



TATA MOTORS LIMITED

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

CIN L28920MH1945PLC004520

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

Particulars	Quarter ended			Year ended
	June 30,	March 31,	June 30,	March 31,
	2020	2020	2019	2020
	Unaudited	Audited [Refer Note 10]	Unaudited	Audited
Revenue from operations				
I (a) Revenue	31,481.86	61,949.39	60,830.16	258,594.36
(b) Other Operating Revenues	501.20	543.57	636.83	2,473.61
Total Revenue from Operations (a)+(b)	31,983.06	62,492.96	61,466.99	261,067.97
II Other income (includes Government incentives)	606.53	564.47	835.99	2,973.15
III Total Income (I + II)	32,589.59	63,057.43	62,302.98	264,041.12
IV Expenses				
(a) Cost of materials consumed				
(i) Cost of materials consumed	9,941.51	38,464.14	39,406.68	152,968.74
(ii) Basis adjustment on hedge accounted derivatives	(25.14)	248.18	(75.58)	(297.27)
(b) Purchase of products for sale	1,724.92	2,946.54	3,088.81	12,228.35
(c) Changes in inventories of finished goods, work-in-progress and products for sale	8,279.95	(849.22)	(2,644.45)	2,231.19
(d) Employee benefits expense (refer note 8)	5,694.26	7,698.73	7,719.57	30,438.60
(e) Finance costs	1,876.81	1,952.81	1,711.57	7,243.33
(f) Foreign exchange (gain)/loss (net)	(47.14)	1,682.42	137.53	1,738.74
(g) Depreciation and amortisation expense	5,599.37	5,814.86	5,111.72	21,425.43
(h) Product development/Engineering expenses	1,094.92	1,286.46	794.00	4,188.49
(i) Other expenses	7,442.73	14,899.41	14,289.41	57,087.46
(j) Amount transferred to capital and other account	(2,805.65)	(4,574.60)	(4,106.92)	(17,503.40)
Total expenses (IV)	38,776.54	69,569.73	65,432.34	271,749.66
V Profit/(loss) before exceptional items and tax (III - IV)	(6,186.95)	(6,512.30)	(3,129.36)	(7,708.54)
VI Exceptional Items				
(a) Employee separation cost	-	231.92	108.82	436.14
(b) Write off/(reversal) of provision/ impairment of capital work-in-progress and intangibles under development (net)	-	10.07	-	(73.04)
(c) Provision for impairment of Passenger Vehicle Business (refer note 3)	-	1,418.64	-	1,418.64
(d) Provision for Onerous Contracts (refer note 4)	-	777.00	-	777.00
(e) Provision/(reversal) for cost of closure of operation of a subsidiary	(3.22)	(4.16)	-	(65.62)
(f) Provision for impairment in subsidiaries (refer note 5)	-	353.20	-	353.20
(g) Provision for loans given to a Joint ventures	-	13.98	-	25.12
VII Profit/(loss) before tax (V - VI)	(6,183.73)	(9,312.95)	(3,238.18)	(10,579.98)
VIII Tax expense/(credit) (net)				
(a) Current tax	126.11	628.01	439.89	1,893.05
(b) Deferred tax (refer note 7)	2,074.38	(269.71)	(243.82)	(1,497.80)
Total tax expense/(credit) (net)	2,200.49	358.30	196.07	395.25
IX Profit/(Loss) for the period from continuing operations (VII - VIII)	(8,384.22)	(9,671.25)	(3,434.25)	(10,975.23)
X Share of profit/(loss) of joint ventures and associates (net)	(59.76)	(192.50)	(245.41)	(1,000.00)
XI Profit/(Loss) for the period (IX + X)	(8,443.98)	(9,863.75)	(3,679.66)	(11,975.23)
Attributable to:				
(a) Shareholders of the Company	(8,437.99)	(9,894.25)	(3,698.34)	(12,070.85)
(b) Non-controlling interests	(5.99)	30.50	18.68	95.62
XII Other comprehensive income/(loss)				
(A) (i) Items that will not be reclassified to profit or loss	(8,029.68)	11,789.75	1,369.80	9,363.21
(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit or loss	1,532.95	(1,913.00)	(218.07)	(1,505.43)
(B) (i) Items that will be reclassified to profit or loss	(1,130.13)	(4,594.23)	(2,700.42)	3,927.38
(ii) Income tax (expense)/credit relating to items that will be reclassified to profit or loss	187.26	915.59	150.48	(280.69)
Total other comprehensive income/(loss)	(7,439.60)	6,198.11	(1,398.21)	11,504.47
XIII Total comprehensive income/(loss) for the period (net of tax) (XI + XII)	(15,883.58)	(3,665.64)	(5,077.87)	(470.76)
Attributable to:				
(a) Shareholders of the Company	(15,876.21)	(3,702.74)	(5,089.52)	(578.88)
(b) Non-controlling interests	(7.37)	37.10	11.65	108.12
XIV Paid-up equity share capital (face value of ₹2 each)	719.54	719.54	679.22	719.54
XV Reserves excluding revaluation reserves (as per Balance Sheet of previous accounting year)				62,358.99
XVI Earnings/(loss) per share (EPS)				
A. Ordinary shares (face value of ₹2 each)				
(a) Basic EPS	₹ (23.46)	(27.50)	(10.89)	(34.88)
(b) Diluted EPS	₹ (23.46)	(27.50)	(10.89)	(34.88)
B. 'A' Ordinary shares (face value of ₹2 each)				
(a) Basic EPS	₹ (23.46)	(27.50)	(10.89)	(34.88)
(b) Diluted EPS	₹ (23.46)	(27.50)	(10.89)	(34.88)
		Not annualised		

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 31, 2020.
- 2) During the year ended March 31, 2020, the Company has allotted Ordinary Shares and Convertible Warrants ('Warrants') on a Preferential basis to Tata Sons Pvt Ltd. Of the total amount of ₹6,494 crores, an amount of ₹3,892 crores has been received and is being 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 ₹3,712 crores as at June 30, 2020.
- 3) 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.
- 4) 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.
- 5) 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 and year ended March 31, 2020.
- 6) 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, Group's manufacturing plants and offices had to be closed down for a considerable period of time, during the quarter ended June 30, 2020. As a result of the lockdown, the revenue for the quarter ended June 30, 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 results. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.
- 7) The tax expenses for the quarter ended June 30, 2020 is ₹2,200.49 crores. Movement in pension valuation in Jaguar Land Rover, on account of changes in financial assumptions during the quarter has resulted in a deferred tax credit of ₹1,677.85 crores which was recognized in the Other Comprehensive Income. Deferred tax asset arising from the pension valuation, certain other temporary differences and losses have been written down since the Company has restricted recognition of net deferred tax asset based on its assessment of recoverability, resulting in a deferred tax charge of ₹2,074.38 crores in the statement of profit and loss account.
- 8) Employee benefits expense for the quarter ended June 30, 2020 is net of Government grants received by Jaguar Land Rover, a subsidiary company amounting to ₹ 1,168.27 crores (GBP 124 million).
- 9) In July, 2020, TML Holdings Pte Ltd has refinanced the GBP 190 million (₹1,763.17 crores) loan with credit enhanced notes due 2023 and loan with tenor of 5 years from Bank of Baroda and State Bank of India, respectively.
- 10) Figures for the quarter ended March 31, 2020, represent the balancing figures between the audited figures in respect of full financial year and the published figures for the nine months ended December 31, 2019, which were subject to limited review.
- 11) The Statutory Auditors have carried out a limited review of the consolidated financial results for the quarter ended June 30, 2020.

Tata Motors Limited



Guenter Butschek
CEO & Managing Director