



TATA MOTORS LIMITED

Regd. Office : Bombay House, 24, Horni Mody Street, Mumbai 400 001.
CIN L28920MH1945PLC004520

(₹ in crores)

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

Particulars	Quarter ended			Year ended
	June 30,	March 31,	June 30,	March 31,
	2021	2021	2020	2021
		(Refer note 11)		
	Audited			
I Revenue from operations				
(a) Revenue	11,818.31	19,826.57	2,634.14	46,559.39
(b) Other operating revenue (refer note 4)	85.88	219.33	52.73	472.08
Total revenue from operations (a)+(b)	11,904.19	20,045.90	2,686.87	47,031.47
II. Other Income (includes Government incentives)	245.81	260.00	134.33	842.96
III. Total Income (I+II)	12,150.00	20,305.90	2,821.20	47,874.43
IV. Expenses				
(a) Cost of materials consumed	8,813.14	12,914.62	1,173.22	30,010.61
(b) Purchases of products for sale	1,723.01	2,059.95	457.22	5,490.67
(c) Changes in inventories of finished goods, work-in-progress and products for sale	(1,401.54)	387.78	309.56	(69.02)
(d) Employee benefits expense	1,180.41	1,081.76	966.74	4,212.99
(e) Finance costs	621.10	514.85	552.80	2,358.54
(f) Foreign exchange (gain)/loss (net)	44.02	21.23	20.93	1.67
(g) Depreciation and amortisation expense	959.39	964.16	859.89	3,681.61
(h) Product development/engineering expenses	208.53	356.17	138.19	907.64
(i) Other expenses	1,495.12	2,118.54	661.73	5,801.90
(j) Amount transferred to capital and other accounts	(203.92)	(257.82)	(177.70)	(817.53)
Total expenses (IV)	13,439.26	20,161.24	4,962.58	51,579.08
V. Profit/(loss) before exceptional items and tax (III-IV)	(1,289.26)	144.66	(2,141.38)	(3,704.65)
VI. Exceptional Items				
(a) Employee separation cost	1.13	144.79	-	215.97
(b) Write off/provision (reversal) for tangible/intangible assets (including under development)	-	114.00	-	114.00
(c) Provision/(reversal) for loan given to/investment and cost of closure in subsidiary companies/ joint venture (net)	26.28	41.00	48.88	123.36
(d) Impairment losses/(reversal) in passenger vehicle business (refer note 5)	-	(1,182.41)	-	(1,182.41)
(e) Provision/(reversal) for Onerous Contracts and related supplier claims (refer note 6)	-	(663.00)	-	(663.00)
(f) Others (refer note 10)	(2.52)	-	-	-
VII. Profit/(loss) before tax (V-VI)	(1,314.15)	1,690.28	(2,190.26)	(2,312.57)
VIII. Tax expense/(credit) (net)				
(a) Current tax	10.49	34.25	9.25	82.31
(b) Deferred tax	(3.90)	10.34	(8.87)	0.56
Total tax expense (net)	6.59	44.59	0.38	82.87
IX. Profit/(loss) for the period from continuing operations (VII-VIII)	(1,320.74)	1,645.69	(2,190.64)	(2,395.44)
X. Other comprehensive income/(loss):				
(A) (i) Items that will not be reclassified to profit and loss	171.58	125.49	26.26	342.22
(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit and loss	(14.06)	(8.38)	2.49	(8.60)
(B) (i) Items that will be reclassified to profit and loss	(31.87)	27.58	11.77	168.12
(ii) Income tax (expense)/credit relating to items that will be reclassified to profit and loss	11.15	(9.64)	(4.12)	(58.75)
Total other comprehensive income/(loss)	136.80	135.05	36.40	442.99
XI. Total comprehensive income/(loss) for the period (IX+X)	(1,183.94)	1,780.74	(2,154.24)	(1,952.45)
XII. Paid-up equity share capital (face value of ₹2 each)	765.81	765.81	719.54	765.81
XIII. Reserves excluding revaluation reserve (as per balance sheet of previous accounting year)				18,290.16
XIV. Earnings/(loss) per share (EPS)				
(a) Ordinary shares (face value of ₹2 each)				
(i) Basic EPS	₹ (3.45)	4.37	(6.09)	(6.59)
(ii) Diluted EPS	₹ (3.45)	4.37	(6.09)	(6.59)
(b) 'A' Ordinary shares (face value of ₹2 each)				
(i) Basic EPS	₹ (3.45)	4.47	(6.09)	(6.59)
(ii) Diluted EPS	₹ (3.45)	4.47	(6.09)	(6.59)
	Not annualised			

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, as well as sale of related parts and accessories. The Company's products mainly include commercial vehicles and passenger vehicles. Accordingly, the Company has Commercial Vehicles and Passenger Vehicles as two reportable segments. The segment information is provided to and reviewed by Chief Operating Decision Maker (CODM).

(₹ in crores)				
Particulars	Quarter ended			Year ended
	June 30,	March 31,	June 30,	March 31,
	2021	2021	2020	2021
Audited				
A. Segment Revenue :				
Revenue from operations				
I. Commercial Vehicles	6,542.37	13,338.58	1,437.96	29,899.07
II. Passenger Vehicles	5,327.57	6,565.46	1,222.63	16,856.43
III. Corporate/Unallocable	34.25	141.86	26.28	275.97
Total Segment Revenue	11,904.19	20,045.90	2,686.87	47,031.47
Less: Inter segment revenue	-	-	-	-
Revenue from operations	11,904.19	20,045.90	2,686.87	47,031.47
B. Segment results before other income (excluding government incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax :				
I. Commercial Vehicles	(374.01)	805.63	(927.74)	18.38
II. Passenger Vehicles	(322.48)	(188.28)	(644.95)	(1,568.28)
III. Corporate/Unallocable	(43.44)	(20.79)	(50.76)	(89.23)
Total Segment results	(739.93)	596.56	(1,623.45)	(1,639.13)
Less: Inter segment eliminations	-	-	-	-
Net Segment results	(739.93)	596.56	(1,623.45)	(1,639.13)
Add/(Less) : Other income (excluding incentives)	115.79	84.18	55.80	294.69
Add/(Less) : Finance costs	(621.10)	(514.85)	(552.80)	(2,358.54)
Add/(Less) : Foreign exchange gain/(loss) (net)	(44.02)	(21.23)	(20.93)	(1.67)
Add/(Less) : Exceptional items				
-Commercial Vehicles	1.39	(101.49)	-	(159.21)
-Passenger Vehicles	-	1,707.67	-	1,699.63
-Corporate/Unallocable	(26.28)	(60.56)	(48.88)	(148.34)
Total profit/(loss) before tax	(1,314.15)	1,690.28	(2,190.26)	(2,312.57)
C. Segment Assets				
	As at June 30,		As at June 30,	As at March 31,
	2021		2020	2021
	Audited		Audited	
I. Commercial Vehicles	23,828.58		21,448.61	22,478.62
II. Passenger Vehicles	17,958.50		16,650.99	16,669.73
III. Corporate/Unallocable	23,602.86		23,917.86	25,690.51
-Total	65,389.94		62,017.46	64,838.86
IV. Assets classified as held for sale	-		193.38	220.80
Total Assets	65,389.94		62,210.84	65,059.66
D. Segment Liabilities				
I. Commercial Vehicles	11,829.65		9,121.93	16,296.11
II. Passenger Vehicles	5,972.82		4,113.90	5,725.94
III. Corporate/Unallocable	29,713.20		32,739.38	23,981.64
Total Liabilities	47,515.67		45,975.21	46,003.69

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 July 26, 2021.
- 2) The above results include the Company's proportionate share of income and expenditure in its two Joint Operations, namely Tata Cummins Private Limited and Fiat India Automobiles Private Limited. Below are supplementary details of Tata Motors Limited on standalone basis excluding interest in the aforesaid two Joint Operations:

Particulars		Quarter ended			Year ended
		June 30,	March 31,	June 30,	March 31,
		2021	2021	2020	2021
1	Revenue from operations	11,775.75	19,932.18	2,478.29	46,536.61
2	Profit/(loss) before tax	(1,287.42)	1,519.44	(2,238.45)	(2,752.35)
3	Profit/(loss) after tax	(1,284.55)	1,534.91	(2,236.23)	(2,687.07)

- 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 the balance 75% of the Warrant Price was payable by the Warrant holder against each Warrant at the time of allotment of Ordinary Shares pursuant to exercise of the options attached to Warrant(s) to subscribe to Ordinary Share(s) by June 2021. The Company has fully utilised the amount of ₹3,891.85 crores towards repayment of debt, and other general corporate purposes of the Company and its subsidiaries. During the quarter and year ended March 31, 2021, on exercise of options by Tata Sons Private Limited and on receipt of the balance subscription money of ₹2,602.51 crores, the Company has fully converted 23,13,33,871 convertible warrants into Ordinary Shares, that were issued during the year ended March 31, 2020. As at June 30, 2021 the Company has utilised amount of ₹1,550.00 crores towards repayment of debt, and other general corporate purposes of the Company.
- 4) Other operating revenue includes:

Particulars	Quarter ended			Year ended
	June 30,	March 31,	June 30,	March 31,
	2021	2021	2020	2021
Profit on sale of properties	0.13	90.26	0.11	143.44

- 5) As at March 31, 2020, the Company had assessed the recoverable value of Passenger vehicle business of Tata Motors Limited on standalone basis, which represent a single cash-generating unit (CGU), due to refresh of its strategy in response to change in market conditions on account of various factors (economic environment, demand forecasts etc.) including COVID 19 pandemic. The recoverable value determined by Fair Value less Cost of Disposal ('FVLCD') was lower than the carrying value of the CGU and this had resulted in an impairment charge of ₹1,418.64 crores for the year ended March 31, 2020. As at March 31, 2021, the Company had identified certain triggers for reversal of the previously recorded impairment based on both external and internal indicators. Accordingly, the Company had reassessed its estimates and determined the recoverable value for this CGU considering the significant improvement in absolute and relative performance and outlook of the business when compared with the assumed performance at the time when the impairment loss was recorded. Based on this reassessment, the Company had reversed the initially recognised impairment for this CGU.
- 6) During the year ended March 31, 2020, a provision had been recognized for certain supplier contracts ranging from 5 to 10 years, which had become onerous, as the Company estimated that it will procure lower quantities than committed and the costs will exceed the future economic benefit. As at March 31, 2021, the Company had reassessed the onerous provision created and based on the revised volume outlook a reversal of provision aggregating ₹777.00 crores had been accounted. During the year ended March 31, 2021 the Company had also made provision for estimated supplier claims of ₹114.00 crores, which are under negotiation with supplier.

- 7) The Board of Directors has, at its meeting held on July 31, 2020 , approved (subject to the requisite regulatory and other approvals) a Scheme of Arrangement between Tata Motors Limited and TML Business Analytics Services Limited (Transferee Company) for:
- (a) Transfer of the PV Undertaking of the Company as a going concern, on a slump sale basis as defined under Section 2(42C) of the Income-tax Act, 1961, to the Transferee Company for a lump sum consideration of ₹9,417.00 crores through issuance of equity shares; and
 - (b) Reduction of its share capital without extinguishing or reducing its liability on any of its shares by writing down a portion of its securities premium account to the extent of ₹11,173.59 crores, with a corresponding adjustment to the accumulated losses of the Company.

The Scheme of Arrangement has been filed with National Company Law Tribunal, Mumbai Bench for approval. The hearing was concluded on July 1, 2021 and the final order is awaited.

- 8) Covid-19 pandemic has rapidly spread throughout the world, including India. Governments in India and across the world have taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's manufacturing plants and offices had to be closed down / operate under restrictions for a considerable period of time. Lockdowns / restrictions have impacted the Company operationally including on commodity prices, supply chain matters (including semiconductor supplies) and consumer demand. More recently, the next wave of the pandemic has impacted India and other countries. The Company is monitoring the situation closely taking into account the increasing level of infections in India and across the world and directives from the various Governments. In the month of June 2021, certain lockdowns have been lifted gradually as the number of Covid cases reduced post the surge in cases due to second wave in India. Management believes that it has taken into account all the possible impacts of known events arising from Covid-19 pandemic in the preparation of the financial results including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, intangible assets under development and the net realisable values of other assets. However, given the effect of these lockdowns and restrictions on the overall economic activity and in particular on the automotive industry, the impact assessment of Covid-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties due to its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.
- 9) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 10) During the quarter ended June 30, 2021 the Company has completed the sale of certain assets related to defence business to Tata Advanced Systems Limited (TASL) for sale consideration of ₹234.09 crores againsts the Net Assets of ₹231.57 crores resulting in a gain of ₹2.52 crores recorded as an exceptional item in Statement of Profit and Loss.
- 11) The figures for the quarter ended March 31, 2021 as reported in these standalone financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of the third quarter of the financial year ended March 31, 2021.
- 12) The Statutory Auditors have carried an audit of the above results for the quarter ended June 30, 2021 and have issued an unmodified opinion on the same.

Pune, July 26, 2021

Tata Motors Limited
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by GIRISH ARUN
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Date: 2021.07.26
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Girish Wagh
Executive Director