidelines with respect to Procedural Aspects of Suspense Escrow Demat Account" vide its Letter No. SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022, to move securities, pertaining to Letter of Confirmation cases, to newly opened Suspense Escrow Demat Account latest by January 31, 2023. The Company has complied with the said requirements within the stipulated timelines.

Outstanding Securities

American Depositary Shares: The Company had 3,41,95,760 ADSs listed on the New York Stock Exchange (the NYSE) as on November 9, 2022, date of the notification of its intent to delist from NYSE. 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

The Company has voluntary delisted the American Depositary Shares (the "ADSs"), representing Ordinary Shares of the Company, from the New York Stock Exchange (the "NYSE"), effective close of trading on the NYSE on January 23, 2023. As a consequence of the delisting becoming effective, the ADSs stopped trading on NYSE and no over-the-counter market trading of the ADSs in the United States was allowed due to regulatory restrictions under Indian law.

The ADS holders can surrender their ADSs to the Depositary in exchange for the underlying Ordinary Shares of the Company at any time on or prior to July 24, 2023. Starting on or about July 25, 2023, the Depositary may sell the then remaining Ordinary Shares held on deposit upon the terms described in the notice of termination of ADS facility as provided for in the Deposit Agreement.

The above action has no impact on the current listing status or trading of the Company's equity shares on the BSE Limited and the National Stock Exchange of India Limited in India. For the avoidance of doubt, the Company has not made any offer to buy the ADSs or the underlying Ordinary Shares, in any manner.

Although the delisting of ADSs became effective, the Company continues to be subject to the reporting obligations under the U.S. Securities Exchange Act of 1934 until such time the Company terminates its registration under the Exchange Act. The Company expects to satisfy the conditions for deregistration and file Form 15F with the Securities and Exchange Commission on or around January 24, 2024 to deregister its Securities and to terminate its reporting obligations under the Exchange Act.

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)
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 and Electric Vehicles
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 2022-23, for all debt instruments in India and abroad:

Rating Agency	Period	Credit Rating	
		Short-Term	Long-Term
CARE Ratings Limited	As on April 1, 2022	CARE A1+	CARE AA- / Stable
CRISIL	As on April 1, 2022	CRISIL A1+	CRISIL AA- / Stable
ICRA Limited	As on April 1, 2022	ICRA A1+	ICRA AA- / Stable
	February 15, 2023		ICRA AA-/Positive
MOODY's Investors Service	As on April 1, 2022		B1 / Stable
Standard & Poor's	As on April 1, 2022		BB- / Stable

→ Details of Non-Convertible Debentures, as on March 31, 2023, listed on NSE and BSE under Wholesale Debt Market segment* of the Stock Exchange:

Series No.	Stock Exchange Listing	ISIN	Principal Amount (` incrores)	Yieldto Maturity(%)	Dateof Maturity
E26B	NSE	INE155A08191	300	9.81	August 20, 2024
E26C	NSE	INE155A08209	200	9.77	September 12, 2024
E26F	NSE & BSE	INE155A08241	400	9.35	November 10, 2023
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
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:

→ 9.60% E26E Series of NCDs (ISIN: INE155A08233) of ₹400 crores on October 29, 2022;

→ 7.50% E27H Series of NCDs (ISIN: INE155A08340) of ₹500 crores on June 22, 2022;

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.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

During the year under review, 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. 41(B)(d)(i)(a) and 40(B)(d)(i)(v) of the Consolidated Financial Statements.

a. Total exposure of the Company to commodities: ₹16,454 crore

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)	₹14,758 crore	Note 1	-	-	-	-	-
Aluminum, Copper & Lead	₹1,696 crore	0.05 million metric tons	-	-	33%	-	33%

Notes:

1. Mixture of commodities having different Unit of measurements
2. Above values are estimates
3. Exposure given above is relating to direct materials only

c. Commodity risks faced by the Company during the year and measures adopted to combat the same:

During the year under review, major demand supply imbalance was seen in first half of the year till September, 2022 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.

Policy on Determing Material Subsidiaries

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.

During the year under review, as per the provisions of Regulations 16 and 24 of the SEBI Listing Regulations, at least one ID of the Company is required to be appointed on the Board of unlisted material subsidiaries whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

Jaguar Land Rover Automotive PLC ("JLRA") and Jaguar Land Rover Limited ("JLRL"), were identified as material subsidiary companies, whose net worth exceeded twenty percent of the consolidated networth of the Company and its subsidiaries. Accordingly, Ms Hanne Sorensen, ID is on the Boards of JLRA and JLRL

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 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.

Details of Material Subsidiaries of the Listed Entity, including the date and place of Incorporation and the Name and Date of Appointment of Statutory Auditors of such Subsidiaries

Name of Subsidiaries	Date and Place of incorporation	Name of Statutory Auditors	Date of Appointment
Tata Motors Finance Limited	January 24, 1989 Mumbai, India	M/s Sharp & Tannan Associates And M/s G M Kapadia & Co.	October 20, 2021
TMF Holdings Limited	June 1, 2006 Mumbai, India	M/s Sudit K. Parekh & Co. LLP	October 20, 2021
Jaguar Land Rover Holdings Limited	June 16, 2000 England & Wales	KPMG	September 11, 2017
Jaguar Land Rover Automotive Plc	January 18, 2008 England & Wales	KPMG	September 11, 2017
Jaguar Land Rover Limited	October 15, 1982 England & Wales	KPMG	September 11, 2017
Jaguar Land Rover North America, LLC	November 18, 1985 Delaware, USA	KPMG	September 11, 2017
Jaguar Land Rover (China) Investment Co Ltd	May 09, 2008 Shanghai	KPMG	September 11, 2017

REPORT ON CORPORATE GOVERNANCE

Related Party Transactions

All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee. Certain transactions repetitive in nature were approved through omnibus route by the Audit Committee.

The Audit Committee takes into consideration the management representation and an independent audit consultant's report, whilst scrutinizing and approving all related party transactions, from the perspective of fulfilling the criteria of meeting arms' length pricing and being transacted in the ordinary course of business. The detailed Policy on Related Party Transactions is available on the website of the Company at https://investors.tatamotors.com/pdf/rpt-policy.pdf.

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.

Details of Non-Compliance

The Company has complied with the requirement of various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India ('SEBI') or any other statutory authority during the last 3 years relating to the capital markets. No penalties or strictures have been imposed by them on the Company.

Vigil Mechanism

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. During the year, 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.

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.

Details of Utilization of Funds Raised Through Preferential Allotment or Qualified Institutions Placement as Specified Under Regulation 32 (7a)

During the year under review, the Company did not raise any funds through preferential allotment or qualified institutions placement specified under Regulation 32(7) of the SEBI Listing Regulations.

Disclosures on Corporate Governance Report

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.

Discretionary 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.

Certificate from Practising Company Secretaries

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI or the Ministry of Corporate Affairs or any such statutory authority. The Company has received a certificate from Parikh & Associates (Firm Registration No. P1988MH009800), Practicing Company Secretary and which is annexed to this Report.

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI Listing Regulations, the Company 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.

Consolidated Fees Paid to Statutory Auditors

The Company and its Subsidiaries on a consolidated basis have paid ₹ 94.08 crore to the Statutory Auditors and to all entities in their network firm. For details please refer to the Note No. 38 Expenses (under Works operation and other expenses) in the Consolidated Financial Statements.

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

The disclosure regarding the complaints of sexual harassment are given in the Board's Report.

Disclosure by the Company and its Subsidiaries of 'Loans and Advances' in the nature of Loans to Firms / Companies in which Directors are Interested by name and Amount'

Name of Director / KMP	Name of Entity in which Interested (by virtue of Directorship therein)	Details of Loan and Advances	
		Nature of Loan & Advance	Amount (₹ in crore)
Mr Girish Wagh (ED, TML)	Tata Motors Body Solutions Limited (formerly Tata Marcopolo Motors Limited)	Inter-Corporate Deposits	15.00
Ms Vedika Bhandarkar (ID, TML) Mr Pathamadai Balachandran Balaji (Group CFO, TML)	Tata Passenger Electric Mobility Limited	Inter-Corporate Deposits placed with the Company	2,735.00
Mr Pathamadai Balachandran Balaji (Group CFO, TML)	Tata Motors Passenger Vehicles Limited	Inter-Corporate Deposits placed with the Company	2,058.50
Mr Maloy Kumar Gupta (Company Secretary, TML)	Jaguar Land Rover Technology and Business Services India Private Limited (Formerly JT Special Vehicle (P) Ltd.)	Inter-Corporate Deposit of ₹ 75 lakhs was placed by TML during FY 2022-23, which was repaid before March 31, 2022	Nil

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.

REPORT ON CORPORATE GOVERNANCE

Website

Appropriate information on the Company's website, regarding key policies, codes and charters, adopted by the Company:

Name of Policy, Code or Charter	Brief Description	Web Link
Terms of Appointment of IDs	Relevant extracts form the appointment letter issued to IDs detailing the broad terms and conditions of their appointment.	https://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
	a) 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	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

Name of Policy, Code or Charter	Brief Description	Web Link
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
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/directors-appointment-remuneration.pdf
Dispute Resolution Mechanism	Standard Operating Procedure (SOP) for dispute resolution under Stock Exchanges Arbitration Mechanism, for dispute redressal between the Listed Company and its / Registrar and Share Transfer Agents to the issue and/ or its Share Transfer Agent and its shareholder(s) / investor(s)	https://www.tatamotors.com/wp-content/uploads/2023/05/TML-SOP-Dispute-Mechanism.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, 2023

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, 2023.

For Tata Motors Limited

Girish Wagh
Executive Director
DIN: 03119361

Mumbai, May 12, 2023

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, 2023

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2023 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 2023 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
Group Chief Financial Officer

Mumbai, May 12, 2023

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, 2023, 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, 2023.

We report that the Company is required to obtain the approval of shareholders for the transactions with Fiat India Automobiles Private Limited, a related party, which has become a material related party transaction for the year March 31, 2023 and the Company has conveyed that it proposes to take approval of the shareholders at the forthcoming Annual General Meeting.

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: F000327E000294236
PR No.:1129/2021

Mumbai, May 12, 2023

REPORT ON CORPORATE GOVERNANCE

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, 2023 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.	Al-Noor Ramji	00230865	01/05/2022
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: F000327E000294280
PR No.: 1129/2021

Mumbai, May 12, 2023

Independent Auditor's Report

To the Members of TATA MOTORS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Recognition of deferred tax asset on unused tax losses

See Note 28 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
As detailed in note 28 of the standalone financial statements, during the year, the Company has recognised deferred tax asset ('DTA') of Rs. 1,615.42 crores on unabsorbed depreciation and long-term capital losses. The Company's ability to recover the deferred tax assets is assessed by the management at the end of each reporting period which is based on an assessment of the probability that future taxable income will be available against which the carried forward unused tax losses can be utilized. As per the assessment done by the management and election of tax planning opportunities available with the Company, the management believes that the carried forward unused tax losses will get offset against the capital gains projected by the Company in future years on sale of certain investments in subsidiaries held by the Company.	In view of the significance of the matter we applied the following audit procedures in this area to obtain sufficient appropriate audit evidence. **Test of Controls:** We tested the design, implementation and operating effectiveness of key controls over the key inputs and assumptions, used in valuation of its investments proposed to be sold as part of the tax planning opportunities. **Test of details:** ● Evaluated the appropriateness of the assumptions applied to key inputs in valuation of the investments. ● Involved independent valuation specialists in testing the appropriateness of the valuation model including evaluating whether the comparable companies considered in the valuation are appropriate

Recognition of deferred tax asset on unused tax losses	
See Note 28 to standalone financial statements	
The key audit matter	**How the matter was addressed in our audit**
Thus, auditing the Company's assessment of the recoverability of deferred tax assets is dependent on the Company's ability to generate future taxable gains through sale of these investments. The valuation of these investments is subject to significant judgments and estimates applied by the management. This is considered to be a key audit matter, considering the past history of losses in the Company and complexity of the accounting requirements for recognition of deferred tax assets.	● Performed necessary procedures to verify the accuracy of amounts disclosed in the financial statements and adequacy of disclosures made for compliance with applicable Indian Accounting Standards and accounting principles generally accepted in India

Other Information

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

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

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

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

We communicate with those charged with governance of the Company and such other entity included in the standalone financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Company and its joint operation company incorporated in India as on 31 March 2023, taken on record by the Board of Directors of the respective companies, none of the directors of the companies is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and its joint operation company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The standalone financial statements disclose the impact of pending litigations as at 31 March 2023 on the financial position of the Company and its joint operation - Refer Note 37 to the standalone financial statements.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 49(ii) to the standalone financial statements.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company or its joint operation company incorporated in India.

d. (i) The management of the Company and its joint operation company incorporated in India whose financial statements has been audited under the Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 48(iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company and its joint operation company incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its joint operation company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Company and its joint operation company incorporated in India whose financial statements has been audited under the Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 48(v) to the standalone financial statements, no funds have been received by the Company and its joint operation company incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company and its joint operation company incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under

(i) and (ii) above, contain any material misstatement.

e. As stated in Note 21 (B)(e) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend. The final dividend paid by the joint operation company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by the joint operation company during the year is in accordance with Section 123 of the Act.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company and its joint operation company incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: We draw attention to Note 35(d) to the standalone financial statements for the year ended 31 March 2023 according to which the managerial remuneration payable to certain non-executive directors of the Company (amounting to Rs. 3.75 crores) and consequently the total managerial remuneration for the financial year (amounting to Rs. 10.14 crores) exceed the prescribed limits under Section 197 read with Schedule V to the Companies Act,2013 by Rs. 3.28 crores. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the Company proposes to obtain in the forthcoming Annual General Meeting. Further, with respect to the joint operation company included in the standalone financial statements, in our opinion and according to the information and explanations given to us, the provisions of Section 197 of the Act are not applicable to the joint operation company incorporated in India since it is not a public company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Shiraz Vastani
Partner
Membership No.: 103334
ICAI UDIN:23103334BGYMRR6797

Place: Mumbai
Date: 12 May 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Tata Motors Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for inward goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to employees and companies and made investments in companies, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.

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

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

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantees or security or granted any advances in the nature of loans during the year.

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

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

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given except in case of two wholly-owned subsidiaries outside India and two suppliers as reported in para iii(c) above. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

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

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of section 73 to 76 of the Act and the rules framed thereunder.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

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

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

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

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

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

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanation given to us, in respect of inter-corporate deposits/ loans amounting to Rs. 5,398.75 crores which are repayable on demand, such inter-corporate deposits / loans have not been demanded for repayment during the current year, and with respect to these inter-corporate deposits / loans the Company has not defaulted in payment of interest thereon to any lender. In respect of other loans, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, as at 31 March 2023 we report that the funds raised on short term basis of Rs. 11,873.32 crores have been used for long term investment.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year except that we have been informed about one instance, estimated to aggregate Rs. 6.71 crores, involving certain individuals, authorised service centers and a dealer who benefited from unauthorized redemption of loyalty benefits payments. The Company has recovered Rs. 1.31 crores out of the total amount involved and is in process of recovering the balance amounts

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the

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

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

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

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Shiraz Vastani
Partner
Membership No.: 103334
ICAI UDIN:23103334BGYMRR6797

Place: Mumbai
Date: 12 May 2023

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

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

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

Opinion

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

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

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

The respective company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Shiraz Vastani
Partner
Membership No.: 103334
ICAI UDIN:23103334BGYMRR6797

Place: Mumbai
Date: 12 May 2023

Balance Sheet

(₹ in crores)

	Notes	As at March 31, 2023	As at March 31, 2022
I. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, plant and equipment	3 (b)	11,707.87	11,733.44
(b) Capital work-in-progress	3 (c)	575.65	585.21
(c) Right of use assets	4 (b)	421.27	332.45
(d) Other intangible assets	5 (b)	2,413.18	2,009.87
(e) Intangible assets under development	5 (c)	509.30	882.03
(f) Investments in subsidiaries, joint ventures and associates	6	27,976.80	27,917.45
(g) Financial assets			
(i) Investments	7	1,204.82	1,338.94
(ii) Loans and advances	9	114.40	48.43
(iii) Other financial assets	11	2,405.23	1,992.52
(h) Deferred tax assets (net)	28	1,477.26	-
(i) Non-current tax assets (net)		868.22	777.68
(j) Other non-current assets	13	596.82	662.24
		50,270.82	**48,280.26**
(2) CURRENT ASSETS			
(a) Inventories	15 (b)	3,027.90	3,718.49
(b) Financial assets			
(i) Investments	8	3,142.96	5,143.08
(ii) Trade receivables	16	2,307.72	2,111.78
(iii) Cash and cash equivalents	18 (b)	1,121.43	2,450.23
(iv) Bank balances other than (iii) above	19	293.22	155.20
(v) Loans and advances	10	132.29	139.37
(vi) Other financial assets	12	255.25	809.51
(c) Other current assets	14	1,219.18	1,091.95
		11,499.95	**15,619.61**
TOTAL ASSETS		**61,770.77**	**63,899.87**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	20	766.02	765.88
(b) Other equity		21,703.83	19,178.27
		22,469.85	**19,944.15**
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	22	10,445.70	14,102.74
(ii) Lease liabilities		305.26	237.84
(iii) Other financial liabilities	25	414.44	460.37
(b) Provisions	27 (b)	1,588.75	1,474.11
(c) Deferred tax liabilities (net)	28	51.16	173.72
(d) Other non-current liabilities	29	692.08	514.13
		13,497.39	**16,962.91**
(2) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	23	8,426.74	9,129.91
(ii) Lease liabilities		100.99	58.58
(iii) Trade payables	24		
(a) Total outstanding dues of micro and small enterprises		114.67	146.10
(b) Total outstanding dues of creditors other than micro and small enterprises		7,047.93	5,956.00
(iv) Acceptances		5,839.39	7,883.96
(v) Other financial liabilities	26	1,300.18	1,113.26
(b) Provisions	27 (c)	408.89	608.06
(c) Current tax liabilities (net)		53.66	49.67
(d) Other current liabilities	30	2,511.08	2,047.27
		25,803.53	**26,992.81**
TOTAL EQUITY AND LIABILITIES		**61,770.77**	**63,899.87**

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: 23103334BGYMRR6797
Place: Mumbai
Date: May 12, 2023

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

P B BALAJI
Group Chief Financial Officer

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

Place: Mumbai
Date: May 12, 2023

Statement of Profit and Loss

(₹ in crores)

		Notes	Year ended March 31, 2023	Year ended March 31, 2022
	REVENUE FROM OPERATIONS			
	Revenue		65,298.84	46,880.97
	Other operating revenue		458.49	382.71
I.	Total revenue from operations	31 (b)	**65,757.33**	**47,263.68**
II.	Other Income	32 (b)	820.94	659.91
III.	**Total Income (I+II)**		**66,578.27**	**47,923.59**
IV.	**Expenses**			
	(a) Cost of materials consumed		42,226.81	31,693.11
	(b) Purchases of products for sale		6,561.32	5,030.00
	(c) Changes in inventories of finished goods, work-in-progress and products for sale		484.69	(403.87)
	(d) Employee benefits expense	33	4,021.63	3,601.51
	(e) Finance costs	34	2,047.51	2,121.73
	(f) Foreign exchange loss (net)		279.76	136.81
	(g) Depreciation and amortisation expense		1,766.86	1,760.57
	(h) Product development/Engineering expenses		899.06	593.90
	(i) Other expenses	35	7,819.74	6,018.71
	(j) Amount transferred to capital and other accounts	36	(1,066.73)	(905.42)
	Total Expenses (IV)		**65,040.65**	**49,647.05**
V.	**Profit/(loss) before exceptional items and tax (III-IV)**		1,537.62	(1,723.46)
VI.	**Exceptional items:**			
	(a) Employee separation cost		1.36	8.35
	(b) Cost of slump sale of PV undertaking		-	50.00
	(c) Provision/reversal for loan given to/investment in/cost of closure of subsidiary companies		4.55	(139.24)
	(d) Provision for Intangible assets under development		276.91	-
	(e) Others	49 (iii)	-	(2.52)
VII.	**Profit/(loss) before tax (V-VI)**		**1,254.80**	**(1,640.05)**
VIII.	**Tax expense/(credit) (net)**	28		
	(a) Current tax		81.60	51.18
	(b) Deferred tax		(1,554.93)	48.00
	Total tax expense/(credit) (net)		**(1,473.33)**	**99.18**
IX.	**Profit/(loss) for the year from continuing operations (VII-VIII)**		**2,728.13**	**(1,739.23)**
X.	**Profit/(loss) before tax for the year from discontinued operations**	45	-	**392.51**
XI.	**Tax expense (net) of discontinued operations**	28		
	(a) Current tax		-	44.14
	(b) Deferred tax		-	-
	Total tax expense		-	**44.14**
XII.	Profit for the year after tax from discontinued operations (X-XI)	45	-	**348.37**
XIII.	Profit/(loss) for the year (IX+XII)		**2,728.13**	**(1,390.86)**
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)		(61.43)	(57.66)
	(b) Equity instruments at fair value through other comprehensive income		(134.12)	371.29
	(ii) Income tax credit/(expense) relating to items that will not be reclassified to profit and loss		34.96	(32.33)
	(B) (i) Items that will be reclassified to profit and loss - gains/(losses) in cash flow hedges		(99.69)	1.62
	(ii) Income tax credit/(expense) relating to items that will be reclassified to profit and loss		9.93	(0.57)
	Total other comprehensive income/(loss), net of taxes		**(250.35)**	**282.35**
XV.	**Total comprehensive income/(loss) for the year (XIII+XIV)**		**2,477.78**	**(1,108.51)**
XVI.	**Earnings/(loss) per share (EPS)**	38		
	Earnings/(loss) per share from continuing operations (EPS)			
	(A) Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	7.11	(4.54)
	(ii) Diluted	₹	7.11	(4.54)
	(B) 'A' Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	7.21	(4.54)
	(ii) Diluted	₹	7.21	(4.54)
	Earnings/(loss) per share from discontinued operations (EPS)			
	(A) Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	-	0.90
	(ii) Diluted	₹	-	0.90
	(B) 'A' Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	-	1.00
	(ii) Diluted	₹	-	1.00
	Earnings/(loss) per share from continuing and discontinued operations (EPS)			
	(A) Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	7.11	(3.63)
	(ii) Diluted	₹	7.11	(3.63)
	(B) 'A' Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	7.21	(3.63)
	(ii) Diluted	₹	7.21	(3.63)

See accompanying notes to financial statements

In terms of our report attached

For and on behalf of the Board

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

P B BALAJI
Group Chief Financial Officer

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

GIRISH WAGH *[DIN: 03119361]*
Executive Director

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

Place: Mumbai
Date: May 12, 2023

Cash Flow Statement

(₹ in crores)

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

Cash Flow Statement

(₹ in crores)

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

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

For and on behalf of the Board

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

P B BALAJI
Group Chief Financial Officer

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

Place: Mumbai
Date: May 12, 2023

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

A. EQUITY SHARE CAPITAL

(₹ in crores)

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

B. Other Equity (refer note 21)

(₹ in crores)

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, 2022	**14,459.14**	**38.27**	**6.39**	**2.28**	**411.14**	**1,609.89**	**2,146.05**	**606.03**	**(13.80)**	**(87.12)**	**19,178.27**
Changes in accounting policies or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2022	**14,459.14**	**38.27**	**6.39**	**2.28**	**411.14**	**1,609.89**	**2,146.05**	**606.03**	**(13.80)**	**(87.12)**	**19,178.27**
Profit for the year	-	-	-	-	-	-	2,728.13	-	-	-	2,728.13
Remeasurement gain /(loss) on defined benefit obligations (net)	-	-	-	-	-	-	(65.93)	-	-	-	(65.93)
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	(94.65)	52.17	(141.94)	(184.42)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2,662.20**	**(94.65)**	**52.17**	**(141.94)**	**2,477.78**
Share-based payments	-	28.31	-	-	-	-	-	-	-	-	28.31
Money received on exercise of stock options by employees	23.40	-	(3.93)	-	-	-	-	-	-	-	19.47
Exercise of stock option by employees	3.79	(3.79)	-	-	-	-	-	-	-	-	-
Transfer of lapsed stock options	-	(1.30)	-	-	-	-	1.30	-	-	-	-
Transfer from debenture redemption reserve	-	-	-	-	(199.80)	-	199.80	-	-	-	-
Balance as at March 31, 2023	**14,486.33**	**61.49**	**2.46**	**2.28**	**211.34**	**1,609.89**	**5,009.35**	**511.38**	**38.37**	**(229.06)**	**21,703.83**

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: 23103334BGYMRR6797
Place: Mumbai
Date: May 12, 2023

For and on behalf of the Board

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

P B BALAJI
Group Chief Financial Officer

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

Place: Mumbai
Date: May 12, 2023

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

A. EQUITY SHARE CAPITAL

(₹ 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
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)

(₹ in crores)

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 45)	(11,173.59)	-	-	-	-	-	11,173.59	-	-	-	-
Excess of consideration received over the carrying value of net assets transferred of PV undertaking (refer note 45)	-	-	-	-	-	1,960.04	-	-	-	-	1,960.04
Transfer from 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**	**2,146.05**	**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

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

P B BALAJI
Group Chief Financial Officer

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

GIRISH WAGH *[DIN: 03119361]*
Executive Director

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

Place: Mumbai
Date: May 12, 2023

Notes
forming part of Financial Statements

1. Background and operations

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

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

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

2. Significant accounting policies

a. Statement of compliance

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

b. Basis of preparation

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

Joint operations

Certain of the Company's activities, are conducted through joint operations, which are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. As per Ind AS 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 46 additional information of Tata Motors Limited on a standalone basis excluding its interest in its two Joint Operations viz. Tata Cummins Private Limited (including its subsidiary company) and Fiat India Automobiles Private Limited (which ceased to be a joint operation w.e.f. January 1, 2022).

c. Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

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

i) Note 3 and Note 5 - Property, plant and equipment and Intangible assets- useful life and impairment

ii) Note 28 - Recoverability/recognition of deferred tax assets

Notes
forming part of Financial Statements

iii) Note 27 - Provision for product warranty

iv) Note 33(B) - Assets and obligations relating to employee benefits

d. Cost recognition

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

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

e. Foreign currency

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

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

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

f. Segments

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

g. Going concern

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

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

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

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

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

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

h. Impairment

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

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

i. Recent accounting pronouncements

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

i. Ind AS 1 – Presentation of Financial Statements

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

ii. Ind AS 12 – Income Taxes

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

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

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

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

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

3. Property, plant and equipment

(a) Accounting policy

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

Freehold land is measured at cost and is not depreciated.

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

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

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

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

Estimated useful lives of assets are as follows:

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

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

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

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

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(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, 2022	4,082.34	2,787.50	16,692.29	129.90	173.45	461.46	35.30	4.02	24,366.26
Additions	-	37.97	834.29	1.59	3.79	85.74	0.77	-	964.15
Disposals/adjustments	-	(14.89)	(386.16)	9.71	(46.08)	(2.90)	(0.05)	(4.02)	(444.39)
Cost as at March 31, 2023	**4,082.34**	**2,810.58**	**17,140.42**	**141.20**	**131.16**	**544.30**	**36.02**	**-**	**24,886.02**
Accumulated depreciation as at April 1, 2022	-	(1,060.30)	(10,973.61)	(104.51)	(119.95)	(346.34)	(27.01)	(1.11)	(12,632.82)
Depreciation for the year	-	(82.79)	(806.18)	(5.19)	(16.38)	(40.97)	(1.73)	-	(953.24)
Disposal/adjustments	-	5.30	361.28	(4.85)	42.24	2.74	0.09	1.11	407.91
Accumulated depreciation as at March 31, 2023	**-**	**(1,137.79)**	**(11,418.51)**	**(114.55)**	**(94.09)**	**(384.57)**	**(28.65)**	**-**	**(13,178.15)**
Net carrying amount as at March 31, 2023	**4,082.34**	**1,672.79**	**5,721.91**	**26.65**	**37.07**	**159.73**	**7.37**	**-**	**11,707.87**
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 below)	-	51.82	1,175.92	0.36	31.64	36.18	-	-	1,295.92
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	(786.74)	(819.42)	(12,708.01)	(67.12)	(21.07)	(67.54)	(2.36)	-	(14,472.26)
Adjustments due to conversion of Joint Operation to Joint Venture	-	(360.97)	(2,800.70)	(22.87)	(12.60)	(15.00)	-	-	(3,212.14)
Disposals/adjustments	-	(9.05)	(333.40)	(6.33)	(88.66)	(14.95)	-	-	(452.39)
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 45)	-	(19.42)	(450.77)	(3.21)	(4.78)	(1.47)	-	-	(479.65)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	-	334.75	8,182.04	36.07	13.49	60.75	0.51	-	8,627.61
Adjustments due to conversion of Joint Operation to Joint Venture	-	148.28	1,632.45	18.11	6.49	14.45	-	-	1,819.78
Disposal/adjustments	-	2.26	326.43	3.98	72.55	(1.02)	-	-	404.20
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**

Note:

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

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(c) Capital work-in-progress

(₹ in crores)

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

Note:

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

(d) Ageing of Capital work-in-progress

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

	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**

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

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

	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**

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

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

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4. Leases

(a) Accounting policy

Lessee:

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

- The contract involves the use of an identified asset –this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive 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 crores) are recognised in the statement of Profit and Loss as rental expenses over the tenor of such leases.

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Lessor:

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

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

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

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

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

	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	100.99	58.58
Non-current lease liabilities	305.26	237.84
Total lease liabilities	**406.25**	**296.42**

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

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

*less than ₹ 50,000/-

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(₹ in crores)

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

Note:

i. There are no leases with residual value guarantees.

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

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

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

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The following amounts are included in the Balance Sheet :

(₹ in crores)

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

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

(₹ in crores)

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

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

(₹ in crores)

	As at March 31, 2023				
	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	32.18	32.53	114.20	220.42	399.33

	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

5. Other Intangible assets

(a) Accounting policy

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

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

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

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

Internally generated intangible asset

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

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

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

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

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

Derecognition of intangible assets

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

(b) Intangible assets consist of the following:

(₹ in crores)

	Technical know how	Computer Software	Product development	Total
Cost as at April 1, 2022	**478.15**	**518.54**	**4,396.93**	**5,393.62**
Additions	86.89	29.75	1,043.08	1,159.72
Asset fully amortised not in use	-	(0.84)	(2,422.55)	(2,423.39)
Cost as at March 31, 2023	**565.04**	**547.45**	**3,017.46**	**4,129.95**
Accumulated amortisation as at April 1, 2022	(363.62)	(477.43)	(2,542.70)	(3,383.75)
Amortisation for the year	(41.30)	(19.68)	(695.43)	(756.41)
Fully amortised not in use	-	0.84	2,422.55	2,423.39
Accumulated amortisation as at March 31, 2023	**(404.92)**	**(496.27)**	**(815.58)**	**(1,716.77)**
Net carrying amount as at March 31, 2023	**160.12**	**51.18**	**2,201.88**	**2,413.18**
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 45)	-	(82.68)	(7,886.38)	(7,969.06)
Adjustments due to conversion of Joint Operation to Joint Venture	-	(38.91)	(456.84)	(495.75)
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	-	(2.73)	(455.84)	(458.57)
Assets transferred to Tata Motors Passenger Vehicles Limited (refer note 45)	-	79.31	3,584.77	3,664.08
Adjustments due to conversion of Joint Operation to Joint Venture	-	33.61	361.29	394.90
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**

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(c) Intangible assets under development

(₹ in crores)

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

Note:

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

(d) Ageing of intangible assets under development

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

	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**

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

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

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(₹ 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	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**

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

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

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

(a) Accounting policy

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

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

(₹ in crores)

Number		Face value per unit (Fully Paid up)	Description	As at March 31, 2023	As at March 31, 2022
			Equity shares		
			i) Subsidiaries		
			Unquoted		
9,417,000,000		10	Tata Motors Passenger Vehicles Limited	9,417.00	9,417.00
700,000,000		10	Tata Passenger Electric Mobility Limited	784.61	743.36
303,006,000		2	Tata Technologies Limited	224.10	224.10
53,059,549		10	TML Business Services Limited [Note 7 below]	254.92	434.65
45,000,000		10	TML CV Mobility Solutions Limited	45.00	0.05
7,900		-	Tata Technologies Inc, (USA)	0.63	0.63
1,741,593,442		10	TMF Holdings Limited [Note 2 and 3 below]	4,028.95	3,594.95
218,387,096		10	Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited) [8,33,00,000 shares acquired during the year]	261.69	161.70
2,511,659,418			TML Holdings Pte Ltd, (Singapore) [Note 5 and 6 below]	10,158.52	10,158.52
1,384,523	(EUR)	31.28	Tata Hispano Motors Carrocera S.A., (Spain)	61.56	61.56
1,220	(IDR)	8,855	PT Tata Motors Indonesia	0.01	0.01
212,000	(MAD)	1,000	Tata Hispano Motors Carroceries Maghreb S.A., (Morocco)	57.72	57.72
18,359,203	(SGD)	1	Tata Precision Industries Pte. Ltd, (Singapore)	40.53	40.53

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(₹ in crores)

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

Less than ₹ 50,000

Notes:

		As at March 31, 2023	As at March 31, 2022
(1)	Market Value of quoted investments	214.09	278.55

(2) Includes option pricing value for call/ put option provided by the Company towards perpetual debt issued by TMF Holdings Limited.

(3) Converted 4,34,00,000 Cumulative convertible preference shares (unquoted) of ₹ 100 each into 9,33,00,000 Equity shares of ₹10 each in the ratio of 2.15:1 issued by TMF Holdings Limited.

(4) The Company has given a letter of comfort to Bank of China, Shanghai Branch for RMB 5 billion (₹5,980.75 crores as at March 31, 2023) against loan granted by the bank to Jaguar Land Rover (China) Investment Co. Ltd.

(5) The Company has given a letter of comfort to State Bank of India, Bahrain for USD 100 million (₹821.83 crores as on March 31, 2023) against Credit Facility given to TML Holding PTE Ltd., Singapore and a letter of comfort to Bank of Baroda, London for GBP 100 million (₹1,016.45 crores as on March 31, 2023) against the SBLC Facility extended to TML Holding PTE Ltd., Singapore.

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(6) The Company has given a letter of comfort to Citi Corp International for USD 300 million (₹2,465.48 crores as on March 31, 2023) and USD 425 million (₹3,492.76 crores as on March 31, 2023) to TML Holding PTE Ltd., Singapore against ECB Bonds.

(7) Pursuant to the Scheme of Arrangement between, two wholly owned subsidiaries of the Company, viz., TML Distribution Company Limited (TMLD) and TML Business Services Limited (TMLBSL) and the Company, under order issued by NCLT dated March 11, 2022, with appointed date of April 1, 2021, TMLD has been merged with TMLBSL. TMLBSL has issued 117,22,50,000 equity share of face value of ₹10 each fully paid-up in lieu of 22,50,00,000 equity shares of ₹10 each fully paid-up held by the Company in TMLD. Further, as per the scheme, TMLBSL has done the reduction of its share capital by cancellation and extinguishment of 128,28,88,145 equity shares of ₹10 each fully paid-up aggregating to ₹1,282.89 crores and has paid ₹131.83 crores to the Company for such cancellation and extinguishment. The amount of ₹131.83 crores is return of capital.

7. Investments-non-current

(₹ in crores)

Number	Face value per unit (Fully Paid up)	Description	As at March 31, 2023		As at March 31, 2022	
		Investment in equity shares measured at fair value through other comprehensive income				
		Quoted				
54,962,950	1	Tata Steel Ltd		574.37		718.49
		Unquoted				
75,000	1,000	Tata International Ltd	162.58		111.58	
1,383	1,000	Tata Services Ltd	0.14		0.14	
350	900	The Associated Building Company Ltd	0.01		0.01	
1,03,10,242	100	Tata Industries Ltd	198.10		191.26	
33,600	100	Kulkarni Engineering Associates Ltd	-		-	
12,375	1,000	Tata Sons Pvt Ltd	85.34		95.20	
2,25,00,001	10	Haldia Petrochemicals Ltd	125.78		199.80	
2,40,000	10	Oriental Floratech (India) Pvt. Ltd	-		-	
43,26,651	15	Tata Capital Ltd	58.45		22.41	
50,000	10	NICCO Jubilee Park Ltd.	0.05	630.45	0.05	620.45
		Total		**1,204.82**		**1,338.94**

Note:

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

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

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(₹ in crores)

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

8. Investments-current

(₹ in crores)

Number	Face value per unit	Description	As at March 31, 2023	As at March 31, 2022
		Investments in Mutual funds measured at Fair value through profit and loss		
		Unquoted		
-	-	Mutual funds	3,142.96	5,143.08
		Total	**3,142.96**	**5,143.08**

Note:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Book Value of unquoted investments	3,142.96	5,143.08

9. Loans and advances- non current

(₹ in crores)

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

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10. Loans and advances- current

(₹ in crores)

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

Note:

(₹ in crores)

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

11. Other financial assets - non-current

(₹ in crores)

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

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12. Other financial assets - current

(₹ in crores)

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

13. Other non-current assets

(₹ in crores)

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

14. Other current assets

(₹ in crores)

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

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15. Inventories

(a) Accounting policy

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

(b) Inventories consist of the following:

(₹ in crores)

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

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

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

16. Trade receivables (unsecured)

(₹ in crores)

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

17. Allowance for trade receivables, loans and other receivables

(₹ in crores)

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

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

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18. Cash and cash equivalents

(a) Accounting policy

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

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

(₹ in crores)

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

19. Other bank balances

(₹ in crores)

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

Note:

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

20. Equity Share Capital

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
(a) Authorised:		
(i) **400,00,00,000** Ordinary shares of ₹2 each	800.00	800.00
(as at March 31, 2022: 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, 2022: 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, 2022: 30,00,00,000 shares of ₹100 each)		
Total	**4,000.00**	**4,000.00**

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(₹ in crores)

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

*less than ₹ 50,000/-

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

		Year ended March 31, 2023		Year ended March 31, 2022	
		(No. of shares)	(₹ in crores)	(No. of shares)	(₹ in crores)
(i)	Ordinary shares				
	Balance as at April 1	332,06,62,007	664.13	332,03,07,765	664.06
	Add: Allotment of shares on exercise of stock options by employees	682,318	0.14	354,242	0.07
	Balance as at March 31	**332,13,44,325**	**664.27**	**332,06,62,007**	**664.13**
(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**

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

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

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

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

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

- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The holders of 'A' Ordinary shares shall be entitled to receive dividend for each financial year at five percentage point more than the aggregate rate of dividend declared on Ordinary shares for that financial year.
- In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(ii) American Depository Shares (ADSs) and Global Depository Shares (GDSs) :

- The Company notified the New York Stock Exchange (the "NYSE") on November 9, 2022 of its intent to: (i) voluntarily delist its American Depositary Shares (the "ADSs"), each representing five (5) Ordinary Shares of the Company, par value of ₹2 per share (the "Ordinary Shares"), from the NYSE; (ii) deregister such ADSs, its Ordinary Shares underlying such ADSs, and its 'A' Ordinary Shares, par value of ₹2 per share, issued in connection with the 2015 rights offering by the Company ("'A' Ordinary Shares", and together with the ADSs and the Ordinary Shares underlying such ADSs, the "Securities") from the U.S. Securities and Exchange Commission (the "SEC"); and (iii) terminate its reporting obligations under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

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

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

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

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

* Less than 5%

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

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

(l) Disclosure of Shareholding of Promoters

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

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

21. A) Other components of equity

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

(₹ in crores)

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

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

(₹ in crores)

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

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

(₹ in crores)

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

(d) Summary of Other components of equity:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Equity instruments through other comprehensive income	511.38	606.03
Hedging reserve	38.37	(13.80)
Cost of hedging reserve	(229.06)	(87.12)
Total	**320.69**	**505.11**

(B) Notes to reserves

a) Capital redemption reserve

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

b) Debenture redemption reserve (DRR)

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

c) Securities premium

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

d) Retained earnings

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

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e) **Capital reserve**

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

f) **Share-based payments reserve**

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

e) **Dividends**

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

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

22. Long-term borrowings

(₹ in crores)

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

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23. Short-term borrowings

(₹ in crores)

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

Note:

(₹ in crores)

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

I. Information regarding long-term borrowings

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

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

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

(₹ in crores)

Non-Convertible Debentures (NCDs)	Redeemable on	As at March 31, 2023
Secured :		
8.80% Non-Convertible Debentures (2023)	May 26, 2023	1,000.00
Debt issue cost		(0.18)
Total		**999.82**

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

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(₹ in crores)

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

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

(iii) **Schedule of repayment of Senior Notes:** (₹ in crores)

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

(iv) The external commercial borrowings of USD 250 million **(₹1,943.80 crores)** bearing floating interest rate of 3 months LIBOR+128bps is due for repayment in June 2025.

(v) The buyer's line of credit from banks bearing floating interest ranging from 6.30% to 8.80%, amounting to **₹1,850.00 crores** is repayable within a maximum period of seven years from the drawdown dates. All the repayments are due from period ending September 30, 2024 to November 30, 2026. The Buyer's line of credit of **₹700.00 crores** classified under Short Term Borrowings-current being maturity before March 31, 2024.

II. Information regarding short-term borrowings

(i) Loans, cash credits, overdrafts and buyers line of credit from banks bearing fixed interest rate from 4.00% to 7.45% are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase / leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

(ii) Inter-corporate deposits from subsidiaries and associates are unsecured bearing interest rate at 5% to 7.05%.

(iii) Commercial paper are unsecured short-term papers issued at discount bearing no coupon interest. The yield on commercial paper issued by the Company ranges from 4.58% to 4.67%

(iv) Loan from bank is availed as per the requirements of the Company at interest rates mutually agreed at the time of drawing the facility with interest rates varying from 5.90% - 7.00%

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III. Collateral

Assets pledged as collateral/security against borrowings

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Inventory	-	648.00
Property, plant and equipment	1,250.00	4,250.00
Total	**1,250.00**	**4,898.00**

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

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

(₹ in crores)

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

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

(₹ in crores)

	Short-term borrowings	Long-term borrowings *	Total
Balance at April 1, 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**
Balance at March 31, 2022	6,004.97	17,227.68	23,232.65
Proceeds from issuance of debt	52.35	8.99	61.34
Repayment of financing	(111.33)	(4,808.33)	(4,919.66)
Foreign exchange	-	503.39	503.39
Amortisation / EIR adjustments of prepaid borrowings (net)	(19.07)	13.79	(5.28)
Balance at March 31, 2023	**5,926.92**	**12,945.52**	**18,872.44**

* includes current maturities of long term borrowings

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24. Trade payables

(₹ in crores)

	As at March 31, 2023					
		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	88.04	22.26	4.25	0.12	-	114.67
Total	88.04	22.26	4.25	0.12	-	114.67
Outstanding dues other than micro and small enterprises						
(a) Disputed dues	-	-	0.01	-	0.02	0.03
(b) Undisputed dues	4,866.87	2,102.78	51.91	16.94	9.40	7,047.90
Total	4,866.87	2,102.78	51.92	16.94	9.42	7,047.93
Balance as at March 31, 2023	**4,954.91**	**2,125.04**	**56.17**	**17.06**	**9.42**	**7,162.60**

(₹ 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	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**

25. Other financial liabilities – non-current

(₹ in crores)

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

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26. Other financial liabilities – current

(₹ in crores)

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

Note:

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

27. Provisions

(a) Accounting policy

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. When the effect of the time value of money 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.

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(b) Provisions-non current

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Employee benefits obligations	871.80	771.45
(b)	Warranty	716.95	702.66
	Total	**1,588.75**	**1,474.11**

(c) Provisions-current

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Warranty	389.84	572.96
(b)	Employee benefits obligations	14.53	11.85
(c)	Others	4.52	23.25
	Total	**408.89**	**608.06**

Note:

Warranty provision movement

(₹ in crores)

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

28. Income taxes

(a) Accounting policy

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

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognised to the extent it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

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

(₹ in crores)

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

Note:

(1) The company has opted for the New Tax Regime inserted by section 115BAA of the Income Tax Act, 1961 ("Act") and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial year beginning April 1, 2019. It has accordingly applied the tax rate as applicable under the provision of section 115BAA of the Act, in the financial statement for the year ended March 31, 2023.

(2) During the year ended March 31, 2023, the Company recognised Deferred Tax Assets on previously unrecognised unused unabsorbed depreciation and long term capital losses incurred in the current year based on the probability of sufficient taxable profit in future periods, mostly those arising from planned divestments which will yield capital gains against which such unabsorbed depreciation and capital loss will be set off. Accordingly, **₹1,615.42 crores** deferred tax has been recognised as at March 31, 2023.

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

(₹ in crores)

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

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

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

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

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

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

(₹ in crores)

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

29. Other non-current liabilities

(₹ in crores)

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

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30. Other current liabilities

(₹ in crores)

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

Note:

(₹ in crores)

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

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
Advances received from customers	Current	749.89	763.48
Deferred revenue	Current	272.95	158.72
	Non-current	637.58	430.95
		1,660.42	**1,353.15**

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

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

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31. Revenue recognition

(a) Accounting policy

The Company generates revenue principally from-

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

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

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

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

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

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

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

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

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

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

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

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(b) Revenue From Operations

(₹ in crores)

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

32. Other income

(a) Accounting policy

Government Grants and Incentives

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

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

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

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(b) Other income

(₹ in crores)

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

33. Employee benefits expense

(₹ in crores)

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

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

(A) Share based payments

Accounting policy

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

Equity-settled share option plan

(i) Tata Motors Limited Employees Stock Option Scheme 2018

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

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

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

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

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

(ii) Share-based Long Term Incentive Scheme 2021

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

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

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

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

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

Assumption factor

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

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

(B) Employee benefits

(a) Accounting policy

(i) Gratuity

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

(ii) Superannuation

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

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

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

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

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

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

(iii) Bhavishya kalyan yojana (BKY)

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

(iv) Provident fund and family pension

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

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

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(v) Post-retirement medicare

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

(vi) Compensated absences

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

(vii) Remeasurement gains and losses

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

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

(viii) Measurement date

The measurement date of retirement plans is March 31.

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

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

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(b) Employee benefits consists of the following:

(i) Defined Benefit Plan

Pension and post retirement medical plans

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

(₹ in crores)

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

* Includes Gratuity, Superannuation and BKY

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(₹ in crores)

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

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

(₹ in crores)

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

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

(₹ in crores)

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

Information for unfunded plans:

(₹ in crores)

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

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

(₹ in crores)

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

* Includes Gratuity, Superannuation and BKY

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

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

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

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

Plan Assets

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

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

* Includes Gratuity, Superannuation and BKY

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

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

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

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

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

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

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

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

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

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Provident Fund

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

(₹ in crores)

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

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

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(₹ in crores)

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

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

(₹ in crores)

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

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

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

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

Particulars	As at March 31, 2023	As at March 31, 2022
Central and State government bonds	-	42.7%
Government debt instruments	50.7%	-
Other debt instruments	40.1%	-
Equity instruments	9.2%	-
Public sector undertakings and Private sector bonds	-	32.3%
Others	-	25.0%
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, 2023, the defined benefit obligation would be affected by approximately ₹10.37 crores on account of a 1.00% decrease in the expected rate of return on plan assets.

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

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

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Superannuation	16.61	18.36
Provident fund	124.67	6.55
Family pension	38.32	52.88
	179.60	**77.79**

34. Finance costs

(₹ in crores)

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

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

35. Other expenses

(₹ in crores)

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

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

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Note:

Works operation and other expenses include:

(₹ in crores)

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

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Amount required to be spent by the Company during the year	-	-
Amount of expenditure incurred on*:		
(i) Construction/acquisition of any assets	-	-
(ii) On purposes other than (i) above	20.81	23.70
Shortfall at the end of the year	-	-
Total of previous year shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities Education, skilling, health, environmental sustainability, Rural Development, COVID-19 relief activities		

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

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

36. Amount transferred to capital and other accounts

(₹ in crores)

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

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37. Commitments and contingencies

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

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

Litigation

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

Income Tax

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

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

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

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

Customs, Excise Duty and Service Tax

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

Sales Tax/VAT

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

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

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

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

Other Taxes and Dues

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

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

Other claims

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

Commitments

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

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

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

(a) Accounting policy

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

(b) EPS - Continuing operations

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

(c) EPS - Discontinued operations

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

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

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

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

39. Capital Management

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

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

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

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

The following table summarises the capital of the Company:

(₹ in crores)

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

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40. Financial instruments

(a) Accounting policy

(i) Recognition:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

Initial measurement

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

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

Classification and measurement – financial assets

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

Financial assets are classified into three categories

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

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

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

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

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

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

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

Classification and measurement – financial liabilities:

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

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

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

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

(ii) Determination of fair value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

(iii) Derecognition of financial assets and financial liabilities:

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

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

Financial liabilities are 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

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

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

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

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

(b) Disclosures on financial instruments

(a) Financial assets and liabilities

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

(₹ in crores)

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

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(₹ in crores)

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

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**

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(₹ in crores)

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

Fair Value Hierarchy

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

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

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

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

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

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

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

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(₹ in crores)

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

	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**

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

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

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

	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**

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

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

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

(b) Offsetting

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

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

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

(₹ 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	941.40	-	941.40	(39.68)	-	901.72
(b) Trade receivables	2,616.43	(308.71)	2,307.72	-	-	2,307.72
(c) Loans and advances-current	194.86	(62.57)	132.29	-	-	132.29
Total	**3,752.69**	**(371.28)**	**3,381.41**	**(39.68)**	**-**	**3,341.73**
Financial liabilities						
(a) Derivative financial instruments	182.98	-	182.98	(39.68)	-	143.30
(b) Trade payables	7,533.88	(371.28)	7,162.60	-	-	7,162.60
Total	**7,716.86**	**(371.28)**	**7,345.58**	**(39.68)**	**-**	**7,305.90**

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The following table discloses the amounts that have been offset in arriving at the balance sheet presentation and the amounts that are available for offset only under certain conditions as at March 31, 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
Total	**6,379.82**	**(197.93)**	**6,181.89**	**(9.68)**	-	**6,172.21**

(c) Financial risk management

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

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

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

(i) Market risk

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

(a) Foreign currency exchange rate risk:

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

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

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

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

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

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

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

(₹ in crores)

	U.S. dollar	GBP	Others [1]	Total
Financial assets	276.14	80.38	42.28	398.80
Financial liabilities	6,735.99	7.89	73.70	6,817.58

[1] Others mainly include currencies such as the Euro, Chinese yuan, South african rand, Singapore Dollar, Thai bahts and Bangladesh taka.

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

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

(₹ in crores)

	U.S. dollar	GBP	Others [2]	Total
Financial assets	267.59	5.74	47.94	321.27
Financial liabilities	6,126.39	81.59	127.22	6,335.20

[2] Others mainly include currencies such as the Euro, Chinese yuan, South african rand, Singapore Dollar, Thai bahts and Bangladesh taka.

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

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

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(b) Interest rate risk

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

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

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

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

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

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

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

(c) Equity Price risk

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

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

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

(ii) Credit risk

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

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

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Exposure to credit risk

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

Financial assets that are neither past due nor impaired

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

Credit quality of financial assets and impairment loss

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

(₹ in crores)

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

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

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(iii) Liquidity risk

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

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

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

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

(₹ in crores)

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

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

(₹ in crores)

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

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

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

(v) Commodity Price Risk

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

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

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41. Related-party transactions

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

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

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

(₹ in crores)

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

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

(₹ in crores)

	Subsidiaries	Joint Arrangements	Associates and its subsidiaries	Tata Sons Pvt Ltd, its subsidiaries and joint arrangements	Total
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 expense	78.06	19.62	5.87	87.02	190.57
Interest income	17.56	1.17	-	-	18.73
Dividend income	53.02	22.95	-	13.32	89.29
Borrowing towards lease Liability	-	41.40	-	-	41.40
Repayment towards lease liability	-	17.27	-	-	17.27
(B) 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
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

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

(₹ in crores)

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

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forming part of Financial Statements

(₹ in crores)

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

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

Compensation of key management personnel:

(₹ in crores)

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

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

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

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

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

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

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

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

(₹ in crores)

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

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

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

Name of the Company	Country of incorporation/ Place of business	% direct holding	
		As at March 31, 2023	As at March 31, 2022
Subsidiaries			
Tata Motors Passenger Vehicles Limited	India	100.00	100.00
Tata Passenger Electric Mobility Limited	India	100.00	100.00
TML CV Mobility Solutions Limited	India	100.00	100.00
TML Business Services Ltd	India	100.00	100.00
Tata Motors Insurance Broking and Advisory Services Ltd	India	100.00	100.00
Tata Technologies Ltd	India	74.69	74.43
TMF Holdings Ltd	India	100.00	100.00
Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited)	India	100.00	61.86
TML Holdings Pte Ltd	Singapore	100.00	100.00
Tata Hispano Motors Carrocera S.A	Spain	100.00	100.00
Tata Hispano Motors Carroceries Maghreb S.A	Morocco	100.00	100.00
Brabo Robotics and Automation Limited	India	100.00	100.00
Tata Precision Industries Pte Ltd	Singapore	78.39	78.39
Jaguar Land Rover Technology and Business Services India (P) Ltd. (Formerly known as JT Special Vehicle (P) Ltd.)	India	100.00	100.00
TML Smart City Mobility Solutions Limited	India	100.00	-
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)			
Fiat India Automobiles Private Ltd	India	50.00	50.00

Notes
forming part of Financial Statements

44. Transactions with struck off companies

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

(₹ in crores)

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

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

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

less than ₹ 50,000 /-

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(₹ in crores)

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Sandeep Automobiles Private Limited	Services availed	(0.07)	(0.00) #	External vendor
Tara Tools Private Limited	Material purchase	(0.25)	(0.12)	External vendor
Total Solutions Private Limited	Material purchase	(0.00) #	-	External vendor
Unique Marketing Private Limited	Material purchase	(0.00) #	-	External vendor
V Solutions Privatelimited	Services availed	(0.01)	-	External vendor
Yadav Motors Private Limited	Services availed	(0.04)	0.00 #	External vendor
Zenith Motors Private Limited	Services availed	(0.00) #	-	External vendor
Active Automobiles Private Limited	Services availed	-	(0.00) #	External vendor
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 /-

45. Discontinued operations

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

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

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

(₹ in crores)

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

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

Net Cash flow attributable to PV Undertaking are as follows (₹ in crores)

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

46. Additional information

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

A. Balance Sheet

(₹ in crores)

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

Notes
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(₹ in crores)

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

Notes
forming part of Financial Statements

B. Statement of Profit and Loss

(₹ in crores)

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

Notes
forming part of Financial Statements

B. Statement of Profit and Loss

(₹ in crores)

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

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

i) Equity Share Capital

(₹ in crores)

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

ii) Other Equity

(₹ in crores)

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

Notes
forming part of Financial Statements

D. Statement of Changes in Equity for the period 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
Issue of shares on exercise of stock options by employees	0.07
Balance as at March 31, 2022	765.88

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

Notes
forming part of Financial Statements

47. Ratio

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

Notes
forming part of Financial Statements

Notes:

i Total debts includes non current and current borrowings

ii Equity = Equity share capital + Other equity

iii Repayment of borrowings includes repayment of long-term borrowings, proceeds from short-term borrowings, repayment of short-term borrowings and net change in other short-term borrowings (with maturity up to three months).

iv Working capital = Current assets (excluding Assets classified as held for sale) - Current liabilities (excluding current maturities of long term debt, interest accrued on borrowings and liabilities directly associated with assets classified as held for sale).

v Raw material consumed includes Cost of materials consumed, Purchases of products for sale and Changes in inventories of finished goods, work-in-progress and products for sale.

vi Inventory includes Raw materials and components, Work-in-progress, Finished goods, Stores and spare parts, Consumable tools and Goods-in-transit - Raw materials and components.

vii Capital employed includes Shareholders' Equity, non current and current borrowings.

viii Includes Cost of material consumed and Purchases of products for sale.

48. Other statutory information :

(I) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(II) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(III) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(IV) the Company has not advanced or loaned or invested funds to any person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(V) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(VI) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

VII) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

Notes
forming part of Financial Statements

VIII) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

IX) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

49. Other notes:

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

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

(₹ in crores)

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

(ii) The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in books of account.

(iii) In April 2021, the Company has completed the sale of certain assets related to defence business to Tata Advanced Systems Limited (TASL) for sale consideration of ₹234.09 crores 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.

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

For and on behalf of the Board

N CHANDRASEKARAN *[DIN: 00121863]*
Chairman

GIRISH WAGH *[DIN: 03119361]*
Executive Director

P B BALAJI
Group Chief Financial Officer

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

Place: Mumbai
Date: May 12, 2023

Independent Auditor's Report

To the Members of Tata Motors Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate/consolidated financial statements/financial information of such subsidiaries, associates, joint ventures and joint operations as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates, joint ventures and joint operations as at 31 March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Impairment of property, plant and equipment, intangible and right of use non-currents as reported by the component auditor of JLR Group See Note 2(i) and 7 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
There is a risk that the carrying value of property, plant and equipment (PPE), intangible assets, and right-of-use assets (ROUAs) may be higher than the recoverable amount. Where a review for impairment, or reversal of impairment, is conducted, the recoverable amount is determined based on the higher of 'value in use' or 'fair value less costs of disposal.' The JLR Group holds a significant amount of property, plant and equipment, intangible assets and right-of-use assets on its balance sheet. There are execution risks associated with the JLR Group's transition to Battery Electric Vehicles ('BEV') resulting from its previously announced 'Reimagine' strategy. In addition, there are other headwinds facing the JLR Group and the industry, including the continuation of semi-conductor and other supply constraints, production constraints, cost inflationary pressures, COVID-related lockdowns and the conflict in Ukraine. It is also important to consider the effect of this economic uncertainty on the discount rate. The effect of these matters is that, as part of our risk assessment, the component auditor determined that the calculation of the value in use of property, plant and equipment, intangible assets, and right-of use assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.	The audit procedures applied by the auditor of the component (JLR Group) included: → **Historical comparison:** Assessed the appropriateness of the JLR Group's key assumptions used in the discounted cash flow forecasts by comparing those, where appropriate, to historical trends in terminal value variable profit and terminal value capital expenditure. → **Benchmarking assumptions:** Assessed the appropriateness of the JLR Group's estimated value in use amount by comparing the implied trading multiples to market multiples of comparative companies with the assistance of their valuation specialists. Assessed the appropriateness of the JLR Group's assumptions used in the cash flow projections by comparing key assumptions of sales volumes to externally derived data. Compared the JLR Group's discount rate and long-term growth rate to external benchmark data and comparative companies and re-performed the discount rate calculation using the capital asset pricing model with the assistance of their valuation specialists. → **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 and risks facing the industry. → **Comparing valuations:** Assessed the JLR Group's reconciliation between the estimated market capitalisation of the Group, by reference to the overall market capitalisation of the Holding Company and compared to the estimated recoverable amount of the cash generating unit. → **Impairment reversal:** Assessed whether the JLR Group's estimated value in use was indicative of an impairment reversal. → **Assessing transparency:** Assessed the adequacy of the JLR Group's disclosures in the financial statements and ensured that the disclosure reflects the reasonably possible changes in key assumptions that erode the headroom in the recoverable amount compared to the cash generating unit carrying value to nil.

JLR Group Going concern, as reported by the component auditor of Jaguar Land Rover Automotive Plc (hereinafter referred to as JLR Group)	
See Note 2(e) to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
Disclosure Quality The financial statements explain how the Board of JLR Group has formed a judgement that it is appropriate to adopt the going concern basis of preparation for the JLR Group. That judgement is based on an evaluation of the inherent risks to the JLR Group's business model, in particular risks associated with semi-conductor shortages, and how those risks might affect the JLR Group's financial resources or ability to continue operations over the going concern period of assessment (a period of at least a year from the date of approval of the financial statements). The risks most likely to adversely affect the JLR Group's available financial resources and compliance with covenant thresholds over this period were: → The impact of JLR Group's supply chain and consequent production capability from semi-conductor shortages and related supply shortages and supplies continuity risks → The impact of increasing prices of key commodities passed through the supply chain. The risk for our audit was whether or not those risks were such that they amount to a material uncertainty that may cast significant doubt about the ability to continue as a going concern. Had they been such, then that fact would have been required to be disclosed.	The auditor of the component (JLR Group) considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the Directors' sensitivities over the level of available financial resources and covenant thresholds indicated by the JLR Group's financial forecasts taking account of severe, but plausible, adverse effects that could arise from these risks individually and collectively. Their procedures also included: → **Assessment of management's process:** Evaluated management's process to produce forecasts, including the assessment of internal and external factors used to determine the risks to the business, and the process management used to complete the reverse stress test. → **Funding assessment:** Evaluated JLR Group's financing facilities available by obtaining relevant facility agreements. Inspected existing and new loan agreements in order to determine covenants attached and considered compliance of financial covenants in the context of the cash flow forecasts. → **Key dependency assessment:** Evaluated whether the key assumptions underpinning the forecast cash flows, which the Directors have used to support the going concern basis of preparation and to assess whether the JLR Group can meet its financial commitments as they fall due, were realistic, achievable and consistent with the external environment and other matters identified in the audit. The key assumptions include sales volumes, including the variable profit optimisation strategy, together with material cost inflation in variable profit. → **Historical comparisons:** Evaluated the historical cash flow forecasting accuracy of the JLR Group by comparing historical cash flows to actual results reported, as well as assessing the accuracy of key assumptions previously applied. → **Benchmarking assumptions:** Assessed the appropriateness of the JLR Group's key assumptions used in the cash flow forecasts by benchmarking them to externally derived data, with particular focus on forecast sales volumes. → **Sensitivity analysis:** Considered sensitivities over the key assumptions underlying the JLR Group's cash flow forecasts and their impact on the covenant test and the level of available financial resources. → **Assessing transparency:** Assessed the completeness and accuracy of the matters disclosed in the going concern disclosure by considering whether it is consistent with their knowledge of the business.

Capitalisation of product engineering assets, as reported by the component auditor of JLR Group See Note 6 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
Subjective judgement There is a key judgement in determining whether the nature of the product engineering costs satisfy the criteria for capitalisation to "Intangible assets under development" and when this capitalisation should commence. The consolidated financial statements disclose that had the value of central overheads not been classified as directly attributable would have reduced the amount capitalised by Rs. 782.66 crores.	The audit procedure applied by the auditor of the component (JLR Group) included: → **Control operation:** Tested controls including in relation to the Directors' assessment as to whether product engineering costs are eligible for capitalisation. → **Personnel interviews:** Corroborated judgements made by the Directors around the timing of capitalisation of product engineering costs through discussions with project level staff. → **Component auditor's sector experience:** Critically assessed the Directors' judgements regarding product engineering costs identified against both the accounting standards and our experience of practical application of these standards in other companies. → **Tests of details:** For a sample of product engineering costs identified, agreed that the coding of those costs was consistent with their nature. → **Assessing transparency:** Assessed the adequacy of the JLR Group's disclosures in respect of the key judgements made relating to the nature of the costs capitalised and the point at which capitalisation commences.

Valuation of defined benefit plan obligations, as reported by the component auditor of JLR Group See Note 36 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
Subjective valuation Small changes in the key assumptions and estimates, being the discount rate, inflation rate and mortality/life expectancy, used to value the JLR Group's pension obligation (before deducting scheme assets) would have a significant effect on the amount of the JLR Group's net defined benefit plan asset. The risk is that these assumptions are inappropriate resulting in an inappropriate valuation of plan obligations. The effect of these matters is that, as part of the risk assessment of the component auditors determined that valuation of the pension obligation has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The consolidated financial statements disclose the sensitivity estimated by the JLR Group.	The audit procedure applied by the auditor of the component (JLR Group) included: → **Control Operation:** Tested controls over the assumptions applied in the valuation and inspected the JLR Group's annual validation of the assumptions used by its actuarial expert. Tested the JLR Group's controls operating over selection and monitoring of its actuarial expert for competence and objectivity. → **Benchmarking assumptions:** Challenged, with the support of their own actuarial specialists, the key assumptions applied to the valuation of the liabilities, being the discount rate, inflation rate and mortality/life expectancy against externally derived data. → **Assessing transparency:** Considered the adequacy of the JLR Group's disclosures in respect of the sensitivity of the JLR Group's net defined benefit plan asset to these assumptions.

Recognition of deferred tax asset on unused tax losses

See Note 22 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
As detailed in note 22 of the consolidated financial statements, during the year, the Holding Company has recognised deferred tax asset ('DTA') of Rs. 1,615.42 crores on unabsorbed depreciation and long-term capital losses. The Holding Company's ability to recover the deferred tax assets is assessed by the management at the end of each reporting period which is based on an assessment of the probability that future taxable income will be available against which the carried forward unused tax losses can be utilized. As per the assessment done by the management and election of tax planning opportunities available with the Holding Company, the management believes that the carried forward unused tax losses will get offset against the capital gains projected by the Holding Company in future years on sale of certain investments in subsidiaries held by the Company. Thus, auditing the Holding Company's assessment of the recoverability of deferred tax assets is dependent on the Holding Company's ability to generate future taxable gains through sale of these investments. The valuation of these investments is subject to significant judgments and estimates applied by the management. This is considered to be a key audit matter, considering the past history of losses in the Holding Company and complexity of the accounting requirements for recognition of deferred tax assets.	In view of the significance of the matter we applied the following audit procedures in this area to obtain sufficient appropriate audit evidence. **Test of Controls:** We tested the design, implementation and operating effectiveness of key controls over the key inputs and assumptions, used in valuation of its investments proposed to be sold as part of the tax planning opportunities. **Test of details:** → Evaluated the appropriateness of the assumptions applied to key inputs in valuation of the investments. → Involved independent valuation specialists in reviewing the appropriateness of the valuation model including evaluating whether the comparable companies considered in the valuation are appropriate → Performed necessary procedures to verify the accuracy of amounts disclosed in the consolidated financial statements and adequacy of disclosures made for compliance with applicable Indian Accounting Standards and accounting principles generally accepted in India

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

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

The key audit matter	How the matter was addressed in our audit
The estimation of Expected Credit Loss (ECL) on financial instruments involves significant judgements and estimates. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecast of future economic conditions which could impact the credit quality of TMFL Group's loans and advances. In view of such high degree of management's judgement involved in estimation of ECL, it is a key audit matter.	The audit procedures applied by the auditor of the component included: → Review of the TMFL Group's accounting policies for impairment of loan assets in terms of accounting principles laid down in Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued from time to time. → Understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation so as to evaluate the reasonableness of the management estimates.

Impairment of loans to customers, as reported by the component auditor of TMF Holding Limited ("TMFL Group") See Notes 41A(iv) and 41B(d)(ii) to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
	→ Assessed the criteria for staging of loans based on their past due status. Tested a sample of performing (stage 1) loans to assess whether any indicators were present requiring them to be classified under higher stages. → Performed analytical reviews of disaggregated data to observe any unusual trends warranting additional audit procedures. → Assessed the additional considerations applied by the management for staging of loans as SICR or default categories in view of the TMFL Group's policy on one-time restructuring. → Tested the ECL model, including assumptions and underlying computation. → Tested assumptions used by the management in determining the overlay for macro-economic variables and the control over the scenario selection and application of probability weights. → Tested management's controls over authorisation and calculation of post model adjustments and management overlays. → Assessed disclosures included in the financial statements in respect of expected credit losses.

Other Information

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

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

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

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

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

making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

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

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

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

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

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

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(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, associates, joint ventures and joint operations as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements .

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. With respect to the adequacy of the internal financial control with reference to financial statements of the Holding Company, its subsidiary companies, associates companies, joint venture companies and joint operation companies incorporated in India and the operating effectiveness of such controls, refer to our seperate Report in "Annexure B"

f. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies, joint venture companies and joint operation companies incorporated in India, none of the directors of the Group companies, its associate companies, joint venture companies and joint operation companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries, associates, joint ventures and joint operations, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group, its associates and joint ventures and joint operations. Refer Note 39 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 31 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures and joint operations.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies, joint venture companies and joint operation companies incorporated in India during the year ended 31 March 2023.

d (i) The respective management of the Holding Company and its subsidiary companies, associate companies, joint venture companies and joint operations incorporated in India whose financial statements/financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies, associate companies, joint venture companies and joint operation companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 48(d) to the consolidated financial statements, no funds have been advanced or laoned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company of any such subsidiary companies, associate companies, joint venture companies and joint operation companies to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies, associate companies, joint venture companies and joint operation companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies, associate companies, joint venture companies and joint operation companies incorporated in India whose financial statements/financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies, associate companies, joint venture companies and joint operation companies respectively that, to the best of their knowledge and belief, as diclosed in the Note 48(e) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies, associate companies, joint venture companies and joint operation companies from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, associate companies, joint venture companies and joint operation companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Board of Directors of the Holding Company and certain subsidiary companies and associate companies incorporated in India have proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend. The final dividend paid by an associate company and a joint operation company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by certain subsidiary companies, associate companies and a joint operation company during the year and until the date of this audit report is in compliance with Section 123 of the Act.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies, associate companies, joint venture companies and joint operation companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: We draw attention to Note 38(b) to the consolidated financial statements for the year ended 31 March 2023 according to which the managerial remuneration payable to certain non-executive directors of the Holding Company (amounting to Rs. 3.75 crores) and consequently the total managerial remuneration paid/payable by the Holding Company for the financial year (amounting to Rs. 10.14 crores) exceed the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013 by Rs. 3.28 crores. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the Holding Company proposes to obtain in the forthcoming Annual General Meeting. Further according to the information and explainations given to us and based on the reports of the statutory auditors of subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation companies incorporated in India, the remuneration paid during the current year by the subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation companies to its directors is in accordance with the provisions of Section 197 of the Act, where applicable. The remunueration paid to any director by its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

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

Place: Mumbai
Date: 12 May 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Tata Motors Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

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

Name of the entities	CIN	Subsidiary/ JV/ Associate
Tata Hitachi Construction Machinery Company Private Limited	U85110KA1998PTC024588	Associate
Tata Precision Industries (India) Limited	U29120MP1995PLC009773	Associate
Jaguar Land Rover Technology and Business Services India Private Limited	U34102TZ2016PTC027770	Subsidiary
Tata HAL Technologies Limited	U93000KA2008PLC046588	Joint Venture
TML CV Mobility Solutions Limited	U50500MH2021PLC361754	Subsidiary
Loginomic Tech Solutions Private Limited	U74900KA2015 PTC080558	Joint Venture
TACO Prestolite Electric Private Limited	U74140PN2015FTC207678	Joint Venture of Associate
Tata AutoComp Gotion Green Energy Solutions Private Limited	U29304PN2020PTC190510	Joint Venture of Associate

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

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

Place: Mumbai
Date: 12 May 2023

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

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

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

Opinion

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

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

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

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matters

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

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

Our opinion is not modified in respect of these matters.

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

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

Place: Mumbai
Date: 12 May 2023

Consolidated Balance Sheet

(₹ in crores)

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

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: 23103334BGYMRQ5348
Place: Mumbai
Date: May 12, 2023

For and on behalf of the Board

N CHANDRASEKARAN [DIN: 00121863]
Chairman

GIRISH WAGH [DIN: 03119361]
Executive Director

P B BALAJI
Group Chief Financial Officer

MALOY KUMAR GUPTA [ACS: 24123]
Company Secretary

Place: Mumbai
Date: May 12, 2023

Consolidated Statement of Profit and Loss

(₹ in crores)

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

See accompanying notes to consolidated financial statements

In terms of our report attached

For and on behalf of the Board

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

N CHANDRASEKARAN [DIN: 00121863]
Chairman

P B BALAJI
Group Chief Financial Officer

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

GIRISH WAGH [DIN: 03119361]
Executive Director

MALOY KUMAR GUPTA [ACS: 24123]
Company Secretary

Place: Mumbai
Date: May 12, 2023

Consolidated Cash Flow Statement

(₹ in crores)

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

Consolidated Cash Flow Statement

(₹ in crores)

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

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

For and on behalf of the Board

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

N CHANDRASEKARAN [DIN: 00121863]
Chairman

GIRISH WAGH [DIN: 03119361]
Executive Director

P B BALAJI
Group Chief Financial Officer

MALOY KUMAR GUPTA [ACS: 24123]
Company Secretary

Place: Mumbai
Date: May 12, 2023

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

A. EQUITY SHARE CAPITAL

(₹ in crores)

Particulars	Equity Share Capital
Balance as at April 1, 2022	765.88
Proceeds from issuance of shares	0.14
Balance as at March 31, 2023	**766.02**

B. OTHER EQUITY

(₹ in crores)

Particulars	Reserves										Other components of equity					Attributable to Owners of Tata Motors Limited	Non-controlling interests	Total other equity
	Securities Premium	Share-based payments reserve	Share application money pending allotment	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			
Opening balance as at April 1, 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**
Profit/(Loss) for the period	-	-	-	-	-	-	-	-	-	2,414.29	-	-	-	-	-	2,414.29	275.58	2,689.87
Remeasurement gains/(losses) on defined benefit obligations (net)	-	-	-	-	-	-	-	-	-	(163.18)	-	-	-	-	-	(163.18)	-	(163.18)
Other comprehensive income / (loss) for the period	-	-	-	-	-	-	-	-	-	-	78.92	(92.37)	(1,355.78)	(1,105.44)	722.61	(1,752.06)	19.76	(1,732.30)
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-	-	**2,251.11**	**78.92**	**(92.37)**	**(1,355.78)**	**(1,105.44)**	**722.61**	**499.05**	**295.34**	**794.39**
Amounts recognized in inventory	-	-	-	-	-	-	-	-	-	-	-	-	319.49	34.01	-	353.50	-	353.50
Amount reclassified to profit and loss	-	-		-	-	-	-	-	-	-	(19.86)	-	-	-	-	(19.86)	-	(19.86)
Acquisition of minority	-	-	-	-	-	-	-	-	-	(121.78)	-	-	-	-	-	(121.78)	19.81	(101.97)
Distribution to Minority	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(140.88)	(140.88)
Issue of perpetual instrument classified as equity by a subsidiary (refer note below)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	360.00	360.00
Proceeds from Compulsory Convertible Preference Shares (net of Debt issue cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,472.39	2,472.39
Share based payments	-	30.03	-	-	-	-	-	-	-	-	-	-	-	-	-	30.03	-	30.03
Money received on exercise of stock options by employees	23.40	-	(3.93)	-	-	-	-	-	-	-	-	-	-	-	-	19.47	-	19.47
Exercise of stock option by employees	3.79	(3.79)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of lapsed stock options	-	(1.30)	-	-		-	-	-	-	1.30	-	-	-	-	-	-	-	-
Tranfer from debenture redemption reserve	-		-	-	(199.80)	-	-	-	-	199.80	-	-	-	-	-	-	-	-
Transfer (from)/to retained earnings	-	-	-	-	-	-	25.99	-	-	(25.99)	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	**14,164.33**	**63.22**	**2.46**	**2.28**	**211.34**	**200.74**	**643.24**	**45.65**	**1,164.20**	**25,251.02**	**458.80**	**570.85**	**(6,555.88)**	**(1,005.48)**	**9,339.00**	**44,555.77**	**7,277.72**	**51,833.49**

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

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

For and on behalf of the Board

N CHANDRASEKARAN [DIN: 00121863]
Chairman

GIRISH WAGH [DIN: 03119361]
Executive Director

P B BALAJI
Group Chief Financial Officer

MALOY KUMAR GUPTA [ACS: 24123]
Company Secretary

Place: Mumbai
Date: May 12, 2023

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)

	Reserves										Other components of equity							
Particulars	Securities Premium	Share-based payments reserve	Share application money pending allotment	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
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)	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	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	(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
In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

For and on behalf of the Board

N CHANDRASEKARAN [DIN: 00121863]
Chairman

GIRISH WAGH [DIN: 03119361]
Executive Director

P B BALAJI
Group Chief Financial Officer

MALOY KUMAR GUPTA [ACS: 24123]
Company Secretary

Place: Mumbai
Date: May 12, 2023

Notes
forming part of Consolidated Financial Statements

1. Background and operations

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

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

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

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

2. Significant accounting policies

(a) Statement of compliance

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

(b) Basis of preparation

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

(c) Basis of consolidation

Subsidiaries

The consolidated financial statements include Tata Motors Limited and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power to direct relevant activities of the investee. Relevant activities are those activities that significantly affect an entity's returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable and other contractual arrangements that may influence control are taken into account. The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

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

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

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forming part of Consolidated Financial Statements

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

Interests in joint arrangements

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

Joint operations

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

Joint ventures

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

Associates

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

Equity method of accounting (equity accounted investees)

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

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forming part of Consolidated Financial Statements

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

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

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

(d) Business combination

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

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

(e) Going Concern

These financial statements have been prepared on a Going Concern basis

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

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

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

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

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forming part of Consolidated Financial Statements

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

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

(f) Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

i) Note 3, 6, 7 and 8 - Property, plant and equipment and intangible assets – Useful lives and impairment

ii) Note 5 - Impairment of goodwill

iii) Note 22 - Recoverability/recognition of deferred tax assets

iv) Note 31 - Provision for product warranty

v) Note 36 - Assets and obligations relating to employee benefits

vi) Note 18 - Allowances for credit losses for finance receivables

vii) Estimated discounts / incentives required to be paid to dealers on retail of vehicles

viii) Note 2(e) – Going concern assessment

(g) Cost recognition

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

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

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

(h) Foreign currency

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

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forming part of Consolidated Financial Statements

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

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

(i) Impairment

i) Goodwill

Cash generating units to which goodwill is allocated are tested for impairment annually at each balance sheet date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to the other assets of the unit pro rata on the basis of carrying amount of each asset in the unit. Goodwill impairment loss recognised is not reversed in subsequent period.

ii) Property, plant and equipment and other intangible assets

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

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

iii) Equity accounted investments: Joint ventures and associates:

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash generating unit) for which the estimates of future cash flows have not been adjusted. Cash flow projections are developed generally for five years using data from the Company's latest internal forecasts and extrapolated beyond five years using estimated long-term growth rates.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to

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forming part of Consolidated Financial Statements

its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit and loss.

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

(j) Recent accounting pronouncements

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

i) Ind AS 1 – Presentation of Financial Statements

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

ii) Ind AS 12 – Income Taxes

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

iii) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

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

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

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forming part of Consolidated Financial Statements

(l) **The following subsidiary companies are considered in the consolidated financial statements:**

Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2023	As at March 31, 2022
	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	76.69	74.42
4	TMF Holdings Limited	India	100.00	100.00
5	Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited)	India	100.00	61.86
6	TML Holdings Pte. Limited	Singapore	100.00	100.00
7	Tata Hispano Motors Carrocera S.A.	Spain	100.00	100.00
8	Tata Hispano Motors Carrocerries Maghreb SA	Morocco	100.00	100.00
9	Tata Precision Industries Pte. Limited	Singapore	78.39	78.39
10	Brabo Robotics and Automation Limited	India	100.00	100.00
11	Jaguar Land Rover Technology and Business Services India Private Limited (Formerly known as JT Special Vehicles Pvt. Limited)	India	100.00	100.00
12	TML CV Mobility Solutions Limited	India	100.00	100.00
13	Tata Passenger Electric Mobility Limited	India	100.00	100.00
14	Tata Motors Passenger Vehicles Limited	India	100.00	100.00
15	TML Smart City Mobility Solutions Limited (Incorporated on May 25, 2022)	India	100.00	-
	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	76.69	74.42
24	Tata Technologies Pte Limited	Singapore	76.69	74.42
25	INCAT International Plc.	UK	76.69	74.42
26	Tata Technologies Europe Limited	UK	76.69	74.42
27	Tata Technologies Nordics AB	UK	76.69	74.42
28	Tata Technologies GmbH	Germany	76.69	74.42
29	Tata Technologies Inc. (Formerly known as INCAT GmbH)	USA	76.74	74.48
30	Tata Technologies de Mexico, S.A. de C.V.	Mexico	76.74	74.48
31	Cambric Limited	USA	76.74	74.48
32	Tata Technologies SRL Romania	Romania	76.74	74.48
33	Tata Manufacturing Technologies (Shanghai) Limited	China	76.69	74.42
34	Jaguar Land Rover Automotive Plc	UK	100.00	100.00
35	Jaguar Land Rover Limited	UK	100.00	100.00
36	Jaguar Land Rover Austria GmbH	Austria	100.00	100.00

Notes
forming part of Consolidated Financial Statements

Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2023	As at March 31, 2022
37	Jaguar Land Rover Belux NV	Belgium	100.00	100.00
38	Jaguar Land Rover Japan Limited	Japan	100.00	100.00
39	Jaguar Cars South Africa (Pty) Limited	South Africa	100.00	100.00
40	JLR Nominee Company Limited	UK	100.00	100.00
41	The Daimler Motor Company Limited	UK	100.00	100.00
42	Daimler Transport Vehicles Limited	UK	100.00	100.00
43	S.S. Cars Limited	UK	100.00	100.00
44	The Lanchester Motor Company Limited	UK	100.00	100.00
45	Jaguar Land Rover Deutschland GmbH	Germany	100.00	100.00
46	Jaguar Land Rover Classic Deutschland GmbH	Germany	100.00	100.00
47	Jaguar Land Rover Holdings Limited	UK	100.00	100.00
48	Jaguar Land Rover North America LLC	USA	100.00	100.00
49	Land Rover Ireland Limited	Ireland	100.00	100.00
50	Jaguar Land Rover Nederland BV	Netherlands	100.00	100.00
51	Jaguar Land Rover Portugal - Veiculos e Pecas, Lda.	Portugal	100.00	100.00
52	Jaguar Land Rover Australia Pty Limited	Australia	100.00	100.00
53	Jaguar Land Rover Italia Spa	Italy	100.00	100.00
54	Jaguar Land Rover Espana SL	Spain	100.00	100.00
55	Jaguar Land Rover Korea Company Limited	South Korea	100.00	100.00
56	Jaguar Land Rover (China) Investment Co. Limited	China	100.00	100.00
57	Jaguar Land Rover Canada ULC	Canada	100.00	100.00
58	Jaguar Land Rover France, SAS	France	100.00	100.00
59	Jaguar Land Rover (South Africa) (pty) Limited	South Africa	100.00	100.00
60	Jaguar e Land Rover Brasil industria e Comercio de Veiculos LTDA	Brazil	100.00	100.00
61	Limited Liability Company "Jaguar Land Rover" (Russia)	Russia	100.00	100.00
62	Jaguar Land Rover (South Africa) Holdings Limited	UK	100.00	100.00
63	Jaguar Land Rover India Limited	India	100.00	100.00
64	Jaguar Cars Limited	UK	100.00	100.00
65	Land Rover Exports Limited	UK	100.00	100.00
66	Jaguar Land Rover Pension Trustees Limited	UK	100.00	100.00
67	Jaguar Racing Limited	UK	100.00	100.00
68	InMotion Ventures Limited	UK	100.00	100.00
69	In-Car Ventures Limited	UK	100.00	100.00
70	InMotion Ventures 2 Limited	UK	100.00	100.00
71	InMotion Ventures 3 Limited	UK	100.00	100.00
72	Shanghai Jaguar Land Rover Automotive Services Company Limited	China	100.00	100.00
73	Jaguar Land Rover Slovakia s.r.o	Slovakia	100.00	100.00
74	Jaguar Land Rover Singapore Pte. Ltd	Singapore	100.00	100.00
75	Jaguar Land Rover Columbia S.A.S	Columbia	100.00	100.00
76	PT Tata Motors Distribusi Indonesia	Indonesia	100.00	100.00
77	Tata Motors Finance Solutions Limited	India	100.00	100.00
78	Tata Motors Finance Limited	India	100.00	100.00
79	Jaguar Land Rover Ireland (Services) Limited	Ireland	100.00	100.00

Notes
forming part of Consolidated Financial Statements

Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2023	As at March 31, 2022
80	Jaguar Land Rover Taiwan Company Limited	Taiwan	100.00	100.00
81	Jaguar Land Rover Servicios Mexico,S.A. de C.V.	Mexico	100.00	100.00
82	Jaguar Land Rover Mexico,S.A.P.I. de C.V.	Mexico	100.00	100.00
83	Jaguar Land Rover Hungary KFT	Hungary	100.00	100.00
84	Jaguar Land Rover Classic USA LLC	USA	100.00	100.00
85	Jaguar Land Rover Ventures Limited	UK	100.00	100.00
86	Bowler Motors Limited	UK	100.00	100.00
87	Jaguar Land Rover (Ningbo) Trading Co. Limited	China	100.00	100.00
88	TML Smart City Mobility Solutions (J&K) Private Limited (Incorporated with effect from October 13, 2022)	India	100.00	-
89	Tata Technologies Limited Employees Stock Option Trust	India	76.69	74.42
90	INCAT International Limited ESOP 2000	UK	76.69	74.42

* Effective holding % of the Company directly and through its subsidiaries.

The following Jointly controlled companies are considered in the consolidated financial statements:

Sr No.	Name of the jointly controlled company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2023	As at March 31, 2023
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, 2023	As at March 31, 2023
1	Automobile Corporation of Goa Limited	India	49.77	49.77
2	Nita Company Limited	Bangladesh	40.00	40.00
3	Tata Hitachi Construction Machinery Company Private Limited	India	39.99	39.99
4	Tata Precision Industries (India) Limited	India	39.19	39.19
5	Tata AutoComp Systems Limited	India	26.00	26.00
6	Jaguar Cars Finance Limited	UK	49.90	49.90
7	Cloud Car Inc	USA	26.30	26.30
8	Synaptiv Limited	UK	37.50	37.50
9	DriveClubService Pte. Ltd.	Singapore	25.07	25.07
10	Inchcape JLR Europe Limited	UK	30.00	30.00
11	Sertec Corporation Limited* (acquired on June 17, 2022)	UK	40.00	-

* As at March 31, 2023, equity pick-up is not done as the entity is acquired with the view to resale.

Notes
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3. Property, plant and equipment

(A) Accounting policy

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

Freehold land is measured at cost and is not depreciated.

Heritage assets, comprising antique vehicles purchased by the Company, are not depreciated as they are considered to have a residual value in excess of cost.

Residual values are re-assessed on an annual basis.

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

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

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

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

Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life (years)
Buildings, Roads, Bridge and culverts	4 to 60 years
Plant, machinery and equipment	3 to 30 years
Computers and other IT assets	3 to 6 years
Vehicles	3 to 11 years
Furniture, fixtures and office appliances	3 to 21 years

The useful lives and method of 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 derecognised.

(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, 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
Additions	-	721.02	5,265.88	72.56	30.84	333.07	-	-	-	0.77	24.17	6,448.31
Additions on account of Ford plant acquisition (refer note below)	331.92	176.25	-	-	-	-	-	45.08	74.46	-	-	627.71
Assets classified as held for sale	(95.57)	(520.13)	-	-	-	-	(18.65)	-	-	-	-	(634.35)
Disposal/Adjustments	-	(146.78)	(2,864.76)	(18.48)	(74.65)	(19.64)	(37.97)	-	(4.02)	(0.19)	(37.63)	(3,204.12)
Currency translation differences	63.80	696.92	2,781.32	39.51	4.18	62.85	0.24	-	-	-	-	3,648.82
Cost as at March 31, 2023	7,756.96	29,571.36	152,207.35	1,909.29	371.55	3,309.43	245.28	66.66	106.04	5.74	128.67	195,678.33
Accumulated depreciation as at April 1, 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
Depreciation for the year	-	1,300.10	10,115.18	93.00	30.84	237.18	-	-	0.63	-	21.94	11,798.87
Assets classified as held for sale	-	(57.56)	-	-	-	-	-	-	-	-	-	(57.56)
Disposal/Adjustments	-	(33.78)	(2,706.28)	(14.22)	(67.95)	(16.68)	-	-	(1.04)	(0.10)	(24.72)	(2,864.77)
Provision/(Reversal) for impairment/ Write off	-	-	(58.77)	-	-	-	-	-	-	-	-	(58.77)
Currency translation differences	-	242.07	1,996.09	26.65	22.01	40.48	-	-	-	-	-	2,327.30
Accumulated depreciation as at March 31, 2023	-	9,562.07	105,420.43	1,340.94	279.19	2,215.24	167.09	-	2.85	4.02	45.07	119,036.90
Net carrying amount as at March 31, 2023	7,756.96	20,009.29	46,786.92	568.35	92.36	1,094.19	78.19	66.66	103.19	1.72	83.60	76,641.43
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

Note:

On May 30, 2022, Tata Passenger Electric Mobility Ltd.(TPEML), wholly owned subsidiary of the Company, Ford India Private Limited ("FIPL") and the Government of Gujarat signed a memorandum of understanding for the potential acquisition of FIPL's Sanand vehicle manufacturing facility, including (i) the land and buildings, (ii) the vehicle manufacturing plant, machinery and equipment, and (iii) the transfer of all eligible employees of FIPL's Sanand vehicle manufacturing operations. FIPL will operate its powertrain manufacturing facilities by leasing back the land and buildings of the powertrain unit from TPEML. On August 7, 2022, TPEML and FIPL, have signed a Unit Transfer Agreement (UTA) for the acquisition of FIPL's manufacturing plant situated at Sanand, Gujarat for a total consideration, exclusive of taxes, of ₹ 725.70 crores. Pursuant to the fulfilment of the necessary condition precedents, including receipt of relevant regulatory approvals, the parties have completed the transaction on January 10, 2023 and the Company has acquired the Sanand Property and the Plant and Machinery. Additionally, all the eligible employees were offered employment, and those who have accepted the Company's offer of employment, have been transferred to the Company and have become employees of the Company with effect from January 10, 2023.

Notes
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(C) Capital Work-in-Progress

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	3,529.04	**8,377.14**
Additions	7,364.73	8,354.02
Additions on account of Ford plant acquisition (refer note 3(B))	313.22	-
Transferred to cost of Property, plant and equipment	(6,119.09)	(13,145.37)
(Provision)/Reversal for impairment/(Write off) (Net)	(0.11)	(72.28)
Currency translation impact	132.08	15.53
Balance at the end	5,219.87	**3,529.04**

(D) Ageing of Capital Work-in-Progess

(₹ in crores)

	As at March 31, 2023				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,783.90	268.28	516.66	651.03	5,219.87
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2023	**3,783.90**	**268.28**	**516.66**	**651.03**	**5,219.87**

	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**

(E) Expected Completion schedule of Capital Work-in-Progess where cost and time overrun has exceeded original plan

(₹ in crores)

	As at March 31, 2023				
	To be completed in				
Project in Progress	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	578.48	-	-	-	578.48
Project 2	555.43	-	-	-	555.43
Various Projects*	813.79	15.53	9.60	3.36	842.28
Project Temporarily suspended	-	-	-	-	-
	1,947.70	**15.53**	**9.60**	**3.36**	**1,976.19**

	As at March 31, 2022				
	To be completed in				
Project in Progress	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Various Projects*	1,901.38	41.21	-	-	1,942.59
Project Temporarily suspended					
Project 1	434.22	-	-	-	434.22
Various Projects*	29.84	-	-	-	29.84
	2,365.44	**41.21**	**-**	**-**	**2,406.65**

*Individual projects less than 10% of total Capital work-in-progress have been clubbed together in various projects.
Original plan is considered as that plan which is approved and on the basis of which implementation progress is evaluated. Such original plan includes management's estimates and assumptions w.r.t future business, economy / industry and regulatory environments.

Notes
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4. Leases

(A) Accounting policy

Lessee:

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

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive 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

Notes
forming part of Consolidated Financial Statements

and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

Lessor:

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

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

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

(B) The Company leases a number of buildings, plant and equipment, IT hardware and software assets, certain of which have a renewal and/or purchase option in the normal course of the business. Extension and termination options are included in a number of leases across the Company. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option. The Company re-assesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control. It is recognised that there is potential for lease term assumptions to change in the future and this will continue to be monitored by the Company where relevant. The Company's leases mature between 2024 and 2052.

When measuring lease liability, the Group discounted lease payments using its incremental borrowing rate. The weighted-average rate applied is 8.01% per annum.

The following amounts are included in the Consolidated Balance Sheet

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	884.48	809.55
Non-current lease liabilities	7,568.49	5,962.44
Total lease liabilities	**8,452.97**	**6,771.99**

The following amounts are recognised in the consolidated statement of Profit & Loss:

(₹ in crores)

	Year ended March 31, 2023	Year ended M arch 31, 2022
Interest expense on lease liabilities	627.18	541.76
Variable lease payment not included in the measurement of lease liabilities	3.98	3.57
Income from sub-leasing of right-of-use assets	9.92	0.99
Expenses related to short-term leases	117.47	115.58
Expenses related to low-value assets, excluding short-term leases of low-value assets	124.55	115.14

Notes
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(₹ in crores)

Right of use assets	Land	Buildings	Plant, machinery and equipments	Furniture, Fixtures and Office Appliances	Vehicles	Computers & other IT assets	Other Assets	Total
Cost as at April 1, 2022	**303.49**	**7,785.86**	**1,560.56**	**168.19**	**313.37**	**449.57**	**49.77**	**10,630.81**
Additions	5.99	1,444.01	252.54	2.02	225.71	55.42	-	1,985.69
Disposals/adjustments	(24.74)	(348.84)	(367.22)	(4.31)	(125.95)	(317.07)	(17.30)	(1,205.43)
Currency translation differences	3.74	222.09	18.27	8.74	3.13	1.58	0.27	257.82
Cost as at March 31, 2023	**288.48**	**9,103.12**	**1,464.15**	**174.64**	**416.26**	**189.50**	**32.74**	**11,668.89**
Accumulated amortisation as at April 1, 2022	**119.81**	**2,312.93**	**908.73**	**62.86**	**129.75**	**374.97**	**35.74**	**3,944.79**
Amortisation for the year	33.71	739.21	230.00	13.63	40.08	43.83	6.99	1,107.45
Amortisation - considered as employee cost	-	-	-	-	59.39	-	-	59.39
Reversal of Impairment Loss	-	(214.39)	-	-	-	-	-	(214.39)
Disposal/adjustments	(1.95)	(316.07)	(320.77)	(4.31)	(117.24)	(315.47)	(16.33)	(1,092.14)
Currency translation differences	3.83	39.72	15.37	3.18	0.72	(0.42)	0.35	62.75
Accumulated amortisation as at March 31, 2023	**155.40**	**2,561.40**	**833.33**	**75.36**	**112.70**	**102.91**	**26.75**	**3,867.85**
Net carrying amount as at March 31, 2023	**133.08**	**6,541.72**	**630.82**	**99.28**	**303.56**	**86.59**	**5.99**	**7,801.04**
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**

The Company has committed towards leases of Plant Machinery and Equipments which have not yet commenced for ₹**19.48 crores** as on March 31, 2023 (₹ 22.00 crores as on March 31, 2022). There are no leases with residual value guarantees.

(C) There are certain vehicles which are being given to the customers along with operations and maintenance of the same. These are accounted as finance lease as the material risks and rewards are transferred to the lessee.
The average effective interest rate contracted approximates **3.67% to 8.50%** (2022: 3.67% and 8.10%) per annum.

Notes
forming part of Consolidated Financial Statements

The following amounts are included in the Consolidated Balance Sheet :

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Current lease receivables	39.14	28.92
Non-current lease receivables	539.13	430.70
Total lease receivables	**578.27**	**459.62**

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

(₹ in crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales Revenue for finance leases	138.94	278.58
Finance income on the net investment in finance leases	47.03	26.02

The table below provides details regarding the contractual maturities of finance lease liabilities as at March 31, 2023:

(₹ in crores)

	As at March 31, 2023				
	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	39.14	45.68	157.24	336.21	578.27

The table below provides details regarding the contractual maturities of finance lease liabilities as at March 31, 2022:

	As at March 31, 2022				
	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

5. Goodwill

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	807.17	803.72
Currency translation differences	33.43	3.45
Balance at the end	**840.60**	**807.17**

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
The carrying amount of goodwill has been allocated to CGU as follows:		
Passenger vehicles - automotive and related activity segment (Tata and other brand vehicles)	99.09	99.09
Others - software consultancy and service	741.51	708.08
Total	**840.60**	**807.17**

The recoverable amount has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

As at March 31, 2023, the estimated cash flows for a period of 5 years were developed using internal forecasts, and a pre-tax discount rate of 14.996%. The cash flows beyond 5 years have been extrapolated assuming 5% long-term growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.The recoverable value was also determined using the Fair value less cost of Disposal, using Comparable Company Market Multiple method which is significantly higher than the carrying amount.

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6. Other intangible assets

(A) Accounting policy

Intangible assets purchased, including those acquired in business combinations, are measured at cost which is the fair value as of the date of acquisition where applicable less accumulated amortization and impairment, if any. Intangible assets with indefinite lives are reviewed annually to determine whether an indefinite-life assessment continues to be supportable. If not, the change in the useful-life assessment from indefinite to finite is made on a prospective basis.

For intangible assets with finite lives, amortization is provided on a straight-line basis over the estimated useful lives of the acquired intangible assets as per the estimated amortization period below

Type of Asset	Estimated amortization period
Patents and technological know-how	2 to 12 years
Computer software	1 to 8 years
Customer related intangibles - Dealer network	20 years
Intellectual property rights	3 to 10 years
Product development costs	2 to 10 years

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

Internally generated intangible asset

Research costs are charged to the consolidated statement of profit and loss in the year in which they are incurred.

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

The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use. Interest cost incurred is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

Product development expenditure is measured at cost less accumulated amortisation and impairment, if any.

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(B) Other intangible assets

(₹ in crores)

	Software	Patents and technological know how	Customer related	Intellectual property rights and other intangibles	Indefinite life trade marks and patents	Product development	Total
Cost as at April 1, 2022	**9,696.28**	**1,746.69**	**653.86**	**367.04**	**6,147.73**	**105,254.48**	**123,866.08**
Additions	667.60	86.89	-	-	-	6,874.76	7,629.25
Asset fully amortised not in use	(27.77)	(0.21)	-	-	-	(11,020.79)	(11,048.77)
Currency translation differences	253.16	31.90	12.93	7.95	75.14	2,125.90	2,506.98
Cost as at March 31, 2023	**10,589.27**	**1,865.27**	**666.79**	**374.99**	**6,222.87**	**103,234.35**	**122,953.54**
Accumulated amortisation as at April 1, 2022	**7,477.08**	**1,631.61**	**481.02**	**249.20**	**1,462.01**	**62,103.03**	**73,403.95**
Amortization for the year	720.24	24.62	24.53	28.67	-	11,155.98	11,954.04
Asset fully amortised not in use	(27.77)	(0.21)	-	-	-	(11,020.79)	(11,048.77)
Currency translation differences	249.23	(33.51)	11.12	15.12	55.46	1,550.21	1,847.63
Accumulated amortisation as at March 31, 2023	**8,418.78**	**1,622.51**	**516.67**	**292.99**	**1,517.47**	**63,788.43**	**76,156.85**
Net carrying amount as at March 31, 2023	**2,170.49**	**242.76**	**150.12**	**82.00**	**4,705.40**	**39,445.92**	**46,796.69**
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**

(C) Intangible assets under development

(₹ in crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning	**6,722.05**	**12,586.79**
Additions*	9,385.40	6,060.61
Transferred to cost of other intangible assets	(7,107.67)	(11,813.07)
Provision for impairment/Write off	(178.98)	(91.81)
Currency translation impact	233.83	(20.47)
Balance at the end	**9,054.63**	**6,722.05**

Note:

* the additions during the year include allocation of central overheads amounting to ₹ **782.66 crores** (₹ 529.41 crores as at March 31, 2022).

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(D) The useful life of trademarks and brands in respect of the acquired Jaguar Land Rover businesses have been determined to be indefinite as the Company expects to generate future economic benefits indefinitely from these assets.

(E) Ageing of intangible assets under development

(₹ in crores)

	As at March 31, 2023				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	7,688.25	930.91	301.48	133.99	9,054.63
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2023	7,688.25	930.91	301.48	133.99	9,054.63

	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**

(F) Expected Completion schedule of intangible assets under development where cost and time overrun has exceeded original plan

(₹ in crores)

	As at March 31, 2023				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	-	-	-	-	-
Various Projects*	1,431.13	23.42	-	-	1,454.55
Projects temporarily suspended					
	1,431.13	**23.42**	**-**	**-**	**1,454.55**

	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
	5,082.14	**10.70**	**-**	**270.36**	**5,363.20**

*Individual projects less than 10% of total Intangible assets under development have been clubbed together in various projects.

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

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7. Impairment assessment of Jaguar Land Rover Business

The operations of subsidiary Jaguar Land Rover (JLR), excluding equity accounted investments, represents a single cash-generating unit ("CGU"). This is because of the closely connected nature of the cash flows and the degree of integrated development and manufacturing activities.

In accordance with accounting standard, management have performed an impairment assessment as at January 31, 2023. The date of the assessment was changed from that of the prior year (March 31, 2022) to better align with the business plan cycle.

The impairment assessment determined that the CGU recoverable value exceeded the carrying amount by ₹15,246.72 crores (£1,500 million) (2022:₹5,965.40 crores (£600 million) and therefore no impairment was identified. The increase in headroom has largely been driven by the improved performance experienced in the latter part of the year. It was further determined that this increase did not require the reversal of the previously recorded impairment loss as the underlying drivers for the increased headroom do not reflect a change in the assumptions used when the impairment was recognised.

JLR has considered it appropriate to undertake the impairment assessment with reference to the approved business plan that was in effect as at the assessment date. The business plan includes a five-year cash flow forecast and contains growth rates that are primarily a function of the JLR's Cycle Plan assumptions, historic performance and management's expectation of future market developments through to 2027/28.

In estimating the future cash flows management have given due consideration to the inherent uncertainty of forecast information and have adjusted some of the assumptions in the business plan to take into account possible variations in the amount or timing of the cashflows. In doing so, management has incorporated the following risks into the VIU, as well as other risks that may impact future cash flows.

- execution risks associated with our 'Reimagine' strategy and the transition to electrified powertrain, with the supporting transformation plan 'Refocus 2.0', which includes a dedicated environmental sustainability strategy – 'Planet Regenerate'
- near-term supply chain challenges related to global chip shortages which has continued to impact JLR in FY23: and
- economical and geopolitical factors increasing inflationary pressures, driving up material costs in particular.

Climate risk - JLR recognises that the potential impact of climate risk to areas such as supply chain, operations, and material and compliance costs may result in variations to the timing and amounts of future cash flows. As such climate risk is incorporated into the development of our forecast cash flows in the VIU by reference to our climate change risk assessment. These risks are principally reflected by the risk adjustments related to the variable profit and volumes which would be most affected by climate change events, for example, scarcity of certain commodities driving up costs and therefore adversely impacting variable profit.

Key assumptions

The assessment of impairment is based on forecasts of future cashflows which are inherently uncertain and are developed using informed assumptions such as historical trends and market information. The key assumptions are:

(i) the recoverable amount is most sensitive;

(ii) involve a significant amount of judgement and estimation; and

(iii) drive significant changes to the recoverable amount when flexed under reasonably possible outcomes.

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Variable profit per unit and volumes – The approach to determining the forecast variable profit per unit and volumes is based on consideration of historical performance, the order bank, profit optimisation efforts and Group Cycle Plan assumptions, along with the impact of risks on future cashflows discussed above. A small change in either assumption may have a significant impact to future cashflows and for this reason, as well as the impact of risks associated with supply and inflationary pressures on variable profit and volumes, JLR consider variable profit per unit and volumes to be key assumptions. Further, the variable profit per unit and volumes included in the business plan are largely driven by an updated portfolio, which includes estimates and judgements related to the transition to electrified powertrain, including the introduction of new Jaguar.

Terminal value capital expenditure – the five year cash flows timing and amount are based on the latest Cycle Plan. The terminal value is based on the best estimate of a maintenance level of capital expenditure which has been derived from depreciation and amortisation expectations and funding requirements in responses to longer-term industry trends and risks informed by those listed above, which are anticipated in the VIU calculation. Due to the judgement and estimation involved in the calculation of terminal value capital expenditure, as well as the sensitivity of the recoverable amount to any change in the value, JLR consider this to be a key assumption.

Discount rate – the approach to determining the discount rate is based on the Capital Asset Pricing Model and a market participant after tax cost of debt. These inputs are based on a typical build up approach, calculated using country specific premiums without size premium and with an unlevered equity Beta with reference to industry peers. The discount rate is regarded as a key assumption as it is the rate which drives the discounted cashflows used to determine the VIU of the CGU primarily due to the level of judgement and estimation involved and the sensitivity of the recoverable amount to small changes in the percentage.

The VIU assessment is sensitive to certain assumptions, such as Sales, General & Administration ("SG&A") costs, due to the relative total value but involve limited judgement and estimation, and significant changes are not considered reasonably possible, and therefore are not considered to be key assumptions. Similarly, certain assumptions which involve greater judgement and estimation, such as growth rate, but for which even relatively significant changes have a limited impact on the assessment are not regarded as key assumptions.

Sensitivity to Key Assumptions

The value of key assumptions used to calculate the recoverable amount are as follows:

	As at March 31, 2023	As at March 31, 2022
Pre-tax discount rate	15.6%	13.4%
Terminal value variable profit (%GVR)*	23.9%	24.8%
Terminal value capital expenditures (%GVR)	8.3%	10.0%

* Based on forecast variable profit per unit and volumes

Sensitivity to reasonably possible changes to key assumptions

Given the inherent uncertainty about the timing and amount of any change in key assumptions, as well as the significant portion of the recoverable amount related to the VIU terminal value, JLR consider a net impact on terminal period cash flows to be the best means of indicating the sensitivity of key assumptions.

JLR considers the variable profit and volumes assumptions to be interdependent as movement in one assumption will impact the other, impacting the overall variable profit. For example, the profit optimisation efforts discussed above will likely result in higher average variable profit per unit with lower volumes whereas a focus on volumes would likely see a reduction in the average variable profit per unit. Consequently, the terminal value variable profit sensitivity below incorporates sensitivity in volumes via the impact on variable profit.

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The table below shows the amount by which the value assigned to the key assumptions must change for the recoverable amount of the CGU to be equal to its carrying amount, none of which are considered to be reasonably plausible:

	As at March 31, 2023	As at March 31, 2022
	% Change	
Pre-tax discount rate	31.4%	8.7%
Terminal value variable profit (%GVR)	(5.5)%	(2.1)%
Terminal value capital expenditures (%GVR)	17.5%	5.8%

8. Reversal of impairment in subsidiaries

As part of slump sale (passenger vehicle undertaking), the investments in wholly owned subsidiaries of the Company engaged in designing services namely Tata Motors European Technical Centre PLC (TMETC) and Trilix S.r.l (Trilix) have been transferred to Tata Motors Passenger Vehicle Limited, a wholly owned subsidiary of the Company, w.e.f. January 1, 2022. These subsidiaries were then transferred to Tata Passenger Electric Mobility Ltd., another wholly owned subsidiary of the Company.During the year ended March 31, 2023 the Company reassessed the recoverable value of assets belonging to Tata Motors European Technical Centre PLC (TMETC) and accordingly provision for impairment towards the assets is reversed amounting to **₹214.39 crores. (£23.57 million)**. During the previous year the Company reassessed the recoverable value of TMETC business and accordingly reversed the provision of impairment of ₹38.18 crores (£3.8 million) and also reversed the impairment to the tune of ₹48.08 crores (€5.6 million) with respect to Trilix.

9. Investments in equity accounted investees:

(a) Associates:

The Company has no material associates as at March 31, 2023. The aggregate summarized financial information in respect of the Company's immaterial associates that are accounted for using the equity method is set forth below.

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Carrying amount of the Company's interest in associates	1,329.81	1,159.81

	As at March 31, 2023	As at March 31, 2022
Company's share of profit/(loss) in associates *	192.03	131.40
Company's share of other comprehensive income in associates	(0.34)	5.14
Company's share of total comprehensive income in associates	191.69	136.54

(i) Fair value of investment in an equity accounted associate for which published price quotation is available, which is a level 1 input, was **₹218.95 crores** and ₹283.07 crores as at March 31, 2023 and 2022, respectively. The carrying amount as at March 31, 2023 and 2022 was **₹151.31 crores** and ₹140.72 crores, respectively.

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(b) Joint ventures:

(i) Details of the Company's material joint venture is as follows:

Name of joint venture	Principal activity	Principal place of the business	% holding as at March 31,	
			2023	2022
Chery Jaguar Land Rover Automotive Co. Limited (Chery)	Manufacture and assembly of vehicles	China	50%	50%

Chery is a limited liability company, whose legal form confers separation between the parties to the joint arrangement. There is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint venture have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, Chery is classified as a joint venture. Chery is not publicly listed.

The following tables sets out the summarised financial information of Chery after adjusting for material differences in accounting policies:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Current assets	6,592.45	6,253.93
Non-current assets	12,873.54	14,343.24
Current liabilities	(11,948.02)	(13,722.53)
Non-current liabilities	(749.58)	(421.66)
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	4,028.79	3,887.42
Current financial liabilities (excluding trade and other payables and provisions)	(3,447.19)	(4,441.11)
Non-current financial liabilities (excluding trade and other payables and provisions)	(723.06)	(384.50)
Share of net assets of material joint venture	3,384.20	3,226.49
Other consolidation adjustments	(48.47)	(46.82)
Carrying amount of the Company's interest in joint venture	3,335.73	3,179.67

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue	16,181.42	16,988.45
Net income/(loss)	285.61	(369.59)
Total comprehensive Income/(loss) for the year	285.61	(369.59)
The above net income includes the following:		
Depreciation and amortization	(1,695.39)	(1,842.37)
Interest income	97.99	50.89
Interest expense (net)	(138.65)	(173.04)
income tax expense/(credit)	(104.56)	203.58

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Reconciliation of above summarized financial information to the carrying amount of the interest in the joint venture recognized in the consolidated financial statements:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Net assets of the joint venture	6,768.39	6,452.98
Proportion of the Company's interest in joint venture	3,384.20	3,226.49
Other consolidation adjustments	(48.47)	(46.82)
Carrying amount of the Company's interest in joint venture	**3,335.73**	**3,179.67**

(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, 2023	As at March 31, 2022
Carrying amount of the Company's interest in joint ventures	10.13	9.91

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Company's share of profit/(loss) in immaterial joint ventures*	-	-
Company's share of other comprehensive income in immaterial joint ventures	0.22	(0.13)
Company's share of total comprehensive income in immaterial joint ventures	**0.22**	**(0.13)**

(c) Summary of carrying amount of the Company's interest in equity accounted investees:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Carrying amount in immaterial associates	1,329.81	1,159.81
Carrying amount in material joint venture	3,335.73	3,179.67
Carrying amount in immaterial joint ventures	10.12	9.91
Total	**4,675.66**	**4,349.39**

(d) Summary of Company's share of profit/(loss) in equity accounted investees:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Share of profit/(loss) in immaterial associates	192.03	131.40
Share of profit/(loss) in material joint venture	142.81	(184.80)
Share of profit/(loss) on other adjustments in material joint venture	1.54	(20.66)
Share of profit/(loss) in immaterial joint ventures	-	-
	336.38	**(74.06)**

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Share of other comprehensive income in immaterial associates	6.29	4.77
Currency translation differences-immaterial associates	(6.63)	0.37
Currency translation differences-material joint venture	11.71	217.65
Currency translation differences-immaterial joint ventures	0.22	(0.13)
	11.59	**222.66**

* Company's share of profit/(loss) of the equity accounted investees has been determined after giving effect for the subsequent amortization/depreciation and other adjustments arising on account of fair value adjustments made to the identifiable net assets of the equity accounted investee as at the date of acquisition and other adjustment arising under the equity method of accounting.

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10. Other Investments - non-current

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	**Investments - measured at Fair value through Other Comprehensive Income**		
	Quoted:		
	Equity shares	643.31	802.91
	Unquoted:		
	Equity shares	691.65	669.71
	Total	**1,334.96**	**1,472.62**
(b)	**Investments - measured at Fair value through profit or loss**		
	Quoted:		
	(i) Investment in government securities	9.49	-
	(ii) Others	4.89	-
	Unquoted:		
	(i) Non-cumulative redeemable preference shares	0.40	0.40
	(ii) Cumulative redeemable preference shares	1.50	1.50
	(iii) Equity shares	370.64	248.60
	(iv) Convertible debentures	67.31	55.19
	Total	**454.23**	**305.69**
(c)	**Investments - measured at amortised cost**		
	Quoted:		
	(i) Investment in government securities	1,076.00	542.61
	Total	**1,076.00**	**542.61**
	Total (a+b+c)	**2,865.19**	**2,320.92**
	Aggregate book value of quoted investments	1,733.69	1,345.52
	Aggregate market value of quoted investments	1,733.69	1,345.52
	Aggregate book value of unquoted investments	1,131.50	975.40

11. Other Investments - current

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	**Investments - measured at Fair value through profit and loss**		
	Unquoted:		
	(i) Mutual funds	4,076.48	5,752.62
	(ii) Convertible debentures	-	51.50
	Total	**4,076.48**	5,804.12
(b)	**Investments - measured at amortised cost**		
	Quoted:		
	Investment in government securities	134.45	685.62
	Unquoted:		
	Mutual funds	14,627.38	16,219.48
	Total	**14,761.83**	**16,905.10**
	Total (a+b)	**18,838.31**	**22,709.22**
	Aggregate book value of unquoted investments	18,703.86	22,023.60
	Aggregate book value of quoted investments	134.45	685.62
	Aggregate market value of quoted investments	134.45	685.62

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12. Loans and advances

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
Non-current			
Secured, considered good:			
(a)	Loans to channel partners (Net of allowances for credit impaired balances ₹**Nil** and ₹16.99 crores as at March 31, 2023 and 2022, respectively.	609.89	691.83
Unsecured, considered good:			
(a)	Loans to employees	49.42	28.97
(b)	Deposits (Net of allowances for credit impaired balances ₹**3.00 crores** and ₹1.75 crores as at March 31, 2023 and 2022, respectively.)	59.59	60.48
(c)	Advances to channel partners (Net of allowances for credit impaired balances ₹**26.89 crores** and ₹27.22 crores as at March 31, 2023 and 2022, respectively).	125.34	44.75
(d)	Loans to channel partners	24.02	13.29
(e)	Others	2.39	4.03
	Total	**870.65**	**843.35**
Current			
Secured, considered good:			
(a)	Loans to channel partners	69.38	73.77
Unsecured, considered good:			
(a)	Advances to supplier, contractors etc. (Net of allowances for credit impaired balances ₹**61.92 crores** and ₹89.39 crores as at March 31, 2023 and 2022, respectively)	2,179.31	1,546.74
(b)	Loans to channel partners	49.85	47.12
(c)	Inter corporate deposits	4.30	4.30
	Total	**2,302.84**	**1,671.93**

13. Other financial assets

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
Non-current			
(a)	Derivative financial instruments	2,686.01	2,017.59
(b)	Security deposits	196.00	152.00
(c)	Interest accrued on loans and deposits	106.47	25.50
(d)	Deposits with banks	192.13	83.24
(e)	Deposit with financial institutions	900.00	-
(f)	Restricted deposits	133.53	209.98
(g)	Margin money / cash collateral with banks	53.06	363.84
(h)	Government grant receivables	1,648.83	1,224.10
(i)	Recoverable from suppliers	557.92	664.82
(j)	Finance Lease receivables	539.13	430.70
(k)	Other deposits	14.58	7.72
	Total	**7,027.66**	**5,179.49**

Margin money with banks in restricted cash deposits consists of collateral provided for transfer of finance receivables. Restricted deposits as at March 31, 2023 and 2022 includes ₹**54.24 crores** and ₹64.14 crores, respectively, held as a deposit in relation to ongoing legal cases.

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(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
Current			
(a)	Derivative financial instruments	1,157.49	1,918.49
(b)	Security deposits	209.49	136.67
(c)	Interest accrued on loans and deposits	45.86	27.49
(d)	Government grant receivable	380.53	522.75
(e)	Deposit with financial institutions	100.23	300.00
(f)	Recoverable from suppliers	536.86	626.08
(g)	Finance Lease receivables	39.14	28.92
(h)	Others	317.12	239.42
	Total	**2,786.72**	**3,799.82**

14. Inventories

(A) Accounting Policy

Inventories (other than those recognised consequent to the sale of vehicles subject to repurchase arrangements) are valued at the lower of cost and net realisable value. Cost of raw materials, components and consumables are ascertained on a first in first out basis. Cost, including fixed and variable production overheads, are allocated to work-in-progress and finished goods determined on a full absorption cost basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses. Inventories include vehicles sold subject to repurchase arrangements. These vehicles are carried at cost to the Company and are amortised in changes in inventories of finished goods to their residual values (i.e., estimated second hand sale value) over the term of the arrangement.

(B) Inventories consist of the following:

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Raw materials and components	4,164.96	4,032.42
(b)	Work-in-progress	5,840.74	5,596.54
(c)	Finished goods	29,171.27	23,885.39
(d)	Stores and spare parts	228.91	208.02
(e)	Consumable tools	465.87	468.33
(f)	Goods-in-transit - Raw materials and components	883.64	1,049.64
	Total	**40,755.39**	**35,240.34**

Notes:

(i) Inventories of finished goods include ₹**4,086.12 crores** and ₹3,589.18 crores as at March 31, 2023 and 2022, respectively, relating to vehicles sold subject to repurchase arrangements.

(ii) Cost of goods sold recognised as expense during the year ended March 31, 2023 and 2022 amounted to ₹**2,46,274.56 crores** and ₹2,06,761.79 crores, respectively.

(iii) During the year ended March 31, 2023 and 2022, the Company recorded inventory write-down expense of ₹**723.20 crores** and ₹125.34 crores, respectively.

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15. Trade receivables (Unsecured)

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Receivables considered good	15,737.97	12,442.12
Credit impaired receivables	821.24	851.56
	16,559.21	13,293.68
Less : Allowance for credit impaired receivables	(821.24)	(851.56)
Total	**15,737.97**	**12,442.12**

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, 2023	As at March 31, 2022
(a)	Cash on hand	7.72	11.47
(b)	Cheques on hand	198.07	156.24
(c)	Balances with banks	8,067.10	10,310.66
(d)	Deposits with banks	23,614.06	27,680.64
	Total	**31,886.95**	**38,159.01**

17. Bank balances

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
With upto 12 months maturity:			
(a)	Earmarked balances with banks (refer notes below)	641.51	472.60
(b)	Bank deposits	4,487.10	2,037.58
	Total	**5,128.61**	**2,510.18**

Notes:

Earmarked balances with bank includes ₹**504.00 crores** and ₹316.71 crores as at March 31, 2023 and 2022, respectively held as security in relation to interest and repayment of bank borrowings. Out of these deposits, ₹**233.81 crores** and ₹180.71 crores as at March 31, 2023 and 2022, respectively are pledged till the maturity of the respective borrowings.

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18. Finance receivables

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Finance receivables	32,741.43	35,038.63
Less: allowance for credit losses	(1,907.71)	(1,807.43)
Total	**30,833.72**	**33,231.20**
Current portion	23,417.31	22,095.35
Non-current portion	7,416.41	11,135.85
Total	**30,833.72**	**33,231.20**

Changes in the allowance for credit losses in finance receivables are as follows:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	1,807.43	1,247.68
Allowances made during the year	2,039.15	1,307.59
Written off	(1,938.87)	(747.84)
Balance at the end	**1,907.71**	**1,807.43**

19. Allowance for trade and other receivables

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Change in the allowances for trade and other receivables are as follows:		
Balance at the beginning	1,155.81	1,274.38
Allowances made during the year*	80.63	151.26
Written off	(129.04)	(259.22)
Foreign exchange translation differences	0.88	(10.61)
Balance at the end	**1,108.28**	**1,155.81**

* Includes ₹**33.77 crores** and ₹32.26 crores netted off in revenues as at March 31, 2023 and 2022, respectively.

20. Other non-current assets

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Capital advances	363.25	217.43
(b)	Taxes recoverable, statutory deposits and dues from government (net of allowances for credit impaired balances of ₹**31.66 crores** and ₹31.66 crores as at March 31, 2023 and 2022, respectively)	644.74	621.59
(c)	Prepaid expenses	764.46	282.53
(d)	Recoverable from insurance companies	96.52	199.74
(e)	Employee benefits	6,732.82	4,316.94
(f)	Others	0.26	0.98
	Total	**8,602.05**	**5,639.21**

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21. Other current assets

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Advances and other receivables (Net of allowances for credit impaired balances ₹**56.07 crores** and ₹53.59 crores as at March 31, 2023 and 2022, respectively.)	980.59	815.21
(b)	GST/VAT, other Taxes recoverable, statutory deposits and dues from government (Net of allowances for credit impaired balances ₹**107.50 crores** and ₹83.66 crores as at March 31, 2023 and 2022, respectively.)	5,486.49	4,031.28
(c)	Prepaid expenses	2,256.78	2,029.30
(d)	Others	863.47	690.09
	Total	**9,587.33**	**7,565.88**

22. Income taxes

(A) Accounting Policy

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the consolidated statement of profit and loss except when they relate to items that are recognised outside of profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination the tax effect is included in the accounting for the business combination. Current income taxes are determined based on respective taxable income of each taxable entity.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognised to the extent it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forwards and unused tax credits could be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

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(B) The domestic and foreign components of profit/(loss) before income tax is as follows:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(loss) before income taxes		
India	1,359.41	(2,887.49)
Other than India	1,698.14	(4,115.92)
Total	**3,057.55**	**(7,003.41)**

The domestic and foreign components of income tax expense is as follows:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Current taxes		
India	446.92	339.73
Other than India	2,811.43	2,330.25
Deferred taxes		
India	(1,496.28)	(12.43)
Other than India	(1,058.01)	1,573.74
Total income tax expense	**704.06**	**4,231.29**

The reconciliation of income tax expense calculated as per tax rates applicable to individual entities with income tax expense/(credit) reported in the consolidated statement of profit and loss is as follows:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(Loss) before tax	3,057.55	(7,003.41)
Income tax expense at tax rates applicable to individual entities	1,116.55	(947.68)
Items (net) not deductible for tax/not liable to tax :		
- foreign currency (gain)/loss relating to loans and deposits (net), foreign currency (gain)/loss arising on account of Integral foreign operations.	(49.80)	(3.83)
- interest and other expenses relating to borrowings for investment	72.20	63.86
- Others	(88.33)	160.76
Undistributed earnings of subsidiaries, joint operations and equity accounted investees	602.29	407.25
Deferred tax assets not recognised because realisation is not probable	692.17	3,528.19
Deferred tax assets recognized on unabsorbed depreciation and others (refer note 3 below)	(1,977.01)	-
Deferred tax assets recognized on Long term capital loss	(150.48)	-
Previously recognised deferred tax assets written down	-	(6.34)
Utilization/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	(547.45)	(725.34)
Effect of change in statutory tax rates	19.32	2.04
Profit on sale of passenger vehicle undertaking (Common control transaction)	-	1,282.92
Impact of change in rates on moving to new tax regime (refer note 2 below)	522.36	-
Profit on sale of Defence Business	-	(0.88)
Others	492.24	470.34
Income tax expense reported in consolidated statement of profit and loss	**704.06**	**4,231.29**

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Notes :

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 percent with effect from 1 April 2023 was announced in the Budget on 3 March 2021, and was substantively enacted on 24 May 2021.

   Accordingly, JLR UK deferred tax has been provided at a rate of 25% on assets (2022: 25%) and 25% on liabilities (2022: 25%), recognising the applicable tax rate at the point when the timing difference is expected to reverse.

2. The Company has opted for the New Tax Regime inserted by section 115BAA of the Income Tax Act, 1961 ("Act") and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial year beginning April 1, 2019. It has accordingly applied the tax rate as applicable under the provision of section 115BAA of the Act, in the financial statement for the year ended March 31, 2023.

3. During the year ended March 31, 2023, the Company recognised Deferred Tax Assets on previously unrecognised unused unabsorbed depreciation and long term capital losses incurred in the current year based on the probability of sufficient taxable profit in future periods, mostly those arising from planned divestments which will yield capital gains against which such unabsorbed depreciation and capital loss will be set off. Accordingly, ₹ **1,615.42 crores** deferred tax has been recognised as at March 31, 2023.

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

(₹ in crores)

	Opening balance	Impact of change in tax rates recognised in statement of profit and loss (Refer Note 22 (B) (2)	Recognised in statement of profit and loss	Recognised in/reclassified from other comprehensive income		MAT utilisation	Closing balance
				Translation	Other than translation		
Deferred tax assets:							
Unabsorbed depreciation	2,228.20	(873.80)	1,495.93	(0.12)	-	-	2,850.21
Business loss carry forwards	300.27	-	1,956.84	216.95	-	-	2,474.06
Other tax losses -Long term capital loss	-	-	150.48	-	-	-	150.48
Expenses deductible in future years:							
- provisions, allowances for doubtful receivables and others	3,145.72	(113.05)	(169.99)	25.12	0.01	-	2,887.81
Compensated absences and retirement benefits	(828.80)	(42.34)	(429.39)	(78.98)	39.77	-	(1,339.74)
Minimum alternate tax carry-forward	50.86	-	188.45	-	-	(124.80)	114.51
Property, plant and equipment	10,826.87	-	(3,027.31)	(83.24)	-	-	7,716.32
Derivative financial instruments	1,348.25	(29.79)	380.40	42.73	(1,166.04)	-	575.55
Unrealised profit on inventory	764.51	-	405.25	60.12	-	-	1,229.88
Others	203.23	(27.80)	1,981.83	195.24	5.24	-	2,357.74
Total deferred tax assets	**18,039.11**	**(1,086.78)**	**2,932.49**	**377.82**	**(1,121.02)**	**(124.80)**	**19,016.82**
Deferred tax liabilities:							
Property, plant and equipment	2,099.44	(564.33)	251.72	0.08	-	-	1,786.91
Intangible assets	11,343.57	(172.07)	(514.35)	195.66	-	-	10,852.81
Undistributed earnings in subsidiaries, joint operations and equity accounted investees	1,804.17	221.05	130.41*	38.00	-	-	2,193.63
Fair valuation of retained interest in a subsidiary subsequent to disposal of controlling equity interest	16.95	-	-	-	-	-	16.95
Others	462.57	(49.07)	(11.94)	0.73	(13.49)	-	388.80
Total deferred tax liabilities	**15,726.70**	**(564.42)**	**(144.16)**	**234.47**	**(13.49)**	**-**	**15,239.10**
Net assets/(liabilities)	**2,312.41**	**(522.36)**	**3,076.65**	**143.35**	**(1,107.53)**	**(124.80)**	**3,777.72**
Deferred tax assets							5,184.67
Deferred tax liabilities							(1,406.95)

* Net off ₹ **250.83 crores** reversed on dividend distribution by subsidiaries.

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As at March 31, 2023, unrecognized deferred tax assets amount to ₹**15,022.49 crores** and ₹ **2,796.42 crores,** which can be carried forward indefinitely and up to a specified period, respectively. These relate primarily to 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)
2024	52.69
2025	524.57
2026	45.04
2027	322.21
2028	842.43
Thereafter	1,009.48

The Company has not recognized deferred tax liability on undistributed profits of certain subsidiaries amounting to ₹ **28,177.20 crores** and ₹28,735.73 crores as at March 31, 2023 and 2022, respectively, because it is able to control the timing of the reversal of temporary differences associated with such undistributed profits and it is probable that such differences will not reverse in the foreseeable future.

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

(₹ in crores)

	Opening balance	Recognised in profit or loss	Recognised in/reclassified from other comprehensive income		Movement due to common control business combination **	Closing balance
			Translation	Other than translation		
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 of subsidiaries, joint operations and equity accounted investees	1,764.30	52.00 *	(12.13)	-	-	1,804.17
Fair valuation of retained interest in a subsidiary subsequent to disposal of controlling equity interest	16.95	-	-	-	-	16.95
Others	244.53	119.19	(0.27)	99.12	-	462.57
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.

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23. Equity Share Capital

(₹ in crores)

			As at March 31, 2023	As at March 31, 2022
(a)	**Authorised:**			
	(i)	**400,00,00,000** Ordinary shares of ₹2 each	800.00	800.00
		(as at March 31, 2022: 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, 2022: 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, 2022: 30,00,00,000 shares of ₹100 each)		
		Total	**4,000.00**	**4,000.00**
(b)	**Issued: [Note (h)]**			
	(i)	**3,32,18,36,884** Ordinary shares of ₹2 each	664.37	664.23
		(as at March 31, 2022: 3,32,11,54,566 Ordinary shares of ₹2 each)		
	(ii)	**50,87,36,110** 'A' Ordinary shares of ₹2 each	101.75	101.75
		(as at March 31, 2022: 50,87,36,110 'A' Ordinary shares of ₹2 each)		
		Total	**766.12**	**765.98**
(c)	**Subscribed and called up: [Note (h)]**			
	(i)	**3,32,13,44,325** Ordinary shares of ₹2 each	664.27	664.13
		(as at March 31, 2022: 3,32,06,62,007 Ordinary shares of ₹2 each)		
	(ii)	**50,85,02,896** 'A' Ordinary shares of ₹2 each	101.70	101.70
		(as at March 31, 2022: 50,85,02,896 'A' Ordinary shares of ₹2 each)		
			765.97	**765.83**
(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, 2022: 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):**		**765.97**	**765.83**
(f)	**Forfeited** - Ordinary shares		0.05	0.05
	Total (e + f)		**766.02**	**765.88**

* less than ₹50,000/-

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

		Year ended March 31, 2023		Year ended March 31, 2022	
		(Number of shares)	(₹ in crores)	(Number of shares)	(₹ in crores)
(i)	**Ordinary shares**				
	Balance as at April 1	3,32,06,62,007	664.13	3,32,03,07,765	664.06
	Add: Allotment of shares on exercise of stock options by employees	682,318	0.14	354,242	0.07
	Balance as at March 31	**3,32,13,44,325**	**664.27**	**3,32,06,62,007**	**664.13**
(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**

(h) The entitlements to **4,92,559** Ordinary shares of ₹2 each (as at March 31, 2022 : 4,92,559 Ordinary shares of ₹2 each) and **2,33,214 'A'** Ordinary shares of ₹2 each (as at March 31, 2022: 233,214 'A' Ordinary shares of ₹2 each) are subject matter of various suits filed in the courts / forums by third parties for which final order is awaited and hence kept in abeyance.

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

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

→ The Company has two classes of shares – the Ordinary shares and the 'A' Ordinary shares both of ₹2 each (together referred to as shares). In respect of every Ordinary share (whether fully or partly paid), voting rights shall be in the same proportion as the capital paid up on such Ordinary share bears to the total paid up Ordinary share capital of the Company. In case of every 'A' Ordinary share, if any resolution is put to vote on a poll or by postal ballot at any general meeting of shareholders, the holder shall be entitled to one vote for every ten 'A' Ordinary shares held as per the terms of its issue and if a resolution is put to vote on a show of hands, the holder of 'A' Ordinary shares shall be entitled to the same number of votes as available to holders of Ordinary shares.

→ The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also declare an interim dividend. The holders of 'A' Ordinary shares shall be entitled to receive dividend for each financial year at five percentage point more than the aggregate rate of dividend declared on Ordinary shares for that financial year.

→ In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(ii) American Depositary Shares (ADSs) and Global Depositary Shares (GDSs) :

The Company notified the New York Stock Exchange (the "NYSE") on November 9, 2022 of its intent to: (i) voluntarily delist its American Depositary Shares (the "ADSs"), each representing five (5) Ordinary Shares of the Company, par value of Rs. 2 per share (the "Ordinary Shares"), from the NYSE; (ii) deregister such ADSs, its Ordinary Shares underlying such ADSs, and its 'A' Ordinary Shares, par value of Rs.2 per share, issued in connection with the 2015 rights offering by the Company ("'A' Ordinary Shares", and together with the ADSs and the Ordinary Shares underlying such ADSs, the "Securities") from the U.S. Securities and Exchange Commission (the "SEC"); and (iii) terminate its reporting obligations under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

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

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

		As at March 31, 2023		As at March 31, 2022	
		% Issued Share Capital	Number of Shares	% Issued Share Capital	Number of Shares
(i)	**Ordinary shares :**				
	(a) Tata Sons Private Limited	43.72%	1,45,21,13,801	43.73%	1,45,21,13,801
	(b) Life Insurance Corporation Of India	5.21%	17,30,87,356	4.75%	15,77,82,041
	(c) Citibank N.A. as Depository	*	*	#	17,09,78,800
(ii)	**'A' Ordinary shares :**				
	(a) Tata Sons Private Limited	7.57%	3,85,11,281	7.57%	3,85,11,281
	(b) ICICI Prudential Balanced Advantage Fund	20.49%	10,41,76,790	15.86%	8,06,52,318

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

* Less than 5%

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

(a) The Company has not issued any shares without payment being received in cash.

(b) The Company has not issued any bonus shares.

(c) The Company has not undertaken any buy-back of shares.

(l) Disclosure of Shareholding of Promoters

	Promoter name	As at March 31, 2023		As at March 31, 2022		% change during the year
		No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	
(i)	**Ordinary shares :**					
	Tata Sons Private Limited	1,45,21,13,801	43.72%	1,45,21,13,801	43.73%	-
(ii)	**'A' Ordinary shares :**					
	Tata Sons Private Limited	38,511,281	7.57%	38,511,281	7.57%	-

Disclosure of Shareholding of Promoters

	Promoter name	As at March 31, 2022		As at March 31, 2021		% change during the year
		No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	
(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%	-

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24. Other components of equity

(a) **The movement of Currency translation reserve is as follows:**

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	8,616.39	8,727.21
Exchange differences arising on translating the net assets of foreign operations (net)	717.31	(328.71)
Net change in translation reserve - equity accounted investees (net)	5.30	217.89
Balance at the end	**9,339.00**	**8,616.39**

(b) **The movement of Equity instruments held as fair value through other comprehensive income(FVTOCI) is as follows:**

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	663.22	320.88
Other Comprehensive income for the year	(131.79)	395.30
Income tax relating to gain/(loss) recognised on equity investments, where applicable	39.42	(52.96)
Balance at the end	**570.85**	**663.22**

(c) **The movement of gain/(loss) on debt instruments held as fair value through other comprehensive income (FVTOCI) is as follows:**

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	399.74	256.78
Other Comprehensive income for the year	78.93	219.75
Income tax relating to gain/(loss) recognised on debt instrument, where applicable	(19.87)	(76.79)
Balance at the end	**458.80**	**399.74**

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

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	(5,519.59)	311.35
Gain/(loss) recognised on cash flow hedges	(6,060.34)	(8,392.07)
Income tax relating to gain/(loss) recognized on cash flow hedges	(24.92)	1,949.36
(Gain)/loss reclassified to profit or loss	5,984.21	(621.37)
Income tax relating to gain/(loss) reclassified to profit or loss	(1,254.73)	126.43
Amounts reclassified from hedge reserve to inventory	394.43	1,366.28
Income tax related to amounts reclassified from hedge reserve to inventory	(74.94)	(259.57)
Balance at the end	**(6,555.88)**	**(5,519.59)**
Of the above balance related to :		
Continued Hedges	(6,552.84)	(5,423.58)
Discontinued Hedges	(3.04)	(96.01)

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(e) **The movement of Cost of hedging reserve is as follows:**

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	65.95	66.88
Gain/(loss) recognised on cash flow hedges	(1,201.96)	139.93
Income tax relating to gain/(loss) recognized on cash flow hedges	134.56	(30.26)
(Gain)/loss reclassified to profit or loss	(20.62)	(219.50)
Income tax relating to gain/(loss) reclassified to profit or loss	(17.42)	40.47
Amounts removed from hedge reserve and recognised in inventory	41.99	84.51
Income tax related to amounts removed from hedge reserve and recognised in inventory	(7.98)	(16.08)
Balance at the end	**(1,005.48)**	**65.95**
Of the above balance related to :		
Continued Hedges	(1,005.58)	61.18
Discontinued Hedges	0.10	4.77

(f) **Summary of Other components of equity:**

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Currency translation reserve	9,339.00	8,616.39
Equity instruments through FVTOCI	570.85	663.22
Debt instruments through FVTOCI	458.80	399.74
Hedging reserve	(6,555.88)	(5,519.59)
Cost of hedging reserve	(1,005.48)	65.95
Total	**2,807.29**	**4,225.71**

25. Notes to reserves and surplus

(a) Securities premium

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

(b) Retained earnings

Retained earnings are the profits that the Company has earned till date.

(c) Capital redemption reserve

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

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(d) Debenture redemption reserve (DRR)

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

(e) Reserve for research and human resource development

In terms of Article 9 of the Act on Special Taxation Restriction in Korea, Tata Daewoo Commercial Vehicle Company Limited (TDCV, a subsidiary of Tata Motors Limited) is entitled for deferment of tax in respect of expenditures incurred on product development cost subject to fulfilment of certain conditions, by way of deduction from the taxable income, provided that TDCV appropriates an equivalent amount from "Retained Earnings" to "Reserve for Research and Human Resource Development".

The deferment is for a period of three years and from the fourth year onwards one-third of the reserve is offered to tax and an equal amount is then transferred from the reserve to "Retained earnings available for appropriation".

(f) Special reserve

The special reserve represents the reserve created by two subsidiaries of Tata Motors Limited pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act") and related regulations applicable to those companies. Under the RBI Act, a non-banking finance company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purposes specified by the RBI.

(g) Earned surplus reserve

Under the Korean commercial code, TDCV is required to appropriate at least 10% of cash dividend declared each year to a legal reserve until such reserves equal to 50% of capital stock. This reserve may not be utilized for cash dividends, but may only be used to offset against future deficits, if any, or may be transferred to capital stock.

(h) Hedge Reserve

Effective portion of fair value gain/(loss) on all financial instruments designated in cash flow hedge relationship are accumulated in hedge reserve.

(i) Cost of hedge reserve

Fair value gain/(loss) attributable to cost of hedge on all financials instruments designated in cash flow hedge relationship are accumulated in cost of hedge reserve.

(j) Capital Reserve

The capital reserve represents the excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration.

(k) Dividends

Any dividend declared by Tata Motors Limited is based on the profits available for distribution as reported in the statutory financial statements of Tata Motors Limited (standalone) prepared in accordance with Generally

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

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

(l) Share-based payments reserve

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

(m) Reserve for Equity instruments through other comprehensive income

Fair value gain/loss arising on equity investment that are designated as held at fair value through Other comprehensive income is included here.

(n) Reserve for Debt instruments through other comprehensive income

Fair value gain/loss arising on debt investment that are designated as held at fair value through Other comprehensive income is included here.

26. Long-term borrowings

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Secured:		
(a) Privately placed Non-Convertible Debentures	-	1,994.68
(b) Collateralized debt obligations	-	332.33
(c) Term loans:		
(i) from banks	10,877.50	11,213.85
(ii) from financial institutions	-	1,345.10
(d) Others	275.86	250.73
Unsecured:		
(a) Privately placed Non-Convertible Debentures	7,689.05	7,884.83
(b) Perpetual Debentures	1,744.09	1,718.20
(c) Term loans:		
(i) from banks	21,585.29	22,790.25
(ii) other parties	360.81	-
(d) Senior notes	46,152.39	49,873.48
(e) Others	10.82	355.72
Total	**88,695.81**	**97,759.17**

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27. Short-term borrowings

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Secured:		
(a) Loans from banks	2,293.93	4,801.28
(b) Current maturities of long-term borrowings	9,936.19	7,739.08
Unsecured:		
(a) Loans from banks	6,878.29	6,478.92
(b) Inter corporate deposits from associates	48.00	241.00
(c) Commercial paper	4,846.62	5,857.18
(d) Current maturities of long-term borrowings	12,961.63	16,800.41
Total	**36,964.66**	**41,917.87**

1) Collaterals against borrowing

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Inventory	189.22	807.88
Finance receivables	22,766.69	25,487.73
Property, plant and equipment with a carrying amount	2,271.29	5,828.78
Total	**25,227.20**	**32,124.39**

2) Current maturities of long term borrowings consist of :

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Secured:		
(i) Privately placed Non-Convertible Debentures	1,998.77	778.55
(ii) Term loans		
(a) from banks	7,937.42	5,910.53
(b) other financial institutions	-	1,050.00
	9,936.19	**7,739.08**
Unsecured:		
(i) Privately placed Non-Convertible Debentures	1,629.42	2,454.57
(ii) Collateralised debt obligation	74.87	850.21
(iii) Senior Notes	6,794.73	7,748.41
(iv) Term loans from banks and others	4,462.62	5,747.22
Total	**12,961.64**	**16,800.41**

Notes :

Long Term Borrowings

(A) Non convertible debentures (Secured)

(i) Rated, Listed, Secured, 8.80% Coupon, Non-Convertible Debentures amounting to **₹999.82 crores** (2022: ₹998.64 crores) included within Current maturities of long term borrowings in note 27 are secured by a pari passu charge by way of the Company's property, plant and equipment. It bears Interest rate of 8.80% and maturity being in May 2023.

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(ii) Privately placed non-convertible debentures amounting to ₹**Nil** (2022: ₹996.04 crores) included within Long-term borrowings in note 26 and ₹**999.95 crores** (2022: ₹778.55 crores) included within Current maturities of long-term borrowings in note 27 are fully secured by :

(a) Pari - passu charge is created in favour of debenture trustee on :

- All receivables of TMFL arising out of loan and lease transactions,

- All book debts, trade advances forming part of movable property of TML.

(b) Any other security as identified by TMFL and acceptable to the debenture trustee.

It bears interest rate ranging from 8.50% to 8.75% and maturity ranging from April 2023 to May 2023.

(B) Collateralised debt obligations (Secured)

Collateralised debt obligation represent amount received against finance receivables securitised/assigned, which does not qualify for derecognition.The repayments are due from financial year ending March 31, 2025 to March 31, 2026.

(C) Long-term loan from banks/financial institution and Government (Secured)

(₹ in crores)

	Amount included in Long-Term Borrowings (note 26)	Amount included in Current Maturities of Long-Term Borrowings (note 27)	Collateral, Interest rates and Maturity
Term loans from bank			
1	7,637.16	5,726.63	Pari-passu charge in favour of the security trustee on all receivables arising out of loan, lease transactions and trade advances, all other book debts, receivables from pass through certificates in which company has invested; and such other current assets as may be identified from time to time and accepted by the relevant lender/security trustee. The maturity ranges from June 23 to March 28.
2	3,064.19	1,845.30	Charge created on all receivables arising out of loan, trade advances, and all other book debts, receivables from pass through certificates in which company has invested; and such other current assets as may be identified from time to time and accepted by the relevant lender. The maturity ranges from April 23 to February 28.
3	-	238.84	First charge over fixed assets procured from its loan/jeep project. It bears floating interest rate based on LIBOR and MCLR. Due for repayment from May 2023.
4	11.61	3.58	Pari passu first charge on fixed assets.It bears floating interest rate currently at 9.20%. Repayable in equal quarterly installments upto May 2027.
5	164.54	-	Charge created on land and building. It bears fixed interest rate currently at 4.85%. Due for repayment from June 2025.
6	-	123.07	It bears fixed interest rate currently at 7.90%. Due for repayment in September 2023.
Total	**10,877.50**	**7,937.42**	

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(₹ in crores)

	Amount included in Long-Term Borrowings (note 26)	Amount included in Current Maturities of Long-Term Borrowings (note 27)	Collateral, Interest rates and Maturity
Term loan from others			
1	212.71	-	The loan is secured by a second and subservient charge (creation of charge is under process) over Company's freehold land together with immovable properties, plant and machinery and other movable assets (excluding stock and book debts) situated at Sanand plant in the State of Gujarat. The loan is due for repayment from the quarter ending March 31,2033 to quarter ending March 31, 2039, along with simple interest at the rate of 0.10% p.a
2	46.34	-	The loan is secured by bank guarantee for the due performance of the conditions as per the terms of the agreement.The loan is due for repayment from the quarter ending June 30, 2030 to December 31, 2037, along with a simple interest of 0.01% p.a.
3	16.81	-	Secured by bank guarantee
Total	**275.86**	**-**	

(D) Short-term borrowings

Loans, cash credits, overdrafts and buyers line of credit from banks are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase / leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

LONG-TERM BORROWINGS: TERMS

(A) Senior notes (Euro MTF listed debt)

The senior notes of Jaguar Land Rover Automotive Plc (JLR) are listed on the Euro MTF market, which is a listed market regulated by the Luxembourg Stock Exchange.

Details of the tranches of the senior notes outstanding are as follows:

(₹ in crores)

Particulars	Currency	Amount (in million)	As at March 31, 2023	As at March 31, 2022
5.500% Senior Notes due 2029	USD	500	4,080.75	3,756.72
4.500% Senior Notes due 2028	EUR	500	4,443.98	4,189.43
5.875% Senior Notes due 2028	USD	650	5,298.24	4,874.58
4.500% Senior Notes due 2027	USD	500	4,086.39	3,761.73
6.875% Senior Notes due 2026	EUR	500	4,500.77	4,256.19
4.500% Senior Notes due 2026	EUR	500	3,109.09	3,537.02
7.750% Senior Notes due 2025	USD	700	5,715.33	5,255.28
5.875% Senior Notes due 2024	EUR	500	4,456.89	4,198.12
2.200% Senior Notes due 2024	EUR	650	5,806.90 *	5,472.73
3.875% Senior Notes due 2023	GBP	400	-	3,971.51
5.625% Senior Notes due 2023	USD	500	-	3,776.90
			41,498.34	**47,050.21**

*Classified as other current liabilities being maturity before March 31, 2024.

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(B) Senior notes (SGX-ST listed debt)

The senior notes of Tata Motors Limited and TML Holdings Pte Ltd are listed on the SGX-ST market, which is a listed market regulated by the Singapore Stock Exchange.

Details of the tranches of the senior notes outstanding at March 31, 2023 are as follows:

(₹ in crores)

Particulars:	Currency	Amount (in million)	As at March 31, 2023	As at March 31, 2022
4.350% Senior Notes due 2026	USD	425	3,486.28	3,199.46
5.875% Senior Notes due 2025	USD	300	2,459.24	2,273.92
5.750% Senior Notes due 2024	USD	250	2,049.47	1,876.86
5.500% Senior Notes due 2024	USD	300	2,465.96	2,261.25
4.000% Senior Notes due 2023	GBP	98	987.83 *	960.19
			11,448.78	**10,571.68**

* Classified as other current liabilities being maturity before March 31, 2024.

(C) Non convertible debentures (unsecured) amounting to ₹**7,689.05 crores** included within long-term borrowing in note 26 and ₹**1,629.42 crores** included within current maturities of long term borrowings in note 27 bear interest rate ranging from 6.56% to 11.33% and maturity ranging from May 2023 to May 2029.

(D) Perpetual debenture amounting to ₹**1,744.09 crore**s (2022: ₹1,718.00 crores) included within long-term borrowing in note 26 bear interest rate ranging from 7.30% to 8.75% having simultaneous call/put option after 4/5th year from the date of issuance.

(E) Loan from banks/ financial institutions (unsecured) consists of :

(i) **Term loans amounting to ₹8,928.60 crores** included within long-term borrowings in note 26 and ₹**4,462.62 crores** included within current maturities of long term borrowings in note 27 bearing floating interest rate based on marginal cost of funds lending rate (MCLR) of respective bank having maturity ranging from September 2023 to October 2027.

(ii) External commercial borrowings in foreign currencies amounting to ₹**1,943.80 crores** included within long-term borrowing in note 26 bearing floating interest rate currently of 3.38% and maturity in June 2025.

(iii) Foreign currency term loan amounting to ₹**4,559.10 crores** included within long-term borrowing in note 26 bearing floating interest rate that are linked to LIBOR maturity ranging from July 2025 to October 2027.

(iv) Foreign currency syndicate loan amounting to ₹**6,514.60 crores** included within long-term borrowing in note 26 bearing floating interest rate that are linked to LIBOR maturity in January 2025.

(F) Short Term Borrowings : Terms

(i) Short-term loan from banks and other parties(financial institutions) consists of cash credit, overdrafts, short term loan, bill discounting amounting to ₹**6,196.55 crores** bearing fixed rate of interest ranging from 2.55% to 3.48% and ₹**2,138.77 crores** bear floating rate of interest based on MCLR of respective banks and other benchmark rates.

(ii) Commercial paper are unsecured short term papers issued at discount bearing no coupon interest. The yield on commercial paper issued by the Company ranges from 6.70 % to 8.65 %.

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(G) Reconciliation of movements of liabilities to cash flows arising from financing activities

(₹ in crores)

	Short-term borrowings	Long-term borrowings	Total
Balance at April 1, 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	(82.28)	(507.71)	(589.99)
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**
Proceeds from issuance of debt	28,125.45	16,561.93	44,687.38
Repayment of financing	(31,751.55)	(31,559.46)	(63,311.01)
Reclassification of long-term debt	(1,641.69)	1,641.69	-
Foreign exchange	161.36	4,105.22	4,266.58
Amortisation / EIR adjustment of prepaid borrowing costs (net)/other adjustment	153.22	187.26	340.48
Balance at March 31, 2023	**36,964.66**	**88,695.81**	**125,660.47**

28. Other financial liabilities – non-current

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Derivative financial instruments	5,384.10	3,415.54
(b)	Liability towards employee separation scheme	89.01	109.50
(c)	Option premium liability	122.79	209.28
(d)	Compulsorily convertible preference shares - liability portion	2,500.00	1,250.00
(e)	Advance towards supplier claim	55.87	-
(f)	Others	170.70	349.34
	Total	**8,322.47**	**5,333.66**

29. Other financial liabilities – current

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Interest accrued but not due on borrowings	1,675.91	1,746.37
(b)	Liability towards vehicles sold under repurchase arrangements	3,022.01	2,658.14
(c)	Liability for capital expenditure (Refer note below)	3,797.53	4,412.53
(d)	Deposits and retention money	584.69	562.59
(e)	Derivative financial instruments	4,382.23	4,443.42
(f)	Liability towards Investors Education and Protection Fund under Section 125 of the Companies Act, 2013 (IEPF) not due	2.79	3.35
(g)	Option premium payable	104.14	95.02
(h)	Others	259.28	498.82
	Total	**13,828.58**	**14,420.24**

Note:

Includes ₹**31.26 crores** (₹21.49 crores as at March 31, 2022) outstanding towards principal and interest provision on dues of micro enterprises and small enterprises as per MSMED ACT 2006.

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30. Trade payables

(₹ in crores)

	As at March 31, 2023					
	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	275.09	34.43	5.93	0.29	0.27	316.01
Total	**275.09**	**34.43**	**5.93**	**0.29**	**0.27**	**316.01**
Outstanding dues other than micro and small enterprises						
(a) Disputed dues	-	7.50	0.01	-	3.63	11.14
(b) Undisputed dues	68,015.26	3,394.12	198.74	31.89	88.61	71,728.62
Total	**68,015.26**	**3,401.62**	**198.75**	**31.89**	**92.24**	**71,739.76**

(₹ 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	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**

Notes
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31. Provisions

(A) Accounting Policy

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

Product warranty expenses

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

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

Provision for onerous obligations

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

Residual risk

In certain markets, the Company is responsible for the residual risk arising on vehicles sold by dealers under leasing arrangements. The provision is based on the latest available market expectations of future residual value trends. The timing of the outflows will be at the end of the lease arrangements being typically up to three years.

Legal and product liability

Legal and product liability provision is recorded in respect of compliance with regulations and known litigations which impact the Company. The product liability claim primarily relates to motor accident claims, consumer complaints, dealer terminations, personal injury claims and compliance with emission and battery disposal regulations.

The timing of outflows will vary depending on when claims are received and settled, which is not known with certainty. The assumptions made, especially the assumption about the outcome of legal proceedings, are subject to a high degree of uncertainty. The appropriateness of assumptions is regularly reviewed, based on assessments undertaken both by management and external experts, such as lawyers. If new developments arise in the future that result in a different assessment, provisions are adjusted accordingly.

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Environmental liability

Environmental liability relates to various environmental remediation cost such as asbestos removal and land clean up. The timing of when these costs will be incurred is not known with certainty.

(B) Provisions consists of following:

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
Non-current			
(a)	Employee benefits obligations	1,274.36	1,118.73
(b)	Product warranty	10,716.59	10,952.76
(c)	Legal and product liability	761.67	396.80
(d)	Provision for residual risk	81.30	193.05
(e)	Provision for environmental liability	265.87	225.86
(f)	Other provisions	96.74	68.69
	Total	**13,196.53**	**12,955.89**
Current			
(a)	Employee benefit obligations	50.65	96.67
(b)	Product warranty	7,775.24	6,780.86
(c)	Legal and product liability	3,792.27	2,504.65
(d)	Provision for residual risk	91.25	121.75
(e)	Provision for environmental liability	59.38	28.92
(f)	Provision for Onerous Contracts and related supplier claims	-	117.90
(g)	Restructuring Provision	35.62	1,103.62
(h)	Other provisions	6.25	11.94
	Total	**11,810.66**	**10,766.31**

	Year ended March 31, 2023					
	Product warranty	Legal and product liability	Provision for residual risk	Provision for environmental liability	Restructuring provision	Provision for onerous contract and related supplier claims
Balance at the beginning	17,733.62	2,901.45	314.80	254.78	1,103.62	117.90
Provision made/(reversed) during the year	9,042.19	6,510.98	(150.31)	76.00	21.63	(42.65)
Provision used during the year	(8,776.13)	(5,153.35)	0.83	(14.38)	(1,062.73)	(14.15)
Impact of unwind of discounting	107.76	-	-	-	-	-
Impact of foreign exchange translation	384.39	294.86	7.23	8.85	(26.90)	-
Transfer to Liabilities	-	-	-	-	-	(61.10)
Balance at the end	**18,491.83**	**4,553.94**	**172.55**	**325.25**	**35.62**	-
Current	7,775.24	3,792.27	91.25	59.38	35.62	-
Non-current	10,716.59	761.67	81.30	265.87	-	-

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32. Other non-current liabilities

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Contract liabilities (refer note below)	5,942.18	4,535.90
(b)	Government grants	2,978.04	2,640.60
(c)	Employee benefits obligations	279.86	323.74
(d)	Others	64.21	34.98
	Total	**9,264.29**	**7,535.22**

33. Other current liabilities

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Contract liabilities (refer note below)	6,283.85	6,558.65
(b)	Government grants	812.07	946.92
(c)	Statutory dues (VAT, Excise, Service Tax, GST, Octroi etc)	3,804.17	4,143.75
(d)	Others	132.91	112.22
	Total	**11,033.00**	**11,761.54**

Note:

(₹ in crores)

			Year ended March 31, 2023	Year ended March 31, 202
(a)	**Opening contract liabilities**		11,094.55	10,583.63
	Amount recognised in revenue		(5,739.11)	(4,606.19)
	Amount received in advance during the year		6,701.93	5,372.12
	Amount refunded to customers		(18.84)	(152.20)
	Currency translation		187.50	(102.81)
	Closing contract liabilities		**12,226.03**	**11,094.55**
(b)	**Contract liabilities include**			
	Advances received from customers	Current	2,901.59	3,497.23
	Deferred revenue	Current	3,382.26	3,061.42
		Non-current	5,942.18	4,535.90
	Total contract liabilities		**12,226.03**	**11,094.55**

(c) Government grants include:

(i) Government incentives includes ₹**201.32 crores** as at March 31, 2023 (₹197.39 crores as at March 31, 2022) grants relating to property, plant and equipment related to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.

(ii) ₹**3,588.79 crores** as at March 31, 2023 (₹3,390.13 crores as at March 31, 2022) relating to Research and Development Expenditure Credit (RDEC) on qualifying expenditure incurred since April 1, 2013.

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34. Revenue from Operations

(A) Accounting Policy

The Company generates revenue principally from –

a) **Sale of products –** (i) commercial and passenger vehicles and vehicle parts and (ii) Sales of other products - certain software products and other automotive products

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

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

Revenue is recognised on a bill-and-hold basis where vehicles, for example, are sold to the customer but are retained in the Company's possession at a vehicle holding compound on behalf of the customer ahead of being physically transferred to them at a future time. In such arrangements it is ensured that the customer has obtained the ultimate control of the product.

There are certain vehicles which are being given to the customers along with operations and maintenance of the same. These are considered as finance leases and accordingly, revenue is recognised at the lease commencement date at fair value of the leased asset. The cost of sales is reduced for the present value of unguaranteed residual values. In addition, initial direct costs are recognised as cost of sales at the lease commencement date.

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

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

b) **Sale of services -** maintenance service, telematics features and extended warranties for commercial and passenger vehicles, software support services and insurance broking services.

Income from sale of maintenance services, telematics features and extended warranties, including software services are recognized as income over the relevant period of service or extended warranty.

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

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margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

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

Sales of services include certain performance obligations that are satisfied over a period of time, any amount received in advance is recorded as contract liability and recognized as revenue when service is rendered to customers. Any amount of income accrued but not billed to customers in respect of such contracts is recorded as a contract asset. Such contract assets are transferred to Trade receivables on actual billing to customers.

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

Vehicle sales do not typically include allowances for returns or refunds, although in some markets there is legislative requirement for the Company as an automotive manufacturer to repurchase or reacquire a vehicle if quality issues arise that have been remedied a number of times and where the owner no longer wishes to own the vehicle as a result.

Proceeds from sale of vehicles for which the Company or any of its subsidiaries have retained buy back obligation in future is recorded as a liability – (i) Proceeds received in excess of agreed buy back price is recognized as Deferred income liability and (ii) the agreed buy back price is recognized as Buy back liability. Deferred income liability is recognized as operating lease income on time proportionate basis over date of sale and date of buy back.

c) Financing revenues - Interest income from financing transactions includes income from leasing of vehicles to customers. Finance and service charges are accrued on the unpaid principal balance of finance receivables using the effective interest method.

(B) Revenue from Operations:

(₹ in crores)

			Year ended March 31, 2023	Year ended March 31, 2022
(a)	**Sale of products** (refer note 1 and 2 below)			
	(i)	Sale of vehicles	290,006.29	227,178.54
	(ii)	Sale of spare parts	32,327.64	28,779.29
	(iii)	Sale of miscellaneous products	12,558.12	11,294.42
	Total Sale of products		**334,892.05**	**267,252.25**
(b)	Sale of services		3,763.08	3,871.12
(c)	Finance revenues		4,219.45	4,111.85
			342,874.58	**275,235.22**
(d)	**Other operating revenues**		3,092.39	3,218.40
	Total		**345,966.97**	**278,453.62**
Notes:				
(1)	Includes exchange gain/(loss) (net) on hedges reclassified from hedge reserve to statement of profit or loss		(5,675.01)	779.16
(2)	Includes variable marketing expenses netted off against revenue		(33,534.10)	(26,910.13)

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35. Other income

(A) Accounting Policy

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

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

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

(B) Other income:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Interest income	1,251.18	625.22
(b) Dividend income from investments measured at FVTOCI	46.42	34.22
(c) Profit on sale of investments measured at FVTPL	328.95	216.62
(d) Incentives (refer note below)	2,913.36	2,124.71
(e) Fair value gain /(loss) on investments measured at FVTPL	93.27	52.86
Total	**4,633.18**	**3,053.63**

Note:

Incentives include exports and other incentives of ₹**779.97 crores** and ₹658.61 crores, for the year ended March 31, 2023 and 2022, respectively and ₹**2,133.39 crores** and ₹1,466.10 crores, for the year ended March 31, 2023 and 2022, respectively received by foreign subsidiaries on Tax credit on qualifying expenditure for research and development.

36. Employee benefits expense

(₹ in crores)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Salaries, wages and bonus*(refer note below)	27,372.43	24,092.71
(b)	Contribution to provident fund and other funds	2,263.48	2,855.92
(c)	Staff welfare expenses	4,018.79	3,859.89
	Total	**33,654.70**	**30,808.52**

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

(A) Share based payments

Accounting policy

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

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Equity-settled share option plan

(i) Tata Motors Limited Employees Stock Option Scheme 2018

The Company has allotted share based incentives to certain employees during the year ended March 31, 2019, under Tata Motors Limited Employee Stock Options Scheme 2018, approved by Nomination and Remuneration Committee (NRC).

As per the scheme, the number of shares that will vest is conditional upon certain performance measures determined by NRC. The performance is measured over vesting period of the options granted which ranges from 3 to 5 years. The performance measures under this scheme include growth in sales, earnings and free cash flow. The options granted under this scheme is exercisable by employees till one year from date of its vesting.

The Company has granted options at an exercise price of ₹345/-. Option granted will vest equally each year starting from 3 years from date of grant up to 5 years from date of grant. Number of shares that will vest range from 0.5 to 1.5 per option granted depending on performance measures.

	Year ended March 31, 2023	Year ended March 31, 2022
Options outstanding at the beginning of the year	6,662,551	6,804,003
Granted during the year	-	335,209
Forfeited/Expired during the year	(4,552,458)	(122,419)
Exercised during the year	753,622	(354,242)
Outstanding at the end of the year	2,863,715	6,662,551
Number of shares to be issued for outstanding options (conditional on performance measures)		
Maximum	4,295,573	9,993,827
Minimum	1,431,858	3,331,276
Share price for options exercised during the year	372 - 490	392 - 530
Remaining contractual life	3 months	3 - 15 months

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

	Year ended March 31, 2023	Year ended March 31, 2022
Assumption factor		
Risk free rate	7%-8%	7%-8%
Expected life of option	2-4 years	2-4 years
Expected volatility	33%- 37%	33%- 37%
Share price	170.6	170.6

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

(ii) Share-based Long Term Incentive Scheme 2021

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

As per the scheme, the number of shares that will vest is conditional upon certain performance measures determined by NRC. The performance is measured over vesting period of the options granted. The performance measures under this scheme include growth in sales, earnings and free cash flow. The options

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granted under this scheme is exercisable by employees till one year from date of its vesting. The Company has granted options at an exercise price of ₹338/- for ESOs and ₹2/- for PSUs. Option granted will vest after 3 years from date of grant. Number of shares that will vest range from 0.5 to 1.2 per option granted depending on performance measures.

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

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

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

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

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

(B) Employee benefits

(A) Accounting Policy

Pension plans

Jaguar Land Rover operate defined benefit pension plans for certain of its subsidiaries, which are contracted out of the second state pension scheme until April 5, 2016. The assets of the plan are held in separate trustee administered funds. The plans provide for monthly pension after retirement as per salary drawn and service period as set out in rules of each fund.

Contributions to the plans by the Jaguar Land Rover subsidiaries take into consideration the results of actuarial valuations. The plans with a surplus position at the year-end have been limited to the maximum economic benefit available from unconditional rights to refund from the scheme or reduction in future contributions. Where the subsidiary group is considered to have a contractual obligation to fund the pension plan above the accounting value of the liabilities, an onerous obligation is recognised. A separate defined contribution plan is available to employees of Jaguar Land Rover. Costs in respect of this plan are charged to the consolidated statement of profit and loss as incurred.

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Gratuity

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

Superannuation

Tata Motors Limited and some of its subsidiaries in India have two superannuation plans, a defined benefit plan and a defined contribution plan. An eligible employee as on April 1, 1996 could elect to be a member of either plan. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range from 0.75% to 2% of the annual basic salary for each year of service. Tata Motors Limited and such subsidiaries account for superannuation benefits payable in future under the plan based on an actuarial valuation.

With effect from April 1, 2003, this plan was amended and benefits earned by covered employees have been protected as at March 31, 2003. Employees covered by this plan are prospectively entitled to benefits computed on a basis that ensures that the annual cost of providing the pension benefits would not exceed 15% of salary. During the year ended March 31, 2015, the employees covered by this plan were given a one-time option to exit from the plan prospectively. Furthermore, the employees who opted for exit were given one- time option to withdraw accumulated balances from the superannuation plan. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. Tata Motors Limited and its subsidiaries contribute up to 15% or ₹150,000, whichever is lower, of the eligible employees' salary to the trust every year. Such contributions are recognised as an expense when incurred. Tata Motors Limited and such subsidiaries have no further obligation beyond this contribution.

Bhavishya Kalyan Yojana (BKY)

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

Provident fund and family pension

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

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

Severance indemnity

Tata Daewoo Commercial Vehicle Company Limited, or TDCV, a subsidiary company incorporated in Korea; has an obligation towards severance indemnity, a defined benefit retirement plan, covering eligible employees. The plan provides for a lump sum payment to all employees with more than one year of employment equivalent to 30 days' salary payable for each completed year of service.

Post-retirement 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 (Gratuity, Superannuation and BKY)		Post retirement medical benefits	
	2023	2022	2023	2022
Change in defined benefit obligations :				
Defined benefit obligation, beginning of the year	1,552.17	1,337.41	283.12	184.49
Current service cost	106.56	90.47	14.44	8.21
Interest cost	107.03	88.37	19.25	11.57
Remeasurements (gains) / losses				
Actuarial (gains) / losses arising from changes in demographic assumptions	(2.24)	6.81	0.43	6.95
Actuarial losses arising from changes in financial assumptions	16.57	21.73	15.63	32.00
Actuarial (gains) / losses arising from changes in experience adjustments	39.59	73.50	20.69	32.93
Benefits paid from plan assets	(77.77)	(83.93)	-	-
Benefits paid directly by employer	(11.62)	(10.90)	(15.39)	(17.24)
Past service cost - Plan amendment	-	32.49	43.19	24.46
Acquisition/(Divestment)	5.95	(3.78)	-	(0.25)
Defined benefit obligation, end of the year	**1,736.24**	**1,552.17**	**381.37**	**283.12**
Change in plan assets:				
Fair value of plan assets, beginning of the year	1,291.81	1,231.31	-	-
Acquisition/(Divestment)	5.97	(2.65)	-	-
Interest income	95.60	83.12	-	-
Return on plan assets, (excluding amount included in net Interest cost)	1.10	11.01	-	-
Employer's contributions	196.26	52.95	-	-
Benefits paid	(77.77)	(83.93)	-	-
Fair value of plan assets, end of the year	**1,512.97**	**1,291.81**	**-**	**-**
Amount recognized in the balance sheet consists of:				
Present value of defined benefit obligation	1,736.24	1,552.17	381.37	283.12
Fair value of plan assets	1,512.97	1,291.81	-	-
	(223.27)	**(260.36)**	**(381.37)**	**(283.12)**
Asset ceiling	(4.88)	(4.20)	-	-
Net liability	**(228.15)**	**(264.56)**	**(381.37)**	**(283.12)**
Amounts in the balance sheet:				
Non–current assets	33.90	2.07	-	-
Non–current liabilities	(262.05)	(266.63)	(381.37)	(283.12)
Net liability	**(228.15)**	**(264.56)**	**(381.37)**	**(283.12)**

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

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)	
	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	449.16	1,065.53
Fair value of plan assets	410.29	1,008.43

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

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)	
	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	1,063.92	277.13
Fair value of plan assets	1,102.70	283.39

Information for unfunded plans:

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Defined benefit obligation	223.16	209.50	381.37	283.12

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

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)		Post retirement medical Benefits	
	For the year ended March 31,		For the year ended March 31,	
	2023	2022	2023	2022
Service cost	106.56	90.47	14.44	8.21
Net interest cost	11.43	5.25	19.25	11.57
Past service cost - Plan amendment	-	32.49	43.19	24.46
Net periodic cost	117.99	128.21	76.89	44.24

Other changes in plan assets and benefit obligation recognized in other comprehensive income.

(₹ in crores)

	Pension benefits (Gratuity, Superannuation and BKY)		Post retirement medical Benefits	
	For the year ended March 31,		For the year ended March 31,	
	2023	2022	2023	2022
Remeasurements				
Return on plan assets, (excluding amount included in net Interest expense)	(1.10)	(11.01)	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	(2.24)	6.81	0.43	6.95
Actuarial losses arising from changes in financial assumptions	16.57	21.73	15.63	32.00
Asset ceiling	0.68	4.20	-	-
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	39.59	73.49	20.69	32.93
Total recognized in other comprehensive income	**53.50**	**95.22**	**36.75**	**71.88**
Total recognized in consolidated statement of comprehensive income	**171.49**	**223.43**	**113.64**	**116.12**

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

	Pension benefits (Gratuity, Superannuation and BKY)		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Discount rate	7.1% - 7.3%	6.5% - 7.1%	7.3%	7.2%
Rate of increase in compensation				
level of covered employees	6% - 12%	6% - 10%	NA	NA
Increase in health care cost	NA	NA	6%	6%

Plan Assets

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

	Pension benefits (Gratuity, Superannuation and BKY)	
	Plan assets as of March 31	
	2023	2022
Asset category:		
Cash and cash equivalents	9.5%	2.3%
Debt instruments (quoted)	65.1%	66.1%
Debt instruments (unquoted)	0.0%	0.1%
Equity instruments (quoted)	7.7%	7.4%
Deposits with Insurance companies	17.7%	24.1%
	100.0%	100.0%

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

The weighted average duration of the defined benefit obligation as at March 31, 2023 is **10.30 years** (2022 : 11.69 years)

The Company expects to contribute ₹89.18 crores to the funded pension plans in the year ending March 31, 2024.

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

Assumption	Change in assumption	Impact on defined benefit obligation	Impact on service cost and interest cost
Discount rate	Increase by 1%	Decrease by ₹ 169.94 crores	Decrease by ₹ 32.36 crores
	Decrease by 1%	Increase by ₹ 197.58 crores	Increase by ₹ 35.52 crores
Salary escalation rate	Increase by 1%	Increase by ₹ 133.70 crores	Increase by ₹ 30.64 crores
	Decrease by 1%	Decrease by ₹ 119.47 crores	Decrease by ₹ 27.06 crores
Health care cost	Increase by 1%	Increase by ₹ 51.43 crores	Increase by ₹ 10.04 crores
	Decrease by 1%	Decrease by ₹ 42.49 crores	Decrease by ₹ 8.14 crores

Note:

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

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

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

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

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Provident Fund

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

(₹ in crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Change in benefit obligations:		
Defined benefit obligations at the beginning	4,085.42	4,559.65
Balance transferred to government managed provident fund	(3,964.35)	(200.42)
Service cost	4.10	126.89
Employee contribution	7.30	292.36
Acquisitions (credit) / cost	-	(804.28)
Transfer in / Transfer out	1.29	-
Interest expense	8.85	356.47
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	1.58	(78.62)
Actuarial (gains) / losses arising from demographic assumptions	-	3.35
Actuarial (gains) / losses arising from changes in financial assumptions	(4.01)	147.32
Benefits paid	(5.53)	(317.30)
Defined benefit obligation, end of the year	**134.65**	**4,085.42**
Change in plan assets:		
Fair value of plan assets at the beginning	4,153.46	4,470.21
Balance transferred to government managed provident fund	(4,036.26)	(197.33)
Acquisition Adjustment	-	(804.28)
Transfer in / Transfer out	1.29	-
Interest income	8.58	350.92
Return on plan assets excluding amounts included in interest income	(2.99)	232.21
Contributions (employer and employee)	11.41	419.03
Benefits paid	(5.53)	(317.30)
Fair value of plan assets at the end	**129.96**	**4,153.46**

(₹ in crores)

Amount recognized in the balance sheet consists of:	As at March 31 2023,	As at March 31 2022
Present value of defined benefit obligation	134.65	4,085.42
Fair value of plan assets	129.96	4,153.46
	(4.69)	68.04
Effect of asset ceiling	-	(68.45)
Net liability	**(4.69)**	**(0.41)**

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(₹ in crores)

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net periodic cost for Provident Fund consist of the following components:		
Service cost	4.10	126.89
Net interest cost / (income)	0.27	5.55
Net periodic cost	4.37	132.44

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

(₹ in crores)

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Remeasurements		
Return on plan assets, (excluding amount included in net Interest expense)	2.99	(232.21)
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	1.58	(78.62)
Actuarial (gains) / losses arising from changes in financial assumptions	-	3.35
Actuarial (gains) / losses arising from demographic assumptions	(4.01)	147.32
Reversal of OCI for previous years due to surrender of Provident Fund of subsidiaries	-	(3.09)
Effect of asset ceiling	-	71.91
Total recognised in other comprehensive income	**0.56**	**(91.34)**
Total recognised in statement of profit and loss and other comprehensive income	**4.93**	**41.10**

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

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

The breakup of the plan assets into various categories is as follows:

Particulars	As at March 31 2023,	As at March 31 2022
Central and State government bonds	-	42.9%
Government debt instruments	50.7%	-
Other debt instruments	40.1%	-
Equity instruments	9.2%	-
Public sector undertakings and Private sector bonds	-	32.1%
Others	-	25.0%
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, 2023, the defined benefit obligation would be affected by approximately ₹**10.37 crores** on account of a 1.00% decrease in the expected rate of return on plan assets.

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

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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 2023,	As at March 31 2022
Change in defined benefit obligation:		
Defined benefit obligation, beginning of the year	382.75	311.08
Service cost	53.90	48.21
Interest cost	11.19	6.39
Remeasurements (gains) / losses		
Actuarial (gains)/losses arising from changes in financial assumptions	(37.97)	(5.36)
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	1.75	41.22
Benefits paid from plan assets	(6.76)	(6.25)
Benefits paid directly by employer	(0.40)	(0.79)
Foreign currency translation	4.28	(11.75)
Defined benefit obligation, end of the year	**408.74**	**382.75**
Change in plan assets:		
Fair value of plan assets, beginning of the year	335.71	265.06
Interest income	10.50	6.35
Remeasurements (loss)		
Return on plan assets, (excluding amount included in net Interest expense)	(4.19)	(5.47)
Employer's contributions	46.13	86.25
Benefits paid	(6.76)	(6.25)
Foreign currency translation	4.46	(10.23)
Fair value of plan assets, end of the year	**385.85**	**335.71**

Amount recognized in the balance sheet consist of:	As at March 31 2023,	As at March 31 2022
Present value of defined benefit obligation	408.74	382.75
Fair value of plan assets	385.85	335.71
Net liability	**(22.89)**	**(47.04)**
Amounts in the balance sheet:		
Non- current liabilities	(22.89)	(47.04)

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Net severance indemnity cost consist of the following components:

(₹ in crores)

	As at March 31 2023,	As at March 31 2022
Service cost	53.90	48.21
Net interest cost	0.69	0.04
Net periodic pension cost	**54.59**	**48.25**

Other changes in plan assets and benefit obligation recognized in other comprehensive income for severance indemnity plan:

(₹ in crores)

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Remeasurements (gains) / losses		
Return on plan assets, (excluding amount included in net Interest expense)	4.19	5.47
Actuarial losses arising from changes in financial assumptions	(37.97)	(5.36)
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	1.75	41.22
Total recognized in other comprehensive income	**(32.03)**	**41.33**
Total recognized in statement of operations and other comprehensive income	**22.56**	**89.58**

The assumptions used in accounting for the Severance indemnity plan is set out below:

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Discount rate	3.4%	2.1%
Rate of increase in compensation level of covered employees	**3.9%**	**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 ₹ 42.80 crores	Decrease by ₹ 12.80 crores
	Decrease by 1%	Increase by ₹ 49.83 crores	Increase by ₹ 14.71 crores
Salary escalation rate	Increase by 1%	Increase by ₹ 49.06 crores	Increase by ₹ 15.18 crores
	Decrease by 1%	Decrease by ₹ 43.00 crores	Decrease by ₹ 13.08 crores

Severance indemnity plans asset allocation by category is as follows:

	As at March 31, 2023	As at March 31, 2022
Deposit with banks	100%	100%

The weighted average duration of the defined benefit obligation as at March 31, 2023 is **11.57 years** (2022 : 12.27 years)

The Company expects to contribute ₹5.85 crores to the funded severance indemnity plans in the year ending March 31, 2024.

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Jaguar Land Rover Pension plan

Jaguar Land Rover Ltd UK, have pension arrangements providing employees with defined benefits related to pay and service as set out in the rules of each fund.

The UK defined benefit schemes are administered by a separate fund that is legally separated from the Company. The trustees of the pension schemes are required by law to act in the interest of the fund and of all relevant stakeholders in the scheme, is responsible for the investment policy with regard to the assets of the schemes and all other governance matters. The board of trustees must be composed of representatives of the Company and plan participants in accordance with the plan's regulations.

Through its defined benefit pension plans the Company is exposed to a number of risks, the most significant of which are detailed below :

Asset volatility

The plan liabilities are calculated using a discount rate set with references to corporate bond yields; if plan assets under perform compared to the corporate bonds discount rate, this will create or increase a deficit. The defined benefit plans hold a significant proportion of equity type assets, which are expected to outperform corporate bonds in the long-term while providing volatility and risk in the short-term.

As the plans mature, the Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

However, the Company believes that due to the long-term nature of the plan liabilities and the strength of the supporting group, a level of continuing equity type investments is an appropriate element of the Company's long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in corporate bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

Inflation risk

Some of the Company's pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against high inflation). The plans hold a significant proportion of assets in index linked gilts, together with other inflation hedging instruments and also assets which are more closely correlated with inflation. However an increase in inflation will also increase the deficit to some degree.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the UK defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

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The following table sets out the disclosure pertaining to employee benefits of Jaguar Land Rover Limited

(₹ in crores)

	Pension benefits	
	As at March 31, 2023	As at March 31, 2022
Change in defined benefit obligation:		
Defined benefit obligation, beginning of the year	74,783.71	84,961.96
Service cost	790.28	1,182.31
Interest cost	2,055.13	1,794.60
Remeasurements (gains) / losses		
Actuarial (gains)/losses arising from changes in demographic assumptions	0.58	104.56
Actuarial losses/(gains) arising from changes in financial assumptions	(22,823.92)	(7,181.23)
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	1,509.97	(27.49)
Past service cost/(credit)	(1,495.07)	0.20
Benefits paid	(3,619.14)	(5,131.71)
Member contributions	12.01	18.94
Premium Paid	-	(22.50)
Foreign currency translation	511.25	(915.93)
Defined benefit obligation, end of the year	**51,724.80**	**74,783.71**
Change in plan assets:		
Fair value of plan assets, beginning of the year	78,855.68	81,071.46
Interest Income	2,373.76	1,733.31
Remeasurements gains / (losses)		
Return on plan assets, (excluding amount included in net Interest expense)	(21,457.30)	92.75
Employer's contributions	1,584.83	2,418.48
Members contributions	12.01	18.94
Benefits paid	(3,619.14)	(5,131.71)
Premium paid	-	(22.50)
Expenses paid	(251.90)	(271.93)
Foreign currency translation	708.00	(1,053.12)
Fair value of plan assets, end of the year	**58,205.94**	**78,855.68**

The actual return on the schemes' assets for the year ended March 31, 2023 was ₹ **19,083.54 crores** (2022: ₹ 1,779.68 crores).

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Amount recognized in the balance sheet consist of:

(₹ in crores)

	Pension benefits	
	Year ended March 31, 2023	Year ended March 31, 2022
Present value of defined benefit obligation	51,724.80	74,783.71
Fair value of plan Assets	58,205.94	78,855.68
Net Assets	**6,481.14**	**4,071.97**
Amount recognized in the balance sheet consist of:		
Non- current assets	6,698.92	4,316.99
Non -current liabilities	(217.78)	(245.02)
Net Assets	**6,481.14**	**4,071.97**

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

(₹ in crores)

	Pension benefits	
	As at March 31, 2023	As at March 31, 2022
Current service cost	790.28	1,182.31
Past service cost	(1,495.07)	0.20
Administrative expenses	251.90	271.93
Net interest cost (Including onerous obligations)	(318.63)	61.29
Net periodic pension cost	**(771.52)**	**1,515.73**

Amount recognized in other comprehensive income

(₹ in crores)

	Pension benefits	
	As at March 31, 2023	As at March 31, 2022
Actuarial (gains) / losses arising from changes in demographic assumptions	0.58	104.56
Actuarial losses / (gains) arising from changes in financial assumptions	(22,823.92)	(7,181.23)
Actuarial (gains) arising from changes in experience adjustments on plan liabilities	1,509.97	(27.49)
Return on plan assets, (excluding amount included in net Interest expense)	21,457.30	(92.75)
Total recognized in other comprehensive income	**143.93**	**(7,196.91)**
Total recognized in statement of profit and loss and other comprehensive income	**(627.59)**	**(5,681.18)**

The assumptions used in accounting for the pension plans are set out below:

	Pension benefits	
	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate	4.8%	2.1%
Expected rate of increase in benefit revaluation of covered employees	1.9%	2.2%
CPI Inflation rate	1.7%	-
RPI Inflation rate	2.9%	3.5%

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For the valuation at March 31, 2023, the mortality assumptions used are the Self-Administered Pension Schemes ('SAPS') mortality base table, S2PxA tables ("Light" tables for members of the Jaguar Executive Pension Plan).

For the Jaguar Pension Plan, scaling factors of 101% to 115% have been used for male members and scaling factors of 103% to 118% have been used for female members.

For the Land Rover Pension Scheme, scaling factors of 105% to 117% have been used for male members and scaling factors of 100% to 116% have been used for female members.

For the Jaguar Executive Pension Plan, scaling factors of 93% to 97% have been used for male members and scaling factors of 91% to 96% have been used for female members.

For the valuation at March 31, 2022, the mortality assumptions used were the SAPS mortality base table, S2PxA tables ("Light" tables for members of the Jaguar Executive Pension Plan).

For the Jaguar Pension Plan, scaling factor of 111% to 117% have been used for male members and scaling factor of 101% to 112% have been used for female members.

For the Land Rover Pension Scheme, scaling factor of 107% to 111% have been used for male members and scaling factor of 101% to 109% have been used for female members.

For the Jaguar Executive Pension Plan, an average scaling factor of 94% has been used for male members and an average scaling factor of 84% has been used for female members.

For the 2023 year end calculations there is an allowance for future improvements in line with the CMI (2022) projections and an allowance for long-term improvements of 1.25% per annum and a smoothing parameter of 7.50 (2022: CMI (2021) projections with 1.25% per annum improvements and a smoothing parameter of 7.5, 2021: CMI (2020) projections with 1.25% per annum improvements and a smoothing parameter of 7.5).

The assumed life expectations on retirement at age 65 are (years)

	As at March 31, 2023	As at March 31, 2022
Retiring today :		
Males	21.5	21.6
Females	23.8	23.8
Retiring in 20 years :		
Males	22.9	23.0
Females	25.7	25.7

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Pension plans asset allocation by category is as follows:

(₹ in crores)

	As at March 31, 2023			As at March 31, 2022		
	Quoted *	Unquoted	Total	Quoted *	Unquoted	Total
Equity Instruments						
Information Technology	-	1,294.34	1,294.34	-	1,266.10	1,266.10
Energy	-	184.89	184.89	-	180.87	180.87
Manufacturing	-	970.81	970.81	-	949.57	949.57
Financials	-	416.03	416.03	-	406.96	406.96
Others	-	1,756.63	1,756.63	-	1,718.27	1,718.27
	-	**4,622.70**	**4,622.70**	**-**	**4,521.77**	**4,521.77**
Debt Instruments						
Government	18,429.22	665.00	19,094.22	18,026.46	650.47	18,676.93
Corporate Bonds (Investment Grade)	11,683.05	3,153.48	14,836.53	11,427.73	3,084.56	14,512.29
Corporate Bonds (Non Investment Grade)	-	9,890.04	9,890.04	-	9,673.90	9,673.90
	30,112.27	**13,708.52**	**43,820.79**	**29,454.19**	**13,408.93**	**42,863.12**
Property Funds						
UK	-	3,118.46	3,118.46	-	3,050.31	3,050.31
Other	-	2,441.51	2,441.51	-	2,388.15	2,388.15
	-	**5,559.97**	**5,559.97**	**-**	**5,438.46**	**5,438.46**
Cash and cash equivalents	766.40	3,684.62	4,451.02	749.65	3,604.10	4,353.75
Other						
Hedge Funds	-	5,139.16	5,139.16	-	5,026.85	5,026.85
Private Markets	-	10,146.18	10,146.18	-	9,924.44	9,924.44
Alternatives	-	4,691.92	4,691.92	-	4,589.38	4,589.38
	-	**19,977.26**	**19,977.26**	**-**	**19,540.67**	**19,540.67**
Derivatives						
Foreign exchange contracts	-	(353.72)	(353.72)	-	(345.99)	(345.99)
Interest Rate and inflation swaps	-	2,539.40	2,539.40	-	2,483.90	2,483.90
Equity protection derivatives	-	-	-	-	-	-
	-	2,185.68	2,185.68	-	2,137.91	2,137.91
Total	**30,878.67**	**49,738.75**	**80,617.42**	**30,203.84**	**48,651.84**	**78,855.68**

*determined on the basis of quoted prices for identical assets or liabilities in active markets.

As at March 31, 2023, the schemes held Gilt Repos. The net value of these transactions is included in the value of government bonds in the table above. The value of the funding obligation for the Repo transactions is ₹ **4,950.11 crores** at March 31, 2023 (2022: ₹ 14,535.70 crores).

The sensitivity analysis below is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the consolidated balance sheet.

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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 ₹ 1,938.37 crores	Decrease/increase by ₹ 29.48 crores
Inflation rate	Increase/decrease by 0.25%	Increase/decrease by ₹ 1,058.12 crores	Increase/decrease by ₹ 16.26 crores
Mortality rate	Increase/decrease by 1 year	Increase/decrease by ₹ 1,473.85 crores	Increase/decrease by ₹ 14.23 crores

Private Equity holdings have been measured using the most recent valuations, adjusted for cash and currency movements between the last valuation date and March 31 , 2023. Given the movements in listed equity markets, the valuation of Private Equity holdings may vary significantly. The value of the Private Equity holdings in the JLR UK Plans included above is ₹ **7,745.33 crores** as at March 31 , 2023.

Jaguar Land Rover contributes towards the UK defined benefit schemes. The April 5, 2018 valuations were completed in December 2018. As a result of these valuations it is intended to eliminate the pension scheme funding deficits over the 10 years to March 31, 2028. Whilst there is currently an additional liability over the projected benefit obligation, based on current legal advice the Group will not be required to recognise an additional obligation in the future. JLR has taken legal advice considering the documentation of the UK schemes and the regulatory environment. This confirmed the recoverability of any surplus in the scheme and JLR has based its accounting judgement on this advice.

In line with the schedule of contributions agreed following the 2018 statutory funding valuations and amended in April 2020, the current ongoing Group contribution rate for defined benefit accrual is c.21% of pensionable salaries in the UK. The 2021 statutory funding valuations are expected to be completed by June 30, 2022.

The average duration of the benefit obligation at March 31, 2023 is **14.5 years** (2022: 17.5 years).

The expected net periodic pension cost for the year ended March 31, 2024 is expected to be ₹ 376.09 crores. The Group expects to pay ₹ 304.93 crores to its defined benefit schemes, in total, for the year ended March 31, 2024.

Defined contribution plan

The Company's contribution to defined contribution plans aggregated ₹**1,358.36 crores,** ₹1,211.49 crores for years ended March 31, 2023 and 2022, respectively.

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37. Finance costs

(₹ in crores)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Interest	9,485.72	8,987.39
	Add: Exchange fluctuation considered as interest cost	1.37	2.28
	Less: Interest capitalised*	(298.28)	(573.71)
		9,188.81	**8,415.96**
(b)	Discounting charges	1,036.67	895.90
	Total	**10,225.48**	**9,311.86**

* Represents borrowing costs capitalized during the period on qualifying assets (property plant and equipment and product development).

The weighted average rate for capitalization of interest relating to general borrowings was approximately **5.77%** and 5.23% for the years ended March 31, 2023 and 2022, respectively.

38. Other expenses

(₹ in crores)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Processing charges	1,785.85	1,406.48
(b)	Consumption of stores and spare parts	1,609.63	1,446.09
(c)	Power and fuel	2,513.33	2,178.29
(d)	Information Technology (IT) related/Computer expenses	3,969.89	3,543.64
(e)	Engineering expense	4,400.60	3,031.17
(f)	MTM (gain)/loss on commodity derivatives	1,414.83	(1,370.57)
(g)	Warranty and product liability expenses*	10,497.33	8,774.55
(h)	Freight, transportation, port charges etc.	7,547.64	6,277.96
(i)	Publicity	6,035.38	4,863.65
(j)	Allowances for trade and other receivables	46.86	119.00
(k)	Allowances for finance receivables	2,039.15	1,307.59
(l)	Works operation and other expenses	19,925.47	15,556.00
	Total	**61,785.96**	**47,133.85**
*	Net of estimated recovery from suppliers	(403.87)	(395.60)

Note

(₹ in crores)

Works operation and other expenses :		Year ended March 31, 2023	Year ended March 31, 2022
(a)	**Auditors' remuneration**		
	(i) Audit fees	94.08	73.53
	(ii) Tax Audit fees	1.39	1.11
	(iii) All other fees *	1.41	5.10
	TOTAL	**96.88**	**79.74**

* Includes ₹**Nil** (₹1.59 crores as at March 31, 2022) fees paid for issuance of Seniors Notes.

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

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39. Commitments and contingencies

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

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

Litigation

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

Income Tax

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

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

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

As at March 31, 2023, contingent liabilities towards matters and/or disputes pending in appeal amount to **₹791.82 crores**, which includes **₹9.13 crores** in respect of equity accounted investees (₹975.96 crores, which includes ₹7.17 crores in respect of equity accounted investees as at March 31, 2022).

Customs, Excise Duty and Service Tax

As at March 31, 2023, there are pending litigations for various matters relating to customs, excise duty and service tax involving demands, including interest and penalties, of **₹454.03 crores,** which includes **₹4.02 crores i**n respect of equity accounted investees (₹680.90 crores, which includes ₹4.12 crores in respect of equity accounted investees as at March 31, 2022). These demands challenged the basis of valuation of the Company's products and denied the Company's claims of Central Value Added Tax, or CENVAT, credit on inputs. There are no demands of more than **₹100 crores** as at March 31, 2023.

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Sales Tax

The total sales tax demands (including interest and penalty), that are being contested by the Company amount to ₹**1,106.65 crores**, which includes ₹**10.55 crores** in respect of equity accounted investees as at March 31, 2023 (₹1,398.08 crores, which includes ₹10.77 crores in respect of equity accounted investees, as at March 31, 2022). The details of the demands for more than ₹100 crores are as follows:

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

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

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

Other Taxes and Dues

Other amounts for which the Company may contingently be liable aggregate to ₹**402.88 crores**, which includes ₹**1.60 crores** in respect of equity accounted investees as at March 31, 2023 (₹255.15 crores, which includes ₹1.28 crores in respect of equity accounted investees, as at March 31, 2022).

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

Other claims

There are other claims against the Company, the majority of which pertain to government body investigations with regards to regulatory compliances, motor accident claims, product liability claims and consumer complaints. Some of the cases also relate to the replacement of parts of vehicles and/or the compensation for deficiencies in the services by the Company or its dealers.

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. Pending the directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The Company has complied with this on a prospective basis, from the date of the SC order.Also refer note 36(B)(b).

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Commitments

The Company has entered into various contracts with vendors and contractors for the acquisition of plant and machinery, equipment and various civil contracts of a capital nature amounting to ₹**7,156.65 crores**, as at March 31, 2023 (₹8,847.53 crores as at March 31, 2022), which are yet to be executed.

The Company has entered into various contracts with vendors and contractors for the acquisition of intangible assets of a capital nature amounting to ₹**591.19 crores** as at March 31, 2023, (₹335.83 crores as at March 31, 2022), which are yet to be executed.

Under the joint venture agreement with Chery Jaguar Land Rover Automotive Co. Limited, the Company is committed to contribute ₹**5,980.75 crores** as at March 31, 2023 (₹5,977.00 crores as at March 31, 2022) towards its share in the capital of the joint venture of which ₹**4,156.62 crores** (₹4,154.01 crores as at March 31, 2022) has been contributed as at March 31, 2022. As at March 31, 2023, the Company has an outstanding commitment of ₹**1,824.13 crores** (₹1,822.98 crores as at March 31, 2022).

The Group's share of capital commitments of its joint venture agreement with Chery Jaguar Land Rover Automotive Co. Limited as at 31 March 2023 is ₹**121.97 Crores** (2022: ₹119.3 crores).

The Company has contractual obligation towards Purchase Commitment for ₹**22,871.36 crores** as at March 31, 2023 (₹18,650.90 crores as on March 31, 2022).

40. Capital Management

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

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

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

Total debt includes all long and short-term debts as disclosed in notes 26 and 27 to the consolidated financial statements. Equity comprises all components excluding (profit)/loss on cash flow hedges and foreign currency translation reserve.

The following table summarizes the capital of the Company:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Equity*	50,745.37	45,613.11
Short-term borrowings and current portion of long-term debt	36,964.66	41,917.87
Long-term debt	88,695.81	97,759.17
Total debt	125,660.47	139,677.04
Total capital (Debt + Equity)	**176,405.84**	**185,290.15**

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* Details of equity :

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Total equity as reported in balance sheet	52,599.51	48,832.30
Currency translation reserve attributable to		
- Shareholders of Tata Motors Limited	(9,339.00)	(8,616.39)
- Non-controlling interests	(76.50)	(56.44)
Hedging reserve and cost of hedge reserve	7,561.36	5,453.64
Equity as reported above	**50,745.37**	**45,613.11**

41. Financial instruments

(A) Accounting Policy

(i) Recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument

Initial measurement

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

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

Classification and measurement – financial assets

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

Financial assets are classified into three categories

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

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

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

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

Financial assets at fair value through other comprehensive income (Debt instruments): Financial assets having contractual terms that give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows as well as to sell the financial asset, are classified in this category. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in other comprehensive income apart from any expected credit losses or foreign exchange gains or losses, which are recognised in profit or loss.

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

Classification and measurement – financial liabilities:

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

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

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

Equity instruments:

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

(ii) Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

(iii) Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity is transferred to the statement of profit and loss unless it was an equity instrument electively held at fair value through other comprehensive income. In this case, any cumulative gain or loss in equity is transferred to retained earnings. Financial assets are written off when there is no reasonable expectation of recovery. The Company reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities.

Financial liabilities are 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

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

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

For forwards and options, forward premium and the time value are not considered part of the hedge. These are treated as cost of hedge and the changes in fair value attributable to forward premium is recognised in the other comprehensive income along with the changes in fair value determined to be effective portion of the hedge.

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

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

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

(B) Disclosure on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the consolidated financial statements.

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(a) Financial assets and liabilities

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

(₹ in crores)

Financial assets	Cash and other financial assets at amortised cost	Non -Derivative Financial assets at fair value	Derivatives other than in hedging relationship (at fair value through profit or loss)	Derivatives in hedging relationship (at fair value)	Total carrying value	Total fair value
(a) Other investments - non-current	1,076.00	1,789.19	-	-	2,865.19	2,865.19
(b) Investments - current	14,761.83	4,076.48	-	-	18,838.31	18,838.31
(c) Trade receivables	15,737.97	-	-	-	15,737.97	15,737.97
(d) Cash and cash equivalents	31,886.95	-	-	-	31,886.95	31,886.95
(e) Other bank balances	5,128.61	-	-	-	5,128.61	5,128.61
(f) Loans and advances - non-current	870.65	-	-	-	870.65	870.65
(g) Loans and advances - current	2,302.84	-	-	-	2,302.84	2,302.84
(h) Finance receivable - current	6,393.47	17,023.84	-	-	23,417.31	23,417.31
(i) Finance receivable - non-current	7,416.41	-	-	-	7,416.41	7,517.97
(j) Other financial assets - non-current	4,341.65	-	1,037.84	1,648.17	7,027.66	7,027.66
(k) Other financial assets - current	1,629.23	-	679.31	478.18	2,786.72	2,786.72
Total	**91,545.61**	**22,889.51**	**1,717.15**	**2,126.35**	**118,278.62**	**118,380.18**

Financial liabilities	Derivatives other than in hedging relationship (at fair value)	Derivatives in hedging relationship (at fair value)	Other financial liabilities (at fair value)	Other financial liabilities (at amortised cost)	Total carrying value	Total fair value
(a) Long-term borrowings (including current maturities of long-term borrowings) (refer note below)	-	-	-	111,593.63	111,593.63	108,998.58
(b) Lease Liability (including current)	-	-	-	8,452.97	8,452.97	8,452.97
(c) Short-term borrowings	-	-	-	14,066.84	14,066.84	14,066.84
(d) Trade payables	-	-	-	72,055.77	72,055.77	72,055.77
(e) Acceptances	-	-	-	7,195.99	7,195.99	7,195.99
(f) Other financial liabilities - non-current	580.82	4,803.28	2,500.00	438.37	8,322.47	8,322.47
(g) Other financial liabilities - current	597.43	3,784.80	-	9,446.35	13,828.58	13,828.58
Total	**1,178.25**	**8,588.08**	**2,500.00**	**223,249.92**	**235,516.25**	**232,921.20**

Notes:

1 Includes ₹**7,757.57 crores** designated as hedged item in fair value hedge relationship. This includes a loss of ₹**648.89 crores** on account of fair value changes attributable to the hedged interest rate risk.

2 Includes ₹**10,916.65 crores** (£1,074 million) designated as hedging instrument in net investment hedge relationship.

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

(₹ in crores)

Financial assets		Cash and other financial assets at amortised cost	Non -Derivative Financial assets at fair value	Derivatives other than in hedging relationship (at fair value through profit or loss)	Derivatives in hedging relationship (at fair value)	Total carrying value	Total fair value
(a)	Other investments - non-current	542.61	1,778.31	-	-	2,320.92	2,320.92
(b)	Investments - current	16,905.10	5,804.12	-	-	22,709.22	22,709.22
(c)	Trade receivables	12,442.12	-	-	-	12,442.12	12,442.12
(d)	Cash and cash equivalents	38,159.01	-	-	-	38,159.01	38,159.01
(e)	Other bank balances	2,510.18	-	-	-	2,510.18	2,510.18
(f)	Loans and advances - non-current	843.35	-	-	-	843.35	843.35
(g)	Loans and advances - current	1,671.93	-	-	-	1,671.93	1,671.93
(h)	Finance receivable - current	8,005.06	14,090.29	-	-	22,095.35	22,095.35
(i)	Finance receivable - non-current	11,135.85	-	-	-	11,135.85	11,400.14
(j)	Other financial assets - non-current	3,161.90	-	1,222.99	794.60	5,179.49	5,179.49
(k)	Other financial assets - current	1,881.33	-	1,333.43	585.06	3,799.82	3,799.82
	Total	**97,258.44**	**21,672.72**	**2,556.42**	**1,379.66**	**122,867.24**	**123,131.53**

Financial liabilities		Derivatives other than in hedging relationship (at fair value)	Derivatives in hedging relationship (at fair value)	Other financial liabilities (at fair value)	Other financial liabilities (at amortised cost)	Total carrying value	Total fair value
(a)	Long-term borrowings (including current maturities of long-term borrowings) (note below)	-	-	-	121,048.66	121,048.66	122,374.08
(b)	Lease Liability (including current)	-	-	-	6,771.99	6,771.99	6,771.99
(c)	Short-term borrowings	-	-	-	17,378.38	17,378.38	17,378.38
(d)	Trade payables	-	-	-	59,970.38	59,970.38	59,970.38
(e)	Acceptances	-	-	-	9,779.95	9,779.95	9,779.95
(f)	Other financial liabilities - non-current	529.74	2,885.80	1,250.00	1,918.12	6,583.66	5,333.66
(g)	Other financial liabilities - current	306.00	4,137.42	-	9,976.82	14,420.24	14,420.24
	Total	**835.74**	**7,023.22**	**1,250.00**	**226,844.30**	**235,953.26**	**236,028.68**

Notes:

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.

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Fair Value Hierarchy

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

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

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

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

(₹ in crores)

		As at March 31, 2023			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
(a)	Investments	4,734.17	-	1,131.50	5,865.67
(b)	Derivative assets	-	3,843.50	-	3,843.50
(c)	Finance receivables	-	-	17,023.84	17,023.84
	Total	**4,734.17**	**3,843.50**	**18,155.34**	**26,733.01**
Financial liabilities measured at fair value					
(a)	Derivative liabilities	-	9,766.33	-	9,766.33
(b)	Financial Liabilities		-	2,500.00	2,500.00
	Total	**-**	**9,766.33**	**2,500.00**	**12,266.33**

Costs of certain unquoted equity instruments have been considered as an appropriate estimate of fair value because these investments are subject to a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value in profit or loss.

Fair values of forward derivatives and commodity swap contracts are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. Option contracts are fair valued using standard options pricing methodology, based on prevailing market interest rates and volatility.

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Reconciliation of financial assets measured at fair value using significant unobservable inputs (Level 3)

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	15,117.19	8,857.80
Originated / purchased during the period	7,046.40	10,188.79
Interest accrued on loans measured at FVOCI	(38.53)	39.88
Disposals during the period	(3,781.34)	(4,074.87)
Loan loss provision recognised/(reversed)	(151.86)	(138.39)
Fair value changes recognized through OCI	(83.27)	212.20
Fair value changes recognized through P& L	45.39	20.91
Foreign exchange translation difference	1.36	10.87
Balance at the end	**18,155.34**	**15,117.19**

(₹ 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 liabilities	-	7,858.96	-	7,858.96
(b) Financial Liabilities	-	-	1,250.00	1,250.00
Total	**-**	**7,858.96**	**1,250.00**	**9,108.96**

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

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

(₹ in crores)

	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value				
(a) Investments	15,837.83	-	-	15,837.83
(b) Finance receivables	-	-	13,911.44	13,911.44
Total	**15,837.83**	**-**	**13,911.44**	**29,749.27**
Financial liabilities not measured at fair value				
(a) Long-term borrowings (including current maturities of long term borrowing)	47,140.22	61,858.36	-	108,998.58
(b) Short-term borrowings	-	14,066.84	-	14,066.84
Total	**62,978.05**	**75,925.20**	**13,911.44**	**152,814.69**

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(₹ in crores)

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
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	-	17,378.38	-	17,378.38
Total	**57,188.24**	**82,564.22**	**-**	**139,752.46**

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

The fair value of finance receivables has been estimated by discounting expected cash flows using rates at which loans of similar credit quality and maturity would be made and internal assumptions such as expected credit losses and estimated collateral value for repossessed vehicles as at March 31, 2023 and 2022. Since significant unobservable inputs are applied in measuring the fair value, finance receivables are classified in Level 3.

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

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

Offsetting

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

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

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

(₹ in crores)

	Gross amount recognized	Gross amount recognised as set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to an enforceable master netting arrangement		Net amount after offsetting
				Financial instruments	Cash collateral (received/ pledged)	
Financial assets						
(a) Derivative financial instruments	3,843.50	-	3,843.50	(2,055.57)	-	1,787.93
(b) Trade receivables	16,155.20	(417.23)	15,737.97	-	-	15,737.97
(c) Cash and cash equivalents	34,285.67	(2,398.72)	31,886.95	-	-	31,886.95
Total	**54,284.37**	**(2,815.95)**	**51,468.42**	**(2,055.57)**	**-**	**49,412.85**
Financial liabilities						
(a) Derivative financial instruments	9,766.33	-	9,766.33	(2,055.57)	-	7,710.76
(b) Trade payable	72,473.00	(417.23)	72,055.77	-	-	72,055.77
(c) Loans from banks/financial institutions (short-term & current maturities of long term debt)	39,363.38	(2,398.72)	36,964.66	-	-	36,964.66
Total	**121,602.71**	**(2,815.95)**	**118,786.76**	**(2,055.57)**	**-**	**116,731.19**

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 recognized	Gross amount recognised as set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to an enforceable master netting arrangement		Net amount after offsetting
				Financial instruments	Cash collateral (received/ pledged)	
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	(1,570.89)	38,159.01	-	-	38,159.01
Total	**54,668.10**	**(1,572.53)**	**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)	43,488.76	(1,570.89)	41,917.87	-	-	41,917.87
Total	**111,319.74**	**(1,572.53)**	**109,747.21**	**(2,816.89)**	**-**	**106,930.32**

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(b) Transfer of financial assets

The Company transfers finance receivables through securitisation transactions and direct assignments. In such transactions the Company surrenders control over the receivables, though it continues to act as an agent for the collection of receivables. Generally in such transactions, the Company also provides credit enhancements to the transferee.

Because of the existence of credit enhancements in such transactions, the Company continues to have the obligation to pay to the transferee, limited to the extent of credit enhancement provided, even if it does not collect the equivalent amounts from the original asset and hence continues to retain substantially all risks and rewards associated with the receivables, and as a result of which such transfer or assignment does not meet the derecognition criteria, resulting in the transfer not being recorded as sale. Consequently, the proceeds received from such transfers are recorded as collateralized debt obligations.

Further the Company transfers certain trade receivables under the debt factoring arrangements. These do not qualify for derecognition, due to existence of the recourse arrangement. Consequently the proceeds received from such transfers with a recourse arrangements are recorded as loans from banks / financial institutions and classified under short-term borrowings.

The carrying amount of trade receivables and finance receivables transferred along with the associated liabilities is as follows:

(₹ in crores)

Nature of Asset	As at March 31, 2023		As at March 31, 2022	
	Carrying amount of asset transferred	Carrying amount of associated liabilities	Carrying amount of asset transferred	Carrying amount of associated liabilities
(a) Trade receivables	-	-	31.80	31.80
(b) Finance receivables	106.91 [1]	74.87	1,246.48 [1]	1,181.72

[1] Net of provision of ₹**2.60 crores** and ₹23.95 crores as at March 31, 2023 and 2022, respectively.

(c) Cash flow hedges

As at March 31, 2023, the Company have a number of financial instruments designated in a hedging relationship. The Company and its subsidiaries use both foreign currency forward and option contracts, cross currency interest rate swaps and other currency options to hedge changes in future cash flows as a result of foreign currency and interest rate risk arising from forecasted sales and purchases and repayment of foreign currency bonds. The Company and its subsidiaries have also designated some of its U.S. dollar denominated bonds as hedging instruments in a cash flow hedging relationship to hedge the changes in future cash flows as a result of foreign currency risk arising from future anticipated sales.

The Company also have a number of foreign currency options and other currency options, which are entered into as an economic hedge of the financial risks of the Company. These contracts do not meet the hedge accounting criteria of Ind AS 109, hence the change in fair value of these derivatives are recognised in the statement of Profit and Loss.

Options are designated on spot discounted basis. The time value of options are identified as cost of hedge. Changes in the time value of options are recognised in Cost of Hedge reserve to the extent they relate to the hedged item. Changes in the spot intrinsic value of options is recognized in Hedge reserve. Changes in fair value arising from own and counterparty credit risk in options and forward exchange contracts are considered ineffective in the hedge relationship and thus the change in fair value of options & forward exchange contracts attributable to changes in credit spread are recognised in the consolidated statement of profit and loss. Cross currency basis spread was historically included in the hedging relationship. Any ineffectiveness arising out of cross currency basis spread is recognised in the statement of profit and loss as it arises. Cross currency basis spread arising from forward

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exchange contracts entered after 1st January 2018 is identified as cost of hedge and accordingly changes in fair value attributable to this is recognized in cost of hedge reserve to the extent they relate to the hedged item.

Changes in fair value of foreign currency derivative and bonds, to the extent determined to be an effective hedge, is recognized in other comprehensive income and the ineffective portion of the fair value change is recognized in consolidated statement of Profit and Loss. The fair value gain/losses recorded in Hedge reserve and Cost of Hedge reserve is recognised in the consolidated statement of profit and loss when the forecasted transactions affects profit or loss. The accumulated gain/losses in hedge reserve and cost of hedge reserve are expected to be recognized in consolidated statement of profit or loss during the years ending March 31, 2024 to 2026.

It is anticipated that the hedged sales will take place over the next one to five years, at which time the amount deferred in equity will be reclassified to revenue in the consolidated statement of profit or loss.

It is anticipated that the hedged purchases will take place over the next one to five years, at which time the amount deferred in equity will be included in the carrying amount of the raw materials. On sale of the finished product, the amount previously deferred in equity and subsequently recognised in inventory will be reclassified to raw materials, components, and consumables in the consolidated statement of profit or loss.

(₹ in crores)

	As at March 31,2023	As at March 31,2022
Fair value gain/(loss) on foreign currency derivative contracts entered for cash flow hedges of forecast sales recognised in hedging reserve	(7,899.50)	(7,877.83)
Fair value gain/(loss) on foreign currency derivative contracts entered for cash flow hedges of forecast inventory purchases recognized in hedging reserve	586.24	(369.06)
Fair value gain/(loss) on foreign currency bonds designated as cash flow hedges of forecast sales recognised in hedging reserve	-	-
Fair value gain/(loss) on derivatives entered for cash flow hedges of repayment of foreign currency denominated borrowings recognized in hedging reserve	50.96	(5.25)
Fair value gain/(loss) on interest rate swaps entered for cash flow hedges of payment of interest on borrowings benchmarked to LIBOR	-	-
Fair value gain/(loss) recognized in other comprehensive income during the year	**(7,262.30)**	**(8,252.14)**
Gain/(loss) reclassified from Hedging reserve and recognized in 'Revenue from operations' in the statement of profit and loss on occurrence of forecast sales	(5,848.38)	779.16
Gain/(loss) reclassified out of Hedging reserve and recorded in Inventory in the Balance sheet on occurrence of forecast purchases	(436.42)	-
Gain/(loss) reclassified from Hedging reserve and recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss for the case where on account of forecast transactions no longer expected to occur	(117.77)	105.10
Gain/(loss) reclassified from Hedging reserve and recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss on account of repayment of foreign currency denominated borrowings	-	(43.34)
Gain/(loss) reclassified from Cost of Hedge reserve and recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss on account of forecast transactions no longer expected to occur	2.56	(0.05)
Gain/(loss) reclassified from equity other comprehensive income to the consolidated statement of profit or loss	**(6,400.01)**	**840.87**
Gain/(loss) on foreign currency derivatives not hedge accounted, recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss	(231.39)	277.32
Fair value gain/(loss) recognized in 'Foreign exchange (gain)/loss (net)' in the statement of profit and loss on account of ineffectiveness arising from foreign currency basis spread on forward contracts designated in cash flow hedge relationship	(3.06)	1.67
	(234.45)	278.99

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(d) Financial risk management

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

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

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

(i) Market risk

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

(a) Foreign currency exchange rate risk:

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

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

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. Furthermore, any movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues and expenditure relating to its international operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

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

The following analysis is based on the gross exposure as of the relevant balance sheet dates, which could affect the income statement. There is no exposure to the income statement on account of translation of financial statements of consolidated foreign entities. Furthermore, the exposure as indicated below is mitigated

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by natural hedges resulting from anticipated revenue and cost in foreign currency expected to arise in future as well as certain derivative contracts entered into by the Company.

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

(₹ in crores)

	U.S. dollar	Euro	Chinese Renminbi	GBP	Canadian dollar	Others [1]	Total
(a) Financial assets	16,487.24	12,720.97	5,340.61	1,495.47	918.21	3,709.55	40,672.05
(b) Financial liabilities	47,380.35	48,524.65	11,982.85	4,835.99	353.01	3,471.40	116,548.25

[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, 2023:

Change in assumption	Impact on Company's net income before tax for financial assets	Impact on Company's net income before tax for financial liabilities
Appreciation in foreign currencies by 10%	Increase by ₹4,067.21 crores	Decrease by ₹ (11,654.82) crores
Depreciation in foreign currencies by 10%	Decrease by ₹(4,067.21) crores	Increase by ₹ 11,654.82 crores

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

The following table set forth information relating to foreign currency exposure (other than risk arising from derivatives) as of March 31, 2022:

(₹ in crores)

	U.S. dollar	Euro	Chinese Renminbi	GBP	Canadian dollar	Others [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.

(b) Interest rate risk

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

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

In its financing business, the Company enters into transactions with customers which primarily result in receivables at fixed rates. In order to manage this risk, the Company has a policy to match funding in terms of maturities and interest rates and also for certain part of the portfolio, the Company does not match funding with maturities, in order to take advantage of market opportunities.

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The Company also enters into arrangements of securitization of receivables in order to reduce the impact of interest rate movements. Further, Company also enters into interest rate swap contracts with banks to manage its interest rate risk.

As at March 31, 2023 and 2022 financial liabilities of ₹**48,076.94 crores** and ₹51,611.40 crores respectively, were subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase of profit before tax) of ₹**480.77 crores** and ₹516.11 crores on income for the year ended March 31, 2023 and 2022, respectively.

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

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

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

The Company uses cross currency interest rate swaps to hedge some of its exposure to interest rate arising from variable rate foreign currency denominated debt. The Company also uses cross currency interest rate swaps to convert some of its foreign currency denominated fixed rate debt to floating rate debt.

(c) Equity Price risk

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

The fair value of some of the Company's investments in equity securities exposes the Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities.

The fair value of some of the Company's investment in quoted equity securities measured at FVOCI as of March 31, 2023 and 2022, was ₹**643.31 crores** and ₹802.91 crores, respectively. A 10% change in prices of these securities held as of March 31, 2023 and 2022, would result in a pre-tax impact of ₹**64.33 crores** and ₹80.29 crores on equity, respectively.

The fair value of some of the Company's investments in quoted equity securities measured at FVTPL as of March 31, 2022 and 2021, was ₹Nil and ₹Nil, respectively. A 10% change in prices of these securities measured at FVTPL held as of March 31, 2022 and 2021, would result in an impact of ₹ Nil and ₹Nil on profit before tax, respectively.

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(ii) Credit risk

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

Financial instruments that are subject to concentrations of credit risk, principally consist of investments in debt instruments, trade receivables, finance receivables, loans and advances and derivative financial instruments. The Company strives to promptly identify and reduce concerns about collection due to a deterioration in the financial conditions and others of its main counterparties by regularly monitoring their situation based on their financial condition.

None of the financial instruments of the Company result in material concentrations of credit risks.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹**1,15,737.01 crores** as at March 31, 2023 and ₹1,21,937.46 crores as at March 31, 2022, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, finance receivables, margin money and other financial assets excluding equity investments.

Financial assets that are neither past due nor impaired

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

Credit quality of financial assets and impairment loss

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

(₹ in crores)

Trade receivables	As at March 31, 2023							
	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	14,173.24	437.71	298.94	223.27	73.19	69.07	459.75	15,735.17
(b) Which have significant increase in credit risk	-		-	-	-	-	-	-
(c) Credit impaired	121.06	0.90	21.36	44.30	40.53	40.43	361.09	629.67
Disputed								
(a) Considered good	0.04	2.39	0.15	0.05	0.01	-	0.16	2.80
(b) Which have significant increase in credit risk	-		-	-	-	-	-	-
(c) Credit impaired	0.01	-	-	-	0.58	0.19	190.80	191.58
Total	14,294.35	441.00	320.45	267.62	114.31	109.69	1,011.80	16,559.22
Less: Allowance for credit impaired balances								**(821.25)**
Total								**15,737.97**

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(₹ 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**

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

1 Trade receivables overdue more than six months include ₹**574.10 crores** as at March 31, 2023 (₹514.48 crores as at March 31, 2022), outstanding from Government organizations in India, which are considered recoverable.

The Company makes allowances for losses on its portfolio of finance receivable on the basis of expected future collection from receivables. The future collection are estimated on the basis of past collection trend which are adjusted for changes in current circumstances as well as expected changes in collection future based on expectations future with respect to certain macro economic factor like GDP growth, fuel price and inflation.

(₹ in crores)

Finance receivables [2]		As at March 31, 2023			As at March 31, 2022		
		Gross	Allowance	Net	Gross	Allowance	Net
Period (in months)							
(a)	Not due [3]	30,240.84	(1,111.88)	29,128.96	33,118.67	(1,222.33)	31,896.34
(b)	Overdue up to 3 months	491.02	(18.78)	472.24	546.30	(16.08)	530.22
(c)	Overdue more than 3 months	2,004.29	(771.77)	1,232.52	1,373.66	(569.02)	804.64
	Total	**32,736.15**	**(1,902.43)**	**30,833.72**	**35,038.63**	**(1,807.43)**	**33,231.20**

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

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debentures, fixed deposits from public, senior notes and other debt instruments. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks. The Company has also invested 15% of the amount of public deposits/non-convertible debentures (taken by the Company) falling due for repayment in the next 12 months in bank deposits, to meet the regulatory norms of liquidity.

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

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

(₹ in crores)

Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables and acceptances	79,251.76	79,251.76	-	-	-	79,251.76
(b) Borrowings and interest thereon	127,336.38	59,426.12	41,389.36	48,125.63	10,878.24	159,819.35
(c) Lease Liability	8,452.97	1,480.12	1,141.84	3,260.69	7,932.43	13,815.08
(d) Derivative liabilities	9,766.33	4,725.94	2,862.95	1,995.39	-	9,584.28
(e) Other financial liabilities	10,708.81	8,138.69	448.92	2,901.68	39.68	11,528.97
Total	**235,516.25**	**153,022.63**	**45,843.07**	**56,283.39**	**18,850.35**	**273,999.44**

Contractual maturities of borrowings includes cash flows relating to collateralized debt obligations. This represents the amount received against the transfer of finance receivables in securitization transactions and/or direct assignments, which do not qualify for derecognition. The liability of the Company in such cases is limited to the extent of credit enhancements provided. The contractual maturities of such collateralized debt obligations are as follows:

(₹ in crores)

Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Total contractual cash flows
Collateralized debt obligations	74.87	76.92	-	-	76.92

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

(₹ in crores)

Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables and acceptances	69,750.33	69,750.33	-	-	-	69,750.33
(b) Borrowings and interest thereon	141,423.41	53,226.72	31,650.67	58,620.79	19,956.37	163,454.55
(c) Lease Liability	6,771.99	1,316.13	1,148.34	2,491.40	5,972.87	10,928.74
(d) Derivative liabilities	7,858.96	5,087.64	2,775.46	2,831.55	14.94	10,709.59
(e) Other financial liabilities	10,148.57	8,230.35	165.34	183.44	3,894.73	12,473.86
Total	**235,953.26**	**137,611.17**	**35,739.81**	**64,127.18**	**29,838.91**	**267,317.07**

The contractual maturities of such collateralized debt obligations are as follows:

(₹ in crores)

Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Total contractual cash flows
Collateralized debt obligations	1,182.54	911.75	328.58	16.06	1,256.39

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(iv) Derivative financial instruments and risk management

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

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

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

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

The fair value of derivative financial instruments is as follows:

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Foreign currency forward exchange contracts and options	(6,266.90)	(5,349.33)
(b)	Commodity Derivatives	(491.62)	1,209.85
(c)	Others including interest rate and currency swaps	835.69	216.60
	Total	**(5,922.83)**	**(3,922.88)**

Following table provides sensitivity analysis in relation to derivative contracts:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
10% depreciation of foreign currency:		
Gain/(loss) in hedging reserve and cost of hedge reserve	13,639.41	9,550.61
Gain/(loss) in statement of Profit and loss	(4,042.29)	(3,352.99)
10% Appreciation of foreign currency:		
Gain/(loss) in hedging reserve and cost of hedge reserve	(13,360.69)	(11,136.42)
Gain/(loss) in statement of Profit and loss	5,702.96	4,857.49

(v) Commodity Price Risk

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

The gain/(loss) on commodity derivative contracts, recognized in the statement of Profit and Loss was **₹1,414.83 crores** loss and ₹1,370.57 crores loss for the years ended March 31, 2023 and 2022, respectively.

In respect of the Company's commodity derivative contracts, a 10% depreciation/appreciation of all commodity prices underlying such contracts, would have resulted in an approximate gain/(loss) of **₹571.41 crores** and ₹592.41 crores in the statement of profit and loss for the years ended March 31, 2023 and 2022, respectively.

Exposure to gain/loss on derivative instruments offset to some extent the exposure to foreign currency risk, interest rate risk as disclosed above.

(Note: The impact is indicated on the income/loss before consequential tax impact,if any basis).

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42. Disclosure on 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 as at March 31		Nominal amounts (₹ in crores) as at March 31		Carrying value (₹ in crores) as at March 31	
	2023	2022	2023	2022	2023	2022
Foreign currency forwards						
Cash flow hedges - USD						
Sell - USD/ Buy - GBP						
<1 year	0.753	0.760	28,067.89	28,651.39	(1,916.67)	47.03
Between 1-5 years	0.758	0.736	42,682.28	37,125.99	(2,390.79)	(769.64)
Buy - USD/ Sell - INR						
<1 year	-	0.000	-	-	-	-
Cash flow hedges - Chinese Yuan						
Sell - Chinese Yuan / Buy - GBP						
<1 year	0.114	0.109	27,179.92	28,023.68	(1,159.67)	(2,335.00)
Between 1-5 years	0.116	0.112	49,743.44	35,010.36	(1,876.36)	(1,248.76)
Cash flow hedges -Euro						
Buy - Euro / Sell - GBP						
<1 year	0.892	0.887	(20,163.28)	28,756.03	203.59	(1,105.89)
Between 1-5 years	0.913	0.886	(417.56)	12,464.61	4.88	(46.73)
Cash flow hedges - Other						
<1 year	-	-	7,421.90	9,399.29	(57.63)	(167.98)
Between 1-5 years	-	-	8,620.90	8,651.33	(16.87)	(277.69)
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	6,780.06	757.89	780.68	154.88
>5 years	-	0.759	-	3,774.33	-	9.13
Buy - Euro / Sell - GBP						
>5 years	0.891	0.891	4,529.44	4,430.46	(508.22)	(382.97)
Buy - USD / Sell - INR						
<1 year	73.810	71.158	110.72	1,067.15	13.40	66.38
Between 1-5 years	71.860	71.860	718.60	829.32	82.12	1.47
>5 years	83.520	83.520	4,417.31	4,073.65	318.84	432.50
Total foreign currency derivative instruments			**159,691.62**	**203,015.48**	**(6,522.70)**	**(5,623.26)**
Debt instruments denominated in foreign currency						
USD						
< 1 year			-	-	-	-
Between 1-5 years	0.629	0.000	10,845.50	-	(9,849.38)	-
Total debt instruments denominated in foreign currency			**10,845.50**	**-**	**(9,849.38)**	**-**

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Cash flow hedges of interest rate risk arising on floating rate borrowings

	Average strike rate		Nominal amounts (USD in million)		Carrying value (₹ in crores)	
	as at March 31		as at March 31		as at March 31	
	2023	2022	2023	2022	2023	2022
Interest rate swaps linked to LIBOR						
>5 years	2.86%	2.86%	237.50	237.50	60.97	(20.31)
Total derivatives designated in hedge relationship					(6,461.73)	(5,643.57)
Total debt instruments designated in hedge relationship					**(9,849.38)**	**-**

Non derivatives designated in hedge relationship

	Average strike rate		Nominal amounts (USD in million)		Carrying value (₹ in crores)	
	as at March 31		as at March 31		as at March 31	
	2023	2022	2023	2022	2023	2022
Net Investment Hedge - GBP	-	-	1,074.00	923.66	-	-

43. Segment reporting

The Company primarily operates in the automotive business. The automotive business includes all activities relating to development, design, manufacture, assembly and sale of vehicles including financing thereof, as well as sale of related parts, accessories and services. The Company provides financing for vehicles sold by dealers in India. The vehicle financing is intended to drive sale of vehicles by providing financing to the dealers' customers and as such is an integral part of automotive business. The operating results for Vehicle Financing has been adjusted only for finance cost for the borrowings sourced by this segment.

Operating segments consist of :

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).

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(₹ in crores)

	For the year ended/as at March 31, 2023										
	Automotive and related activity										
	Tata and other brand vehicle[1]										
	Commercial vehicle	Passenger vehicle	Unallocable	Total	Vehicle Financing	Jaguar Land Rover	Intra-segment eliminations	Total	Others	Inter-segment eliminations	Total
Revenues:											
External revenue	69,324.40	45,845.17	187.41	115,356.98	4,438.78	222,845.42	-	342,641.18	3,325.79	-	345,966.97
Inter-segment/intra-segment revenue	1,491.45	2,022.66	172.80	3,686.91	156.46	14.31	(3,857.68)	-	1,482.83	(1,482.83)	-
Total revenues	**70,815.85**	**47,867.83**	**360.21**	**119,043.89**	**4,595.24**	**222,859.73**	**(3,857.68)**	**342,641.18**	**4,808.62**	**(1,482.83)**	**345,966.97**
Earnings before other income (excluding Incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax :	3,693.28	542.17	(157.84)	4,077.61	1,499.44	3,481.69	(17.56)	9,041.18	826.24	15.13	9,882.55
Finance costs pertaining to borrowings sourced by vehicle financing segment	-	-	-	-	(2,884.53)	-	-	(2,884.53)	-	-	(2,884.53)
Segment results	**3,693.28**	**542.17**	**(157.84)**	**4,077.61**	**(1,385.09)**	**3,481.69**	**(17.56)**	**6,156.65**	**826.24**	**15.13**	**6,998.02**
Reconciliation to Profit/(loss) before tax:											
Other income/(loss) (excluding Incentives)											1,719.82
Finance costs (excluding pertaining to borrowings sourced by vehicle financing segment)											(7,354.70)
Foreign exchange											103.88
Exceptional items	(278.28)	313.37	(0.09)	35.00	-	1,555.53	-	1,590.53	-	-	1,590.53
Profit/(loss) before tax											**3,057.55**
Depreciation and amortisation expense	1,616.70	2,583.93	138.80	4,339.43	57.46	20,443.60	-	24,840.49	97.27	(77.40)	24,860.36
Capital expenditure	2,201.59	3,347.25	6.15	5,554.99	36.31	12,950.52	-	18,541.82	63.08	(62.27)	18,542.63
Share of profit/(loss) of equity accounted investees (net)	-	-	185.13	185.13	-	144.34	-	329.47	6.91	-	336.38
Segment assets	**30,250.90**	**19,591.89**	**1,469.01**	**51,311.80**	**35,650.96**	**181,214.15**	**(2,390.94)**	**265,785.97**	**4,051.44**	**(1,226.76)**	**268,610.65**
Assets classified as held for sale	-	-	6.14	6.14	192.01	629.63	-	827.78	-	-	827.78
Investment in equity accounted investees	-	-	716.01	716.01	-	3,349.41	-	4,065.42	610.24	-	4,675.66
Reconciliation to total assets:											
Other Investments											21,703.50
Current and non-current tax assets (net)											1,815.62
Deferred tax assets (net)											5,184.67
Other unallocated financial assets[2]											33,263.50
Total assets											**336,081.38**
Segment liabilities	**22,543.11**	**12,618.89**	**1,252.27**	**36,414.27**	**1,241.37**	**106,380.14**	**(2,257.37)**	**141,778.41**	**2,252.12**	**(312.46)**	**143,718.07**
Reconciliation to total liabilities:											
Borrowings											125,660.47
Current tax liabilities (net)											1,254.19
Deferred tax liabilities (net)											1,406.95
Other unallocated financial liabilities[3]											11,442.19
Total liabilities											**283,481.87**

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.

TATA MOTORS

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(₹ in crores)

	For the year ended/as at March 31, 2022										
	Automotive and related activity										
	Tata and other brand vehicle [1]										
	Commercial vehicle	Passenger vehicle	Unallocable	Total	Vehicle Financing	Jaguar Land Rover	Intra-segment eliminations	Total	Others	Inter-segment eliminations	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.

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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, 2023	Year ended March 31, 2022
(a)	India	114,090.84	80,795.00
(b)	United States of America	54,766.05	45,513.35
(c)	United Kingdom	33,141.13	33,228.52
(d)	Rest of Europe	42,730.83	32,612.40
(e)	China	47,368.38	42,758.89
(f)	Rest of the World	53,869.74	43,545.45
	Total	**345,966.97**	**278,453.62**

Non-current assets (Property, plant and equipment, Intangible assets, other non-current assets (non-financial) and Goodwill) by geographic area:

		As at March 31, 2023	As at March 31, 2022
(a)	India	29,631.21	28,527.93
(b)	United States of America	504.26	514.64
(c)	United Kingdom	104,845.75	107,074.22
(d)	Rest of Europe	7,942.78	9,526.30
(e)	China	438.53	464.69
(f)	Rest of the World	2,991.73	2,998.76
	Total	**146,354.26**	**149,106.54**

Information about product revenues:

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Tata and Fiat vehicles		
	- Commercial Vehicles	63,815.94	47,178.91
	- Passenger Vehicles	38,893.17	28,323.90
	- Electric Vehicles	6,952.00	2,663.00
	- Corporate	187.41	224.15
(b)	Tata Daewoo commercial vehicles	5,508.46	5,318.55
(c)	Finance revenues	4,438.78	4,374.42
(d)	Jaguar Land Rover vehicles	222,845.42	187,696.74
(e)	Others	3,325.79	2,673.95
	Total	**345,966.97**	**278,453.62**

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44. Related-party transactions

The Company's related parties principally includes Tata Sons Private Limited, subsidiaries and joint arrangements of Tata Sons Private Limited, the Company's associates and their subsidiaries, joint operations and joint ventures of the Company. The Company routinely enters into transactions with these related parties in the ordinary course of business. Transactions and balances of the company with its own subsidiaries and the transactions among subsidiaries are eliminated on consolidation.

All transactions with related parties are conducted under normal terms of business and all amounts outstanding are unsecured and will be settled in cash.

The following table summarizes related-party transactions and balances included in the consolidated financial statements for year ended/as at March 31, 2023:

(₹ in crores)

	Associates and its subsidiaries	Joint ventures	Joint operations	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	Total
(A) Transactions					
Purchase of products	7,353.69	572.37	10,836.51	1,831.78	20,594.35
Sale of products	325.68	2,447.62	3,027.87	1,486.42	7,287.59
Services received	22.08	2.44	0.62	2,466.36	2,491.50
Services rendered	25.72	1,060.74	6.44	240.44	1,333.34
Bills discounted	-	-	-	10,882.37	10,882.37
Purchase of property, plant and equipment	91.85	-	-	19.05	110.90
Interest income	-	-	-	0.65	0.65
Interest expense	4.23	-	25.05	63.04	92.32
Dividend income	-	-	236.34	14.81	251.15
Dividend expense	-	-	-	-	-
Finance taken (including loans and equity)	143.00	-	-	-	143.00
Finance taken, paid back (including loans and equity)	186.00	-	-	-	186.00
Repayment towards lease liability	-	-	31.08	-	31.08
(B) Balances					
Amount receivable in respect of Loans and interest thereon	-	9.30	-	4.90	14.20
Amounts payable in respect of loans and interest thereon	48.00	-	-	3.67	51.67
Amount payable in respect of Lease Liability	-	-	302.87	-	302.87
Trade and other receivables	32.85	336.98	99.85	309.40	779.08
Trade payables	229.57	4.55	753.56	471.98	1,459.66
Acceptances	-	-	-	1,156.14	1,156.14
Provision for amount receivables	-	9.30	-	-	9.30

Notes
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The following table summarizes related-party transactions included in the consolidated financial statements for the year ended/as at March 31, 2022:

(₹ in crores)

	Associates and its subsidiaries	Joint ventures	Joint operations	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	Total
(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	-	-	1.18	0.88	2.06
Interest expense	5.86	-	19.62	87.10	112.58
Dividend income	0.02	-	22.95	13.56	36.53
Finance given (including loans and equity)	-	-	-	-	-
Finance taken (including loans and equity)	148.00	-	-	-	148.00
Finance taken, paid back (including loans and equity)	152.00	-	-	1.27	153.27
Borrowing towards Lease Liability	-	-	54.27	-	54.27
Repayment towards lease liability	-	-	24.07	-	24.07
(B) Balances					
Amounts receivable in respect of loans and interest thereon	-	9.30	-	4.46	13.76
Amounts payable in respect of loans and interest thereon	91.00	-	-	2.88	93.88
Amount payable in respect of Lease Liability	-	-	296.05	-	296.05
Trade and other receivables	71.82	297.97	83.85	265.84	719.48
Trade payables	139.95	0.20	111.92	238.84	490.91
Acceptances	-	-	-	1,529.72	1,529.72
Provision for amount receivables	-	9.30	-	-	9.30

Notes
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Details of significant transactions are given below:

(₹ in crores)

	Particulars	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
(A)	**Transactions**			
i)	**Purchase of products**			
	Tata AutoComp Systems Limited	Associates	4,601.26	2,013.43
	Fiat India Automobiles Private Limited	Joint Operations	8,308.48	3,739.30
	Tata Cummins Private Limited	Joint Operations	2,528.03	1,843.36
ii)	**Sale of products**			
	Fiat India Automobiles Private Limited	Joint Operations	2,914.66	1,589.81
	Chery Jaguar Land Rover Automotive Company Limited	Joint ventures	2,447.62	2,679.73
iii)	**Services received**			
	Tata Consultancy Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	1,912.37	1,605.89
iv)	**Services rendered**			
	Chery Jaguar Land Rover Automotive Company Limited	Joint ventures	1,060.74	973.60
v)	**Bills discounted**			
	Tata Capital Financial Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	10,882.37	7,901.42
vi)	**Purchase of property, plant and equipment**			
	Tata Consultancy Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	16.33	7.37
	TACO Prestolite Electric Private Limited	Associates and its subsidiaries	19.83	-
	TM Automotive Seating Systems Private Limited	Associates and its subsidiaries	43.59	20.31
vii)	**Interest income**			
	Tata Africa Holdings (SA) (Proprietary) Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	0.22	0.45
	Tata Precision Industries (India) Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	0.42	0.42
viii)	**Interest expense**			
	Fiat India Automobiles Private Limited	Joint Operations	25.05	19.62
	Tata Capital Financial Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	54.69	87.01
ix)	**Dividend income**			
	Tata Cummins Private Limited	Joint Operations	236.34	22.95
	Tata Sons Private Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	12.38	12.38

Notes
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(₹ in crores)

	Particulars	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
x)	**Finance taken (including loans and equity)**			
	Automobile Corporation of Goa Limited	Associates	73.00	8.00
	Tata Hitachi Construction Machinery Company Private Limited	Associates	70.00	140.00
xi)	**Finance taken, paid back (including loans and equity)**			
	Automobile Corporation of Goa Limited	Associates	116.00	12.00
	Tata Hitachi Construction Machinery Company Private Limited	Associates	70.00	140.00
xii)	**Borrowing towards lease liability**			
	Fiat India Automobiles Private Limited	Joint Operations	-	54.27
xiii)	**Repayment towards lease liability**			
	Fiat India Automobiles Private Limited	Joint Operations	31.08	24.07
xiv)	**Sale of Business**			
	Tata Advanced Systems Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	-	234.09

Compensation of key management personnel:

	Year ended March 31, 2023	Year ended March 31, 2022
Short-term benefits	81.87	67.22
Post-employment benefits*	0.99	1.44
Share based payment	6.02	1.42

The compensation of erstwhile CEO and Managing Director is ₹16.97 crores for the year ended March 31, 2022. The compensation of Group CFO is ₹**13.49 crores** and ₹11.17 crores for the year ended March 31, 2023 and 2022, respectively.The compensation of Executive Director is ₹**4.64 crores** and ₹ 3.34 crores for the year ended March 31, 2023 and 2022, respectively. The compensation of CEO at Jaguar Land Rover is ₹**58.67 crores** and ₹37.18 crores for the year ended March 31, 2023 and 2022, respectively.

* Excludes provision for encashable leave and gratuity for certain key management personnel as a separate actuarial valuation is not available.

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45. Transactions with struck off companies

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

(₹ in crores)

Name of struck off Company	Nature of transactions with struck off Company	Subsidiary Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Jessica Motors Pvt. Ltd.	Warranty/AMC claims	Tata Motors Ltd.	-	0.01	External customer
Anandji Haridas & Co Pvt Ltd	Warranty/AMC claims	Tata Motors Ltd.	-	(0.02)	External customer
Sai Prashad Auto Pvt Ltd	Warranty/AMC claims	Tata Motors Ltd.	-	(0.00)#	External customer
R K Reprocess Powder Coating OPC Pvt Ltd	Warranty/AMC claims	Tata Motors Ltd.	-	(0.00)#	External customer
Aargee Equipments Pvt Ltd	Material purchase	Tata Motors Ltd.	(0.34)	(0.00)#	External vendor
Chetan Motors (Ghatge Patil Transports Private Limited)	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.17	0.01	External vendor
Agarwal Motors Prop Concord Tie Up Pvt Ltd	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.02	0.03	External vendor
Shriram Autowheels Pvt Ltd	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	-	0.00#	External vendor
R R Automobiles	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.40	-	External vendor

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

Name of struck off Company	Nature of transactions with struck off Company	Subsidiary Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Jessica Motors Pvt. Ltd.	Warranty/AMC claims	Tata Motors Limited	-	0.01	External customer
Axis Systems Private Limited	Material purchase	Tata Motors Limited	(0.69)	(0.03)	External vendor
Aargee Equipments Pvt Ltd	Material purchase	Tata Motors Limited	(0.34)	(0.00)#	External vendor
Akshay industries Private Limited	Services availed	Tata Motors Limited	(0.19)	(0.01)	External vendor
Anil Enterprises Private Limited	Material purchase	Tata Motors Limited	(0.01)	-	External vendor
Durga Automobiles Private Limited	Services availed	Tata Motors Limited	(0.09)	-	External vendor
Harsh Enterprises Private Limited	Material purchase	Tata Motors Limited	(0.00) #	-	External vendor
Interface Micro Systems Private Limited	Material purchase	Tata Motors Limited	(10.24)	(0.07)	External vendor
K K Enterprises Pvt Ltd	Material purchase	Tata Motors Limited	(0.01)	-	External vendor
Karnavati Motors Private Limited	Services availed	Tata Motors Limited	(0.02)	-	External vendor
Lala Enterprises Pvt Ltd	Services availed	Tata Motors Limited	(0.18)	(0.00)#	External vendor
Murarka Trading Company Pvt Ltd	Material purchase	Tata Motors Limited	(1.16)	(0.05)	External vendor
Madhavi Constructions Private Limited	Services availed	Tata Motors Limited	(1.24)	-	External vendor
Microtech Industries Limited	Material purchase	Tata Motors Limited	(0.05)	(0.00)#	External vendor
Prakash Industries Limited	Material purchase	Tata Motors Limited	(8.64)	(0.06)	External vendor

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Name of struck off Company	Nature of transactions with struck off Company	Subsidiary Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Prakash Motors Private Limited	Services availed	Tata Motors Limited	(0.03)	-	External vendor
Pratap Motors Private Limited	Services availed	Tata Motors Limited	(0.08)	(0.00)#	External vendor
Rushi Motors Private Limited	Services availed	Tata Motors Limited	(5.09)	(0.06)	External vendor
Rudraksha Electricals Private Limited	Material purchase	Tata Motors Limited	(0.06)	-	External vendor
Sanch Marketing Private Limited	Material purchase	Tata Motors Limited	(0.01)	-	External vendor
Shiva Motors Pvt Ltd	Services availed	Tata Motors Limited	(0.20)	-	External vendor
Savitri Motors Private Limited	Services availed	Tata Motors Limited	(0.02)	(0.01)	External vendor
Suprabha Enterprises Private Limited	Material purchase	Tata Motors Limited	(0.52)	(0.03)	External vendor
Sarna Motors Private Limited	Services availed	Tata Motors Limited	(0.01)	-	External vendor
Shanti Motors Pvt Ltd	Services availed	Tata Motors Limited	(0.01)	-	External vendor
Shah Associates Private Limited	Material purchase	Tata Motors Limited	(0.17)	(0.01)	External vendor
Shreya Industries Private Limited	Material purchase	Tata Motors Limited	(0.16)	(0.06)	External vendor
Super Transports Private Limited	Services availed	Tata Motors Limited	(0.00) #	-	External vendor
Sandeep Automobiles Private Limited	Services availed	Tata Motors Limited	(0.07)	(0.00)#	External vendor
Tara Tools Private Limited	Material purchase	Tata Motors Limited	(0.25)	(0.12)	External vendor
Total Solutions Private Limited	Material purchase	Tata Motors Limited	(0.00) #	-	External vendor
Unique Marketing Private Limited	Material purchase	Tata Motors Limited	(0.00) #	-	External vendor
V Solutions Privatelimited	Services availed	Tata Motors Limited	(0.01)	-	External vendor
Yadav Motors Private Limited	Services availed	Tata Motors Limited	(0.04)	0.00#	External vendor
Zenith Motors Private Limited	Services availed	Tata Motors Limited	(0.00) #	-	External vendor
Active Automobiles Private Limited	Services availed	Tata Motors Limited	-	(0.00)#	External vendor
Akhileshwar Packaging (India) Private Limited	Services availed	Tata Motors Limited	-	(0.05)	External vendor
Constant Security Services Private Ltd	Services availed	Tata Motors Limited	-	0.00#	External vendor
Parikh Inn Private Limited	Services availed	Tata Motors Limited	-	0.00#	External vendor
Friends Auto(India)Pvt Ltd	Material purchase	Tata Motors Limited	-	0.18	External vendor
Riddhi Motors Private Limited	Services availed	Tata Motors Limited	-	(0.00)#	External vendor
S I Enterprises Private Limited	Material purchase	Tata Motors Limited	-	0.15	External vendor
Shri Ganesh Industries India Private Ltd	Services availed	Tata Motors Limited	-	(0.00)#	External vendor
Vaishnavi Motors Private Limited	Services availed	Tata Motors Limited	-	0.00#	External vendor
Axis Systems	Material Purchase	Tata Motors Passenger Vehicles Limited	0.41	-	External vendor
Aargee Equipments Private Ltd	Material Purchase	Tata Motors Passenger Vehicles Limited	0.15	-	External vendor
Akshay Industries	Services availed	Tata Motors Passenger Vehicles Limited	0.13	-	External vendor
Durga Automobiles	Services availed	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Karnavati Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.08	-	External vendor

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Name of struck off Company	Nature of transactions with struck off Company	Subsidiary Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Lala Enterprises	Services availed	Tata Motors Passenger Vehicles Limited	0.02	-	External vendor
Prakash Industries	Material Purchase	Tata Motors Passenger Vehicles Limited	0.78	-	External vendor
Pratap Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Rushi Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.19	-	External vendor
Shiva Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.03	-	External vendor
Sarna Motors *	Services availed	Tata Motors Passenger Vehicles Limited	0.00#	-	External vendor
Shreya Industries	Material Purchase	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Sandeep Automobiles	Services availed	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Tara Tools	Material Purchase	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Tangent Technologies	Material Purchase	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Zenith Motors	Services availed	Tata Motors Passenger Vehicles Limited	0.01	-	External vendor
Chetan Motors (Ghatge Patil Transports Private Limited)	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.01	0.01	External vendor
Agarwal Motors Prop Concord Tie Up Pvt Ltd	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.01	0.01	External vendor
Shriram Autowheels Pvt Ltd	Miscellaneous Expense	Tata Motors Insurance Broking and Advisory Services Limited	0.00	0.00#	External vendor

less than ₹ 50,000 /-

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46. Earnings per Share ("EPS")

(A) Accounting Policy

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

(B) EPS

			Year ended March 31, 2023	Year ended March 31, 2022
(a)	Profit / (Loss) for the period	₹ crores	2,414.29	(11,441.47)
(b)	The weighted average number of Ordinary shares for Basic EPS	Nos.	3,321,146,115	3,320,402,491
(c)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	508,502,896
(d)	The nominal value per share (Ordinary and 'A' Ordinary)	₹	2.00	2.00
(e)	Share of profit / (loss) for Ordinary shares for Basic EPS	₹ crores	2,089.31	(9,921.97)
(f)	Share of profit / (loss) for 'A' Ordinary shares for Basic EPS*	₹ crores	324.98	(1,519.50)
(g)	Earnings Per Ordinary share (Basic)	₹	6.29	(29.88)
(h)	Earnings Per 'A' Ordinary share (Basic)	₹	6.39	(29.88)
(i)	Profit after tax for Diluted EPS	₹ crores	2,414	#
(j)	The weighted average number of Ordinary shares for Basic EPS	Nos.	3,321,146,115	#
(k)	Add: Adjustment for shares held in abeyance		492,559	
(l)	Add: Adjustment for Options relating to warrants and shares held in abeyance	Nos.	1,282,388	#
(m)	The weighted average number of Ordinary shares for Diluted EPS	Nos.	3,322,921,062	#
(n)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	508,502,896	#
(o)	Add: Adjustment for 'A' Ordinary shares held in abeyance	Nos.	233,214	#
(p)	The weighted average number of 'A' Ordinary shares for Diluted EPS	Nos.	508,736,110	#
(q)	Share of profit for Ordinary shares for Diluted EPS	₹ crores	2,089.33	#
(r)	Share of profit for 'A' Ordinary shares for Diluted EPS*	₹ crores	324.96	#
(s)	Earnings Per Ordinary share (Diluted)	₹	6.29	(29.88)
(t)	Earnings Per 'A' Ordinary share (Diluted)	₹	6.39	(29.88)

* 'A' Ordinary shareholders are entitled to receive dividend at 5 percentage points more than the aggregate rate of dividend determined by Tata Motors Limited on Ordinary shares for the financial year.

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

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47. Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary / Associates /Joint Ventures

Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crores)	As % of consolidated profit or loss	Amount (₹ in crores)	As % of consolidated OCI	Amount (₹ in crores)	As % of comprehensive income	Amount (₹ in crores)
Parent								
Tata Motors Ltd	46.78%	21,200.27	102.15%	2,747.62	13.01%	(249.12)	322.58%	2,498.50
Subsidiaries								
Indian								
TML Business Services Limited	0.40%	179.42	3.26%	87.63	0.01%	(0.27)	11.28%	87.36
Tata Motors Finance Limited	9.77%	4,430.12	-38.41%	(1,033.19)	1.66%	(31.82)	-137.50%	(1,065.01)
Tata Technologies Limited	2.25%	1,019.86	9.07%	244.03	0.51%	(9.81)	30.24%	234.22
Tata Motors Insurance Broking and Advisory Services Limited	0.09%	42.47	1.81%	48.71	0.02%	(0.32)	6.25%	48.39
TMF Holdings Limited	12.41%	5,625.47	-2.32%	(62.29)	0.00%	-	-8.04%	(62.29)
Tata Motors Finance Solutions Limited	5.40%	2,448.26	2.84%	76.35	-6.37%	121.96	25.60%	198.31
Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited)	0.02%	9.28	-0.92%	(24.88)	0.03%	(0.64)	-3.29%	(25.52)
Jaguar Land Rover India Limited	1.55%	700.48	13.66%	367.35	0.00%	-	47.43%	367.35
Brabo Robotics and Automation Limited	-0.01%	(3.03)	0.03%	0.78	0.00%	-	0.10%	0.78
Jaguar Land Rover Technology and Business Services India Private Limited (Formerly known as JT Special Vehicles Pvt. Limited)	0.01%	4.21	0.12%	3.27	0.01%	(0.10)	0.41%	3.17
Tata Motors Passenger Vehicles Limited	15.73%	7,127.18	22.75%	612.05	0.63%	(11.98)	77.47%	600.07
TML CV Mobility Solutions Limited	0.10%	46.86	9.20%	247.43	0.00%	-	31.95%	247.43
Tata Passenger Electric Mobility Limited	11.74%	5,319.91	-9.43%	(253.55)	0.00%	0.03	-32.73%	(253.52)
TML Smart City Mobility Solutions Limited (Incorporated on May 25, 2022)	0.01%	3.41	-0.06%	(1.59)	0.00%	-	-0.21%	(1.59)
TML Smart City Mobility Solutions (J&K) Private Limited (Incorporated with effect from October 13, 2022)	0.00%	(0.26)	-0.01%	(0.36)	0.00%	-	-0.05%	(0.36)
Tata Technologies Limited Employees Stock Option Trust	0.00%	2.23	0.00%	0.07	0.00%	-	0.01%	0.07
Foreign								
Tata Daewoo Commercial Vehicle Company Limited	4.64%	2,102.56	4.79%	128.82	0.00%	-	16.63%	128.82
Tata Motors European Technical Centre PLC	0.94%	425.41	9.49%	255.31	0.00%	-	32.96%	255.31
Tata Motors (SA) (Proprietary) Limited	0.05%	21.43	0.01%	0.28	0.00%	-	0.04%	0.28
Tata Motors (Thailand) Limited	-1.52%	(688.40)	-0.86%	(23.07)	0.00%	-	-2.98%	(23.07)
TML Holdings Pte. Limited	23.93%	10,846.78	13.70%	368.40	-4.72%	90.39	59.23%	458.79
Tata Hispano Motors Carrocera S.A.	-1.95%	(883.09)	-0.36%	(9.79)	0.00%	-	-1.26%	(9.79)
Tata Hispano Motors Carrocerries Maghreb SA	-0.13%	(59.15)	-0.23%	(6.08)	0.00%	-	-0.78%	(6.08)
Trilix S.r.l.	0.10%	46.53	0.07%	1.77	0.00%	-	0.23%	1.77
Tata Precision Industries Pte. Limited	0.05%	23.38	-0.02%	(0.51)	0.00%	-	-0.07%	(0.51)

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Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crores)	As % of consolidated profit or loss	Amount (₹ in crores)	As % of consolidated OCI	Amount (₹ in crores)	As % of comprehensive income	Amount (₹ in crores)
PT Tata Motors Indonesia	0.02%	7.49	-0.13%	(3.42)	0.00%	-	-0.44%	(3.42)
INCAT International Plc.	0.10%	47.03	0.00%	0.01	-0.01%	0.16	0.02%	0.17
Tata Technologies GmbH	0.05%	21.82	0.01%	0.32	-0.07%	1.29	0.21%	1.61
Tata Technologies de Mexico, S.A. de C.V.	0.01%	2.87	-0.02%	(0.50)	0.00%	-	-0.06%	(0.50)
Cambric Limited	0.05%	23.06	0.00%	0.07	0.00%	-	0.01%	0.07
Tata Technologies SRL Romania	0.18%	79.65	0.41%	11.07	0.00%	-	1.43%	11.07
Tata Manufacturing Technologies (Shanghai) Limited	0.13%	57.40	0.79%	21.14	-0.03%	0.51	2.80%	21.65
Tata Technologies Europe Limited	2.82%	1,279.46	8.43%	226.79	-1.12%	21.54	32.06%	248.33
Tata Technologies Nordics AB	0.01%	2.86	-0.14%	(3.74)	0.00%	(0.06)	-0.49%	(3.80)
Tata Technologies Inc. (Formerly known as INCAT GmbH)	1.45%	658.92	2.41%	64.81	-2.51%	47.99	14.56%	112.80
Tata Technologies (Thailand) Limited	-0.02%	(7.31)	-0.17%	(4.66)	0.02%	(0.40)	-0.65%	(5.06)
Tata Technologies Pte Limited	2.08%	941.15	2.48%	66.68	-0.36%	6.86	9.49%	73.54
INCAT International Limited ESOP 2000	0.04%	19.92	-0.01%	(0.15)	-0.02%	0.44	0.04%	0.29
Jaguar Land Rover Automotive Plc	47.24%	21,410.79	-4.55%	(122.30)	0.00%	-	-15.79%	(122.30)
Jaguar Land Rover Limited	68.95%	31,247.14	-180.06%	(4,843.42)	0.00%	-	-625.33%	(4,843.42)
Jaguar Land Rover Holdings Limited	121.80%	55,203.22	52.64%	1,415.97	-10.97%	210.16	209.95%	1,626.13
JLR Nominee Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover (South Africa) Holdings Limited	3.89%	1,763.55	1.48%	39.73	0.00%	-	5.13%	39.73
Jaguar Cars Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Land Rover Exports Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
The Lanchester Motor Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
The Daimler Motor Company Limited	0.03%	15.25	0.00%	-	0.00%	-	0.00%	-
S.S. Cars Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Daimler Transport Vehicles Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover Pension Trustees Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Cars South Africa (Pty) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover Slovakia s.r.o	13.91%	6,303.00	4.95%	133.27	0.00%	-	17.21%	133.27
Jaguar Racing Limited	0.10%	45.49	0.24%	6.44	0.00%	-	0.83%	6.44
InMotion Ventures Limited	-0.42%	(189.63)	1.74%	46.67	0.00%	-	6.03%	46.67
In-Car Ventures Limited	-0.22%	(99.12)	-0.15%	(4.02)	0.00%	-	-0.52%	(4.02)
InMotion Ventures 2 Limited	-0.21%	(96.13)	-0.70%	(18.75)	0.00%	-	-2.42%	(18.75)
InMotion Ventures 3 Limited	-0.15%	(67.88)	-1.05%	(28.16)	0.00%	-	-3.64%	(28.16)
Jaguar Land Rover Ireland (Services) Limited	0.56%	252.59	0.00%	-	0.00%	-	0.00%	-
Limited Liability Company "Jaguar Land Rover" (Russia)	0.96%	435.42	-5.38%	(144.79)	0.00%	-	-18.69%	(144.79)
Jaguar Land Rover (China) Investment Co. Limited	39.04%	17,694.91	111.01%	2,985.90	0.00%	-	385.51%	2,985.90
Shanghai Jaguar Land Rover Automotive Services Company Limited	-0.02%	(7.20)	0.03%	0.92	0.00%	-	0.12%	0.92
Jaguar Land Rover Columbia S.A.S	0.07%	32.33	0.20%	5.46	0.00%	-	0.70%	5.46
Jaguar Land Rover Mexico,S.A.P.I. de C.V.	0.09%	40.85	0.71%	19.17	0.00%	-	2.48%	19.17
Jaguar Land Rover Servicios Mexico,S.A. de C.V.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover France, SAS	0.09%	40.49	1.34%	36.01	0.00%	-	4.65%	36.01
Jaguar Land Rover Portugal - Veiculos e Pecas, Lda.	0.20%	90.01	0.41%	11.13	0.00%	-	1.44%	11.13

Notes
forming part of Consolidated Financial Statements

Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crores)	As % of consolidated profit or loss	Amount (₹ in crores)	As % of consolidated OCI	Amount (₹ in crores)	As % of comprehensive income	Amount (₹ in crores)
Jaguar Land Rover Espana SL	1.16%	526.31	0.99%	26.53	-0.09%	1.66	3.64%	28.19
Jaguar Land Rover Italia Spa	2.12%	960.79	4.79%	128.95	0.06%	(1.24)	16.49%	127.71
Land Rover Ireland Limited	0.01%	5.13	0.00%	-	0.23%	(4.50)	-0.58%	(4.50)
Jaguar Land Rover Korea Company Limited	0.30%	134.10	3.48%	93.74	0.00%	-	12.10%	93.74
Jaguar Land Rover Deutschland GmbH	1.20%	543.50	-5.25%	(141.34)	-2.08%	39.77	-13.11%	(101.57)
Jaguar Land Rover Austria GmbH	0.27%	122.59	0.52%	14.05	0.00%	-	1.81%	14.05
Jaguar Land Rover Australia Pty Limited	1.27%	576.10	2.10%	56.59	0.00%	-	7.31%	56.59
Jaguar Land Rover North America LLC	11.94%	5,410.29	27.10%	729.08	0.20%	(3.91)	93.63%	725.17
Jaguar Land Rover Japan Limited	0.76%	342.40	2.52%	67.72	0.00%	-	8.74%	67.72
Jaguar Land Rover Canada ULC	0.58%	262.75	1.66%	44.72	0.00%	-	5.77%	44.72
Jaguar e Land Rover Brasil industria e Comercio de Veiculos LTDA	1.11%	502.10	4.61%	123.87	0.00%	-	15.99%	123.87
Jaguar Land Rover Belux NV	0.35%	159.74	1.11%	29.74	-0.09%	1.73	4.06%	31.47
Jaguar Land Rover Nederland BV	0.18%	83.02	0.66%	17.88	0.16%	(3.09)	1.91%	14.79
Jaguar Land Rover (South Africa) (pty) Limited	0.55%	249.91	3.56%	95.70	0.00%	-	12.36%	95.70
Jaguar Land Rover Singapore Pte. Ltd	0.10%	45.10	0.49%	13.30	0.00%	-	1.72%	13.30
Jaguar Land Rover Taiwan Company Limited	0.28%	127.98	3.99%	107.27	0.00%	-	13.85%	107.27
Jaguar Land Rover Classic Deutschland GmbH	0.00%	(1.61)	0.03%	0.91	0.00%	-	0.12%	0.91
Jaguar Land Rover Hungary KFT	14.00%	6,343.69	43.94%	1,181.87	0.00%	-	152.59%	1,181.87
Jaguar Land Rover Classic USA LLC	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Bowler Motors Limited	-0.07%	(32.75)	-0.57%	(15.24)	0.00%	-	-1.97%	(15.24)
Jaguar Land Rover Ventures Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover (Ningbo) Trading Co. Limited	33.93%	15,375.97	388.55%	10,451.59	0.00%	-	1349.39%	10,451.59
Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited	0.08%	35.57	0.29%	7.72	0.00%	-	1.00%	7.72
PT Tata Motors Distribusi Indonesia	0.01%	6.71	-0.11%	(2.93)	0.00%	-	-0.38%	(2.93)
Minority Interests in all subsidiaries								
Indian								
Tata Marcopolo Motors Ltd	0.00%	-	0.37%	9.95	-0.13%	2.56	1.61%	12.51
Tata Technologies Ltd	-1.24%	(562.89)	-5.41%	(145.46)	-1.02%	19.48	-16.27%	(125.98)
Tata Motor Finance Limited (Prefrence Share)	-1.01%	(460.00)	-5.24%	(140.88)	0.00%	-	-18.19%	(140.88)
Tata Motors Financial Solutions Ltd (Prefrence Share)	-2.97%	(1,348.00)	0.00%	-	0.00%	-	0.00%	-
Tata Passenger Electric Mobility Ltd. (CCPS A1)	-10.91%	(4,943.47)	0.00%	-	0.00%	-	0.00%	-
Foreign								
Tata Motors (SA) (Proprietary) Ltd	-0.02%	(8.59)	0.00%	(0.13)	0.06%	(1.14)	-0.16%	(1.27)
Tata Precision Industries Pte Ltd	-0.01%	(5.07)	0.01%	0.30	-0.03%	0.50	0.10%	0.80
Tata Motors (Thailand) Limited	0.11%	50.27	0.02%	0.65	0.06%	(1.07)	-0.05%	(0.42)
Trilix	0.00%	-						

Notes
forming part of Consolidated Financial Statements

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)
Joint operations								
Indian								
Fiat India Automobiles Private Limited	6.42%	2,910.15	14.11%	379.63	-0.03%	0.65	49.10%	380.28
Tata Cummins Private Limited	1.62%	736.36	8.55%	230.03	0.06%	(1.24)	29.54%	228.79
Adjustments arising out of consolidation	-415.17%	(188,160.28)	-550.38%	(14,804.60)	113.22%	(2,168.59)	-2191.39%	(16,973.20)
Sub - total (a)		**37,228.86**		**2,253.40**		**(1,921.62)**		**331.79**
Joint ventures (as per proportionate consolidation / investment as per the equity method)								
Indian								
Tata HAL Technologies Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign								
Chery Jaguar Land Rover Automotive Company Limited	14.90%	6,753.76	8.07%	217.08	0.00%	-	28.03%	217.08
Sub - total (b)		**6,753.76**		**217.08**		**-**		**217.08**
Associates (Investment as per the equity method)								
Indian								
Tata AutoComp Systems Limited	1.17%	531.59	6.99%	187.99	-0.35%	6.63	25.13%	194.62
Automobile Corporation of Goa Limited	0.33%	151.31	0.51%	13.81	0.08%	(1.54)	1.58%	12.27
Tata Hitachi Construction Machinery Company Private Limited	1.35%	610.24	0.73%	19.63	-0.06%	1.20	2.69%	20.83
Loginomic Tech Solutions Private Limited ("TruckEasy")	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Tata Precision Industries (India) Limited	0.00%	0.00	-0.03%	(0.94)	0.00%	-	-0.12%	(0.94)
Foreign								
Nita Company Limited	0.07%	33.10	-0.04%	(1.10)	0.00%	-	-0.14%	(1.10)
Synaptiv Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Land Rover Switzerland AG	0.02%	10.16	0.00%	-	0.00%	-	0.00%	-
Cloud Car Inc	0.00%	-	0.00%	-	0.00%	-	0.00%	-
DriveClubService Pte. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jaguar Cars Finance Limited	0.01%	2.75	0.00%	-	0.00%	-	0.00%	-
Inchcape JLR Europe Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sertec Corporation Limited* (acquired on June 17, 2022)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sub - total (c)		**1,339.17**		**219.39**		**6.29**		**225.67**
Total (b + c)	**17.86%**	**8,092.93**	**16.23%**	**436.47**	**-0.33%**	**6.29**	**57.16%**	**442.75**
Total (a + b + c)	**100.00%**	**45,321.79**	**100.00%**	**2,689.87**	**100.00%**	**(1,915.33)**	**100.00%**	**774.54**

Notes
forming part of Consolidated Financial Statements

48. Other statutory information :

(a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(d) The Company, its associate companies, joint venture companies and joint operations have not advanced or loaned or invested funds to any person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company, (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(e) The Company,its associate companies, joint venture companies and joint operations have not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(g) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

(h) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(i) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

49 Other Notes

a) During the year ended March 31, 2023, Jaguar Land Rover has recognised a pension past service credit of ₹**1,495.07 crores (£155 million)** due to change in inflation index from RPI to CPI.

(b) During the year ended March 31, 2022, Jaguar Land Rover has created a provision of ₹428.66 crores (£43 million) in relation to customer liabilities arising from sanctions imposed against Russia by many countries, preventing the shipment of vehicles and certain parts to the market.

(c) In April 2021, the Company has completed the sale of certain assets related to defence business to Tata Advanced Systems Limited (TASL) for sale consideration of ₹234.09 crores against the Net Assets of ₹231.57 crores resulting in a gain of ₹2.52 crores recorded as an exceptional item in the Consolidated Statement of Profit and Loss for the year ended March 31, 2023.

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

For and on behalf of the Board

N CHANDRASEKARAN [DIN: 00121863]
Chairman

GIRISH WAGH [DIN: 03119361]
Executive Director

P B BALAJI
Group Chief Financial Officer

MALOY KUMAR GUPTA [ACS: 24123]
Company Secretary

Place: Mumbai
Date: May 12, 2023

Summarised Statement of Assets and Liabilities (CONSOLIDATED)

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
WHAT THE COMPANY OWNED			
(1)	Property, plant and equipment and Other intangible assets	137,712.62	141,613.35
(2)	Right of use assets	7,801.04	6,686.02
(3)	Goodwill	840.60	807.17
(4)	Non-current Investments	7,540.85	6,670.31
(5)	Non-current Finance receivables	7,416.41	11,135.85
(6)	Deferred tax assets (net)	5,184.67	3,870.85
(7)	Non-current tax assets (net)	1,556.36	1,196.79
(8)	Other non-current assets	16,500.36	11,662.05
(9)	Current assets	151,528.47	146,977.54
	TOTAL ASSETS	**336,081.38**	**330,619.93**
WHAT THE COMPANY OWED			
(1)	Net worth		
	Equity share capital	766.02	765.88
	Other equity	44,555.77	43,795.36
(2)	Non-controlling interests	7,277.72	4,271.06
(3)	Non-current borrowings	88,695.81	97,759.17
(4)	Non-current provisions	13,196.53	12,955.89
(5)	Deferred tax liabilities (net)	1,406.95	1,558.44
(6)	Other non-current liabilities	25,155.25	18,831.32
(7)	Current liabilities	155,027.33	150,682.81
	TOTAL LIABILITIES	**336,081.38**	**330,619.93**

Summarised Statement of Profit and Loss (CONSOLIDATED)

(₹ in crores)

		Year ended March 31, 2023	Year ended March 31 2022
1	**INCOME**		
	Revenue	342,874.59	275,235.23
	Other Operating Revenues	3,092.38	3,218.39
	Total revenue from operations	**345,966.97**	**278,453.62**
	Other income	4,633.18	3,053.63
	Total	**350,600.15**	**281,507.25**
2	**EXPENDITURE**		
	Cost of materials consumed	208,944.31	160,920.56
	Purchase of products for sale	22,306.95	18,374.77
	Changes in inventories of finished goods, work-in-progress and products for sale	(4,781.62)	1,590.49
	Employee benefits expense	33,654.70	30,808.52
	Finance costs	10,225.48	9,311.86
	Compulsorily convertible preference share measured at Fair Value	13.75	14.45
	Foreign exchange (gain)/loss (net)	(103.88)	78.68
	Depreciation and amortisation expense	24,860.36	24,835.69
	Product development/Engineering expenses	10,661.96	9,209.50
	Other expenses	61,785.96	47,133.85
	Amount transferred to capital and other accounts	(18,434.84)	(14,397.29)
	Total Expenses	**349,133.13**	**287,881.08**
	Profit/(loss) before exceptional items and tax	**1,467.02**	**(6,373.83)**
	Total exceptional item	**(1,590.53)**	**629.58**
3	**PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS**	**3,057.55**	**(7,003.41)**
4	Tax expense/(credit) (net)	704.06	4,231.29
5	**PROFIT/(LOSS) AFTER TAX FROM CONTINUING OPERATIONS (3-4)**	**2,353.49**	**(11,234.70)**
6	Share of profit of joint ventures and associates (net)	336.38	(74.06)
7	**PROFIT/(LOSS) FOR THE YEAR**	**2,689.87**	**(11,308.76)**
8	**TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)**	**(1,915.33)**	**(455.19)**
9	**TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR**	**774.54**	**(11,763.95)**

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
2022-23	76,602	4,455,577	12,566,047	34,457,526	19,906,160	14,551,366	35,060,015	2,486,036	305,755	70,406	241,429	-	0.7%	6.29	6.39	-	-	118

Notes :

@ On increased capital base due to conversion of Bonds / Convertible Debentures / Warrants / FCCN into shares.

* Equivalent to a face value of Rs.2/- per share.

Includes Interim Dividend where applicable.

! Includes a special dividend of Rs. 2.50 per share for the Diamond Jubilee Year.

++ On increased capital base due to Rights issue and conversion of FCCN into shares.

^ On increased capital base due to GDS issue and conversion of FCCN into shares.

^^ On increased capital base due to QIP issue and conversion of FCCN into shares.

** Consequent to sub-division of shares, figures for previous years are not comparable

^^^ The figures of FY 2016-17 is as per Ind AS

Summarised statement of Assets and Liabilities (STANDALONE)

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
WHAT THE COMPANY OWNED			
(1)	Property, plant and equipment, Right of use assets and Other intangible assets	15,627.27	15,543.00
(2)	Non-current Investments	29,181.62	29,256.39
(3)	Non-current tax assets (net)	868.22	777.68
(4)	Deferred tax assets (net)	1,477.26	-
(5)	Other non-current assets	3,116.45	2,703.19
(6)	Current assets	11,499.95	15,619.61
	TOTAL ASSETS	**61,770.77**	**63,899.87**
WHAT THE COMPANY OWED			
(1)	Net worth		
	Equity share capital	766.02	765.88
	Other equity	21,703.83	19,178.27
(2)	Non-current borrowings	10,445.70	14,102.74
(3)	Non-current lease liabilities	305.26	237.84
(4)	Non-current provisions	1,588.75	1,474.11
(5)	Deferred tax liabilities (net)	51.16	173.72
(6)	Other non-current liabilities	1,106.52	974.50
(7)	Current liabilities	25,803.53	26,992.81
	TOTAL LIABILITIES	**61,770.77**	**63,899.87**

Summarised Statement of Profit and Loss (Standalone)

(₹ in crores)

		Year ended March 31, 2023	Year ended March 31 2022
1	**INCOME**		
	Revenue from operations	65,757.33	47,263.68
	Other income	820.94	659.91
	Total	**66,578.27**	**47,923.59**
2	**EXPENDITURE**		
	Cost of materials consumed	42,226.81	31,693.11
	Purchase of products for sale	6,561.32	5,030.00
	Changes in inventories of finished goods, work-in-progress and products for sale	484.69	(403.87)
	Employee benefits expense	4,021.63	3,601.51
	Finance costs	2,047.51	2,121.73
	Foreign exchange loss (net)	279.76	136.81
	Depreciation and amortisation expense	1,766.86	1,760.57
	Product development/Engineering expenses	899.06	593.90
	Other expenses	7,819.74	6,018.71
	Amount transferred to capital and other accounts	(1,066.73)	(905.42)
	Total Expenses	65,040.65	49,647.05
	Profit before exceptional items and tax	**1,537.62**	**(1,723.46)**
	Total Exceptional items	**282.82**	**(83.41)**
3	**PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS**	**1,254.80**	**(1,640.05)**
4	**Tax expense/(credit) (net)**	**(1,473.33)**	**99.18**
5	PROFIT/(LOSS) AFTER TAX FROM CONTINUING OPERATIONS (3-4)	2,728.13	(1,739.23)
6	**PROFIT/(LOSS) BEFORE TAX FOR THE YEAR FROM DISCONTINUED OPERATIONS**	**-**	**392.51**
7	Tax expense/(credit) (net)	-	44.14
8	**PROFIT/(LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS (6-7)**	**-**	**348.37**
9	**PROFIT/(LOSS) FOR THE YEAR (5+8)**	**2,728.13**	**(1,390.86)**
10	**TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)**	**(250.35)**	**282.35**
11	**TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR**	**2,477.78**	**(1,108.51)**

Financial Statistics - STANDALONE

Year	CAPITAL ACCOUNTS (₹ in lakhs)						REVENUE ACCOUNTS (₹ in lakhs)							RATIOS				Net Worth Per Share* (₹)
	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)* (₹) Ordinary Share	Earnings Per Share (Basic)* (₹) 'A' Ordinary Share	Dividend Per Share*# (₹) Ordinary Share	Dividend Per 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	1,02,597	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	1,19,689	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	1,40,255	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	1,67,642	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	1,96,910	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	1,00,894	48,219	52,675	2,59,599	5,426	23,455	9,250	14,205	4,154	5.5%	13.69	-	4.00	-	56
1991-92	11,765	61,863	1,05,168	1,23,100	54,609	68,491	3,17,965	6,475	20,884	7,800	13,084	4,389	4.1%	12.45	-	4.00	-	67 @
1992-93	12,510	64,207	1,44,145	1,53,612	61,710	91,902	3,09,156	7,456	3,030	26	3,004	3,642	1.0%	2.47	-	3.00	-	63
1993-94	12,867	70,745	1,41,320	1,77,824	70,285	1,07,539	3,74,786	9,410	10,195	20	10,175	5,020	2.7%	7.91	-	4.00	-	65
1994-95	13,694	1,28,338	1,15,569	2,17,084	81,595	1,35,489	5,68,312	11,967	45,141	13,246	31,895	8,068	5.6%	23.29	-	6.00	-	104
1995-96	24,182	2,17,400	1,28,097	2,94,239	96,980	1,97,259	7,90,967	16,444	76,072	23,070	53,002	14,300	6.7%	21.92	-	6.00	-	100
1996-97	25,588	3,39,169	2,53,717	3,85,116	1,17,009	2,68,107	10,12,843	20,924	1,00,046	23,810	76,236	22,067	7.5%	30.40	-	8.00	-	143
1997-98	25,588	3,49,930	3,30,874	4,87,073	1,41,899	3,45,174	7,36,279	25,924	32,880	3,414	29,466	15,484	4.0%	11.51	-	5.50	-	147
1998-99	25,590	3,50,505	3,44,523	5,69,865	1,65,334	4,04,531	6,59,395	28,132	10,716	970	9,746	8,520	1.5%	3.81	-	3.00	-	147
1999-00	25,590	3,49,822	3,00,426	5,81,233	1,82,818	3,98,415	8,96,114	34,261	7,520	400	7,120	7,803	0.8%	2.78	-	2.50	-	147
2000-01	25,590	2,99,788	2,99,888	5,91,427	2,09,067	3,82,360	8,16,422	34,737	(50,034)	-	(50,034)	-	-	(18.45)	-	-	-	127
2001-02	31,982	2,14,524	2,30,772	5,91,006	2,43,172	3,47,834	8,91,806	35,468	(10,921)	(5,548)	(5,373)	-	-	(1.98)	-	-	-	77 @
2002-03	31,983	2,27,733	1,45,831	6,08,114	2,71,307	3,36,807	10,85,874	36,213	51,037	21,026	30,011	14,430	2.8%	9.38	-	4.00	-	81
2003-04	35,683	3,23,677	1,25,977	6,27,149	3,02,369	3,24,780	15,55,242	38,260	1,29,234	48,200	81,034	31,825	5.2%	24.68	-	8.00	-	102 @
2004-05	36,179	3,74,960	2,49,542	7,15,079	3,45,428	3,69,651	20,64,866	45,016	1,65,190	41,495	1,23,695	51,715	6.0%	34.38	-	12.50!	-	114 @
2005-06	38,287	5,15,420	2,93,684	8,92,274	4,40,151	4,52,123	24,29,052	52,094	2,05,338	52,450	1,52,888	56,778	6.3%	40.57	-	13.00	-	145 @
2006-07	38,541	6,48,434	4,00,914	11,28,912	4,89,454	6,39,458	32,06,467	58,629	2,57,318	65,972	1,91,346	67,639	6.0%	49.76	-	15.00	-	178 @
2007-08	38,554	7,45,396	6,28,052	15,89,579	5,44,352	10,45,227	33,57,711	65,231	2,57,647	54,755	2,02,892	65,968	6.0%	52.64	-	15.00	-	203 @
2008-09	51,405	11,71,610	13,16,556	20,85,206	6,25,990	14,59,216	29,49,418	87,454	1,01,376	1,250	1,00,126	34,570	3.4%	22.70	23.20	6.00	6.50	238 ++
2009-10	57,060	14,39,487	16,59,454	23,64,896	7,21,292	16,43,604	40,21,755	1,03,387	2,82,954	58,946	2,24,008	99,194	5.6%	42.37	42.87	15.00	15.50	262 ^
2010-11	63,771	19,37,559	15,91,543	25,68,235	8,46,625	17,21,610	51,60,692	1,36,077	2,19,652	38,470	1,81,182	1,46,703	3.5%	30.28	30.78	20.00	20.50	315 ^^
2011-12	63,475	18,99,126	15,88,057	29,02,206	9,96,587	19,05,619	59,79,502	1,60,674	1,34,103	9,880	1,24,223	1,46,372	2.1%	3.90**	4.00**	4.00**	4.10**	62
2011-13	63,807	18,49,677	16,79,895	31,81,998	11,61,144	20,20,854	51,40,793	1,81,762	17,493	(12,688)	30,181	72,423	0.6%	0.93	1.03	2.00	2.10	60
2013-14	64,378	18,53,287	15,05,280	35,14,652	13,55,088	21,59,564	41,59,103	2,07,030	(1,02,580)	(1,36,032)	33,452	74,196	0.8%	1.03	1.13	2.00	2.10	60
2014-15	64,378	14,21,881	21,13,441	37,85,500	16,03,098	21,82,402	41,41,264	2,60,322	(3,97,472)	76,423	(4,73,895)	-	-11.4%	(14.72)	(14.72)	-	-	46
2015-16	67,918	21,68,890	15,88,725	40,77,235	18,52,749	22,24,486	48,77,959	2,45,375	15,039	(8,384)	23,423	7,300	0.5%	0.68	0.78	0.20	0.30	66
2016-17	67,922	20,12,993	19,57,398	45,91,464	18,53,922	27,37,542	50,07,925	2,96,939	(2,42,077)	5,922	(2,47,999)	-	-5.0%	(7.30)	(7.30)	-	-	61 ^^^
2017-18	67,922	19,49,176	18,46,384	48,26,322	21,56,196	26,70,126	61,18,229	3,10,189	(94,692)	8,793	(1,03,485)	-	-1.7%	(3.05)	(3.05)	-	-	59
2018-19	67,922	21,48,330	18,63,963	51,58,440	23,11,007	28,47,433	71,75,742	3,09,864	2,39,893	37,833	2,02,060	-	2.8%	5.94	6.04	-	-	65
2019-20	71,954	17,66,811	25,44,477	56,14,576	26,54,207	29,60,369	45,31,122	3,37,529	(7,12,734)	16,229	(7,28,963)	-	-16.1%	(21.06)	(21.06)	-	-	51
2020-21	76,581	18,29,016	21,74,872	58,14,264	28,81,217	29,33,047	47,87,443	3,68,161	(2,31,257)	8,287	(2,39,544)	-	-5.0%	(6.59)	(6.59)	-	-	50 ^^^^
2021-22	76,588	19,17,827	23,23,265	31,90,622	16,36,322	15,54,300	47,92,359	1,76,057	(1,24,754)	14,332	(1,39,086)	-	-2.9%	(3.63)	(3.63)	-	-	52
2022-23	76,602	21,70,383	18,87,244	30,74,325	15,11,598	15,62,727	66,57,827	1,76,686	1,25,480	(1,47,333)	2,72,813	-	4.1%	7.11	7.21	2.00	2.10	59

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 Rs.2/- per share.

Includes Interim Dividend where applicable.

+ Including on Bonus Shares issued during the year.

! Includes a special dividend of Rs. 2.50 per share for the Diamond Jubilee Year.

++ On increased capital base due to Rights issue and conversion of FCCN into shares.

^ On increased capital base due to GDS issue and conversion of FCCN into shares.

^^ On increased capital base due to QIP issue and conversion of FCCN into shares.

** Consequent to sub-division of shares, figures for previous years are not comparable

^^^ The figures of FY 2016-17 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	53.60	126.36	268.56	88.60	188.82	44.20	(43.43)	87.63	87.63	-	-	100.00
2	Tata Motors Finance Limited	India	INR	1.00	2,327.65	2,102.45	30,341.93	25,911.83	3,556.08	(1,038.74)	5.55	(1,033.19)	(1,033.19)	-	1,375.81	100.00
3	Tata Technologies Ltd (subsidiary w.e.f September 10, 1997)	India	INR	1.00	81.13	938.76	2,598.03	1,578.14	2,112.28	332.15	88.12	244.03	244.03	-	29.78	76.69
4	Tata Motors Insurance Broking & Advisory Services Ltd	India	INR	1.00	5.00	37.47	136.35	93.88	393.47	65.24	16.53	48.71	48.71	-	25.24	100.00
5	TMF Holdings Ltd (Name changed from Tata Motors Finance Limited w.e.f. June 30, 2017) (subsidiary w.e.f June 1, 2006)	India	INR	1.00	3,541.59	2,083.87	9,407.77	3,782.31	139.87	(62.28)	-	(62.28)	(62.28)	-	96.05	100.00
6	Tata Motors Financial Solutions Ltd (subsidiary w.e.f January 19, 2015)	India	INR	1.00	2,160.50	287.76	11,789.19	9340.9289	1,342.66	102.17	25.82	76.35	76.35	-	876.11	100.00
7	Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited) (subsidiary w.e.f September 20, 2006)	India	INR	1.00	218.39	(209.11)	474.97	465.69	781.53	(24.56)	0.32	(24.88)	(24.88)	-	-	100.00
8	Jaguar Land Rover India Limited (subsidiary w.e.f October 25, 2012)	India	INR	1.00	280.25	420.23	1,357.84	657.36	2,194.68	371.16	3.80	367.35	367.35	-	-	100.00
9	Brabo Robotics and Automation Limited	India	INR	1.00	9.90	(12.94)	2.06	5.10	0.89	0.78	-	0.78	0.78	-	-	100.00
10	Jaguar Land Rover Technology and Business Services India Private Limited (Formerly known as JT Special Vehicles Pvt. Limited) (Ceased to be a JV and became a Wholly-owned Subsidiary)	India	INR	1.00	5.00	(0.79)	94.44	90.23	31.66	3.84	0.57	3.27	3.27	-	-	100.00
11	Tata Motors Passenger Vehicles Limited (Name changed from TML Business Analytics Services Limited with effect from September 17, 2021)	India	INR	1.00	9,417.15	(2,289.97)	17,516.17	10,388.99	48,867.06	616.07	4.02	612.05	612.05	-	-	100.00
12	TML CV Mobility Solutions Limited (Incorporated on June 7, 2021)	India	INR	1.00	45.00	1.86	221.21	174.35	176.96	2.47	-	2.47	2.47	-	-	100.00
13	Tata Passenger Electric Mobility Ltd. (Incorporated on December 21, 2021)	India	INR	1.00	700.00	4,619.91	8,253.22	2,933.31	41.98	(200.53)	53.02	(253.55)	(253.55)	-	375.23	100.00
14	TML Smart City Mobility Solutions Limited (Incorporated on May 25, 2022)	India	INR	1.00	5.00	(1.59)	78.61	75.20	-	(1.59)	-	(1.59)	(1.59)	-	-	100.00
15	TML Smart City Mobility Solutions (J&K) Private Limited (Incorporated with effect from October 13, 2022)	India	INR	1.00	0.10	(0.36)	0.09	0.35	-	(0.36)	-	(0.36)	(0.36)	-	-	100.00
16	Tata Daewoo Commercial Vehicle Co. Ltd (subsidiary w.e.f March 30, 2004)	South Korea	KRW	0.06	95.16	2,007.40	4,043.48	1,940.92	5,918.08	174.97	42.80	132.17	132.17	-	-	100.00
17	Tata Motors European Technical Centre PLC (Changed from a direct subsidiary of TML to a WOS of TPEML w.e.f. March 31, 2022)	UK	GBP	101.64	643.41	(220.57)	485.86	63.02	300.87	23.38	7.12	16.26	16.26	-	-	100.00
18	Tata Motors (SA) (Proprietary) Ltd (subsidiary w.e.f December 5, 2007)	South Africa	ZAR	4.62	9.16	12.27	71.08	49.65	130.33	0.42	0.15	0.27	0.27	-	-	60.00
19	Tata Motors (Thailand) Limited (subsidiary w.e.f February 28, 2008)	Thailand	THB	2.41	1,297.68	(1,986.08)	59.14	747.54	9.74	(24.39)	-	(24.39)	(24.39)	-	-	97.21
20	TML Holdings Pte Ltd, Singapore (subsidiary w.e.f February 4, 2008)	Singapore	GBP	101.64	16,543.16	(5,696.38)	22,837.12	11,990.34	-	381.71	(4.93)	386.64	386.64	-	-	100.00
21	Tata Hispano Motors Carrocera S.A (subsidiary w.e.f October 16, 2009)	Spain	EUR	89.47	49.55	(932.64)	17.71	900.80	0.00	(10.46)	-	(10.46)	(10.46)	-	-	100.00
22	Tata Hispano Motors Carroceries Maghreb (subsidiary w.e.f June 23, 2014)	Morocco	MAD	8.02	170.12	(222.92)	50.64	103.44	-	(6.34)	-	(6.35)	(6.35)	-	-	100.00
23	Trilix S.r.l (Changed from a direct subsidiary of TML to a WOS of TPEML w.e.f. March 31, 2022)	Italy	EUR	89.47	14.15	32.38	93.06	46.53	102.08	2.64	0.87	1.77	1.77	-	-	100.00
24	Tata Precision Industries Pte Ltd (subsidiary w.e.f February 15, 2011)	Singapore	SGD	61.81	129.92	(106.54)	23.42	0.04	-	(0.54)	-	(0.54)	(0.54)	-	-	78.39
25	PT Tata Motors Indonesia (subsidiary w.e.f December 29, 2011)	Indonesia	IDR	0.01	401.19	(82.21)	319.31	0.33	0.29	(0.41)		(0.41)	(0.41)	-	-	100.00

(₹ in crores)

Sr. No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/ (Loss) Before Tax	Tax Expense/ (Credit)	Profit/(Loss) after tax	Profit/ (Loss) for the period/ year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding
26	INCAT International Plc. (subsidiary w.e.f October 3, 2005)	UK	GBP	101.64	2.47	45.43	47.90	-	-	0.01	-	0.01	0.01	-	-	76.69
27	Tata Technologies Inc. (Including Midwest Managed Services Inc.which got merged into Tata Technologies Inc. w.e.f. Feb 28, 2018) (subsidiary w.e.f October 3, 2005)	USA	USD	82.18	983.76	(324.84)	864.18	205.26	988.83	84.87	19.32	65.55	65.55	-	-	76.74
28	Tata Technologies de Mexico, S.A. de C.V. (subsidiary w.e.f October 3, 2005)	Mexico	MXN	4.55	0.80	2.07	4.71	1.83	-	(0.03)	-	(0.03)	(0.03)	-	-	76.74
29	Cambric Limited, Bahamas (subsidiary w.e.f May 1, 2013)	Bahamas	USD	82.18	22.19	0.87	23.06	-	-	0.07	-	0.07	0.07	-	-	76.74
30	Tata Technolgies SRL, Romania (erstwhile Cambric Consulting SRL was renamed w.e.f February 4, 2015) (subsidiary w.e.f May 1, 2013)	Romania	RON	18.04	5.55	72.53	86.66	8.58	89.24	11.50	1.57	9.93	9.93	-	-	76.74
31	Tata Manufacturing Technologies Consulting (Shanghai) Limited (subsidiary w.e.f March 10, 2014)	China	CNY	11.96	3.68	54.23	101.61	43.70	190.45	18.88	0.87	18.01	18.01	-	-	76.69
32	Tata Technologies Europe Limited (subsidiary w.e.f October 3, 2005)	UK	GBP	101.64	0.11	1,287.43	1,895.76	608.21	1,663.20	290.59	53.35	237.24	237.24	-	-	76.69
33	Tata Technologies Nordics AB (Name changed from Escenda Engineering AB with effect from November 2,2020)	Sweden	SEK	7.93	0.17	1.60	57.09	55.32	98.10	(4.80)	(0.98)	(3.82)	(3.82)	-	-	76.69
34	Tata Technologies GmbH (INCAT GmbH was under liquidation with effect from January 25, 2017 but has been revived and renamed w.e.f. March 30, 2022)	Germany	EURO	89.47	1.47	20.35	27.40	5.58	6.35	0.47	0.13	0.34	0.34	-	-	76.69
35	Tata Technologies (Thailand) Limited (subsidiary w.e.f October 10, 2005)	Thailand	BAHT	2.41	8.51	(15.83)	10.70	18.03	5.34	(4.96)	-	(4.96)	(4.96)	-	-	76.69
36	TATA Technologies Pte Ltd. (subsidiary w.e.f December 7, 2005)	Singapore	USD	82.18	443.79	565.07	1,170.18	161.33	466.40	82.05	13.68	68.37	68.37	-	-	76.69
37	Jaguar Land Rover Automotive plc (subsidiary w.e.f June 2, 2008)	UK	GBP	101.64	15,253.25	6,157.54	78,839.29	57,428.50	-	(128.36)	(0.00)	(128.36)	(128.36)	-	-	100.00
38	Jaguar Land Rover Limited (previously Jaguar Cars Limited) (subsidiary w.e.f June 2, 2008)	UK	GBP	101.64	36,191.06	(4,943.92)	2,08,576.54	1,77,329.40	2,08,695.12	(4,893.84)	189.44	(5,083.28)	(5,083.28)	-	-	100.00
39	Jaguar Land Rover Holdings Limited(formally known as Land Rover) (subsidiary w.e.f June 2, 2008)	UK	GBP	101.64	50.82	55,152.40	55,298.64	95.42	-	1,607.92	121.82	1,486.10	1,486.10	220.57	-	100.00
40	JLR Nominee Company Limited (Formally known as Jaguar Land Rover Exports Limited, formerly Jaguar Cars Exports Limited) (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
41	Jaguar Land Rover (South Africa) Holdings Limited (subsidiary w.e.f February 2, 2009)	UK	ZAR	4.62	0.00	1,763.55	1,825.79	62.24	-	53.30	14.50	38.80	38.80	-	-	100.00
42	Jaguar Cars Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
43	Land Rover Exports Limited (Business transferred to Jaguar Land Rover Exports Ltd) (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
44	The Lanchester Motor Company Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
45	The Daimler Motor Company Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	15.25	-	15.25	-	-	-	-	-	-	-	-	100.00
46	S S Cars Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
47	Daimler Transport Vehicles Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
48	Jaguar Land Rover Pension Trustees Limited (subsidiary w.e.f June 2, 2008) (dormant)	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00

(₹ in crores)

Sr. No	Subsidiary	Country	Reporting currency	Exchange Rate	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit/ (Loss) Before Tax	Tax Expense/ (Credit)	Profit/(Loss) after tax	Profit/ (Loss) for the period/ year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)	% of shareholding
49	Jaguar Cars (South Africa) (Pty) Ltd (subsidiary w.e.f June 2, 2008) (dormant)	South Africa	ZAR	4.62	-	-	-	-	-	-	-	-	-	-	-	100.00
50	Jaguar Land Rover Slovakia s.r.o. (JLRHL 0.01% and JLRL 99.99%)	Slovakia	EUR	89.47	5,592.17	710.83	8,690.83	2,387.83	3,168.30	142.48	(0.00)	142.48	142.48	-	-	100.00
51	Jaguar Racing Limited (Incorporated w.e.f. February 2, 2016) (subsidiary w.e.f February 2, 2016)	UK	GBP	101.64	0.00	45.49	134.21	88.71	-	6.75	-	6.75	6.75	-	-	100.00
52	InMotion Ventures Limited (Incorporated w.e.f. March 18, 2016) (subsidiary w.e.f March 18, 2016)	UK	GBP	101.64	0.00	(189.63)	450.53	640.16	-	48.98	-	48.98	48.98	-	-	100.00
53	In-Car Ventures Limited ((Formerly Lenny Insurance Limited name change on February 2, 2021) (100% Shareholding transferred from InMotion Ventures Limited to JLRHL on February 18, 2021)	UK	GBP	101.64	-	(99.12)	-	99.12	1.12	(4.22)	-	(4.22)	(4.22)	-	-	100.00
54	InMotion Ventures 2 Limited	UK	GBP	101.64	-	(96.13)	81.68	177.81	44.11	(19.68)	-	(19.68)	(19.68)	-	-	100.00
55	InMotion Ventures 3 Limited	UK	GBP	101.64	-	(67.88)	890.97	958.85	150.52	(29.55)	-	(29.55)	(29.55)	-	-	100.00
56	Jaguar Land Rover Ireland (Services) Limited	Ireland	GBP	101.64	0.00	252.59	288.53	35.94	392.81	85.99	8.45	77.54	77.54	-	-	100.00
57	Limited Liability Company Jaguar Land Rover (Russia) (incorporated on 25-5-2008) (subsidiary w.e.f May 15, 2009)	Russia	RUB	1.06	5.13	430.29	746.18	310.76	274.61	(74.94)	49.19	(124.13)	(124.13)	-	-	100.00
58	Jaguar Land Rover (China) Investment Co Ltd (previously Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd) (subsidiary w.e.f June 2, 2008)	China	CNY	11.96	80.15	17,614.75	23,968.23	6,273.32	32,067.56	4,008.51	962.90	3,045.61	3,045.61	-	-	100.00
59	Shanghai Jaguar Land Rover Automotive Service Co. Ltd (subsidiary w.e.f March 10, 2014)	China	CNY	11.96	19.14	(26.34)	13.44	20.64	13.77	0.99	0.05	0.94	0.94	-	-	100.00
60	Jaguar Land Rover Colombia SAS (subsidiary w.e.f August 22, 2016)	Columbia	COP	0.02	39.78	(7.45)	32.39	0.06	-	5.46	-	5.46	5.46	-	-	100.00
61	Jaguar Landrover Mexico S.A.P I de C.V	Mexico	MXN	4.55	17.52	23.34	579.32	538.47	984.91	25.37	4.05	21.31	21.31	-	-	100.00
62	Jaguar Landrover Services Mexico S.A C.V	Mexico	MXN	4.55	-	-	-	-	-	-	-	-	-	-	-	100.00
63	Jaguar Land Rover France SAS (subsidiary w.e.f February 1, 2009)	France	EUR	89.47	39.06	1.44	1,832.36	1,791.87	6,849.88	54.72	16.22	38.49	38.49	-	-	100.00
64	Jaguar Land Rover Portugal-Veiculos e Pecas, Lda. (subsidiary w.e.f June 2, 2008)	Portugal	EUR	89.47	11.90	78.11	433.63	343.62	850.34	17.15	5.25	11.90	11.90	-	-	100.00
65	Jaguar Land Rover Espana SL (merged company following the absorption of Jaguar Hispania, S.L.U by Land Rover Espana, S.L.U) (formerly known as Land Rover Espana SL) (subsidiary w.e.f June 2, 2008)	Spain	EUR	89.47	372.58	153.72	1,314.17	787.86	2,829.51	37.48	9.12	28.36	28.36	1.77	-	100.00
66	Jaguar Land Rover Italia SpA (subsidiary w.e.f June 2, 2008)	Italy	EUR	89.47	369.22	591.57	3,842.24	2,881.45	8,624.25	169.10	31.24	137.86	137.86	(1.32)	-	100.00
67	Land Rover Ireland Limited - (no longer a trading NSC) (subsidiary w.e.f June 2, 2008)	Ireland	EUR	89.47	0.00	5.13	20.14	15.01	-	-	-	-	-	(4.81)	-	100.00
68	Jaguar Land Rover Korea Co. Ltd.(subsidiary w.e.f June 2, 2008)	South Korea	KRW	0.06	0.32	133.78	2,024.56	1,890.47	4,344.16	133.82	37.64	96.18	96.18	-	-	100.00
69	Jaguar Land Rover Deutschland GmbH (subsidiary w.e.fJune 2, 2008)	Germany	EUR	89.47	119.17	424.32	3,853.49	3,309.99	9,993.19	(92.50)	58.61	(151.11)	(151.11)	42.52	-	100.00
70	Jaguar Land Rover Austria GmbH (subsidiary w.e.f June 2, 2008)	Austria	EUR	89.47	1.30	121.29	645.98	523.39	1,857.03	23.54	8.52	15.02	15.02	-	-	100.00
71	Jaguar Land Rover Australia Pty Limited (subsidiary w.e.f June 2, 2008)	Australia	AUD	55.03	3.85	572.25	2,954.58	2,378.48	3,397.18	74.92	18.31	56.61	56.61	-	-	100.00
72	Jaguar Land Rover North America, LLC. (subsidiary w.e.f June 2, 2008)	USA	USD	82.18	328.73	5,081.56	14,835.93	9,425.64	54,531.92	1,003.12	257.89	745.23	745.23	(4.00)	-	100.00
73	Jaguar Land Rover Japan Limited (subsidiary w.e.f October 1, 2008)	Japan	JPY	0.62	29.67	312.73	1,780.31	1,437.91	3,327.70	68.81	(1.62)	70.43	70.43	-	-	100.00
74	Jaguar Land Rover Canada, ULC (subsidiary w.e.f June 2, 2008)	Canada	CAD	60.67	-	262.75	1,646.21	1,383.46	4,999.59	71.73	27.07	44.66	44.66	-	-	100.00

(₹ in crores)

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75	Jaguar e Land Rover Brasil Indústria e Comércio de Veículos LTDA (subsidiary w.e.f June 2, 2008)	Brazil	BRL	16.25	1,001.82	(499.72)	2,150.00	1,647.91	3,053.58	133.15	4.02	129.12	129.12	-	-	100.00
76	Jaguar Land Rover Belux N.V. (subsidiary w.e.f June 2, 2008)	Belgium	EUR	89.47	11.18	148.56	1,482.26	1,322.52	4,116.75	43.82	12.02	31.80	31.80	1.85	-	100.00
77	Jaguar Land Rover Nederland BV (subsidiary w.e.f June 2, 2008)	Netherlands	EUR	89.47	0.41	82.62	824.91	741.88	2,112.65	25.58	6.46	19.11	19.11	(3.30)	-	100.00
78	Jaguar Land Rover (South Africa) (Pty) Limited (subsidiary w.e.f June 2, 2008)	South Africa	ZAR	4.62	0.00	249.91	1,290.03	1,040.12	2,151.39	131.22	37.76	93.46	93.46	-	-	100.00
79	Jaguar Land Rover Singapore Pte. Ltd (incorporated w.e.f November 25,2015) (subsidiary w.e.f November 25, 2015)	Singapore	SGD	61.81	4.64	40.47	146.63	101.53	242.54	17.82	3.78	14.03	14.03	-	-	100.00
80	Jaguar Land Rover Taiwan Company Pte. Ltd	Taiwan	TWD	2.69	10.36	117.63	1,017.23	889.25	2,397.00	133.94	26.67	107.27	107.27	-	-	100.00
81	Jaguar Land Rover Classic Deutschland GmbH (Incorporated w.e.f. August 10,2018)	Germany	GBP	101.64	25.41	(27.02)	15.04	16.65	38.70	0.96	-	0.96	0.96	-	-	100.00
82	Jaguar Land Rover Hungary KFT	Budapest	HUF	0.24	0.07	14.91	92.47	77.49	191.91	7.67	4.75	2.93	2.93	-	-	100.00
83	Jaguar Land Rover Classic USA LLC (Incorporated w.e.f June 1, 2018) (dormant)	USA	USD	82.18	-	-	-	-	-	-	-	-	-	-	-	100.00
84	Bowler Motors Limited (Name changed from Jaguar Land Rover Auto Ventures Limited on 28 January 2020)	UK	GBP	101.64	30.49	(63.24)	64.93	97.68	4.41	(15.99)	-	(15.99)	(15.99)	-	-	100.00
85	Jaguar Land Rover Ventures Limited	UK	GBP	101.64	-	-	-	-	-	-	-	-	-	-	-	100.00
86	Jaguar Land Rover (Ningbo) Trading Co., Ltd.	China	CNY	11.96	1.20	1,808.24	3,112.24	1,302.81	13,672.91	1,681.80	390.95	1,290.85	1,290.85	-	-	100.00
87	Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd. (subsidiary w.e.f April 9, 2010)	South Korea	KRW	0.06	6.31	29.26	71.95	36.38	317.36	10.74	2.82	7.92	7.92	-	-	100.00
88	PT Tata Motors Distribusi Indonesia (subsidiary w.e.f February 11, 2013)	Indonesia	IDR	0.01	318.20	(311.49)	119.24	112.52	102.37	(2.41)	0.52	(2.93)	(2.93)	-	-	100.00
1	Details of Direct Subsidiaries, on consolidated basis including their respective subsidiaries included above															
2	Tata Technologies Limited (subsidiary w.e.f September 10, 1997)				81.13	2,908.32	5,201.49	2,212.04	4,501.92	796.15	172.12	624.03	624.03	-	29.78	76.69
3	Tata Motors Finance Holding Ltd (subsidiary w.e.f. June 1, 2006)				1,741.59	(241.37)	43,082.09	41,581.87	5,057.28	(992.71)	20.26	(1,012.97)	(1,012.97)	-	2,040.45	100.00
	TML Holdings Pte. Limited Singapore** (subsidiary w.e.f. Febuary 4, 2008)				-	-	-	-	-	-	-	-	-	-	-	100.00
1	**TML Holding Pte Ltd, Singapore holds fully Jaguar Rover Automotive Plc, Tata Daewoo Commercial Vehicle Co. Ltd and PT Tata Motors Indonesia, the consolidated accounts of which are given below:															
2	Jaguar Land Rover Automotive Plc Consolidated (subsidiary w.e.f June 2, 2008)				11,195.17	31,888.73	2,24,178.29	1,81,094.39	2,22,915.87	997.79	(1,594.40)	(596.61)	(596.61)	-	52,617.61	100.00
3	Tata Daewoo Commercial Vehicle Co. Ltd (subsidiary w.e.f March 30, 2004)				95.16	2,102.56	4,044.57	1,942.01	5,916.49	177.79	45.62	132.17	132.17	-	-	100.00
	PT Tata Motors Indonesia (subsidiary w.e.f December 29, 2011)				425.48	(414.64)	117.23	106.39	108.62	(1.31)	0.05	(1.36)	(1.36)	-	-	100.00

* Profit for the year is after share of minority interest and share of profit/(loss) in respect of investment in associate companies.

STATEMENT PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

Part - B

Sr. No	Name of Associates/Joint Ventures	Shares of Associate/Joint Ventures held by the company on the year end						Profit/(loss) for the year		
		Latest audited Balance Sheet Date	No.	Amount of Investment in Associates/ Joint Venture (₹ in crore)	Extent of Holding %	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in crore)	Considered in Consolidation (₹ in crore)	Not Considered in Consolidation (₹ in crore)	Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
Joint Operations										
1	Fiat India Automobiles Private Limited	March 31,2023	12,22,57,983	1,567.04	50.00%	2,910.15	379.63	-	Note (a)	-
2	Tata Cummins Private Ltd	March 31,2023	9,00,00,000	90.00	50.00%	736.36	230.03	-	Note (a)	-
Joint ventures										
1	Chery Jaguar Land Rover Automotive Co Ltd	December 31,2022	-	2,145.04	50.00%	3,250.39	(184.54)	-	Note (a)	-
2	Tata HAL Technologies Limited	N/A	50,70,000	-	37.21%	-	-	-	There is no significant influence.	Provision for impairment was considered in full in FY 16-17
3	Loginomic Tech Solutions Private Limited ("TruckEasy")	March 31,2023	6,65,000	-	26.00%	-	-	-	Note (b)	-
Associates										
1	Tata AutoComp Systems Limited	March 31,2023	5,23,33,170	77.47	26.00%	531.59	187.99	-	Note (b)	-
2	Automobile Corporation of Goa Limited	March 31,2023	29,82,214	108.22	49.77%	151.31	13.81	-	Note (b)	-
3	Tata Hitachi Construction Machinery Company Private Limited	March 31,2021	4,54,28,572	238.50	39.99%	610.24	19.63	-	Note (b)	-
4	Tata Precision Industries (India) Limited	March 31,2021	2,00,000	-	39.19%	0.01	(0.94)	-	Note (b)	-
5	Nita Company Limited	March 31,2023	16,000	1.27	40.00%	33.10	(1.10)	-	Note (b)	-
6	Synaptiv Limited	n/a	1,56,00,000	1.59	37.50%	-	-	-	Note (b)	-
7	Cloud Car Inc	n/a	13,32,55,012		26.30%	-	-		Note (b)	-
8	DriveClubService Pte. Ltd.	n/a	251	2.03	25.07%	-	-	-	Note (b)	-
9	Jaguar Land Rover Switzerland AG (Jaguar Land Rover Limited increased its shareholding from 10% to 30% w.e.f. November 25, 2020)	n/a	300	10.13	30.00%	10.16	-	-	Note (b)	-
10	Jaguar Cars Finance Limited	September 30, 2021	49,900	3.64	49.90%	2.75		-	Note (b)	-
11	Inchcape JLR Europe Limited (incorporated 31 August 2020) (JLRL shareholding 30% effective 30 April 2021)	n/a	-	-	30.00%	-	-	-	Note (b)	
12	Sertec Corporation Limited (acquired on June 17, 2022)	n/a	-	-	40.00%	-	-	-	Note (b)	-

Unaudited financials considered for Consolidation

Note : (a) - There is a significant influence by virtue of joint control

(b) - There is a significant influence due to percentage (%) of share capital

Notice

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

Dear Member,

NOTICE is hereby given that the Seventy Eighth Annual General Meeting of Tata Motors Limited will be held on Tuesday, August 8, 2023 at 3:00 p.m. (IST) through video conferencing / other audio visual means to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the Report of the Auditors thereon.

3. To declare dividend on Ordinary Shares and 'A' Ordinary Shares of the Company for the financial year ended March 31, 2023.

4. To appoint a Director in place of Mr N Chandrasekaran (DIN: 00121863), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. **Appointment of Mrs. Usha Sangwan (DIN:02609263) as a Director and as an Independent Director**

   To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

   "RESOLVED THAT Mrs. Usha Sangwan (DIN: 02609263), who was appointed as an Additional Director of the Company with effective from May 15, 2023 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Article 132 of the Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17, Regulation 25 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Mrs. Usha Sangwan, who had submitted a declaration that she met the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years, i.e., from May 15, 2023 to May 14, 2028 (both days inclusive), be and is hereby approved."

6. **Remuneration to Non-Executive Directors (including Independent Directors)**

   To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

   "RESOLVED THAT in partial modification to the Resolution at Item no. 5, passed by the Members at the 74th Annual General Meeting held on July 30, 2019 as well as in partial modification to the Resolution at Item no 10, passed by the Members at the 76th Annual General Meeting held on July 30, 2021 and pursuant to the provisions of Section 149, 197 and 198 of the Companies Act 2013 ("the Act") read with Schedule V to the Act, as modified vide Circular dated March 18, 2021 by the Ministry of Corporate Affairs, Government of India and Regulation 17(6) of the

SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and based on the recommendation of the Nomination & Remuneration Committee ("NRC"), consent of the Company be and is hereby accorded for payment of remuneration to the Non-Executive Directors including Independent Directors of the Company (i.e., Directors other than the Managing Director and/or Whole Time Directors), in case of no / inadequate profits in any financial year calculated under Section 198 of the Act, provided that the aggregate of such remuneration (as mentioned in the Explanatory Statement to this Notice) shall not exceed 1% of the net profit for each of the financial years 2022-23, 2023-24 and 2024-25 calculated in terms of the audited financial statements of the Company prepared in accordance with the applicable Indian Accounting Standards ("Ind AS"), for each of the above said three financial years, duly audited by the Statutory Auditors of the Company and approved by the Board of Directors and that the said remuneration be paid and distributed amongst the Non-Executive Directors including Independent Directors in such manner as the Board of Directors of the Company may determine from time to time."

7. Appointment of Branch Auditors

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

"RESOLVED that pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Board of Directors be and is hereby authorised to appoint Branch Auditor(s) of any Branch Office of the Company, whether existing or which may be opened/acquired hereafter, outside India, any firm(s) and/or person(s) qualified to act as Branch Auditors in consultation with the Company's Auditors, any persons, qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration."

8. Ratification of Cost Auditor's Remuneration

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

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹6,00,000/- (Rupees Six lakhs Only) plus applicable taxes, travel and out-of-pocket expenses incurred in connection with the audit, as approved by the Board of Directors, payable to M/s Mani & Co., Cost Accountants (Firm Registration No. 000004) who are appointed as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024."

9. Material Related Party Transaction(s) between the Company and Tata Technologies Limited, its subsidiary

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s) as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Tata Technologies Limited ('TTL'), a subsidiary of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and TTL, for an aggregate value not exceeding ₹2,000 crore, (with funding transactions not exceeding ₹ 1,200 crore at any point of time and operational transactions not exceeding ₹800 crore), during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is / are carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

10. **Material Related Party Transaction(s) of the Company and/or TMF Holdings Limited, a wholly owned subsidiary of the Company with Tata Cummins Private Limited, a Joint Operations Company**

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company, TMF Holdings Limited ('TMFHL') a wholly owned subsidiary of the Company and Tata Cummins Private Limited ('TCPL'), a Joint Operations of the Company and accordingly a 'Related Party', on such terms and conditions as may be mutually agreed between the Company and/or TMFHL and TCPL, for an aggregate value not exceeding ₹7,300 crore (with funding transactions not exceeding ₹50 crore at any point of time and operational transactions not exceeding ₹7,250 crore) and funding transactions not exceeding ₹1,100 crore outstanding at any point in time, respectively during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

11. **Material Related Party Transaction(s) of the Company and its identified subsidiaries with Tata Capital Financial Services Limited, a subsidiary of Tata Sons Private Limited, the Promoter of the Company**

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company and/or Tata Motors Passenger Vehicles Limited ('TMPVL') and/or Tata Passenger Electric Mobility Limited ('TPEML') with Tata Capital Financial Services Limited ('TCFSL'), a subsidiary of Tata Sons Private Limited, the Promoter of the Company and accordingly a 'Related Party', on such terms and conditions as may be mutually agreed between the Company and/or TMPVL and/or TPEML and TCFSL, for an aggregate value not exceeding ₹6,200 crore, ₹3,400 crore and ₹1,000 crore, respectively during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

12. **Material Related Party Transaction(s) of the Company and its identified subsidiaries with Fiat India Automobiles Private Limited, a Joint Operations Company.**

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company and/or its identified subsidiaries, viz., Tata Motors Passenger Vehicles Limited ('TMPVL') and/or Tata Passenger Electric Mobility Limited ('TPEML') with Fiat India Automobiles Private Limited (FIAPL) a Joint

Operation Company on such terms and conditions as may be mutually agreed between FIAPL and the above-mentioned companies for an aggregate value not exceeding ₹2,500 crore (with funding transactions not exceeding ₹100 crore at any point of time and operational transactions not exceeding ₹2,400 crore), ₹30,500 and ₹6,055 crore, respectively during the financial year 2023-24 as well as the material transactions for sale of vehicle parts and components between the Company and FIAPL amounting to ₹1,547 crore during the financial year 2022-23 provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

13. **Material Related Party Transaction(s) of Tata Motors Passenger Vehicles Limited, a wholly owned subsidiary of the Company with certain identified Related Parties of the Company**

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between Tata Motors Passenger Vehicles Limited ('TMPVL'), a wholly owned subsidiary of the Company with certain identified Related Parties of the Company viz., TACO Prestolite Electric Private Limited ('TACO') and Tata AutoComp Systems Limited ('TASL') on such terms and conditions as may be mutually agreed between TMPVL and the aforementioned Related Parties for an aggregate value not exceeding ₹1,460 crore and ₹4,775 crore, respectively during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) are carried out at an arm's length pricing basis and in the ordinary course of business."

14. **Material Related Party Transaction(s) of Jaguar Land Rover Group of Companies, subsidiaries of the Company with Chery Jaguar Land Rover Automotive Company Limited, a joint Venture of JLR Group**

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/ or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between two 'Related Parties' of the Company, i.e., of the Jaguar Land Rover Group of Companies ('JLR Group'), being subsidiaries of the Company with Chery Jaguar Land Rover Automotive Company Limited (CJLR), on such terms and conditions as may be mutually agreed between the JLR Group and CJLR a joint venture of the JLR Group, for an aggregate value not exceeding ₹8,800 crore, during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

15. Material Related Party Transaction(s) of the Company and/or its identified subsidiaries including Jaguar Land Rover Group of Companies, with Tata Consultancy Services Limited and its subsidiaries.

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company and/or its identified subsidiaries, viz., Tata Motors Passenger Vehicles Limited, Tata Passenger Electric Mobility Limited, Tata Technologies Limited and and Jaguar Land Rover Limited and/or their subsidiaries with Tata Consultancy Services Limited and its subsidiaries, on such terms and conditions as may be mutually agreed between these Related Parties, for an aggregate value of not exceeding ₹5,000 crore, during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are being carried out at an arm's length pricing basis and in the ordinary course of business."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

16. Material Related Party Transaction(s) of the Company with Tata Steel Limited (TSL), identified subsidiaries/ affiliates of TSL and Poshs Metals Industries Private Limited (a third party) through dealers of TSL.

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/ or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company with Tata Steel Limited ('TSL'), an Associate of Tata Sons Private Limited, the Promoter and accordingly a 'Related Party' of the Company, Tata Steel Downtreams Products Limited, a subsidiary of TSL and/or Poshs Metals Industries Private Limited (a third party) through dealers of TSL, on such terms and conditions as may be mutually agreed between the Company and TSL, for an aggregate value of not exceeding ₹4,240 crore during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

17. Material Related Party Transaction(s) between Tata Cummins Private Limited, a Joint Operations Company with its Related Parties.

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/ or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between two 'Related Parties' of the Company, i.e., between Tata Cummins Private Limited ('TCPL'), a joint operations of the Company and its Related Parties, such terms and conditions as may be mutually agreed between TCPL and its Related Parties, for an aggregate value not exceeding ₹4,100 crore during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

By Order of the Board of Directors

Maloy Kumar Gupta
Company Secretary
ACS No: 24123

Mumbai,
May 12, 2023

Registered Office:
Bombay House, 24, Homi Mody Street, Mumbai 400 001
Tel: +91 22 6665 8282
Email: inv_rel@tatamotors.com;
Website: www.tatamotors.com
CIN: L28920MH1945PLC004520

NOTES:

1. Pursuant to General Circulars No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021, No. 2/2022 dated May 5, 2022 and No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars'), the Company is convening the 78th Annual General Meeting ('AGM') through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In compliance with the provisions of the Companies Act, 2013 ('Act'), the Listing Regulations and MCA Circulars, the **78th AGM of the Company is being held through VC/OAVM on Tuesday, August 08, 2023 at 3:00 p.m. IST.** The deemed venue for the AGM will be the Registered Office of the Company i.e. Bombay House, 24 Homi Mody Street, Mumbai 400 001.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

3. As per the provisions of clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the matters of Special Business as appearing at Item Nos. 5 to 17 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.

4. The Explanatory Statement pursuant to Section 102 of the Act in respect of the business under Item Nos. 5 to 17 set out above and the relevant details of the Directors seeking appointment/ re-appointment at this AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto. Requisite declarations have been received from the Directors seeking appointment/re-appointment.

5. Institutional Members/Corporate Members (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of their respective Board or governing body Resolution, Authorization, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail to tml.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional Members can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority letter", etc. displayed under 'e-Voting' tab in their Login.

6. Only registered Members (including the holders of 'A' Ordinary Shares) of the Company may attend and vote at the AGM through VC/OAVM facility. Since the

NOTICE

American Depositary Receipts ('ADR') programme was terminated and delisted effective January 23, 2023, there would be no voting by ADR holders.

7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoter/ Promoter Group, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Members will be able to view the proceedings on National Securities Depostory Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com.

10. In line with the General Circulars No. 20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021 and Circular No. 10/2022 dated December 28, 2022 issued by the MCA and the SEBI Circulars, Notice of the AGM along with the Integrated Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories/Registrar & Transfer Agent ('RTA'), unless any Member has requested for a physical copy of the same. The Notice of AGM and Annual Report 2022-23 are available on the Company's website at www.tatamotors.com 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 78th AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at inv_rel@tatamotors.com.

12. The Company has fixed Saturday, July 29, 2023 as the "Record Date" for determining entitlement of Members to final dividend for the financial year ended March 31, 2023, if approved at the AGM.

13. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, July 29, 2023, to Tuesday, August 8, 2023 (both days inclusive) for the purpose of this AGM.

    The dividend of ₹2 per Ordinary share of ₹2 each (100%) and ₹2.10 per 'A' Ordinary share of ₹2 each (105%), if declared at the AGM, will be paid subject to deduction of tax at source ('TDS') on or after Monday, August 14, 2023 as under:

    a) To all the Beneficial Owners as at the end of the day on Saturday, July 29, 2023, as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

    b) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition requests lodged with the Company as at the end of the day on Saturday, July 29, 2023.

    For the members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to them.

    According to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. April 1, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, and Category as per the

IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents by Friday, July 21, 2023 (upto 7:00 pm) to enable the Company to determine the appropriate TDS/withholding tax rate applicable, verify the documents and provide exemption. For the detailed process, please visit the website of the Company at https://www.tatamotors.com/investors/annual-reports/ and also refer to the email sent to members in this regard.

14. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from our website at https://www.tatamotors.com/investors/investor-contacts/ and website of the Registrar and Transfer Agent ('RTA') at https://www.tcplindia.co.in/kyc-download.html. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held by them in physical form, quoting their folio number.

15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates alongwith the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

17. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:

    a) Change in their residential status on return to India for permanent settlement.

    b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

18. **Updation of mandate for receiving dividend directly in bank account through Electronic Mode or any other means in a timely manner:** Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nomination, power of attorney, bank details, bank account number, MICR code, IFSC, etc.:

    Shares held in physical form: Members holding shares in physical form are requested to send the following details/ documents to the Company's Registrars and Transfer Agent (RTA) viz. TSR Consultants Private Limited (TCPL) (formerly Mumbai -400 083, latest by Friday, July 21, 2023:

    a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at https://www.tatamotors.com/investors/investor-contacts/ and on the website of the RTA at https://tcplindia.co.in/home-KYC.html.

    b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly.

    c) Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.

    d) Self-attested copy of the PAN Card of all the holders; and

    e) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company

    Further, Members are requested to refer to process detailed on https://tcplindia.co.in/home-KYC.html and proceed accordingly. Shares held in electronic form: Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, Members holding shares in electronic form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs by Friday, July 21, 2023.

19. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website and on the website of the Company's RTA's at https://www.tcplindia.co.in/. It may be noted that any service request can be processed only after the folio is KYC Compliant.

20. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI (LODR) and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA, for assistance in this regard.

21. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**

22. **Norms for furnishing of PAN, KYC, Bank details and Nomination:**

    Pursuant to SEBI Circular no.SEBI/HO/MIRSD/MIRSDPoD-1/P/ CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/ MIRSD RTAMB/ P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. **The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.**

    The securities in the frozen folios shall be eligible:

    - To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
    - To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

    The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website https://www.tatamotors.com/investors/investor-contacts/ In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has despatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

    Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

23. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to

the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

24. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.

25. The Company has made special arrangement with the RTA and NSDL for registration of email addresses in terms of the MCA Circulars for Members who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically.

26. Eligible Members whose email addresses are not registered with the Company/ DPs are required to provide the same to RTA on or before 5:00 p.m. IST on Friday, July 21, 2023 pursuant to which, any Member may receive on the email address provided by the Member the Notice of this AGM along with the Annual Report 2022-23 and the procedure for remote e-voting along with the login ID and password for remote e-voting.

(i) Process for registration of email addresses with RTA is as under:

a) Visit the link https://tcpl.linkintime.co.in/EmailReg/email_register.html

b) Select the name of the Company from dropdown.

c) Enter details in respective fields such as DP ID and Client ID (if you hold the shares in demat form) / Folio no. and Certificate no. (if shares are held in physical form), Name of the Shareholder, PAN details, mobile number and e-mail ID.

d) System will send OTP on mobile number and e-mail ID.

e) Enter OTP received on mobile number and e-mail ID and submit.

After successful submission of the e-mail address, NSDL will email a copy of the the Notice of this AGM along with the Annual Report 2022-23 as also the remote e-Voting user ID and password on the e-mail address registered by the Member.

In case of any queries, Members may write to csg-unit@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 at csg-unit@tpclindia.co.in.

(iii) Alternatively, those Members who have not registered their email addresses are required to send an email request to evoting@nsdl.co.in along with the following documents for procuring user id and password for e-voting for the resolutions set out in this Notice:

- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.
- In case shares are held in demat mode, please provide DPID-Client ID (8 digit DPID + 8 digit Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.

27. Those Members who have already registered their email IDs are requested to keep the same validated with their DP/RTA to enable serving of notices/ documents/Annual Reports and other communications electronically to their email ID in future.

28. **VOTING BY MEMBERS:**

A. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations (as amended), MCA Circulars and the SEBI Circulars, the Company is providing its Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by NSDL) either by (i) remote e-voting prior to the AGM (as explained at 'para F' herein below) or (ii) remote e-voting during the AGM (as explained at 'para G' below). Instructions for Members for attending the AGM through VC/OAVM are explained at 'para H' below.

B. The voting rights of the Ordinary Shareholders shall be in the same proportion to the paid-up ordinary share capital and in case of voting rights on the 'A' Ordinary Shares, the holder shall be entitled to one vote for every ten 'A' Ordinary Shares held.

C. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Tuesday, August 1, 2023 ('cut-off date') shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting prior to the AGM or remote e- voting during the AGM.

D. Members of the Company holding shares either in physical form or electronic form, as on the cut-off date of Tuesday, August 1, 2023, may cast their vote by remote e-Voting. The remote e-Voting period commences on Friday, August 4, 2023 at 9:00 a.m. (IST) and ends on Monday, August 7, 2023 at 5:00 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, August 1, 2023.

E. The Members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. The Members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-voting prior to the Meeting shall be able to exercise their right to cast their vote by remote e-voting during the Meeting. The Members who have cast their vote by remote e-voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.

F. The Board of Directors has appointed Mr P N Parikh (Membership No. FCS 327) and failing him; Ms Jigyasa Ved (Membership No. FCS 6488) and failing her; Mr Mitesh 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.

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

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider** i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. 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

Type of Members	Login Method
Individual Members holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders/Members holding securities in Demat mode in case of any technical issues related to Log-in through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) **Login Method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, for Members holding Ordinary Shares, if folio number is 001*** and EVEN is 124106 then user ID is 124106001***. For Members holding 'A' Ordinary Shares, if folio number is 001*** and EVEN is 124107 then user ID is 124107001***.

5. Password details for Members other than Individual Members are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Members whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   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 etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies **"EVEN"** in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select **"EVEN"** of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "**VC/OAVM"** link placed under **"Join Meeting"**.

   (a) EVEN for Ordinary Shares is 124106

   (b) EVEN for 'A' Ordinary Shares is 124107

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on **"Submit"** and also **"Confirm"** when prompted.

5. Upon confirmation, the message **"Vote cast successfully"** will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

1. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to with a copy marked to evoting@nsdl.co.in. Institutional Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre- Senior Manager- NSDL at evoting@nsdl.co.in

Process for those Members whose email ids are not registered with the depositories for procuring user ID and password and registration of email IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to inv_rel@tatamotors.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self

attested scanned copy of Aadhar Card) to inv_rel@tatamotors.com. If you are an Individual Members holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ Members , who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matters to be placed at the AGM, from their registered email ID, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email ID at inv_rel@tatamotors.com before 5:00 p.m. (IST) on Tuesday, August 01, 2023.

6. Members who would like to express their views/ ask questions as a Speaker at the AGM may preregister themselves by sending a request from their registered email ID mentioning their names, DP ID and Client ID/folio number, PAN and mobile number to inv_rel@tatamotors.com between Saturday, July 29, 2023 (9:00 a.m. IST) and Friday, August 4, 2023 (5:00 p.m. IST). Only those Members who have pre-registered themselves as Speakers will be allowedto 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

28. Any person holding shares in physical form and non-individual Members, who acquire shares of the Company and becomes a Member of the Company after dispatch

of the Notice and holding shares as of the cut-off date i.e. Tuesday, August 1, 2023. may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company/RTA.

However, if the person is already registered with NSDL for remote e-Voting, then the existing user ID and password of the said person can be used for casting vote. If the person forgot his/her password, the same can be reset by using 'Forgot user Details/Password' or 'Physical user Reset Password' option available at www.evoting.nsdl.com or by calling on 022 4886 7000 and 022 2499 7000. In case of Individual Members holding securities in Demat mode who acquire shares of the Company and becomes a Member of the Company after sending the Notice and holding shares as of the cut-off date i.e. Tuesday, August 1, 2023, may follow steps mentioned in the notes to Notice under 'Access to NSDL e-Voting system'.

29. **DECLARATION OF RESULTS ON THE RESOLUTIONS:**

→ The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within 2 working days from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the Resolution(s), invalid votes, if any, and whether the Resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.

→ The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.tatamotors.com 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. August 8, 2023.

By Order of the Board of Directors

Maloy Kumar Gupta
Company Secretary
ACS No: 24123

Mumbai,
May 12, 2023
Registered Office:
Bombay House, 24, Homi Mody Street, Mumbai 400 001
Tel: +91 22 6665 8282
Email: inv_rel@tatamotors.com;
Website: www.tatamotors.com

CIN: L28920MH1945PLC004520

EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the special business mentioned at Item Nos. 5 to 17 of the accompanying Notice dated May 12, 2023.

Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company had appointed Mrs. Usha Sangwan (DIN: 02609263) as an Additional Director of the Company as well as an Independent Director, not liable to retire by rotation, for a term of five years i.e. from May 15, 2023 upto May 14, 2028 (both days inclusive), subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and Article 132 of the Articles of Association of the Company, Mrs. Sangwan shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing her candidature for the office of Director. The profile and specific areas of expertise of Mrs. Sangwan are provided as Annexure to this Notice.

Mrs. Sangwan has given her declaration to the Board, *inter alia*, confirming that (i) she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(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 (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act and (iv) she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties with an objective independent judgment and without any external influence. She has also given her consent to act as a Director.

In the opinion of the Board, Mrs. Sangwan is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and she is independent of the management.

Given her experience, the Board considers it desirable and in the interest of the Company to have Mrs. Sangwan on the Board of the Company and accordingly the Board recommends the appointment of Mrs. Sangwan as an Independent Director as set out at Item No. 5 of this Notice for approval by the Members.

Electronic copy of the terms and condition of appointment of the Independent Directors is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents.

Except for Mrs. Sangwan and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item No.6

At the 74^{th} Annual General Meeting ("AGM") held on July 30, 2019, the Members of the Company had approved under the provisions of Section 197 of the Act and applicable provisions thereunder, payment of commission on net profit to the Non-Executive Directors ("NEDs") including Independent Directors ("IDs") of the Company, the aggregate of which shall not exceed 1% of the net profit of the Company for FY 2018-19 onwards and such net profit referred under Section 197 of the Act shall be computed in accordance with the provisions of Section 198 of the Act and Rules framed thereunder.

Subsequently, at the 76^{th} AGM of the Company held on July 30, 2021, the Members, in partial modification to the Resolution passed at the 74^{th} AGM as aforesaid, had approved payment of remuneration to the NEDs/IDs of the Company, in case of no / inadequate profit as calculated under Section 198 of the Act for the three financial years, i.e., 2020-21; 2021-22 and 2022-23 in accordance with the limits prescribed under Schedule V to the Act.

In terms of Section 198 read with Schedule V to the Act, in the event of no/ inadequate profit in any financial year, the Company would be entitled to pay remuneration to its NEDs / IDs up to the specified limit prescribed under Schedule V to the Act based on the 'Effective Capital' as defined under the Act.

In view of no/inadequate profit of the Company for FY 2022-23 calculated under Section 198 of the Act, the entitlement of remuneration/ commission payable to the NEDs / IDs for FY 2022-23 would vary based on the 'Effective Capital' corresponding to their respective date of appointment / re-appointment on the Board of Directors of the Company.

In terms of the provisions of Section 197(3) of the Act read with Section II of part II of Schedule V to the Act, in case of no / inadequate profit calculated under Section 198 of the Act in any financial year, the Company may pay remuneration to its NEDs / IDs, in excess of the prescribed limits in accordance with the provisions of Schedule V to the Act, provided that the Resolution passed by the Members is a Special Resolution.

NOTICE

It is proposed to pay a remuneration aggregating to ₹5.50 crore to the NEDs / IDs of the Company for the financial year 2022-23, which is 0.20% of the profit after tax for that year. It is also proposed that incremental increase in such remuneration payable to NEDs / IDs, in the event of no / inadequacy of profit for the FY 2023-24 and FY 2024-25 calculated under Section 198 of the Act, shall not exceed 10% of the remuneration paid to them for the immediately preceding financial year.

The Company has recorded an improved performance over the past few quarters and the outlook remains positive. The NEDs / IDs of the Company have immensely contributed in achieving improved performance of the Company over the last few years. The collective wisdom of these Directors alongwith their unstinted support, guidance and advice helped the Company record its improved performance quarter-on-quarter during the FY 2022-23 both on standalone as well as consolidated basis. The Board considers it inappropriate to make discriminatory payment amongst the NEDs / IDs based on the 'Effective Capital' corresponding to their date of appointment/re-appointment.

Statement Containing Additional Information as Required Under Schedule V to the Act

I. General Information:

1. Nature of Industry:

The Company is mainly engaged in the business of manufacture, assembly and sale of automobile products consisting of all types of commercial and passenger vehicles, including spare parts.

2. Date or expected date of commencement of commercial production:

The Company was incorporated on September 1, 1945 and on receipt of Commencement of Business Certificate on November 20, 1945, the Company had since commenced its business.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4. Financial Performance based on given indicators:

Please refer to Page No. 142 of the Annual Report.

5. Foreign Investment or collaborations, if any:

The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company. Foreign investors, mainly comprising FIIs and ADR holders, are investors in the Company on account of past issuances of securities and secondary market purchases.

II Information About the Appointees:

(₹ in lakh)

Name of Director	Mr Om Prakash Bhatt	Ms Vedika Bhandarkar	Ms Hanne Sorensen	Mr Kosaraju Veerayya Chowdary	Mr Mitsuhiko Yamashita	Mr Al-Noor Ramji	Total
Background details, Job profile & suitability, Recognition & Awards	The details in respect of each of these Directors can be found on the website of the Company at https://www.tatamotors.com/about-us/leadership/. Please also refer to the Report on Corporate Governance which forms part of this Annual Report						
Date of Appointment / Re-appointment	May 9, 2022*	June 26, 2019	January 3, 2023*	October 27, 2020	July 4, 2022*	May 1, 2022	
Effective Capital as per Schedule V to the Act	(2,027.93)	15,765.09	(2,027.93)	12,288.75	(2,027.93)	(2,027.93)	
Maximum permissible remuneration for FY22-23 as per Schedule V to the Act	12	179	12	144	12	11	370
Past Remuneration (excluding sitting fees):							
• Remuneration paid for FY21-22	50	50	45	45	45	NA	235
• Remuneration paid for FY 20-21	45	45	40	20	20	NA	170
• Remuneration paid for FY19-20	Nil	Nil	Nil	NA	NA	NA	Nil
Remuneration proposed for FY22-23	100	100	100	75	75	100	550
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration has been considered by the NRC as well as the Board of Directors of the Company, to be lines with the remuneration being drawn by similar positions in the automotive industry.						
Pecuniary relationship directly or indirectly with the Company or with the Managerial Personnel, if any	The NEDs/IDs do not have any pecuniary relationship with the Company, except to the extent of sitting fees, commission/ remuneration as applicable and reimbursement of out of pocket expenses received by them for attending company meetings						

* Indicates the date of re-appointment approved by the Members at the 77th AGM, held on July 4, 2022

Note:

a. The maximum permissible remuneration based on effective capital has been calculated as of the last date of the financial year preceding the financial year in which the appointment / re-appointment of the Director was made, in terms of Schedule V to the Act (i.e., ₹12 lakh plus 0.01% of the effective capital in excess of ₹250 crore.

b. Mr Om Prakash Bhatt and Ms Hanne Sorensen were appointed as Independent Directors of the Company for the 1st term of 5 years w.e.f. May 9, 2017 and January 3, 2018, respectively. They were re-appointed for the 2nd term at the 77th AGM.

c. Mr Mitsuhiko Yamashita retired by rotation and being eligible was re-appointed at the 77th AGM.

d. Mr N Chandrasekaran, Chairman & Non-Executive Director and Mr Thierry Bollore, Non-Executive Director (part of the year), have abstained from receiving commission / remuneration from the Company as per internal policy.

III. Other information:

1) Reasons of loss or inadequate profits:

The Company has made a book profit for the financial year 2022-23. The Company, in terms of the approval of the Hon'ble National Company Law Tribunal, Mumbai Bench, has, *inter alia*, subsidiarised its passenger vehicle business with effect from January 1, 2022 and adjusted accumulated losses amounting to ₹11,173.59 crore against the share premium account. However, the provision of Section 198 (4)(l) of the Act stipulates that, the excess of expenditure over income, which had arisen in computing the net profit in accordance with this Section in any year, in so far as such excess has not been deducted in any subsequent year preceding the year in respect of which the net profit have to be ascertained, shall be deducted in making the computation under Section 198 of the Act.

In view of the above, the Company despite making profit from business operations in the financial year 2022-23 as well as effecting the adjustment of accumulated losses (in the financial year 2021-22), would be constrained to make payment of remuneration to its NEDs / IDs based on the calculation of "Effective Capital" as per Schedule V to the Act.

2) Steps taken for improvement

The automobile sector is showing promising growth supported by a steady recovery in the economy, rising industrial activity and reopening of market which helped regenerate demand. Under the guidance of the Board, the Company is strengthening its portfolio with introduction of new passenger and cargo mobility solutions, including showcasing a range of future ready, safer, smarter and greener mobility solutions, optimized production, accelerated sales, focus on digitalization and driving sustainability. The Company has recorded an improved performance during the past few quarters and the outlook remains positive.

3) Expected increase in productivity and profits in measurable terms

The Company's sales grew in FY 2022-23. The Company recorded its third successive year of industry beating growth to register its highest ever-annual domestic sales and achieving a robust 39.3% revenue from operations growth over FY 2021-22.

The Company expects to continue on its growth trajectory and sustain its leadership position by accelerating both EV adoption and the development of its enabling ecosystem.

The above resolution would be valid for a period of 3 years, i.e., for FY 2022-23, 2023-24 and 2024-25. The proposed remuneration shall be in addition to fees payable to the NED/IDs for attending meetings of the Board / Committees and reimbursement of expenses for participation in the Board and other meetings. The aforesaid remuneration shall be in accordance with the Remuneration Policy of the Company, which is available on the website of the Company at https://investors.tatamotors.com/pdf/directors-appointment-remuneration.pdf.

It is clarified that in case of adequate profit in any financial year, the Company shall pay commission to its NEDs / IDs upto an amount not exceeding 1% of the net profit for that financial year computed in accordance with the provisions of Section 198 of the Act, as approved by the Members at the 74th AGM.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor.

None of the Directors, Key Managerial Personnel, or their respective relatives, is concerned or interested in the Resolution mentioned at Item No. 6 of the Notice, except the Non-Executive Directors and Independent Directors, to the extent of the remuneration that may be received by them in their individual capacity.

NOTICE

Item No. 7

In line with its global aspirations, the Company has undertaken / would undertake projects/establishments in and outside India for setting up manufacturing facilities, showrooms, service centers and offices as branch offices of the Company. Whilst generally and to the extent possible, the Company would appoint its auditors for the said branch offices, in some cases/jurisdictions it may not be possible/ practical to appoint them and the Company would be required to appoint an accountant or any other person duly qualified to act as an auditor of the accounts of the said branch offices in accordance with the laws of that country. To enable the Directors to appoint Branch Auditors for the purpose of auditing the accounts of the Company's Branch Offices outside India (whether now existing or as may be established), necessary authorisation of the Members is being obtained in accordance with the provisions of Section 143 of the Act, in terms of the Resolution at Item No. 7 of the accompanying Notice.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the accompanying Notice for approval by the Members. None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item No. 8

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have audit of its cost records for specified products conducted by a Cost Accountant. Based on the recommendation of the Audit Committee, the Board had, at its meeting held on May 12, 2023, approved the re- appointment of M/s Mani & Co. (Firm Registration No. 000004) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company, pertaining to the relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014, for FY 2023-24 at a remuneration of ₹6,00,000/- (Rupees Six Lakh Only) plus applicable taxes, out-of- pocket and other expenses.

It may be noted that the records of the activities under Cost Audit is no longer prescribed for 'Motor Vehicles but applicable to certain parts and accessories thereof. However, based on the recommendation of the Audit Committee, the Board has also approved the appointment of M/s Mani & Co. for submission of reports to the Company on cost records pertaining to these activities for a remuneration of ₹16,00,000/- (Rupees Sixteen Lakh Only) plus applicable taxes, out-of-pocket and other expenses for FY 2023-24.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, ratification for the remuneration payable to the Cost Auditors to audit the cost records of the Company for the said financial year by way of an Ordinary Resolution is being sought from the Members as set out at Item No. 8 of the Notice.

M/s Mani & Co. have furnished a certificate dated April 30, 2023 regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item Nos. 9 to 17

Regulation 23 of the SEBI Listing Regulations, *inter alia*, states that all Material Related Party Transactions ('RPTs') shall require prior approval of the Members by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Further, Regulation 2(1)(zb) of the SEBI Listing Regulations has provided the definition of related party and Regulation 2(1)(zc) of the SEBI Listing Regulations has enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged or not.

In view of the above, Resolution Nos. 9 to 17 are placed for approval by the Members of the Company. As mentioned in the Board's Report, the list of the subsidiaries, associate and joint arrangements is available on the website on the Company.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs, subject to approval by the Members at the ensuing Annual general Meeting. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

Item No.9

Details of the proposed RPTs between the Company and Tata Technologies Limited ('TTL') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between Tata Motors Limited ('the Company') and TTL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	TTL is a subsidiary of the Company. The Company is a Promoter of TTL. 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 2023-24, for an aggregate value not exceeding ₹2,000 crore (with funding transactions not exceeding ₹1,200 crore outstanding at any point of time and operational transactions not exceeding ₹800 crore): • 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.	0.58%
2.	Justification for the proposed RPTs	TTL provides product engineering services which caters to the global manufacturing industry; enabling ambitious manufacturing companies (including the Company) to design and build better products. Engineering and Design services provide outsourced engineering services for TTL manufacturing customers globally to help them conceive, design, develop and realize better products and Digital Enterprise Solutions help manufacturing customers identify and deploy emerging technologies, tools and solutions to manufacture, service and realize better products. The Company has existing equity investment in TTL. In addition to this, TTL may also place ICDs with the Company to earn interest income on surplus funds and support working capital requirements of the Company. The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity. This in turn will contribute towards Tata Motors Group synergy and sustainability.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	

Sr. No.	Description	Details of proposed RPTs between Tata Motors Limited ('the Company') and TTL
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 taken aggregating to, not exceeding, ₹ 1,200 crore outstanding at any point of time. • Lock in Period of 2 days and thereafter on 'demand to pay basis' • Tenure: upto 12 months. • Interest rate: 6% - 8.75%; 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 the Company
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mrs. Usha Sangwan, Independent Director - Designate of the Company is also an Independent Director on the Board of TTL. Mr P B Balaji, Group Chief Financial Officer and a KMP of the Company is a Non-Executive Non-Independent Director on the Board of TTL. Their interest or concern or that of their relatives is limited only to the extent of their holding directorship / KMP position in the Company and TTL.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 9 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 9 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 9 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

Item No.10

Details of the proposed RPTs the Company and TMF Holdings Limited ('TMFHL') a wholly owned subsidiary with Tata Cummins Private Limited (TCPL), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs of TCPL with the Company and its subsidiary	
		TML	TMFHL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs		
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	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.	TMFHL is a wholly owned subsidiary of the Company. TMFHL is registered as a Non-Banking Financial (Non Deposit Accepting or Holding) Company with the Reserve Bank of India (RBI) with effect from August 9, 2006. Pursuant to application requesting for conversion of the Group to a Core Investment Company, submitted to RBI on June 23, 2017, RBI issued a fresh Certificate of Registration of NBFC Non Deposit taking Systemically Important Core Investment Company (CIC) dated October 12, 2017 to TMFHL. TMFHL is a subsidiary of the Company with effect from June 17, 2017, the name of the Company has changed to TMF Holdings Limited from Tata Motors Finance Limited. TMFHL is primarily a holding company, holding investments in its subsidiaries and other Group companies TMFHL and TCPL are Related Parties of the Company, as on the date of this Notice. TCPL is a 50:50 joint operation between the Company and Cummins Inc, USA.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company and TCPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹7,300 crore (with funding transactions not exceeding ₹50 crore outstanding at any point of time and operational transactions not exceeding ₹7,250 crore): • Purchase of goods / services (including material procurement). • Inter-corporate deposits given	Loan given / to be given by TMFHL (Financing of invoices raised on the Company) to TCPL aggregating to ₹1,100 crore outstanding at any point of time during FY 2023-24.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	2.11%	0.32%

NOTICE

Sr. No.	Description	Details of proposed RPTs of TCPL with the Company and its subsidiary	
		TML	TMFHL
2	Justification for the proposed RPTs	One of the important objectives of the Joint Venture is to meet the business requirements of both JV partners and achieve overall efficiencies with respect to manufacture of engines. In light of above and various commercial factors, aforementioned transactions are undertaken, that will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.	The company is engaged in the manufacture and sale of engine and its components, including trading of bought out finished components. The Company purchases automotive engines manufactured by TCPL for which it needs to make payment to TCPL within a credit period of 89 days. TMFHL proposed to provide a short-term invoice financing facility (IFF) to TCPL wherein TMFHL will make a payment to TCPL against its invoices on behalf of the Company. Such a payment will be made to TCPL by TMFHL on invoice date. The Company will make payment to TMFHL as per credit terms.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary		
a.	Details of the source of funds in connection with the proposed transaction	Own share capital / Internal accruals and liquidity of the Company	Borrowed funds
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness - Cost of funds and - Tenure	Not Applicable	 NCD / CPs 7.89% Upto 4 years
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: 6% - 8.75%; linked to the Company's short-term borrowing rate. • Repayment Schedule: Not Applicable. The above inter-corporate deposits are under unsecured category.	• Key terms / covenants: Recourse on TCPL for financing of invoices raised on the Company • Tenure of investment : Upto 3 months • Interest rate: Up to 6% The funding is of unsecured nature
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	To meet the working capital requirements of TCPL	

Sr. No.	Description	Details of proposed RPTs of TCPL with the Company and its subsidiary	
		TML	TMFHL
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.	
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr Girish Wagh, Executive Director and KMP of the Company is also a Director on the Board of TCPL. His interest or concern or that of his relatives, is limited only to the extent of his holding directorship / KMP position in the Company and TCPL.	Ms Vedika Bhandarkar an Independent Director of the Company is also an Independent Director on the Board of TMFHL. Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is also a Director on the Board of TMFHL. Their interest or concern or that of their relatives, is limited only to the extent of their holding directorship / KMP position in the Company and TMFHL.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.	

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 10 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 10 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 10 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

Item No.11

Details of the proposed RPTs of the Company ('TML') and it's identified wholly owned subsidiaries, viz., Tata Motors Passenger Vehicles Limited ('TMPVL') and Tata Passenger Electric Mobility Limited ('TPEML') and Tata Capital Financial Services Limited ('TCFSL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs of TCFSL with the Company and its subsidiaries with TCFSL		
		TML	TMPVL	TPEML
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs			
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	TCFSL is an indirect subsidiary of Tata Sons Private Limited (TSPL). TSPL is the Promoter of TML and TML is the Holding Company of TMPVL. 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.	TMPVL is a wholly owned subsidiary of the Company and undertakes passenger vehicles business as a separate entity w.e.f. January 1, 2022 TCFSL and TMPVL are a Related Parties of the Company, as on the date of this Notice.	TPEML is a wholly-owned subsidiary of the Company and undertakes its passenger electric mobility business. TCFSL and TPEML are Related Parties of the Company, as on the date of this Notice.

NOTICE

Sr. No.	Description	Details of proposed RPTs of TCFSL with the Company and its subsidiaries with TCFSL		
		TML	TMPVL	TPEML
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 during FY 2023-24, for an aggregate value not exceeding ₹6,200 crore outstanding at any point of time: • 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	TMPVL and TCFSL have entered into / propose to enter into the following RPTs pertaining during FY 2023-24, for an aggregate value not exceeding ₹3,400 crore outstanding at any point of time: • 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	TPEML and TCFSL have entered into / propose to enter into the following RPTs pertaining during FY 2023-24, for an aggregate value not exceeding ₹1,000 crore outstanding at any point of time: • 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.	1.79%	0.98%	0.29%
2.	Justification for the proposed RPTs	TCFSL brings comprehensive and innovative, solution-oriented asset financing solutions like channel financing, Invoice discounting and leasing. TCFSL's Channel Financing program ensures timely availability of finance for channel partners with extended and convenient re-payment terms, thereby freeing up cash flow for business growth while strengthening the Company's, TPEM's and TMPVL's distribution network.		
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	Not applicable		
a.	Details of the source of funds in connection with the proposed transaction	Not applicable		
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness - Cost of funds and - Tenure	Not applicable		

Sr. No.	Description	Details of proposed RPTs of TCFSL with the Company and its subsidiaries with TCFSL		
		TML	TMPVL	TPEML
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.	Mrs Usha Sangwan Independent Director - Designate of the Company is also an Independent Director on the Board of TMPVL.	Ms. Vedika Bhandarkar Independent Director of the Company is also an Independent Director on the Board of TPEML.
			Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is a Non-Executive Director on the Board of TMPVL.	Mrs. Usha Sangwan Independent Director - Designate of the Company is also an Independent Director on the Board of TPEML.
			None of the Directors or KMPs of the Company are Directors or KMPs of TCFSL.	Their interest or concern or that of their respective relatives, is limited only to the extent of their holding directorship / KMP position in TPEML and TCFSL.
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 approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 11 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 11 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

NOTICE

Item No.12

Details of the proposed RPTs of Tata Motors Limited ('TML') and its two identified subsidiaries with Fiat India Automobiles Private Limited ('FIAPL') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr No.	Description	Details of proposed RPTs of FIAPL with the Company and its subsidiaries		
		TML	**TMPVL**	**TPEML**
1.	Summary of information provided by the Management to the Audit Committee for RPTs entered into / proposed to be entered into.			
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	FIAPL is a joint operations company, established between FCA Italy S.p.A ("FIAT Group") and the Company for the purpose of manufacturing motor vehicles, parts, and components thereof, in India. The JV plant operates under the name FIAPL, as an independent entity and produces both, the JEEP and the Tata brand of cars for the FCA India Automobiles Pvt. Ltd. ('FCAIPL') and the Company, respectively.		
		FIAPL is Related Party of the Company, as on the date of this Notice.	TMPVL is a wholly owned subsidiary of the Company and undertakes its passenger vehicles business as a separate entity w.e.f. January 1, 2022 TMPVL and FIAPL are Related Parties of the Company, as on the date of this Notice.	TPEML is a wholly-owned subsidiary of the Company and undertakes its passenger electric mobility business. TPEML and FIAPL are Related Parties of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the RPTs.	TML and FIAPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹2,500 crore (with funding transactions not exceeding ₹100 crore outstanding at any point of time and operational transactions not exceeding ₹2,400 crore): • Purchase / Sale of vehicle parts / components / services, etc. • Interest received and paid on outstanding balances. • Inter-corporate deposits given	TMPVL and FIAPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹30,500 crore: • Purchase / Sale of vehicles / parts / components / services, etc.; and • Interest received and paid on outstanding balances.	TPEML and FIAPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding ₹6,055 crore: • Purchase / Sale of vehicles/ parts / components / services, etc.; and • Interest received and paid on outstanding balances.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	0.46%	8.82%	1.75%

Sr No.	Description	Details of proposed RPTs of FIAPL with the Company and its subsidiaries		
		TML	TMPVL	TPEML
2.	Justification for the proposed RPT	The Company's Pune plant assembles powertrains required for manufacture of passenger vehicles at FIAPL's Ranjangaon plant for which it purchases certain engines, transaxles, catalytic converters and other parts from TMPVL. TML assembles engines, transaxles and fitment of other peripheral parts to build the powertrain which is sold to FIAPL. FIAPL uses the powertrain to manufacture vehicles which is eventually sold to TMPVL.	TMPVL sells castings and aggregates of engines, metal bodies, etc to the Company. The Company then assembles engines, transaxles and fitment of other peripheral parts to build the powertrain which is sold to FIAPL. FIAPL uses the powertrain to manufacture vehicles which is eventually sold to TMPVL. 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.	TML has a contract manufacturing arrangement (CMA) with FIAPL for manufacture of engines and vehicles. The manufacturing capacity available will be shared between TML and FCA based on volume commitment given by each party. Going forward, the Company's capacity entitlement for manufacturing Tata vehicles shall be apportioned between TMPVL and TPEML on mutually agreed basis. The existing principles of cost allocation, take or pay arrangement and true up mechanism (including for expenses and mechanism for adjustments) as defined in CMA will apply between TMPVL and TPEML on mutually agreed basis. Considering there would be flexibility to use each other's capacities even as the year progresses, this would bring in better operational efficiency for TPEML as well as TMPVL. 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.	Own share capital / Internal accruals and liquidity of the Company.	Not Applicable	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.	Not applicable		

Sr No.	Description	Details of proposed RPTs of FIAPL with the Company and its subsidiaries		
		TML	TMPVL	TPEML
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Inter-corporate deposits given/ to be given aggregating to, not exceeding ₹100 crore outstanding at any point of time. • Lock in Period of 2 days and thereafter on 'demand to pay basis'. • Tenure: upto 12 months. • Interest rate: 6% - 8.75%; linked to the Company's short-term borrowing rate. • Repayment Schedule: Not Applicable. • The above inter-corporate deposits are under unsecured category.	Not Applicable	Not Applicable
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	To meet working capital requirements of FIAPL	Not Applicable	Not Applicable
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 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 FIAPL.	Mrs Usha Sangwan Independent Director - Designate of the Company is also an Independent Director on the Board of TMPVL. Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is a Non-Executive Director on the Board of TMPVL. Mr. Shailesh Chandra, Managing Director is a Non-Executive Director on the Board of FIAPL None of the Directors or KMPs of the Company are Directors or KMPs of FIAPL.	Ms. Vedika Bhandarkar Independent Director of the Company is also an Independent Director on the Board of TPEML. Mrs. Usha Sangwan Independent Director - Designate of the Company is also an Independent Director on the Board of TPEML. Mr. Shailesh Chandra, Managing Director as well as Mr Aasif Malbari, Chief Financial Officer and KMP of TPEML are Non-Executive Directors on the Board of FIAPL. 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.

Sr No.	Description	Details of proposed RPTs of FIAPL with the Company and its subsidiaries		
		TML	TMPVL	TPEML
6.	Any other information that may be relevant	At the AGM held on July 04, 2022, the Company had obtained approval of the Members for RPTs of ₹40,500 crore with regard to its arrangements with FIAPL involving Purchase / Sale of vehicles/ parts / components / services, etc., for the financial year 2022-23. The subsidiaries of the Company viz., TMPVL and TPEML had RPTs amounting to ₹20,899 crore as against approved limit of ₹40,500 crore. The Company seeks approval of the Members for its transaction relating to sale of vehicle parts and components to FIAPL amounting to ₹1,547 crore during the financial year 2022-23 which would be within the aforesaid approval of ₹40,500 crore. The name of TML ('the Company') was not specifically included in the Resolution for FY 2022-23. Fresh approval for FY 2023-24 for ₹ 2,500 crore is being sought at this AGM.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 12 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 12 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 12 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

Item No.13

Details of the proposed RPTs of Tata Motors Passenger Vehicles Limited ('TMPVL'), a subsidiary, with certain identified Related Parties of the Company viz. TACO Tata Prestolite Electric Private Limited ('TACO') and Tata AutoComp Systems Limited ('TASL') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr No.	Description	Details of proposed RPTs of TMPVL with	
		TACO	TASL
1.	Summary of information provided by the Management to the Audit Committee for RPTs entered into / proposed to be entered into.		
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	TMPVL is a wholly owned subsidiary of the Company and undertakes passenger vehicles business as a separate entity w.e.f. January 1, 2022	
		TACO is a JV of TASL, which is a subsidiary of Tata Sons Private Limited, the Promoter of the Company and Beijing-based Prestolite Electric to enter the Electric Vehicle (EV) components market and to develop powertrain solutions for the Indian EV market. TASL is also an Associate of the Company. TACO is a JV between TASL TMPVL and TACO 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.

NOTICE

Sr No.	Description	Details of proposed RPTs of TMPVL with TACO	TASL
b.	Type, material terms, monetary value and particulars of the RPTs.	TMPVL and TACO have entered into / propose to enter into RPTs pertaining to purchase / sale of goods / services (mainly purchase of various powertrain products like motors, controllers as well as drivetrain etc. by TMPVL from TACO which are used in vehicles manufactured by TMPVL) during FY 2023-24, for an aggregate value not exceeding ₹1,460 crore.	TMPVL and TASL have entered into / propose to enter into RPTs pertaining to purchase/sale of goods / services (mainly purchase of batteries, auto components in nature of interior plastic bodies, accessories, supplies, dyes etc. by TMPVL from TASL which are used in vehicles manufactured by TMPVL) during FY 2023-24 for an aggregate value not exceeding ₹4,775 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	0.42%	1.38%
2.	Justification for the proposed RPT	This is a strategic alliance setup by TMPVL for sourcing part and components for its EV vehicles basis detailed negotiations resulting in overall Tata Motors Group synergy and sustainability in the long run.	This is a strategic alliance setup by TMPVL for sourcing parts and components from TASL by floating quotations amongst various vendors, adopting target based costing and detailed negotiations resulting in overall Tata Motors Group synergy and sustainability in the long run.
3.	Details of Transaction relating to 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	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.		
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.		
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT		
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 11 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.	
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship.	Mrs. Usha Sangwan an Independent Director - Designated of the Company is also an Independent Director on the Board of Directors TMPVL. Mr. P B Balaji, Group Chief Financial Officer and KMP of the Company is also a Director on the Board of Directors TMPVL. None of the Directors or KMPs of the Company are Directors or KMPs of TCFSL or TASL or TCFSL	
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.	

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 13 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 13 of the Notice convening the AGM for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 13 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No.14

Details of the proposed RPTs of Jaguar Land Rover Group of Companies ('JLR Group') with Chery Jaguar Land Rover Automotive Company Limited ('CJLR'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr No.	Description	Details of proposed RPTs between JLR Group and CJLR
1.	Summary of information provided by the Management to the Audit Committee for RPTs entered into / proposed to be entered into.	
a.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	Jaguar Land Rover Automotive plc ('JLRA') is a step down wholly owned subsidiary of the Company. JLRA is into the design, development, manufacture and marketing of high-performance luxury saloons, specialist sports cars, four-wheel drive off-road vehicles and related components. Jaguar Land Rover Limited (JLR UK) and Jaguar Land Rover (China) Investment Co. (JLR China) Limited are step down subsidiaries of JLRA. JLR UK is into manufacturing of luxury cars and JLR China operates as an automobile wholesaler in China. JLR UK and JLR China jointly with Chery Automobile Co. Ltd. are shareholders of the Joint venture entity CJLR, which is into the business of manufacturing and assembly of vehicles. For the list of entities falling under the JLR Group, refer to https://www.tatamotors.com/investors/ JLR Group and CJLR 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 2023-24, for an aggregate value not exceeding ₹8,800 crore: • Sale of Goods • Rendering of services
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	0.64%
2.	Justification for the proposed RPTs	As a part of the Tata Motors Group Strategy, the group companies of the Company enter into transactions with Group entities amongst themselves which not only help smoothen business operations of the companies, inter-se, but also ensures consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business enhancement.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
a.	Details of the source of funds in connection with the proposed transaction	Not Applicable

Sr No.	Description	Details of proposed RPTs between JLR Group and CJLR
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness - Cost of funds and - Tenure	Not Applicable
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report, if applicable, would be obtained and relied upon.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr N Chandrasekaran, Chairman and Non-Executive Director of the Company is also the Chairman of the Board of Directors of JLRA. Mr Al-Noor Ramji, Independent Director of the Company is also a Director on the Board of Directors of JLRA. Ms Hanne Sorensen, Independent Director of the Company is also a Director on the Board of Directors of JLRA and JLR Holding Limited. Mr P B Balaji, Group Chief Financial Officer and KMP of the Company is also a Director on the Board of Directors of JLRA. None of the Directors or KMPs of the Company is Director/KMP of CJLR.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 14 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 14 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 14 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No.15

Details of the proposed RPTs of Tata Motors Limited and/or its subsidiaries and Jaguar Land Rover Limited and/or their subsidiaries ('collectively TML Group') with Tata Consultancy Services Limited & its subsidiaries ('TCS Group') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between TML Group and TCS Group
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Tata Consultancy Services Limited ('TCS') is a subsidiary of Tata Sons Private Limited, the Promoter of the Company. TCS being a globally recognised provider of IT services participates in the digitization initiatives of entities within Tata group and partners in respective entities' growth and transformation journeys. TCS Group is Related Party of the Company as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	TML Group and TCS Group have entered into / propose to enter into RPTs pertaining to the availing/rendering of services during FY 2023-24, for an aggregate value not exceeding ₹5,000 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.45%
2.	Justification for the proposed RPTs	As a part of the Tata Motors Group Strategy, the group companies of the Company enter into transactions with Tata Group entities amongst themselves which not only help smoothen business operations of the companies, inter-se, but also ensures consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business enhancement.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
a.	Details of the source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness - Cost of funds and - Tenure	Not Applicable
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report, if applicable, would be obtained and relied upon.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr N Chandrasekaran is the Chairman and Non-Executive Director of the Company as well as of TCS. Mr Om Prakash Bhatt and Ms Hanne Sorensen, Independent Directors on the Board of the Company, are also Independent Directors on the Board of TCS. Ms Hanne Sorensen, Independent Director is also on the Board JLRA and JLR Holdings Limited
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

NOTICE

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 15 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 15 of the Notice convening the AGM for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 15 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 16

Details of the proposed RPTs between the Company with Tata Steel Limited (TSL), identified subsidiaries / affiliates of TSL and Poshs Metals Industries Private Limited (a third party) through dealers of TSL, including the information required to be disclosed as part of the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No.	Description	Details of proposed RPTs between the Company and TSL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Tata Steel Limited is a listed associate company of Tata Sons Private Limited (Promoter of the Company, as well as forms part of the Promoter Group) and consequently, a related party of Company. Tata Steel Downstreams Products Limited is a subsidiary of TSL. Poshs Metals Industries Private Limited along with dealers of TSL are third parties. The Company procures steel from dealers of TSL which in turn procures the steel from Tata Steel Downstreams Products Limited, a subsidiary of TSL at a price negotiated between the Company and TSL. Since materials are supplied by TSL and/or its subsidiaries directly and through its dealers to the Company at a price negotiated with TSL, these transactions are construed as RPTs for the purpose and effect to benefit the Company, as per the SEBI (LODR) Regulations.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company has undertaken/proposed to undertake RPTs with TSL its subsidiaries and third party dealers. The RPTs involve purchase & sale of goods / raw materials and availment of services during FY 2023-24 for an aggregate value not exceeding ₹4,240 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.23%
2.	Justification for the proposed RPTs	One of the important objectives of the Company is to meet the business requirements and quality of the product which the company manufactures. TSL is a leading manufacturer of steel in India and meets the quality standard requirement of the Company's manufacturing units. In light of above and other commercial factors, aforementioned transactions are undertaken, which will help both the companies to smoothen business operations and also ensure a consistent flow of desired quality and quantity of materials for uninterrupted operations and increase in productivity.
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

TATA

Sr. No.	Description	Details of proposed RPTs between the Company and TSL
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness - Cost of funds and - Tenure	Not Applicable
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report, if applicable, would be obtained and relied upon.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr N Chandrasekaran, Chairman and Non-Executive Director of the Company is also the Chairman and Non-Executive Director of TSL. Mr O P Bhatt, Independent Director of the Company is also an Independent Director of TSL
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 16 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.16 of the Notice convening the AGM for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 16 of the Notice, whether the entity is a Related Party to the particular transaction or not.

NOTICE

Item No.17

Details of the proposed RPTs between Tata Cummins Private Limited ('TCPL') and its Related Parties, including the information required to be disclosed as part of the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/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, after treatment, turbochargers, fuel systems, controls systems, air handling systems, automated transmissions, electric power generation systems, batteries, electrified power systems, hydrogen production and fuel cell products. The Company sells its products to original equipment manufacturers (OEMs), distributors, dealers and other customers worldwide. They serve their customers through a service network of approximately 500 wholly-owned, joint venture and independent distributor locations and more than 10,000 Cummins certified dealer locations in approximately 190 countries and territories. TCPL 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	TCPL has undertaken/proposed to undertake RPTs with its Related Parties. The RPTs during FY 2023-24 involve, sale & purchase of goods, dividend, royalty (not exceeding ₹ 126 crore), services received & rendered, warranty, purchase & sale of fixed assets, for an aggregate value not exceeding ₹4,100 crore.
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	1.19%
2.	Justification for the proposed RPTs	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 other commercial factors, aforementioned transactions are undertaken / proposed to be undertaken to help both the companies to smoothen business operations and ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and increase in productivity.
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

Sr. No.	Description	Details of proposed RPTs between TCPL and its Related Parties
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle applicable as per Jurisdictional guidelines. Valuation report and/or other external report, if applicable, would be obtained and relied upon.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr Girish Wagh, Executive Director and KMP of the Company is also a Director on the Board of TCPL. None of the other Directors or KMPs of the Company is Director/KMP of Cummins Inc and its related parties.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 17 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.17 of the Notice convening the AGM for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 17 of the Notice, whether the entity is a Related Party to the particular transaction or not.

By Order of the Board of Directors

Maloy Kumar Gupta
Company Secretary
ACS No: 24123

Mumbai,
May 12, 2023

Registered Office:
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Tel: +91 22 6665 8282
Email: inv_rel@tatamotors.com;
Website: www.tatamotors.com
CIN: L28920MH1945PLC004520

NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings]

Name of Director	Mr N Chandrasekaran	Mrs Usha Sangwan
Director Identification Number (DIN)	00121863	02609263
Designation / Category of Director	Chairman Non-Executive (Non-Independent) Director	Non-Executive Independent Director
Age	59 years	64 years
Date of first Appointment	January 17, 2017	May 15, 2023
Qualifications	Bachelor's degree in Applied Science and Master's degree in Computer Applications from Regional Engineering College, Trichy, Tamil Nadu, India	Post Graduate in Economics, Post Graduate Diploma holder in Human Resource Management and a Licentiate from Insurance Institute of India.
Expertise in specific functional areas	Mr N Chandrasekaran is the Chairman of Tata Sons, the holding company and promoter of all Tata Group companies. Mr Chandrasekaran joined the Board of Tata Sons in October 2016 and was appointed Chairman in January 2017. He also chairs the Boards of several group operating companies, including Tata Steel, Tata Power, Air India, Tata Chemicals, Tata Consumer Products, Indian Hotel Company and Tata Consultancy Services (TCS) – of which he was the Chief Executive Officer from 2009-17. His appointment as Chairman of Tata Sons, followed a 30-year business career at TCS, which he joined from university. Mr Chandrasekaran rose through the ranks at TCS to become the CEO and Managing Director of the leading global IT solution and consulting firm. Under his leadership, TCS generated total revenues of US $16.5 billion in 2015-16 and consolidated its position as the largest private sector employer in India and the country's most valuable company. Since he has taken over as Chairman, Mr Chandrasekaran has been driving transformation of the group towards digital, sustainability and supply chain resilience. The group has forayed into new businesses including electronics manufacturing, consumer internet platform and mobile technology for 5G in India. The Tata group has expanded its aviation presence with the acquisition of Air India and is building a large global airline. The group's turnover stood at over US$125 billion with a market cap of US$311 billion as on 31st March, 2022.	Mrs. Usha Sangwan was the first ever woman Managing Director of LIC of India, largest life insurer in the world in terms of number of customers. Mrs. Sangwan is post graduate in Economics, PG Diploma holder in Human Resource Management and Licentiate from Insurance Institute of India. Mrs. Sangwan had joined LIC of India in 1981 as a Direct Recruit Officer and handled various important positions during her 37 years of stint in LIC, finally reaching the top position of Managing Director (2013-2018). She was also a Board member of various national and international companies. Prominent among them being Axis Bank, Bombay Stock Exchange, LIC Housing finance , LIC Cards, Grasim Industries, Ambuja Cements, Ultratech Cement, GIC-RE, Voltas, LIC International Bahrain, Singapore, Nepal and Sri Lanka. Presently she is independent director on the Board of Torrent Power, Trident Ltd, SBI Life, Axis Pension Fund Management Ltd., Tata Passenger Electric Mobility Ltd., Tata Motors Passenger Vehicles Ltd. and Tata Technologies Ltd. She is also a member of Financial Services Institutions Bureau of Government of India constituted for selection of Chairmen and MDs of Public Sector Financial Institutions. She has been featured in Forbes magazine amongst top 50 business women of Asia. She has also been awarded Most powerful business woman Award by Business Today and Business World for three years consecutively. She was featured in Femina and on the cover page of Bureaucracy. She was honoured by 92.7 Big FM, Colour TV, Dun & Bradstreet and Loksatta among others. She has won many more accolades and awards.

Name of Director	Mr N Chandrasekaran	Mrs Usha Sangwan
	In addition to his professional career at Tata, Mr Chandrasekaran is on the International Advisory Council of Singapore's Economic Development Board. He is the Chairman of Indian Institute of Management, Lucknow as well as the President of the Court at Indian Institute of Science, Bengaluru. He is the member of the Mitsubishi's International Advisory Committee and the Co-Chair of the India US CEO Forum. He is also on the Board of Governors of New York Academy of Sciences and has been elected as an international member of the United States National Academy of Engineering (NAE). Mr. Chandrasekaran was conferred with the Padma Bhushan, one of the highest civilian awards in India, in the field of trade and industry in 2022. He has also been conferred the President Eisenhower Global Award for Leadership by the Business Council for International Understanding (BCIU). Mr Chandrasekaran has been awarded several honorary doctorates by leading Universities in India and internationally, including an honorary Doctor of Letters from Macquarie University, Australia, Doctor Honoris Causa by Nyenrode University, The Netherlands, honorary Doctor of Science by the Aligarh Muslim University, and Doctor of Letters from the Regional Engineering College, Trichy, Tamil Nadu, where he completed a Masters Degree in Computer Applications, before joining TCS in 1987.	She is a member of BCCI Diversity & Inclusion Committee and a chartered member of E-qualify (ex Association of International Wealth Managers of India). She was also a jury member to select Women Transforming India by Niti Ayog, Jury member to select top 100 Women in Finance by AIWMI and Jury to select best CFOs 2021 in various categories by Business World.
Directorships held in other companies including equity listed companies and excluding foreign companies	• Tata Sons Private limited • Tata Consultancy Services Limited • Tata Steel Limited • The Indian Hotels Company Limited • The Tata Power Company Limited • Tata Chemicals Limited • TCS Foundation • Air India Limited • Tata Digital Private Limited • Tata Consumer Products Limited	• Torrent Power Limited • SBI Life Insurance Company Limited • Trident Limited • Axis Pension Fund Management Limited • Tata Technologies Limited • Tata Motors Passenger Vehicles Limited • Tata Passenger Electric Mobility Limited

NOTICE

Name of Director	Mr N Chandrasekaran	Mrs Usha Sangwan
Memberships / Chairmanships of committees of other companies (excluding foreign companies)	**Tata Sons Private Limited** • Nomination and Remuneration Committee (Member) • CSR & ESG Committee (Chairman) • Risk Management Committee (Chairman) **Tata Consultancy Services Limited** • Nomination and Remuneration Committee (Member) • Corporate Social Responsibility Committee (Chairman) • Executive Committee (Chairman) **Tata Steel Limited** • Nomination and Remuneration Committee (Member) • Executive Committee (Chairman) **The Indian Hotels Company Limited** • Nomination and Remuneration Committee (Member) **The Tata Power Company Limited** • Nomination and Remuneration Committee (Member) • Executive Committee (Chairman) **Air India Limited** • Nomination and Remuneration Committee (Member) • Corporate Social Responsibility & Sustainable Development Committee (Chairman) **Tata Consumer Products Limited** • Nomination and Remuneration Committee (Member)	**Torrent Power Limited** • Audit Committee (Member) • Risk Management Committee (Member) **SBI Life Insurance Company Limited** • Audit Committee (Member) • Risk Management Committee (Member) **Tata Technologies Limited** • Audit Committee (Chairperson) • Nomination and Remuneration Committee (Member) **Trident Limited** • Risk Management Committee (Chairperson) **Tata Motors Passenger Vehicles Limited** • Audit Committee (Chairperson) • Corporate Social Responsibility Committee (Chairperson) **Tata Passenger Electric Mobility Limited** • Audit Committee (Chairperson) • Corporate Social Responsibility Committee (Chairperson) • Nomination and Remuneration Committee (Member)
No. of Shares held in the Company	2,00,000 Ordinary Shares	NIL
Name of listed entities from which the person has resigned in the past three years	NIL	NIL
Relationship with other Directors, Managers, and other Key Managerial Personnel of the Company	NIL	NIL
Terms and Conditions of appointment / reappointment	Re-appointment as a Non-Executive, Non-Independent Director	Appointment as a Director and Independent Director with effect from May 15, 2023
Details of Remuneration sought to be paid	He shall be paid a fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board and other meetings	She shall be paid a fee for attending meetings of the Board or Committees thereof, commission and reimbursement of expenses for participating in the Board and other meetings

For other details such as the number of meetings of the Board attended during FY 2022-23, remuneration last drawn in FY 2022-23 by Mr. N. Chandrasekaran and Mrs. Usha Sangwan, please refer to the corporate governance report which is a part of this Integrated Annual Report.

TATA MOTORS

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