

Statement of Consolidated Assets and Liabilities

(₹ in crores)

	As at March 31,	
	2020	2019
	Audited	
I. ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	77,882.83	72,619.86
(b) Capital work-in-progress	8,599.56	8,538.17
(c) Right of use assets	6,275.34	-
(d) Goodwill	777.06	747.87
(e) Other intangible assets	42,171.91	37,866.74
(f) Intangible assets under development	27,022.73	23,345.67
(g) Investment in equity accounted investees	4,418.89	4,743.38
(h) Financial assets:		
(i) Other investments	1,028.05	1,497.51
(ii) Finance receivables	16,833.77	22,073.17
(iii) Loans and advances	782.78	407.42
(iv) Other financial assets	4,749.57	2,809.18
(i) Deferred tax assets (net)	5,457.90	5,151.11
(j) Non-current tax assets (net)	1,152.05	1,024.56
(k) Other non-current assets	5,381.57	2,938.73
	202,534.01	183,763.37
(2) Current assets		
(a) Inventories	37,456.88	39,013.73
(b) Investment in equity accounted investees (held for sale)	-	591.50
(c) Financial assets:		
(i) Other investments	10,861.54	8,938.33
(ii) Trade receivables	11,172.69	18,996.17
(iii) Cash and cash equivalents	18,467.80	21,559.80
(iv) Bank balances other than (iii) above	15,259.17	11,089.02
(v) Finance receivables	14,245.30	11,551.52
(vi) Loans and advances	935.25	1,268.70
(vii) Other financial assets	4,586.48	3,213.56
(d) Current tax assets (net)	142.80	184.37
(e) Assets classified as held-for-sale	194.43	162.24
(f) Other current assets	6,264.91	6,862.22
	119,587.25	123,431.16
TOTAL ASSETS	322,121.26	307,194.53
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share capital	719.54	679.22
(b) Other Equity	62,358.99	59,500.34
Equity attributable to owners of Tata Motors Ltd	63,078.53	60,179.56
Non-controlling interests	813.56	523.06
	63,892.09	60,702.62
Liabilities		
(2) Non-current liabilities		
(a) Financial liabilities:		
(i) Borrowings	83,315.62	70,817.50
(ii) Lease liabilities	5,162.94	156.17
(iii) Other financial liabilities	3,858.48	2,792.71
(b) Provisions	14,736.69	11,854.85
(c) Deferred tax liabilities (net)	1,941.87	1,491.04
(d) Other non-current liabilities	8,759.52	13,922.21
	117,775.12	101,034.48
(3) Current liabilities		
(a) Financial liabilities:		
(i) Borrowings	16,362.53	20,150.26
(ii) Lease liabilities	814.18	17.30
(iii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	109.75	130.69
(b) Total outstanding dues of creditors other than micro and small enterprises	63,517.13	68,382.84
(iv) Acceptances	2,771.33	3,177.14
(v) Other financial liabilities	36,544.00	32,838.35
(b) Provisions	10,329.04	10,196.75
(c) Current tax liabilities (net)	1,040.14	1,017.64
(d) Other current liabilities	8,965.95	9,546.46
	140,454.05	145,457.43
TOTAL EQUITY & LIABILITIES	322,121.26	307,194.53

Statement of Consolidated Cash Flows

(₹ in crores)

	Year ended March 31,	
	2020	2019
	Audited	
Cash flows from operating activities:		
Profit/(Loss) for the year	(11,975.23)	(28,724.20)
Adjustments for:		
Depreciation and amortisation expense	21,425.43	23,590.63
Allowances for finance receivables	660.21	320.24
Allowances for trade and other receivables	137.03	214.19
Inventory write-down	351.14	608.63
Provision for costs of closure of operations of a subsidiary company	(65.62)	381.01
Provision for impairment in Jaguar Land Rover	-	27,837.91
Provision for impairment in subsidiaries	353.20	-
Provision for impairment of Passenger Vehicle Business	1,418.64	-
Provision for Onerous Contracts	777.00	-
Defined benefit pension plan amendment past service cost	-	147.93
Employee separation cost	409.78	1,367.22
Accrual for Share-based payments	4.70	8.44
Exceptional items- Others	-	109.27
(Gain) /Loss on Marked-to-market investments measured at fair value through profit or loss	389.05	(238.54)
(Profit) /Loss on sale of assets (including assets scrapped/written off) (net)	316.19	1,106.56
Profit on sale of investments (net)	(187.34)	(128.61)
Profit on sale of investment in a subsidiary	-	(376.98)
Provision for loan given to a Joint ventures	25.12	-
Gain on fair value of below market interest loans	-	(13.37)
Share of (profit)/loss of joint ventures and associates (net)	1,000.00	(209.50)
Tax expense /(Credit) (net)	395.25	(2,437.45)
Finance costs	7,243.33	5,758.60
Interest income	(1,170.12)	(786.46)
Dividend income	(21.13)	(17.28)
Foreign exchange loss (net)	1,865.85	252.63
Cash flows from operating activities before changes in following assets and liabilities	23,352.48	28,770.87
Finance receivables	2,020.77	(10,063.79)
Trade receivables	7,928.93	954.70
Loans and advances and other financial assets	64.53	230.13
Other current and non-current assets	(2,830.89)	294.88
Inventories	2,325.50	2,068.64
Trade payables and acceptances	(8,084.81)	(4,692.13)
Other current and non-current liabilities	(6,450.14)	4,365.55
Other financial liabilities	272.74	(30.01)
Provisions	9,818.77	(348.66)
Cash generated from operations	28,417.88	21,550.18
Income tax paid (net)	(1,784.94)	(2,659.43)
Net cash from operating activities	26,632.94	18,890.75
Cash flows from investing activities:		
Payments for property, plant and equipment	(14,319.17)	(17,419.55)
Payments for other intangible assets	(15,382.86)	(17,883.97)
Proceeds from sale of property, plant and equipment	171.48	67.23
Investments in Mutual Fund (purchased)/sold (net)	(1,339.29)	5,639.02
Acquisition of subsidiary company	(27.04)	-
Investment in equity accounted investees	(606.40)	(9.31)
Investments - others	(99.41)	(130.01)
Loans given to others	-	(3.42)
Proceeds from loans given to others	3.42	-
Loans given to joint venture	(1.70)	(3.75)
Proceeds from sale of investments in a subsidiary company	-	532.96
Proceeds from sale of investments in other companies	21.45	5.18
Interest received	1,104.48	760.52
Dividend received	21.14	17.28
Dividend received from equity accounted investees	622.44	214.98
Deposits with financial institution	(1,000.00)	(500.03)
Deposits/restricted deposits with banks	(40,676.65)	(24,331.07)
Realisation of deposits/restricted deposits with banks	36,602.33	33,342.59
Realisation of deposit with financial institution	750.00	-
(Increase) / decrease in short term inter-corporate deposits	(14.44)	(1.98)
Payments for acquisition of minority stake of subsidiary	-	(7.76)
Net cash used in investing activities	(34,170.22)	(19,711.09)
Cash flows from financing activities:		
Proceeds from issue of shares and warrants (net of issue expenses)	3,888.77	-
Proceeds from long-term borrowings	28,966.21	26,101.86
Repayment of long-term borrowings	(17,000.52)	(13,345.89)
Proceeds from Option settlement of long term borrowings	190.90	-
Proceeds from short-term borrowings	10,707.30	20,112.46
Repayment of short-term borrowings	(12,852.93)	(21,852.13)
Net change in other short-term borrowings (with maturity up to three months)	(1,587.12)	4,913.90
Repayment of lease liability (including interest)	(1,345.61)	-
Dividend paid to non-controlling interests shareholders of subsidiaries (including dividend distribution tax)	(56.84)	(94.74)
Acquisition of minority	(22.15)	-
Interest paid [including discounting charges paid ₹968.85 crores (March 31, 2019 ₹1,201.20 crores)]	(7,518.40)	(7,005.09)
Net cash from financing activities	3,389.61	8,830.37
Net increase/(decrease) in cash and cash equivalents	(4,147.67)	8,010.03
Cash and cash equivalents as at April 01, (opening balance)	21,559.80	14,716.75
Reversal of/(classified as) held for sale	-	243.94
Effect of foreign exchange on cash and cash equivalents	1,055.67	(1,410.92)
Cash and cash equivalents as at March 31, (closing balance)	18,467.80	21,559.80
Non-cash transactions:		
Liability towards property, plant and equipment and intangible assets purchased on credit/deferred credit	6,626.78	7,286.32
Increase/(decrease) in liabilities arising from financing activities on account of non-cash transactions:		
Exchange differences	4,641.70	1,120.15
Amortisation of prepaid discounting charges	108.30	158.19

Segment wise Revenue, Results, Assets and Liabilities

The Company primarily operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of vehicles including financing thereof, as well as sale of related parts and accessories. 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 machine tools and factory automation solutions.

This segment information is provided to and reviewed by Chief Operating Decision Maker (CODM).

Particulars		Quarter ended			Year ended	
		March 31,	December 31,	March 31,	March 31,	March 31,
		2019			2020	2019
		Audited [refer note 13]	Unaudited	Audited [refer note 13]	Audited	Audited
A. Segment Revenue :						
Revenue from operations						
I. <u>Automotive and related activity</u>						
- Tata and other brands vehicles						
(a) Commercial Vehicle						
7,939.16						
8,598.21						
15,496.83						
36,329.44						
58,137.10						
(b) Passenger Vehicle						
2,495.85						
2,741.32						
4,265.35						
10,481.74						
14,469.80						
(c) Corporate/Unallocable						
24.64						
116.29						
22.13						
215.53						
110.60						
- Vehicle Financing						
1,035.93						
1,081.27						
1,054.14						
4,295.49						
3,700.18						
- Jaguar and Land Rover						
50,561.29						
58,751.89						
65,146.25						
208,040.02						
223,513.58						
Less: Intra segment eliminations						
(7.93)						
(62.66)						
(195.74)						
(70.59)						
(275.65)						
-Total						
62,048.94						
71,226.32						
85,788.96						
259,291.63						
299,655.61						
II. <u>Others</u>						
758.75						
765.81						
919.75						
3,047.07						
3,626.07						
Total Segment Revenue						
62,807.69						
71,992.13						
86,708.71						
262,338.70						
303,281.68						
Less: Inter segment revenue						
(314.73)						
(316.06)						
(286.38)						
(1,270.73)						
(1,343.28)						
Revenue from Operations						
62,492.96						
71,676.07						
86,422.33						
261,067.97						
301,938.40						
B. Segment results before other income (excluding Government Incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax:						
I. <u>Automotive and related activity</u>						
- Tata and other brands vehicles						
(a) Commercial Vehicle						
(571.48)						
(301.41)						
821.11						
(368.22)						
4,116.16						
(b) Passenger Vehicle						
(989.64)						
(619.84)						
(373.63)						
(2,867.58)						
(1,387.79)						
(c) Corporate/Unallocable						
(117.26)						
22.75						
(143.81)						
(255.86)						
(362.97)						
- Vehicle Financing (net off finance costs pertaining to borrowings sourced by the segment)						
110.88						
(158.03)						
(136.09)						
(224.60)						
(313.81)						
- Jaguar and Land Rover						
(2,251.15)						
2,723.07						
2,146.37						
594.05						
(1,278.47)						
-Total						
(3,818.65)						
1,666.54						
2,313.95						
(3,122.21)						
773.12						
II. <u>Others</u>						
111.82						
87.13						
35.32						
382.32						
505.44						
Total Segment results						
(3,706.83)						
1,753.67						
2,349.27						
(2,739.89)						
1,278.56						
Less: Inter segment eliminations						
4.65						
(8.99)						
(4.91)						
(55.43)						
(120.18)						
Net Segment results						
(3,702.18)						
1,744.68						
2,344.36						
(2,795.32)						
1,158.38						
Add/(Less) : Other income (excluding Govt. Incentives)						
96.34						
402.38						
442.19						
989.54						
1,170.89						
Add/(Less) : Finance costs (excluding pertaining to borrowings sourced by the vehicle finance segment)						
(1,224.04)						
(993.27)						
(844.72)						
(4,164.02)						
(3,142.95)						
Add/(Less) : Foreign exchange gain/(loss) (net)						
(1,682.42)						
197.19						
430.33						
(1,738.74)						
(905.91)						
Add/(Less) : Exceptional items						
- Tata and other brands vehicles						
(a) Commercial Vehicle						
(149.20)						
(12.51)						
(116.66)						
(10.41)						
(556.53)						
(b) Passenger Vehicle						
(2,558.91)						
-						
(0.02)						
(2,576.04)						
(118.04)						
(c) Corporate/Unallocable						
(4.69)						
(2.39)						
376.66						
(15.91)						
376.07						
- Vehicle Financing						
(9.30)						
-						
(9.30)						
-						
- Jaguar and Land Rover						
(78.55)						
13.84						
(1,367.22)						
(259.78)						
(29,353.06)						
Total Profit/(loss) before tax						
(9,312.95)						
1,349.92						
1,264.92						
(10,579.98)						
(31,371.15)						
C. Segment Assets						
I. <u>Automotive and related activity</u>						
- Tata and other brands vehicles						
(a) Commercial Vehicle						
26,449.17						
17,577.01						
2,375.83						
3,614.16						
1,648.49						
(b) Passenger Vehicle						
183.73						
194.43						
162.24						
- Vehicle Financing						
34,730.58						
33,587.64						
38,261.58						
- Jaguar and Land Rover						
183,185.76						
187,333.67						
170,433.61						
-Total						
264,502.08						
266,897.21						
256,879.73						
II. <u>Others</u>						
(a) Others						
2,398.39						
2,440.21						
2,003.74						
Total Segment Assets						
266,900.47						
269,337.42						
258,883.47						
Less: Inter segment eliminations						
(1,458.32)						
(1,394.69)						
(1,225.25)						
Net Segment Assets						
265,442.15						
267,942.73						
257,658.22						
Investment in equity accounted investees						
Tata and other brands vehicles - Corporate/Unallocable						
412.57						
468.96						
422.54						
- Vehicle Financing						
4.38						
-						
2.67						
- Jaguar and Land Rover						
3,469.68						
3,384.36						
4,318.17						
- Others*						
601.86						
565.57						
591.50						
Add : Unallocable assets						
56,867.23						
49,759.64						
44,201.43						
Total Assets						
326,797.87						
322,121.26						
307,194.53						
D. Segment Liabilities						
I. <u>Automotive and related activity</u>						
- Tata and other brands vehicles						
(a) Commercial Vehicle						
13,464.26						
13,101.11						
15,937.65						
(b) Passenger Vehicle						
3,898.77						
4,962.39						
3,687.73						
(d) Corporate/Unallocable						
1,026.30						
1,456.84						
1,752.13						
- Vehicle Financing						
723.40						
528.49						
711.43						
- Jaguar and Land Rover						
107,300.96						
107,123.37						
107,296.26						
Less: Intra segment eliminations						
-						
-						
(337.65)						
-Total						
126,413.69						
127,172.20						
129,047.55						
II. <u>Others</u>						
(a) Others						
843.43						
787.93						
529.07						
Total Segment Liabilities						
127,257.12						
127,960.13						
129,576.62						
Less: Inter segment eliminations						
(387.26)						
(330.98)						
(252.06)						
Net Segment Liabilities						
126,869.86						
127,629.15						
129,324.56						
Add : Unallocable liabilities						
132,416.77						
130,600.02						
117,167.35						
Total Liabilities						
259,286.63						
258,229.17						
246,491.91						

* Held for sale as at March 31, 2019

Notes:-

- 1) The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on June 15, 2020.
- 2) The Company has adopted Ind AS 116 with modified retrospective approach, with effect from April 1, 2019. Accordingly, the comparative periods have not been restated. The cumulative effect of initial application of the standard of ₹196.14 crores has been recognised as an adjustment to the opening balance of retained earnings as at April 1, 2019. The Company has recognized ₹5,583.62 crores as Right of use assets and lease liability of ₹5,779.76 crores as on the date of transition i.e. April 1, 2019. Further, an amount of ₹1,035.97 crores has been reclassified from non-current/current assets to Right of use assets for prepaid operating lease rentals. In the statement of profit and loss account for the quarter and year ended March 31, 2020 and quarter ended December 31, 2019 the nature of expenses in respect of operating leases has changed from lease rent in previous period to depreciation for the right of use asset and finance cost for interest accrued on lease liability. In respect of leases that were classified as finance lease, applying Ind AS 17, an amount of ₹415.43 crores has been reclassified from property, plant and equipment to Right of use assets. There is no material impact on profit/(loss) after tax and earnings per share for the quarter and year ended March 31, 2020, on adoption of Ind AS 116.
- 3) During the year ended March 31, 2020, the Company has allotted **20,16,23,407** Ordinary Shares at a price of ₹150 per Ordinary Share aggregating to **₹3,024.35** crores and **23,13,33,871** Convertible Warrants ('Warrants'), each carrying a right to subscribe to one Ordinary Share per Warrant, at a price of ₹150 per Warrant ('Warrant Price'), aggregating to **₹3,470.00** crores on a preferential basis to Tata Sons Private Limited. An amount equivalent to 25% of the Warrant Price was paid at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant Price shall be payable by the Warrant holder against each Warrant at the time of allotment of Ordinary Shares pursuant to exercise of the options attached to Warrant(s) to subscribe to Ordinary Share(s). The amount of **₹3,891.85** crores has been received and is to be utilized for repayment of debt, meeting future funding requirements and other general corporate purposes of the Company and its subsidiaries. The Company has utilised amount of **₹2,761.85** crores as at March 31, 2020.
- 4) The Company assessed the recoverable amount of Passenger vehicle business (TML Standalone), which represent a single cash-generating unit (CGU), as at March 31, 2020, as the higher of Fair Value Less Cost of Disposal ('FVLCD') and Value in Use ('VIU') of the relevant assets of the CGU due to change in market conditions. This has resulted in an impairment of **₹1,418.64 crores** being recognized as exceptional charge for the quarter and year ended March 31, 2020.
- 5) During the quarter and year ended March 31, 2020, a provision has been recognized for certain supplier contracts, which have become onerous, as the Company estimates that it will procure lower quantities than committed and the costs will exceed the future economic benefit.
- 6) As a result of change in market conditions, the Company performed an impairment assessment for assets forming part of wholly owned subsidiaries Tata Motors European Technical Center PLC (TMETC) and Trilix S.r.l (Trilix). The recoverable amount of these assets were estimated to be lower than their carrying value and this resulted in an impairment charge of ₹297.49 crores and ₹55.71 crores in TMETC and Trilix, respectively during the quarter ended March 31, 2020.
- 7) During the year ended March 31, 2019 the High Court in United Kingdom ruled that pension schemes are required to equalise male and female members benefit for the inequalities within guaranteed minimum pension (GMP) earned between May 17, 1990 and April 5, 1997. Based on this, the Company reassessed its obligations under its existing Jaguar Land Rover pension plans and recorded an additional liability of an amount of £16.5 million (₹147.93 crores) as past service costs during year ended March 31, 2019.
- 8) On July, 31 2018, the Company decided to cease its current manufacturing operations of Tata Motors Thailand Ltd. Accordingly, the relevant restructuring costs have been accounted in the year ended March 31, 2019.
- 9) The Company assessed the recoverable amount of the Jaguar Land Rover business, which represent a single cash-generating unit (CGU), as at December 31, 2018, as the higher of Fair Value Less Cost of Disposal ('FVLCD') and Value in Use ('VIU') of the relevant assets of the CGU, due to change in market conditions especially in China, technology disruptions and rising cost of debt. This had resulted in an impairment charge of £3,105 million (₹27,837.91 crores) which was recognized as exceptional charge for the quarter ended December 31, 2018. As at March 31, 2019, the Company performed an impairment review with reference to its VIU and this did not result in a further impairment charge.
- 10) The COVID-19 pandemic has been rapidly spreading throughout the world, including India and other countries where the Group has its operations. Governments around the world have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, many of the Group's manufacturing plants and offices had to be closed down for a considerable period of time, including after the yearend. As a result of the lockdown, the likely revenue from the quarter ended March 31, 2020 has been impacted. Continued lockdowns are likely to impact the Group operationally including on supply chain matters. The Company is monitoring the situation closely taking into account directives from the Governments. Further, the Reserve Bank of India (RBI) has announced moratorium on loan repayments for specific borrower segments which impacts Group's vehicle financing business in India. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of Group's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, intangible assets under development, allowance for losses for finance receivables and the net realisable values of other assets. However, given the effect of these lockdowns on the overall economic activity globally and in particular the countries where the Group operates and in particular on the global automotive industry, the impact assessment of COVID-19 on the abovementioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.
- 11) During the year ended March 31, 2019, the Company has sold investment in TAL Manufacturing Solutions Limited to Tata Advanced Systems Ltd (TASL).
- 12) Subsequent to year ended March 31, 2020
 - a) Tata Motors Ltd has issued ₹1,000 crores, 8.80% Secured rated listed redeemable non-convertible debentures due 2023
 - b) Jaguar Land Rover signed a three year syndicated revolving loan facility for RMB 5 billion (₹5,237.94 crores) in China, which has been entirely drawn on June 12, 2020.
- 13) Figures for the quarters ended March 31, 2020 and 2019, represent the difference between the audited figures in respect of full financial years and the published figures for the nine months ended December 31, 2019 and 2018, respectively which were subject to limited review.
- 14) The Statutory Auditors have carried out an audit of the consolidated financial results for the year ended March 31, 2020 and have issued an unmodified opinion on the same

Tata Motors Limited



Guenter Butschek
CEO & Managing Director