



TATA MOTORS LIMITED

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

(₹ in crores)

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

Particulars	Quarter ended			Nine months ended		Year ended
	December 31,	September 30,	December 31,	December 31		March 31,
	2018	2017	2017	2018	2017	2018
	Unaudited					Audited
I Revenue from operations						
(a) Revenue (refer note 2)	76,264.69	71,292.79	72,083.91	213,514.26	200,419.91	289,386.25
(b) Other operating income	736.20	819.29	1,282.02	2,299.76	2,242.75	3,342.13
Total Revenue from Operations (a)+(b)	77,000.89	72,112.08	73,365.93	215,814.02	202,662.66	292,728.38
II Other income (includes Government grants)	581.82	617.22	971.77	1,804.05	1,992.13	3,569.85
III Total Income (I + II)	77,582.71	72,729.30	74,337.70	217,618.07	204,654.79	296,298.23
IV Expenses						
(a) Cost of materials consumed						
(i) Cost of materials consumed	46,755.80	44,921.05	45,378.78	134,894.71	122,495.23	173,371.19
(ii) Basis adjustment on hedge accounted derivatives	(224.08)	(414.26)	(348.29)	(1,067.80)	(1,068.83)	(1,378.60)
(b) Purchase of products for sale	4,806.08	4,608.77	4,224.66	13,865.24	11,251.37	15,903.99
(c) Changes in inventories of finished goods, work-in-progress and products for sale	(1,148.35)	(3,156.84)	(1,972.84)	(8,517.07)	(3,932.94)	(2,046.58)
(d) Excise duty	-	-	-	-	790.16	790.16
(e) Employee benefits expense	8,508.95	8,212.35	7,576.27	25,244.51	21,947.82	30,300.09
(f) Finance costs	1,568.48	1,226.86	1,247.35	4,170.61	3,503.54	4,681.79
(g) Foreign exchange (gain)/loss (net)	(170.90)	499.87	(126.74)	1,336.23	(829.47)	(1,185.28)
(h) Depreciation and amortisation expense	6,439.25	5,941.20	5,570.79	18,237.58	15,065.23	21,553.59
(i) Product development/Engineering expenses	1,132.62	1,068.48	923.62	3,151.63	2,501.09	3,531.87
(j) Other expenses	16,084.10	15,263.09	14,371.45	45,610.03	40,561.84	60,184.21
(k) Amount capitalised	(4,954.87)	(5,148.12)	(4,541.10)	(15,215.85)	(12,862.16)	(18,588.09)
Total expenses (IV)	78,797.08	73,022.45	72,303.95	221,709.82	199,422.88	287,118.34
V Profit/(loss) before exceptional items and tax (III - IV)	(1,214.37)	(293.15)	2,033.75	(4,091.75)	5,231.91	9,179.89
VI Exceptional Items						
(a) Defined benefit pension plan amendment past service (credit)/cost (refer note 6)	147.93	-	-	147.93	(3,609.01)	(3,609.01)
(b) Employee separation cost	4.14	-	4.73	4.14	4.73	3.68
(c) Provision for / impairment of capital work-in-progress and intangibles under development	24.05	93.21	-	117.26	-	1,641.38
(d) Provision for costs of closure of operation of a subsidiary (refer note 7)	-	437.08	-	437.08	-	-
(e) Provision for impairment in Jaguar Land Rover (refer note 8)	27,837.91	-	-	27,837.91	-	-
(f) Others	-	-	-	-	(11.19)	(11.19)
Profit/(loss) before tax (V - VI)	(29,228.40)	(823.44)	2,029.02	(32,636.07)	8,847.38	11,155.03
VIII Tax expense/(credit) (net)						
(a) Current tax	324.89	550.88	473.46	1,585.84	2,452.92	3,303.46
(b) Deferred tax	(2,730.07)	(278.98)	594.14	(4,134.75)	911.90	1,038.47
Total tax expense/(credit) (net)	(2,405.18)	271.90	1,067.60	(2,548.91)	3,364.82	4,341.93
IX Profit/(loss) for the period/year from continuing operations (VII - VIII)	(26,823.22)	(1,095.34)	961.42	(30,087.16)	5,482.56	6,813.10
X Share of profit/(loss) of joint ventures and associates (net)	(137.58)	85.85	253.18	254.30	1,433.64	2,278.26
XI Profit/(loss) for the period/year (IX + X)	(26,960.80)	(1,009.49)	1,214.60	(29,832.86)	6,916.20	9,091.36
Attributable to:						
(a) Shareholders of the Company	(26,992.54)	(1,048.80)	1,198.63	(29,943.71)	6,863.67	8,988.91
(b) Non-controlling interests	31.74	39.31	15.97	110.85	52.53	102.45
XII Other comprehensive income/(loss)						
(A) (i) Items that will not be reclassified to profit or loss	(208.28)	(1,085.06)	212.56	1,661.17	1,428.01	5,939.95
(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit or loss	(13.09)	199.94	(14.98)	(343.64)	(245.24)	(991.02)
(B) (i) Items that will be reclassified to profit or loss	(6,431.57)	6,045.25	834.77	(4,906.37)	18,148.39	28,017.27
(ii) Income tax (expense)/credit relating to items that will be reclassified to profit or loss	238.21	(313.51)	(323.26)	391.37	(2,646.85)	(3,403.69)
Total other comprehensive income/(loss)	(6,414.73)	4,846.62	709.09	(3,197.47)	16,684.31	29,562.51
XIII Total comprehensive income/(loss) for the period/year (net of tax) (XI + XII)	(33,375.53)	3,837.13	1,923.69	(33,030.33)	23,600.51	38,653.87
Attributable to:						
(a) Shareholders of the Company	(33,389.37)	3,781.19	1,911.12	(33,140.76)	23,534.24	38,524.52
(b) Non-controlling interests	13.84	55.94	12.57	110.43	66.27	129.35
XIV Paid-up equity share capital (face value of ₹2 each)	679.22	679.22	679.22	679.22	679.22	679.22
XV Reserves excluding revaluation reserves (as per Balance Sheet of previous accounting year)						94,725.82
XVI Earnings per share (EPS)						
A. Ordinary shares (face value of ₹2 each)						
(a) Basic EPS	₹ (79.49)	(3.09)	3.51	(88.18)	20.20	26.46
(b) Diluted EPS	₹ (79.49)	(3.09)	3.51	(88.18)	20.19	26.45
B. 'A' Ordinary shares (face value of ₹2 each)						
(a) Basic EPS	₹ (79.49)	(3.09)	3.61	(88.18)	20.30	26.56
(b) Diluted EPS	₹ (79.49)	(3.09)	3.61	(88.18)	20.29	26.55

Not annualised

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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.

A core recent initiative of the Company was the implementation of the Organization Effectiveness (OE) program, a strategic program designed to overhaul and transform the Company. Pursuant to the changes implemented as a result of the OE program, the Company has drawn separate strategies for commercial vehicle, passenger vehicle and financing business from Fiscal 2019. Consequent to these changes, the automotive segments will have the following four reportable segments commencing fiscal 2019:

- a) Automotive: The Automotive segment will consist of four reportable sub-segments: Tata Commercial Vehicles, Tata Passenger Vehicles, Jaguar Land Rover and Tata Motor Finance.
b) Others: Others will 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).

The reportable segment information for the corresponding previous periods reported has been changed to make them comparable.

Particulars	Quarter ended				Nine months ended		Year ended
	December 31,	September 30,	December 31,	December 31		March 31,	
	2018	2017	2017	2018	2017	2018	
	Unaudited			Unaudited		Audited	
(₹ in crores)							
A. Segment Revenue :							
Revenue from operations							
I. Automotive and related activity							
- Tata and other brands vehicles							
(a) Commercial Vehicle	13,714.17	15,056.93	13,569.81	42,640.27	34,323.66	49,373.55	
(b) Passenger Vehicle	3,399.12	3,406.98	3,477.33	10,204.45	8,555.95	13,342.04	
(c) Corporate/Unallocable		37.85	61.27	88.47	133.09	169.69	
- Financing	965.89	947.06	700.88	2,646.04	1,998.34	2,800.22	
- Jaguar and Land Rover	58,367.88	52,082.28	55,098.13	158,665.28	156,415.40	225,218.79	
Less: Intra segment eliminations	(27.03)	(35.60)	(29.23)	(79.91)	(112.79)	(131.91)	
-Total	76,447.90	71,495.50	72,878.19	214,164.60	201,313.65	290,772.38	
II. Others	889.82	945.95	778.82	2,706.32	2,269.59	3,252.36	
Total Segment Revenue	77,337.72	72,441.45	73,657.01	216,870.92	203,583.24	294,024.74	
Less: Inter segment revenue	(336.83)	(329.37)	(291.08)	(1,056.90)	(920.58)	(1,296.36)	
Revenue from Operations	77,000.89	72,112.08	73,365.93	215,814.02	202,662.66	292,728.38	
B. Segment results before other income (excluding Government Grants), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax:							
I. Automotive and related activity							
- Tata and other brands vehicles							
(a) Commercial Vehicle	1,044.36	1,193.49	(364.82)	3,295.05	807.46	3,595.32	
(b) Passenger Vehicle	(382.03)	(291.02)	(608.83)	(1,014.17)	(2,210.52)	(3,045.92)	
(c) Corporate/Unallocable	(73.29)	(88.63)	(55.60)	(219.16)	(181.64)	(254.13)	
- Financing	600.09	632.53	2,028.11	1,694.66	2,747.42	1,808.31	
- Jaguar and Land Rover	(1,375.53)	(396.42)	1,941.48	(3,424.84)	6,091.59	9,408.80	
Less: Intra segment eliminations	-	-	-	-	-	-	
-Total	(186.40)	1,049.95	2,940.34	331.54	7,254.31	11,512.38	
II. Others	149.09	182.25	59.39	470.12	213.41	422.32	
Total Segment results	(37.31)	1,232.20	2,999.73	801.66	7,467.72	11,934.70	
Less: Inter segment eliminations	(43.08)	(38.95)	(27.00)	(115.27)	(86.28)	(147.19)	
Net Segment results	(80.39)	1,193.25	2,972.73	686.39	7,381.44	11,787.51	
Add/(Less) : Other income (excluding Govt. Grants)	263.60	240.33	181.63	728.70	524.54	888.89	
Add/(Less) : Finance costs	(1,568.48)	(1,226.86)	(1,247.35)	(4,170.61)	(3,503.54)	(4,681.79)	
Add/(Less) : Foreign exchange gain/(loss) (net)	170.90	(499.87)	126.74	(1,336.23)	829.47	1,185.26	
Add/(Less) : Exceptional items							
- Tata and other brands vehicles							
(a) Commercial Vehicle	(2.79)	(437.08)	(4.73)	(439.87)	(4.73)	(166.66)	
(b) Passenger Vehicle	(24.81)	(93.21)	-	(118.02)	-	(800.00)	
(c) Unallocable	(0.59)	-	-	(0.59)	-	-	
- Total Tata and other brands vehicles	-	-	-	-	-	-	
- Jaguar and Land Rover	(27,985.84)	-	-	(27,985.84)	3,620.20	2,941.80	
Total Profit / (loss) before tax	(29,228.40)	(823.44)	2,029.02	(32,636.07)	8,847.38	11,155.03	
C. Segment Assets							
I. Automotive and related activity							
- Tata and other brands vehicles							
(a) Commercial Vehicle	26,077.87			26,255.57	26,042.75	24,963.13	
(b) Passenger Vehicle	16,156.62			18,509.96	16,995.55	15,418.17	
(c) Corporate/Unallocable	8,200.56			5,246.16	5,909.39	6,505.33	
- Tata and other brands vehicles - Assets held for sale	255.40			260.11	209.27	223.33	
- Financing	32,501.54			34,777.53	23,843.44	27,653.16	
- Jaguar and Land Rover	215,777.34			176,646.39	183,911.84	199,513.67	
Less: Intra segment eliminations	(610.33)			(538.23)	(1,383.39)	(1,140.94)	
-Total	298,359.00			261,157.49	255,528.85	273,135.85	
II. (a) Others	26.73			35.56	44.86	13.26	
(b) Assets classified as held for sale	3,046.57			2,249.65	2,745.23	2,756.91	
Total Segment Assets	301,432.30			263,442.70	258,318.94	275,906.02	
Less: Inter segment eliminations	(1,244.00)			(605.17)	(1,295.33)	(1,281.07)	
Net Segment Assets	300,188.30			262,837.53	257,023.61	274,624.95	
Investment in equity accounted investees							
- Tata and other brands vehicles							
(a) Commercial Vehicle	424.22			417.32	381.47	383.00	
(b) Passenger Vehicle	2.50			2.50	2.50	2.50	
(d) Corporate/Unallocable	-			-	-	-	
- Financing	5.91			2.67	-	-	
- Jaguar and Land Rover	4,640.74			4,352.48	4,811.42	4,502.39	
- Others*	544.57			565.41	467.39	497.35	
Add : Unallocable assets	30,562.06			27,562.90	36,063.72	51,340.32	
Total Assets	336,368.30			295,740.81	298,750.11	331,350.51	
D. Segment Liabilities							
I. Automotive and related activity							
- Tata and other brands vehicles and financing thereof							
- Financing	20,479.94			18,262.17	20,711.30	20,571.92	
- Jaguar and Land Rover	613.94			651.20	110.07	724.40	
- Jaguar and Land Rover	100,170.85			94,841.18	93,080.33	107,864.26	
Less: Intra segment eliminations	(533.03)			(551.21)	(1,364.39)	(997.60)	
-Total	120,731.70			113,203.34	112,537.31	128,162.98	
II. (a) Others	82.37			88.10	79.44	84.01	
(b) Liabilities directly associated with assets classified as held-for-sale	1,220.28			1,050.33	1,133.74	1,070.18	
Total Segment Liabilities	122,034.35			114,341.77	113,750.49	129,317.17	
Less: Inter segment eliminations	(330.44)			(336.00)	(283.78)	(315.22)	
Net Segment Liabilities	121,703.91			114,005.77	113,466.71	129,001.95	
Add : Unallocable liabilities	119,025.27			119,650.63	103,947.84	106,395.59	
Total Liabilities	240,729.18			233,656.40	217,414.55	235,397.54	

* Held for sale as at December 31, 2018

Notes:-

- The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on February 7, 2019.
- Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise, Value Added Tax (VAT), etc have been replaced by GST. In accordance with Ind AS 18/Ind AS 115 on Revenue/Revenue from contracts with customers and Schedule III of the Companies Act, 2013, GST, GST Compensation Cess, etc. are not included in Revenue from operations for applicable periods. In view of the aforesaid restructuring of indirect taxes, Revenue from operations for nine months ended December 31, 2017 and year ended March 31, 2018 are not comparable with the current period. Following additional information is being provided to facilitate such comparison:

Particulars		Quarter ended			Nine months ended		Year ended
		December 31,	September 30,	December 31,	December 31,		March 31,
		2018	2018	2017	2018	2017	2018
(a)	Revenue from operations	77,000.89	72,112.08	73,365.93	215,814.02	202,662.66	292,728.38
(b)	Excise duty	-	-	-	-	(1,166.77)	(1,166.77)
(c)	Revenue from operations (net of excise duty) (a)-(b)	77,000.89	72,112.08	73,365.93	215,814.02	201,495.89	291,561.61

- The assets and liabilities of Tata Technologies Limited, TAL Manufacturing Solutions Limited, Company's certain assets related to defence business and investment in Tata Hitachi Construction Machinery Company Private Limited (equity accounted investees) are classified as "Held for Sale" as they meet the criteria laid out under Ind AS 105.
- Ind AS 115 – Revenue from Contracts with Customers**
The Company has adopted Ind AS 115 with a modified retrospective approach. The Company makes transport arrangements for delivering its vehicles to the dealers. The gross consideration received in respect of these arrangements was recognised and presented with revenue in the statement of profit and loss. The costs associated with these arrangements were presented within freight cost in the statement of profit and loss. In accordance with Ind AS 115, the Company has determined that it is an agent in providing these services, and therefore the gross consideration received, net off cost associated with respect to these arrangements is presented within revenue effective April 1, 2018. Certain payouts made to dealers such as infrastructure support payments are to be treated as variable components of consideration and are therefore in accordance with Ind AS 115, recognised as revenue deductions in future. These changes in presentation in the income statement has resulted in decrease in both revenues and expenses by ₹1,021.60 crores and ₹2,802.14 crores for the quarter ended and nine months ended December 31, 2018, respectively.
- In compliance with Ind AS 20 - Government Grants and consequent to clarifications published by the Institute of Chartered Accountants of India, during quarter ended September 30, 2018, various Government Grants and incentives have been recognized as "Other Income". Earlier these were reported as "Other Operating Revenue" in the Statement of Profit and Loss. Previous periods have been reclassified accordingly for comparative purposes. This has no impact on reported Profit before tax (PBT).
- During the quarter ended December 31, 2018, 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 GBP 16.5 million (₹147.93 crores) as past service costs during quarter ended December 31, 2018.
- On July 31, 2018, the Company decided to cease the current manufacturing operations of Tata Motors Thailand Ltd. The Company will address the Thailand market with a revamped product portfolio, suitable to the local market needs, delivered through a CBU distribution model. Accordingly, the relevant restructuring costs have been accounted in the quarter ended September 30, 2018.
- 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 has resulted in an impairment charge of ₹3,105 million (₹27,837.91 crores) being recognized as exceptional charge for the quarter ended December 31, 2018. The Company continues to assess and endeavours to take appropriate mitigating actions on the potential impacts of changes, if any in tax and treaty arrangements globally, including Brexit.
- Subsequent to quarter ended December 31, 2018, Jaguar Land Rover has announced a voluntary redundancy programme, this being a non adjusting post balance sheet event, the cost will be recognised in the quarter ending March 31, 2019.
- The Statutory Auditors have carried out a limited review of the consolidated financial results for the quarter and nine months ended December 31, 2018.

Mumbai, February 7, 2019

Tata Motors Limited

 Guenter Butschek
 CEO & Managing Director