



TATA MOTORS LIMITED

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

(₹ in crores)

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

Particulars	Quarter ended			Year ended
	June 30,	March 31,	June 30,	March 31,
	2023	2023	2022	2023
	(Refer note 7)			
	Audited			
I. Revenue from operations				
(a) Revenue	15,733.05	19,961.61	14,793.12	65,298.84
(b) Other operating revenue	99.52	180.52	81.32	458.49
Total revenue from operations (a)+(b)	15,832.57	20,142.13	14,874.44	65,757.33
II. Other income (includes Government incentives)	299.08	241.93	210.77	820.94
III. Total Income (I+II)	16,131.65	20,384.06	15,085.21	66,578.27
IV. Expenses				
(a) Cost of materials consumed	10,943.39	11,910.58	10,525.85	42,226.81
(b) Purchases of products for sale	1,889.39	1,809.36	1,655.95	6,561.32
(c) Changes in inventories of finished goods, work-in-progress and products for sale	(1,395.71)	1,119.34	(919.23)	484.69
(d) Employee benefits expense	1,064.47	1,022.07	1,062.85	4,021.63
(e) Finance costs	411.74	465.93	528.80	2,047.51
(f) Foreign exchange loss (net)	49.96	25.60	89.06	279.76
(g) Depreciation and amortisation expense	495.91	467.57	422.98	1,766.86
(h) Product development/engineering expenses	224.85	306.37	177.67	899.06
(i) Other expenses	2,039.30	2,207.74	1,923.40	7,819.74
(j) Amount transferred to capital and other accounts	(261.41)	(313.59)	(243.87)	(1,066.73)
Total expenses (IV)	15,461.89	19,020.97	15,223.46	65,040.65
V. Profit/(loss) before exceptional items and tax (III-IV)	669.76	1,363.09	(138.25)	1,537.62
VI. Exceptional Items				
(a) Provision for employee pension scheme (Refer note 4)	646.37	-	-	-
(b) Provision for Intangible assets under development	-	276.91	-	276.91
(c) Provision for loan given to/investment in/cost of closure of subsidiary companies	-	0.33	0.07	4.55
(d) Employee separation cost	1.58	-	1.36	1.36
VII. Profit/(loss) before tax (V-VI)	21.81	1,085.85	(139.68)	1,254.80
VIII. Tax expense/(credit) (net)				
(a) Current tax	20.08	22.11	15.69	81.60
(b) Deferred tax	65.77	(1,631.82)	25.66	(1,554.93)
Total tax expense/(credit) (net)	85.85	(1,609.71)	41.35	(1,473.33)
IX. Profit/(loss) for the period after tax (VII-VIII)	(64.04)	2,695.56	(181.03)	2,728.13
X. Other comprehensive income/(loss)				
(A) (i) Items that will not be reclassified to profit and loss	25.34	(94.95)	(237.57)	(195.55)
(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit and loss	6.28	13.77	10.59	34.96
(B) (i) Items that will be reclassified to profit and loss	33.15	65.48	(123.31)	(99.69)
(ii) Income tax (expense)/credit relating to items that will be reclassified to profit and loss	(8.33)	(16.48)	15.87	9.93
Total other comprehensive income/(loss), net of taxes	56.44	(32.18)	(334.42)	(250.35)
XI. Total comprehensive income/(loss) for the period (IX+X)	(7.60)	2,663.38	(515.45)	2,477.78
XII. Paid-up equity share capital (face value of ₹2 each)	766.05	766.02	765.93	766.02
XIII. Reserves excluding revaluation reserve				21,703.83
XIV. Earnings/(loss) per share (EPS)				
(a) Ordinary shares (face value of ₹ 2 each)				
(i) Basic	₹ (0.17)	7.03	(0.47)	7.11
(ii) Diluted	₹ (0.17)	7.02	(0.47)	7.11
(b) 'A' Ordinary shares (face value of ₹2 each)				
(i) Basic	₹ (0.17)	7.13	(0.47)	7.21
(ii) Diluted	₹ (0.17)	7.12	(0.47)	7.21
	Not annualised			

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 Net Worth has been computed on the basis as stated in Clause 2 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. Net worth as defined in sub-section (57) of section 2 of the Companies Act, 2013.
 - v Long term borrowings (including current portion of long term borrowings).
 - vi Working capital = Current assets - Current liabilities (excluding current maturities of long term debt and interest accrued on borrowings).
 - vii Bad debts is writte off of trade and other receivables.
 - viii Trade and other receivables includes Trade receivables, current and non-current Loans and advances and other current and non-current assets.
 - ix 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.
 - x 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.
 - xi Secured assets include written down value of secured assets and fixed deposits under lien.
 - xii Secured borrowings include 8.80% non-convertible debentures and term loans from financial institutions.
- 4) Tata Motors Limited is amongst the very few companies in India that has its own exempted Pension fund. In the past few years there have been multiple developments on this front. The Company in earlier years had made an application to surrender the said Pension fund as of October 1, 2019 which has still not been accepted by the Employee Provident Fund Organisation (EPFO). In the meanwhile, due to incurrence of losses for three consecutive years upto March 2022, the Company has been legally advised that it has lost its pension fund exemption status w.e.f. April 1, 2022 as per the prevailing rules of the EPFO. Recently, the Hon'ble Supreme Court of India ruled that those who were members of a statutory pension fund as on September 1, 2014, can exercise a joint option with their employer to contribute to their Pension fund beyond the statutory limit and be eligible to draw their pension calculated based on last 5 years average salary. In the same ruling, in paragraph 37 it was clarified that it was not addressing the matter with respect to applicability of this judgment on exempted establishments.
- The Company has received various representations from its employees (past and present) to extend the said pension benefits to them as well. To continue to serve the best interests of all stakeholders and to seek a finality on this matter and avoid long drawn litigation, after careful consideration, during the current quarter, the Company has started accepting and approving the joint options on the EPFO portal, along with a communication to the EPFO that the Company shall fund the additional liability estimated through actuarial valuation. Accordingly, a provision of ₹ 646.37 crores has been made during the quarter ended June 30, 2023 for Tata Motors Ltd, which has been disclosed as an Exceptional item.
- The situation continues to evolve and there is significant ambiguity on how this matter will finally be resolved, and the EPFO is expected to provide further clarity on various elements including those referred above. The Company will therefore continue to engage with EPFO to accept the surrender of the Pension Trust and confirm the transfer value.
- 5) During the quarter ended June 30, 2023, provision of ₹113.96 crores is reversed towards certain Indirect taxes matters under litigation for FY 2002 to FY 2006, which is netted off in other expenses.
- 6) The Board of Directors has, at its meeting held today, approved (subject to inter alia the requisite NCLT, shareholders, creditors, regulatory and other approvals) a Scheme of Arrangement under Section 230-232 of the Companies Act, 2013, between Tata Motors Limited and its shareholders and creditors for reduction through cancellation of the "A" Ordinary shares and the payment of consideration for such reduction through the issuance of New Ordinary shares of the Company, in the manner contemplated in the Scheme of Arrangement.
- 7) The figures for the quarter ended March 31, 2023 represent the difference between the audited figures in respect of full financial year and the published figures for the nine months ended December 31, 2022.
- 8) The Statutory Auditors have carried an audit of the above results for the quarter ended June 30, 2023 and have issued an unmodified opinion on the same.

Tata Motors Limited



Girish Wagh
Executive Director

Mumbai, July 25, 2023