

BSR & Co. LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Tata Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Tata Technologies Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.



BSR & Co. (a partnership firm with Registration No. BA61223) converted into BSR & Co. LLP
(a Limited Liability Partnership with LLP Registration No. AAB-8181, with effect from October 14, 2013)



Principal Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco
Center, Western Express Highway, Goregaon (East), Mumbai - 400063

B S R & Co. LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Tata Technologies Limited

Report on the Audit of the Standalone Financial Statements

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.



INDEPENDENT AUDITORS' REPORT

To the Members of Tata Technologies Limited

Report on the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



INDEPENDENT AUDITORS' REPORT

To the Members of Tata Technologies Limited

Report on the Audit of the Standalone Financial Statements

2. (A) As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 28 to the standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.



B S R & Co. LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Tata Technologies Limited

Report on the Audit of the Standalone Financial Statements

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.101248W/W-100022



Swapnil Dakshindas

Partner

Membership No. 113896

ICAI UDIN: 21113896AAAACQ3537

Place: Pune

Date: 29 April 2021

Annexure “A” to Independent Auditor’s Report

Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Tata Technologies Limited on the standalone financial statements as of and for the year ended 31 March 2021

Page 1 of 3

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a physical verification programme whereby items of fixed assets are physically verified according to a phased programme designed to cover all the items over a period of three years. In our opinion, the frequency of such physical verification programme is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.
- (ii) The Company is in the business of providing services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, and based on the audit procedures performed by us, the Company has granted unsecured loans to one party i.e. its holding company (Balance as at 31 March 2021 is Rs. 250 crores), which is a party covered in the register maintained under Section 189 of the Act.
- (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not, prima facie, prejudicial to the Company’s interest.
- (b) The aforesaid loans are repayable on demand. The holding company is repaying the principal amounts whenever called and is also regular in payment of interest.
- (c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of the loans and investments made. However, the Company has not issued any guarantees or provided any security.
- (v) The Company has not accepted any deposits from the public in terms of directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules made there under to the extent notified. Therefore, the provision of Clause 3(v) of the said Order are not applicable to the Company.



Annexure “A” to Independent Auditor’s Report

Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Tata Technologies Limited on the standalone financial statements as of and for the year ended 31 March 2021

Page 2 of 3

- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products of the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Professional tax though there has been a delay in few cases, and is regular in depositing undisputed statutory dues including Provident fund, Income tax, Goods and Service tax, Duty of customs, Cess and other material statutory dues, as applicable, with the appropriate authorities except in connection with certain employee related dues as more fully described in note 28(b) to the standalone financial statements.

According to the information and explanations given to us, no undisputed amounts payable in respect of Professional tax, Provident fund, Income tax, Goods and Service tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31 March 2021, for a period of more than six months from the date they became payable except in connection with certain employee related dues as more fully described in note 28(b) to the financial statements.

- (b) According to information and explanation given to us and the records of the Company examined by us, there are no dues of Income tax, Duty of customs, Duty of excise, Goods and Service Tax and Value added tax which have not been deposited on account of any dispute. The particulars of dues of service tax and Sales tax which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs. in crore)	Amount unpaid (Rs. in crore)
Finance Act, 1994 (Service tax provisions)	Service Tax	CESTAT	2006-08	6.45	6.45
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner of Sales Tax (Appeals)	2003-04	0.003	0.003

- (viii) According to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.



B S R & Co. LLP

Annexure “A” to Independent Auditor’s Report

Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Tata Technologies Limited on the standalone financial statements as of and for the year ended 31 March 2021

Page 3 of 3

- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration for the year ended 31 March 2021 in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) As the Company is not a Nidhi Company, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For B S R & Co LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022



Swapnil Dakshindas

Partner

Membership No. 113896

ICAI UDIN : 21113896AAAACQ3537

Place: Pune

Date: 29 April 2021

Annexure B to the Independent Auditors' report

Referred to in paragraph 2 (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Tata Technologies Limited on the standalone financial statements for the year ended 31 March 2021

Opinion

We have audited the internal financial controls with reference to financial statements of Tata Technologies Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.



B S R & Co. LLP

Annexure B to the Independent Auditors' report

Referred to in paragraph 2 (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Tata Technologies Limited on the standalone financial statements for the year ended 31 March 2021

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022



Swapnil Dakshindas

Partner

Membership No. 113896

ICAI UDIN : 21113896AAAACQ3537


Place: Pune

Date: 29 April 2021

TATA TECHNOLOGIES LIMITED
Standalone Balance Sheet

		(Amount in ₹ Crores)	
	Note No	As at March 31, 2021	As at March 31, 2020
I. ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	3	50.98	61.90
(b) Capital work-in-progress		0.04	0.09
(c) Right-of-use-asset	4	81.50	83.08
(d) Intangible assets	5	27.32	45.79
(e) Intangible assets under development	5	0.07	0.28
(f) Investments in subsidiaries and joint venture	9	218.91	216.91
(g) Financial assets:			
(i) Investments	7	-	5.00
(ii) Trade receivables	13	-	15.73
(iii) Loans	8	7.86	6.60
(iv) Other financial assets	10	0.05	0.05
(h) Income tax assets (net)	11	21.97	13.73
(i) Deferred tax assets (net)	11	18.04	18.25
(j) Other non-current assets	12	8.47	7.12
Total Non-current Assets		436.01	476.41
(2) Current Assets			
(a) Financial assets:			
(i) Investments	7	497.08	31.08
(ii) Trade receivables	13	237.31	290.89
(iii) Cash and cash equivalents	14	243.31	85.82
(iv) Other bank balances	9	1.98	2.27
(v) Loans	8	250.09	28.79
(vi) Other financial assets	10	88.20	76.21
(b) Other current assets	12	142.79	48.61
Total Current Assets		1,460.74	540.45
Total Assets		1,896.75	1,016.86
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	15	41.81	41.81
(b) Other Equity	16	829.31	718.57
Total Equity		871.12	760.38
Liabilities			
(2) Non-current Liabilities			
(a) Financial liabilities:			
(i) Lease Liabilities		75.87	76.18
(ii) Other financial liabilities	18	0.47	0.28
(b) Provisions	19	15.20	22.49
Total Non-current Liabilities		91.54	98.95
(3) Current Liabilities			
(a) Financial liabilities:			
(i) Lease Liabilities		12.05	6.94
(ii) Trade payables	17		
(a) total outstanding dues of micro enterprises and small enterprises		0.06	6.38
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		78.73	75.38
(iii) Other financial liabilities	18	3.08	4.78
(b) Provisions	19	4.00	6.88
(c) Current tax liabilities (net)	11	1.83	18.67
(d) Other current liabilities	20	836.38	36.74
Total Current Liabilities		934.09	157.63
Total Liabilities		1,025.63	256.48
Total Equity and Liabilities		1,896.75	1,016.86
See accompanying notes forming integral part of these standalone financial statements		1-37	

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248WVW-100022


Swapnil Dakshindas
Partner
Membership No: 113886
ICAI UDIN: 21113886AAAACQ3637

Pune: April 29, 2021

For and on behalf of the Board


S Ramadorai
Chairman
DIN: 00000002


Savitha Balachandran
Chief Financial Officer

Pune: April 29, 2021



Warren Harris
Managing Director
DIN: 02088648


Vikrant Gandhi
Company Secretary

TATA TECHNOLOGIES LIMITED
Standalone Statement of Profit and Loss

	Note No	For the year ended	
		March 31, 2021	March 31, 2020
I. Revenue from operations	21	1,050.84	1,244.55
II. Other income (net)	22	18.75	150.82
III. Total Income (I + II)		1,069.59	1,395.17
IV. Expenses :			
(a) Purchases of traded products		121.34	128.10
(b) Outsourcing and consultancy charges		32.14	44.08
(c) Employee benefits expense	23	883.03	615.69
(d) Finance costs	24	10.62	8.85
(e) Depreciation and amortisation expense	25	53.85	59.98
(f) Other expenses	26	117.18	153.55
Total expenses (IV)		917.96	1,010.23
V. Profit before exceptional items and tax (III-IV)		151.63	384.94
VI. Exceptional items	32	4.99	1.34
VII. Profit before tax (V-VI)		146.64	383.60
VIII. Tax Expense :			
(a) Current tax	11	40.56	88.47
(b) Deferred tax	11	(2.13)	3.21
		38.43	91.68
IX. Profit for the year (VII-VIII)		108.21	291.92
Other comprehensive income/(loss) for the year			
Items that will not be reclassified to profit or loss:			
(i) Remeasurement of post employment benefits obligations		3.84	(1.54)
(ii) Income tax relating to above items		(1.34)	0.54
Items that may be reclassified to profit or loss			
(i) Exchange differences on translation of operations of a foreign branch		(0.21)	0.78
X. Other comprehensive income/(loss) for the year		2.28	(0.22)
XI. Total comprehensive income for the year (IX+X)		110.50	291.70
XII. Earnings Per Equity Share (Face value of ₹ 10 each):	27		
(a) Basic (In ₹)		26.89	67.94
(b) Diluted (In ₹)		25.89	67.93
See accompanying notes forming integral part of these standalone financial statements	1-37		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022


Swapnil Dakshindas
Partner
Membership No: 113896
ICAI UDIN: 21113896AAAACQ3537

Pune: April 29, 2021

For and on behalf of the Board


S Ramadorai
Chairman
DIN: 00000002


Savitha Balachandran
Chief Financial Officer

Pune: April 29, 2021


Warren Harris
Managing Director
DIN: 02098548


Vikrant Gandhi
Company Secretary

TATA TECHNOLOGIES LIMITED
Standalone Statement of Cash Flows

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	108.21	291.92
Adjustments for:		
Depreciation and amortisation	53.65	59.96
Current tax	40.56	88.47
Deferred tax	(2.13)	3.21
Dividend income on investments	-	(137.83)
(Profit)/Loss on sale of investments (net)	(6.30)	(0.01)
(Profit)/Loss on sale of tangible and intangible fixed assets	0.15	(0.17)
Interest Income	(13.96)	(6.08)
Finance costs	10.62	8.85
Unrealised exchange loss / (gain)	0.58	2.76
Effect of exchange differences on translation of foreign currency cash & cash equivalent	2.42	-
Allowance for expected credit loss (net)	2.80	2.15
Change in fair value of investments	5.96	(2.21)
Operating profit before working capital changes	202.56	311.02
Working capital adjustments		
Decrease in trade receivables (current)	50.79	72.08
Decrease / (Increase) in trade receivables (non-current)	15.73	(15.73)
(Increase) in other current assets	(94.18)	(9.87)
(Increase) in other current financial assets	(12.96)	(11.17)
(Increase) / decrease in current loans	(0.05)	1.20
(Increase) in non-current loans	(0.79)	(1.08)
(Increase) in other non-current assets	(1.35)	(3.61)
(Decrease) in trade payables	(4.96)	(40.67)
(Decrease) / Increase in other financial liabilities	(0.33)	3.37
Increase / (Decrease) in other current liabilities	799.62	(6.75)
(Decrease) / increase in current provisions	(4.68)	0.30
(Decrease) in non-current provisions	(3.45)	(3.73)
CASH GENERATED FROM/ (USED IN) OPERATIONS	945.95	295.36
Income taxes paid (net)	(63.64)	(78.84)
NET CASH FLOW GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	882.31	216.52
B. CASH FLOW FROM INVESTING ACTIVITIES		
Dividend received	-	137.83
Earmarked balance with banks	-	2.58
Interest received on bank deposit and others	1.14	0.01
Inter corporate deposits placed	(1,124.50)	(1,031.75)
Inter corporate deposits refunded	901.00	1,064.50
Loans to others	-	2.65
Interest received from bonds and inter corporate deposits	12.41	4.96
Purchase of mutual funds	(491.98)	(38.95)
Sale of Mutual Funds	31.30	38.96
Proceeds from sale of Preference Shares	-	5.00
Proceeds from sale of tangible and intangible fixed assets	0.51	0.67
Payment for purchase of tangible and intangible fixed assets (including capital work in progress)	(11.33)	(36.31)
NET CASH FLOW GENERATED FROM / (USED IN) INVESTING ACTIVITIES	(681.45)	150.15
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment on account of share buyback	-	(111.19)
Expenditure on Buyback of shares	-	(0.13)
Interest paid	(2.50)	(0.76)
Dividends paid (including dividend tax)	(0.31)	(181.84)
Share application money received	0.24	0.06
Repayment of lease liabilities	(17.97)	(17.22)
NET CASH FLOW (USED) IN FINANCING ACTIVITIES	(20.54)	(311.08)
NET (DECREASE) IN CASH & CASH EQUIVALENTS	180.32	55.59
Cash and cash equivalents at the end of the year (Also refer note iii)	243.31	65.62
Cash and cash equivalents at the beginning of the year	65.62	11.38
Add/(Less): Effect of exchange rate changes on cash and cash equivalents	(2.42)	(2.13)
Less: Translation adjustment on reserves of foreign branch	(0.21)	0.78
	180.32	55.59



TATA TECHNOLOGIES LIMITED
Standalone Statement of Cash Flow

	(Amount in ₹ Crore)	
	For the year ended March 31, 2021	March 31, 2020
Cash and cash equivalents at the end of the year (Also refer note iii)	243.31	65.62
Cash and cash equivalents at the beginning of the year	65.62	11.38
Add/(Less): Effect of exchange rate changes on cash and cash equivalents	(2.42)	(2.13)
Less: Translation adjustment on reserves of foreign branch	(0.21)	0.78
	180.32	65.59

Notes:

(i) The above Cash Flow Statement has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

(ii) Prior year comparatives have been reclassified to conform with current year's presentation, where applicable.

(iii) For the purpose of cash flow, Cash and cash equivalents comprise :

	As at	
	March 31, 2021	March 31, 2020
Balances with banks:		
- Current account	41.50	25.54
- Deposits with original maturity of less than three months	200.00	-
Cheques, drafts on hand/funds in transit	1.81	40.08
	243.31	65.62

See accompanying notes forming integral part of these
standalone financial statements

1-37

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration No: 101248W/W -100022



Swapnil Dakshindas

Partner

Membership No: 113898

ICAI UDIN: 21113898AAAACQ3537

For and on behalf of the Board


S Ramadorai
Chairman
DIN: 00000002


Warren Harris
Managing Director
DIN: 02098648


Savitha Belschandran
Chief Financial Officer


Vikrant Gandhi
Company Secretary

Pune: April 29, 2021

Pune: April 28, 2021

TATA TECHNOLOGIES LIMITED
Standalone Statement of Changes in Equity

Equity	Part B - Other Equity								Total Other Equity
	Part A - Equity Share Capital	Reserve and Surplus						Items of other comprehensive Income	
	Equity share capital	Share application money pending allotment	Securities Premium	Identified separately for consolidation adjustment	General reserve	Capital Redemption Reserve	Retained earnings	Foreign Currency Translation Reserve	
Balance as at April 1, 2019	43.05	0.34	351.70	23.16	134.65	-	205.79	0.56	718.20
Profit for the year	-	-	-	-	-	-	291.92	-	291.92
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	(1.00)	0.78	(0.22)
Total comprehensive income for the year	-	-	-	-	-	-	290.92	0.78	291.70
Share application money received during the year	-	0.06	-	-	-	-	-	-	0.06
Issue of equity shares under employee share option plan	0.01	(0.40)	0.38	-	-	-	(179.31)	-	(0.01)
Dividend paid (₹40 per share) (including dividend distribution tax)	-	-	-	-	-	-	(179.31)	-	(179.31)
Buy back of shares (including tax)*	(1.25)	-	(92.00)	-	-	-	(17.94)	-	(109.94)
Expenditure on Buyback of shares	-	-	-	-	-	-	(0.13)	-	(0.13)
Transfer to Capital Redemption Reserve	-	-	(1.25)	-	-	1.25	-	-	-
Balance as at March 31, 2020	41.81	-	258.84	23.16	134.65	1.25	299.33	1.34	718.57
Balance as at April 1, 2020	41.81	-	258.84	23.16	134.65	1.25	299.33	1.34	718.57
Profit for the year	-	-	-	-	-	-	108.21	-	108.21
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	2.50	(0.21)	2.29
Total comprehensive income for the year	-	-	-	-	-	-	110.71	(0.21)	110.50
Share application money received during the year	-	0.24	-	-	-	-	-	-	0.24
Issue of equity shares under employee share option plan**	0.00	(0.24)	0.24	-	-	-	-	-	-
Balance as at March 31, 2021	41.81	-	259.08	23.16	134.65	1.25	410.04	1.13	829.31

* Also refer Note 15 (f) (iii)

** The same is below rounding off norms

See accompanying notes forming integral part of these standalone financial statements

1-37

For and on behalf of the Board

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/MV-100022

Swagati DattaMishra
Partner

Membership No: 113898
ICAI UDIN: 21113685AAAACQ3537

S Ramadurai
Chairman
DIN: 00000002

Savitika Balachandran
Chief Financial Officer

Warren Harris
Managing Director
DIN: 02088548

Vikrant Gandhi
Company Secretary

Pune: April 28, 2021

Pune: April 29, 2021

Notes forming part of the Standalone Financial Statements

Company overview and Significant Accounting Policies

1. Company overview

TATA Technologies Limited ("TTL or the Company") was incorporated on August 22, 1994 as a Private Limited Company in the name of Core Software Systems Private Limited. The name of the Company was subsequently changed to Tata Technologies (India) Limited. On February 8, 2001, the Company changed its name from Tata Technologies (India) Limited to Tata Technologies Limited. The Company's range of services includes IT Consultancy, SAP implementation and maintenance, providing networking solutions, CAD/CAM engineering & design consultancy. The Company is headquartered in Pune, India. The Company has five offices located at Mumbai, Lucknow, Jamshedpur, Bangalore and one branch office located in Japan that enables it to provide high quality, cost-effective services to clients.

The Company is the subsidiary of Tata Motors Limited (which is the Holding Company).

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

(i) Statement of compliance

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for the following:

- certain financial assets and liabilities which are measured at fair value;
- share-based payments

(iii) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current –non-current classification of assets and liabilities.

(iv) Critical estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

(a) Useful lives of Property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.



b) Income Taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

c) Deferred Taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carryforwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period is reduced.

d) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) Revenue Recognition and unbilled revenue (to the extent of projects where revenue is recognized on percentage completion method)

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

f) Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



g) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

h) Estimates of uncertainties relating to the COVID-19 pandemic

The Company has considered the possible effects that may result from COVID-19, a global pandemic, on the carrying amount of receivables, unbilled revenue, intangible assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including economic forecasts. The Company based on current estimates expects the carrying amount of the above assets will be recovered, net of provisions established. Considering the fact that the global situation is evolving day by day with new facts and numbers, the impact of the pandemic on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.2 Foreign currency transaction and translation

(i) Functional and presentation currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are re-instituted into the functional currency at exchange rates at the balance sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(iii) Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:



- Assets and liabilities are translated at the closing rate at the date of the Balance Sheet
- Income and expense items are translated at the average exchange rates for the respective months (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- All resulting exchange differences are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity. When a foreign operation is disposed of, the relevant amount recognized in FCTR is transferred to the statement of income as part of the profit or loss on disposal.

2.3 Revenue recognition

Revenue is measured at fair value of consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, discounts, value added taxes and other amounts collected on behalf of third parties.

The Company earns revenue primarily from providing Engineering, Research and Development (ER&D) services, Connected Enterprise IT (CEIT) services and Product Lifecycle Management (PLM) services and products.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard is applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach)

The Company has adopted Ind AS 115 using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The adoption of the standard did not have any material impact to the financial statements of the Company.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material contracts is recognized measured by units delivered, efforts expended etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognized using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation.
- Revenue from the sale of third-party software is recognized upfront at the point in time when the software is delivered to the customer. In cases where implementation and / or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognized over time on a POC method.
- Revenue from the sale of third party manufactured products / hardware is recognized at the point in time when control is transferred to the customer.



- The company is also in business of supply of third-party software. In such cases, revenue for supply of such third-party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues.

In accordance with Ind AS 37, the Company recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

The company recognised revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below.

(i) Time and material contracts:

Revenue from services on time and materials contracts is recognized when services are rendered and related costs are incurred i.e. based on certification of time sheets as per the terms of specific contracts.

(ii) Fixed price contracts:

Revenues from fixed price contracts are recognized using percentage of completion method. Percentage of completion is determined based on efforts or costs incurred to date as a percentage of total estimated efforts or costs required to complete the project. The efforts or cost expended are used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of income in the period in which such losses become probable based on the current contract estimates.

'Unbilled revenues' represent earnings in excess of billings as at the end of the reporting period. 'Unearned revenues' represent billing in excess of revenue recognized. Advance payments received from customers for which no services have been rendered are presented as 'Advance from customers'.

(iii) Multiple element arrangements:

'Revenue from contracts with multiple-element arrangements are recognized using the guidance in Ind AS 115, Revenue from Contracts with Customer. The Company allocates the arrangement consideration to separately identifiable components based on their relative fair values or on the residual method. Fair values are determined based on sale prices for the components when it is regularly sold



separately, third-party prices for similar components or cost plus an appropriate business-specific profit margin related to the relevant component.

(iv) Products:

Revenue from sale of hardware, third party licenses and support are recognized when the significant risks and rewards of ownership have been transferred to the buyer, continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(v) Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(vi) Dividend income:

Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

(vii) Export incentive:

Export incentives/entitlements are recognized in the Statement of Profit & Loss when the right to receive credit as per the terms of the entitlement and certainty of its realization is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

2.4 Property, plant and equipment

(i) Recognition and measurement:

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when discarded/scrapped.

All other repairs and maintenance costs are charged to profit and loss in the reporting period in which they occur.

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital work-in-progress.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.



(ii) Depreciation:

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method, from the month in which they are put to use. The estimated useful lives of assets are as follows:

Type of Asset	Useful life
Lease hold improvements	Lower of Lease period or estimated useful life
Buildings	15 to 25 years
Plant and machinery	1 to 21 years
Computer equipment's	1 to 4 years
Vehicles	3 to 11 years
Furniture & fixtures	1 to 21 years
Software	1 to 4 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end with the effect of any changes in the estimate accounted for on a prospective basis.

2.5 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the month in which they are put to use. Amortization methods and useful lives are reviewed periodically at each financial year end.

Internally generated intangible asset arising from development activity is recognised at cost on demonstration of its technical feasibility, the intention and ability of the Company to complete, use or sell it, only if, it is probable that the asset would generate future economic benefit and the expenditure attributable to the said assets during its development can be measured reliably.

Software not exceeding Rs. 25,000 is charged off to the statement of profit and loss.

2.6 Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits and
- the availability of adequate resources to complete the development.

2.7 Financial instruments

(a) Financial assets:

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- those measured at amortised cost



The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics.

For investments in debt instruments, this will depend on business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(ii) Initial recognition:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Measurement:

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents:

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks (three months or less from the date of acquisition). For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks (three months or less from the date of acquisition), net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

Investment in subsidiaries:

The Company has accounted for its investment in subsidiaries at cost less impairment.

Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVOCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.



(iv) Impairment of financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(v) Derecognition of financial assets:

The Company derecognizes a financial asset when

- the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109.
- retains contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to extent of continuing involvement in the financial asset."

2.9 Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as described below.

Financial liabilities at amortised cost:

Borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.



(iv) Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

2.10 Impairment-Non- Financial assets

Intangible assets and property, plant and equipment

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the income statement.

As at March 31, 2020, none of the Company's property, plant and equipment and intangible assets were considered impaired.

2.11 Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are determined at present value based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain



future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.12 Earnings per equity share:

Basic earnings per share is computed by dividing net income by the weighted average number of shares outstanding during the financial year adjusted for treasury shares held. Diluted earnings per share is computed using the weighted average number of shares outstanding during the year adjusted for treasury shares held and dilutive potential shares, except where the result would be anti-dilutive.

2.13 Inventories:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories is ascertained on a first in first out basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

2.14 Taxation

Income tax comprises current and deferred taxes. Income tax expense is recognized in the income statement except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss, or where they arise from the initial accounting for business combination.

(i) Current income tax:

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the year. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the year. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

(ii) Deferred income tax:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same



taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

(iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Company will pay normal income tax in the future.

2.15 Employee benefits:

(i) Post-employment benefit plans:

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as an expense during the year when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

The Company has the following employee benefit plans:

a. Provident fund

In accordance with Indian law, Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both, the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

During the previous financial year, The Company has decided to surrender the exemption granted by Employees provident funds organization (EPFO) to manage contribution by its members through trust. Accordingly, the Company has filed an application with EPFO to surrender the exemption dated 9th December 2019 and started deposit of contribution w.e.f. December 2019 with EPFO. The Board has approved the scheme vide resolution passed on 21st November 2019.

The Company made all the provident fund contributions to the Tata Technologies (India) Limited Employees Provident Fund (PF Trust) until December 2019. The liability towards interest was a defined benefit and the liability in respect of the shortfall of interest earnings of the Fund was determined on the basis of an actuarial valuation, until the Company discontinued contributions to Tata Technologies (India) Limited Employees Provident Fund (PF Trust).

Accordingly, the company has changed the Provident fund scheme to a Defined Contribution Plan with effect from December 2019. During the current year, the surrender process has been completed and status of the PF Trust has been changed to unexempted.

b. Superannuation

The Company has two superannuation plans, a defined benefit plan and a defined contribution plan. An eligible employee on April 1, 1996 could elect to be a member of either plan.

Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range from 0.75% to 2% of the annual basic salary for each year of service. The Company account for superannuation benefits payable in future under the plan based on an estimated basis for the period end and on an independent actuarial valuation as on the Balance Sheet date.



Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the year of plan amendment.

With effect from April 1, 2003, this plan was amended, and benefits earned by covered employees have been protected as at March 31, 2003. Employees covered by this plan are prospectively entitled to benefits computed on a basis that ensures that the annual cost of providing the pension benefits would not exceed 15% of salary.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Company contribute up to 15% of the eligible employees' basic salary to the trust every year. Such contributions are recognized as an expense when incurred. The Company has no further obligation beyond this contribution.

c. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts. The Company account for the liability for gratuity benefits payable in the future based on an estimated basis for the financial year end and on an independent actuarial valuation under Projected Unit Cost method as on the Balance Sheet date.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the year in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the year of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

d. Bhavishya Kalyan Yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees of the Company. The benefits of the plan include pension in certain cases, payable up to the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the appropriate authority. The monthly payment to dependents of the deceased / disabled employee under the plan equals 50% of the basic salary drawn at the time of death or accident or a specified amount, whichever is greater. The Company account for the liability for BKY benefits payable in the future based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method as on the Balance Sheet date.



Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

The company has replaced its employee benefit scheme BKY with Group Term Life Insurance (GTL) policy with effect from November 2019. The Group has reversed the provision of Rs. 3.90 crore during the financial year ended 31 March 2020 based on actuarial valuation. The company will continue to carry obligation under this scheme based on actuarial valuation for those beneficiaries having claims under this scheme before the date of discontinuation.

e. Post-retirement medicare scheme

Under this unfunded scheme, employees of the Company receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of an Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The Company account for the liability for post-retirement medical scheme based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method at the financial year end.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

During the year ended March 31, 2021, the Company has curtailed its Post-retirement Medicare scheme which is an unfunded defined benefit plan to exclude all employees who will retire after December 31, 2020. The carrying value of liability has been recognised based on an independent actuarial valuation under Projected Unit Cost method.



(ii) Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on number of days of unutilized leave at each balance sheet date based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method at the financial year end.

2.16 Share based payments

Share-based compensation benefits are provided to the employees via the Employee Stock Option Plan 2001(TTESOP 2001) and the various Employee Share Purchase Plans. All share-based payment schemes of the company are administered through trusts set up by the Company for this purpose.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

2.17 Dividends

Dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors as per Ind AS 10.

2.18 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Company as a lessee The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the



relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract



2.19 Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

2.20 Exceptional items

The Company considers exceptional items to be those which derive from events or transactions which are significant for separate disclosure by virtue of their size or incidence in order for the user to obtain a proper understanding of the Company's financial performance. These items include, but are not limited to, acquisition costs, impairment charges, restructuring costs and profits and losses on disposal of subsidiaries and other one-off items which meet this definition. To provide a better understanding of the underlying results of the period, exceptional items are reported separately in the Statement of Profit and Loss.

2.21 Recent Indian Accounting Standards (Ind AS) and Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

3 Property, Plant and Equipment

	Owned Assets							Total
	Buildings	Plant and equipment	Office equipments	Computers	Furniture and fixtures	Vehicles	Leasehold Improvements	
Gross carrying value as at April 1, 2019	17.76	19.46	4.88	75.48	10.28	1.97	14.51	144.34
Additions	0.03	1.56	0.69	17.52	0.84	-	1.17	21.81
Disposals	-	(0.01)	(0.01)	(0.36)	-	(0.24)	(0.70)	(1.32)
Gross carrying value as at March 31, 2020	17.79	21.01	5.56	92.64	11.12	1.73	14.98	164.83
Accumulated depreciation as at April 1, 2019	4.98	9.15	3.45	52.42	4.41	1.22	7.08	82.71
Depreciation for the year	1.28	2.10	0.77	13.76	1.05	0.46	2.00	21.42
Disposals	-	(0.01)	(0.01)	(0.35)	-	(0.18)	(0.65)	(1.20)
Accumulated depreciation as of March 31, 2020	6.26	11.24	4.21	65.83	5.46	1.50	8.43	102.93
Net carrying value as at March 31, 2020	11.53	9.77	1.35	26.81	5.66	0.23	6.55	61.90
Gross carrying value as at April 1, 2020	17.79	21.01	5.56	92.64	11.12	1.73	14.98	164.83
Additions	-	0.26	0.19	8.32	0.05	-	-	8.82
Disposals	-	(0.14)	(0.07)	(1.74)	(0.30)	(0.33)	(1.18)	(3.74)
Gross carrying value as at March 31, 2021	17.79	21.13	5.68	99.22	10.87	1.40	13.82	169.91
Accumulated depreciation as at April 1, 2020	6.26	11.24	4.21	65.83	5.46	1.50	8.43	102.93
Depreciation for the year	1.27	1.67	0.55	12.67	0.97	0.16	1.68	18.97
Disposals	-	(0.10)	(0.07)	(1.54)	(0.21)	(0.26)	(0.79)	(2.97)
Accumulated depreciation as at March 31, 2021	7.53	12.81	4.69	76.96	6.22	1.40	9.32	118.93
Net carrying value as at March 31, 2021	10.26	8.32	0.99	22.26	4.65	-	4.50	50.98

(i) Contractual obligations: The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 1.19 Crore as at March 31, 2021 (₹ 5.96 Crore as at March 31, 2020).



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

4 Right-to-use assets (Also refer note 35.9)

	(Amount in ₹ Crore)				
	Commercial Premises	Land	Residential Premises	Vehicles	Total
Cost as at April 1, 2019					
Effect of transition on adoption of Ind AS 116	-	-	-	-	-
Additions	72.05	3.30	0.44	3.14	78.93
Disposals/adjustments	16.86	-	0.23	1.17	18.26
	(1.17)	-	(0.21)	(0.03)	(1.41)
Cost as at March 31, 2020	87.74	3.30	0.46	4.28	95.78
Accumulated depreciation as at April 1, 2019					
Depreciation for the year	-	-	-	-	-
Disposals/adjustments	11.23	0.04	0.23	1.56	13.06
	(0.33)	-	(0.02)	(0.01)	(0.36)
Accumulated depreciation as at March 31, 2020	10.90	0.04	0.21	1.55	12.70
Net carrying amount as at March 31, 2020	76.84	3.26	0.25	2.73	83.08
Gross carrying value as at April 1, 2020					
Additions	87.74	3.30	0.46	4.28	95.78
Disposals	12.85	-	-	0.85	13.70
Other adjustments	(1.91)	-	-	(0.22)	(2.13)
	0.11	-	-	-	0.11
Gross carrying value as at March 31, 2021	98.79	3.30	0.46	4.91	107.46
Accumulated depreciation as at April 1, 2020					
Depreciation for the year	10.90	0.04	0.21	1.55	12.70
Disposals	12.69	0.04	0.15	1.45	14.33
	(0.98)	-	-	(0.09)	(1.07)
Accumulated depreciation as at March 31, 2021	22.61	0.08	0.36	2.91	25.96
Net carrying value as at March 31, 2021	76.18	3.22	0.10	2.00	81.50



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

5 Intangible assets (Also refer note 35.9)
(Other than internally generated)

(Amount in ₹ Crore)

	Software Licenses	Total
Gross carrying value as at April 1, 2019	85.99	85.99
Additions	36.01	36.01
Disposals	(0.50)	(0.50)
Gross carrying value as at March 31, 2020	121.50	121.50
Accumulated amortisation as at April 1, 2019	50.36	50.36
Amortization for the year	25.48	25.48
Accumulated amortisation on disposals	(0.13)	(0.13)
Accumulated amortisation as of March 31, 2020	75.71	75.71
Net carrying value as at March 31, 2020	45.79	45.79
Gross carrying value as at April 1, 2020	121.50	121.50
Additions	1.88	1.88
Disposals	-	-
Gross carrying value as at March 31, 2021	123.38	123.38
Accumulated amortisation as at April 1, 2020	75.71	75.71
Amortization for the year	20.35	20.35
Accumulated amortisation on disposals	-	-
Accumulated depreciation as at March 31, 2021	96.06	96.06
Net carrying value as at March 31, 2021	27.32	27.32

(i) **Intangibles under development**

	31-Mar-21	31-Mar-20
Balance at the beginning of the year	0.26	21.06
Additions during the year	0.07	-
Capitalized during the year	(0.26)	(20.80)
Balance at the end of the year	0.07	0.26

- (ii) Contractual obligation : The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 0.33 Crore as at March 31, 2021 (₹ 0.66 Crore as at March 31, 2020).



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

6 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Unquoted:

(i) Investments in Equity of Subsidiaries- carried at cost

- (a) Tata Technologies Inc.- (3.75% Holding)
(b) Tata Technologies Pte Ltd, Singapore, a 100% subsidiary company

(ii) Investments in joint venture - carried at cost

- (a) Tata HAL Technologies Limited
Less: Provision for Impairment in value of investment*

Total Aggregate Unquoted Investments [(i)+(ii)]

(Amount in ₹ Crore)			
As at March 31, 2021		As at March 31, 2020	
Units	Amount	Units	Amount
	150,000		150,000
	86,463,759		86,463,759
	5,070,000		5,070,000
	(5.07)		(5.07)
	-		-
	218.91		218.91

(iii) Information about Joint Venture:

Name of the Company **Principal place of the business**

TATA HAL Technologies Limited (THTL) India

% of Holding	
As at March 31, 2021	As at March 31, 2020
50%	50%

The Company has a joint venture (JV) with Hindustan Aeronautics Ltd., THTL for providing engineering and design solutions and services in the domain of aerostructures for aerospace industry.

*Having regard to the future business strategy/plans of the joint venture and considering their current financial position, the Company recognized a provision for impairment loss of ₹ 5.07 crores during the year ended March 31, 2017, in respect of its investment in joint venture.

- (iv) Aggregate book value of unquoted investments**
Aggregate value of impairment

218.91 218.91
5.07 5.07



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

		(Amount in ₹ Crore)	
		As at March 31, 2021	As at March 31, 2020
		Units	Amount
		Units	Amount
7 INVESTMENTS (Also refer note 35.9)			
NON-CURRENT			
Quoted:			
i) Investments carried at amortised cost - Investment in Debentures (See Note-1 below)			
Tata Motors Finance Limited		100	5.00
Total Non-current Investments			5.00
CURRENT			
Quoted Investments:			
i) Investment carried at Fair value through Profit and Loss (FVTPL)			
Investments in Mutual Funds			
ICICI Prudential Fixed Maturity Plan Sr 80-1227 Days Plan Q Direct Plan Cumulative		5,000,000	6.25
Nippon India Fixed Horizon Fund - XXXIII - Series 6- Direct Growth Plan (Formerly known as Reliance Fixed Horizon Fund - XXXIII - Series 6- Direct Growth Plan)		5,000,000	6.23
DSP BlackRock FMP - Series 205 - 37M- Direct Growth		5,000,000	6.20
IDFC Fixed Term Plan Series 131-Direct- Growth		5,000,000	6.19
Kotak FMP Series 202 - 1144 Days- Direct Plan-Growth		5,000,000	6.19
SBI Premier Liquid Fund - DIRECT Growth	310,461	100.02	
Aditya Birla Sun Life Cash Plus	2,775,146	92.01	
Axis Liquid Fund-Direct-Growth-CFDG	437,753	100.02	
Kotak Liquid Fund Direct Plan Growth	240,455	100.01	
UTI Liquid Cash Plan - Direct Plan - Growth Option	296,749	100.02	
Total Investment carried at Fair value through Profit and Loss (FVTPL)		492.08	31.06
ii) Investments carried at amortised cost - Investment in Debentures (See Note-1 below)			
Quoted:			
Tata Motors Finance Limited		100	5.00
Total Investments carried at amortised cost			5.00
Total Current Investments			497.08
Aggregate book value of quoted investments		497.08	36.06
Aggregate market value of quoted investments		497.08	36.06
Aggregate book value of unquoted investments			
Aggregate book value of impairment			

Notes:

1 The debentures carry interest at 11% per annum, payable annually and will mature in September, 2021.



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

8 LOANS (Also refer note 35.9)

NON-CURRENT

(Unsecured, considered good)

- (a) Security deposits
- (b) Loans and advances to employees
- (c) Loans to related parties (Also refer note 31(ii))

(Amount in ₹ Crore)	
As at March 31, 2021	As at March 31, 2020
7.41	6.23
0.24	0.27
0.01	-
7.66	6.50

CURRENT

(Unsecured, considered good)

- (a) Loans to related parties (Also refer note 31(ii))
 - Inter corporate deposits
- (b) Security deposits
- (c) Loans and advances to employees
- Less : Provision for doubtful receivables

250.00	26.50
0.01	0.17
0.33	0.12
(0.25)	-
250.09	26.79

9 OTHER BANK BALANCES (Also refer note 35.9)

CURRENT

- (a) Earmarked balance with banks

(Amount in ₹ Crore)	
As at March 31, 2021	As at March 31, 2020
1.96	2.27
1.96	2.27

Notes :

- (i) Earmarked balances with banks pertain to unclaimed dividends

10 OTHER FINANCIAL ASSETS (Also refer note 35.9)

NON-CURRENT

(Unsecured, considered good)

- (a) Deposits pledged/lien with banks

(Amount in ₹ Crore)	
As at March 31, 2021	As at March 31, 2020
0.05	0.05
0.05	0.05

Notes :

- (i) Deposits have been kept with bank as security for bank guarantee.

CURRENT

(Unsecured, considered good)

- (a) Interest accrued on deposits and investments
- (b) Unbilled receivables
- (c) Receivable from related parties for reimbursement of expenses (Also refer note 31(ii))
- (d) SEIS licenses receivable
- (e) Others

0.33	0.28
66.49	36.78
3.07	3.42
18.11	34.02
0.20	0.71
88.20	75.21



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

11 (i) Income tax assets/(liabilities)

	As at March 31, 2021	As at March 31, 2020
Income Tax Assets (Net)	21 97	13 73
Income Tax Liabilities (Net)	1 83	16 67
Net current income tax assets/(liabilities)	20 14	(2 94)

11 (ii) Movement in income tax assets/(liabilities)

The gross movement in income tax assets/(liabilities) for the year ended March 31, 2021 and year ended March 31, 2020 is as follows:

	As at March 31, 2021	As at March 31, 2020
Net current income tax assets/(liability) at beginning	(2 94)	2 91
Income tax paid (net) (Also refer note below)	63 64	82 62
Current income tax expense	(40 56)	(88 47)
Net current income tax assets/(liability) at the end	20 14	(2 94)

Note:

i) Income tax paid includes Minimum Alternate Tax (MAT) credit ₹ Nil (previous year ₹ 3.78 crore) utilised during financial year 2019-20.

11(iii) Deferred tax assets (net) (Also refer note 35.9)

	As at April 1, 2020	Recognized in the statement of profit or loss	Recognized in/reclassified from other comprehensive income	MAT Credit Utilisation	As at March 31, 2021
Significant components and movement of deferred tax assets and liabilities for the year ended March 31, 2021:					
Deferred tax assets:					
Provisions and allowances for doubtful receivables and others	3 36	0 99	-	-	4 35
Compensated absences and retirement benefits	12 54	(3 10)	-	-	9 44
Others	3 46	0 08	-	-	3 54
Remeasurement of post employment benefits obligations	2 28	-	(1 34)	-	0 94
Total deferred tax assets	21 64	(2 03)	(1 34)	-	18 27
Deferred tax liabilities:					
Property, plant and equipment and intangible assets	1 28	(2 07)	-	-	(0 79)
Gain/Loss on Change in Fair Value of Investments	2 11	(2 09)	-	-	0 02
Total deferred tax liabilities	3 39	(4 16)	-	-	(0 77)
Net Deferred tax assets/(liabilities)	18 25	2 13	(1 34)	-	19 04

	As at April 1, 2019	Recognized in the statement of profit and loss	Recognized in/reclassified from other comprehensive income	MAT Credit Utilisation	As at March 31, 2020
Significant components of deferred tax assets and liabilities for the year ended March 31, 2020:					
Provisions and allowances for doubtful receivables and others	2 60	0 76	-	-	3 36
Compensated absences and retirement benefits	19 65	(7 11)	-	-	12 54
Minimum alternate tax (MAT) credit	3 78	-	-	(3 78)	-
Remeasurement of post employment benefits obligations	1 74	-	0 54	-	2 28
Others	-	1 58	-	-	1 58
Total deferred tax assets	27 77	(4 77)	0 54	(3 78)	19 76
Deferred tax liabilities:					
Property, plant and equipment and intangible assets	1 60	(0 32)	-	-	1 28
Gain/Loss on Change in Fair Value of Investments	1 33	0 78	-	-	2 11
Others	0 14	(2 02)	-	-	(1 88)
Total deferred tax liabilities	3 07	(1 56)	-	-	1 51
Net Deferred tax assets/(liabilities)	24 70	(3 21)	0 54	(3 78)	18 25



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

(Amount in ₹ Crore)

12 OTHER ASSETS (Also refer note 35.9)

NON-CURRENT

(Unsecured, considered good)

- (a) Prepaid expenses
- (b) Prepaid defined benefit superannuation
- (c) Deposits with government authorities

As at March 31, 2021	As at March 31, 2020
7.64	6.09
-	0.20
0.83	0.83
8.47	7.12

CURRENT

(Unsecured, considered good)

- (a) Advances to suppliers and contractors
- (b) Prepaid expenses
- (c) Balances with government authorities
- (d) Contract Assets
- (e) Deposits with government authorities

0.06	0.90
19.43	17.04
100.45	0.41
22.71	30.17
0.14	0.09
142.79	48.61

(Amount in ₹ Crore)

13 TRADE RECEIVABLES (Also refer note 35.9)

NON-CURRENT

(Unsecured unless otherwise stated)

- (a) Trade receivables considered good
- Less : Expected credit loss allowance

As at March 31, 2021	As at March 31, 2020
-	15.73
-	-
-	15.73

CURRENT

(Unsecured unless otherwise stated)

- (a) Trade receivables considered good
- Less : Expected credit loss allowance
- (b) Trade receivables which have significant increase in credit risk
- (c) Trade receivables which are credit impaired

249.51	300.54
12.20	9.65
237.31	290.89
-	-
-	-
237.31	290.89

Above balance of Trade receivable include balances with related parties (Also refer Note 31 (ii))

14 CASH AND CASH EQUIVALENTS (Also refer note 35.9)

(Amount in ₹ Crore)

- (a) Balances with banks:
 - Current account
 - Deposits with original maturity of less than three months
- (b) Cheques, drafts on hand/funds in transit

As at March 31, 2021	As at March 31, 2020
41.50	25.54
200.00	-
1.81	40.08
243.31	65.62



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

	(Amount in ₹ Crore)	
	As at	As at
	March 31, 2021	March 31, 2020
15 Equity Share Capital		
(a) Authorised:		
(i) 60,000,000 equity shares of ₹ 10/- each (as at March 31, 2020: 60,000,000 equity shares of ₹ 10/- each)	60.00	60.00
(ii) 700,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each (as at March 31, 2020: 700,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each)	0.70	0.70
	60.70	60.70
(b) Issued, Subscribed and Fully paid up capital:		
41,808,975 equity shares of ₹ 10/- each (as at March 31, 2020: 41,803,225 equity shares of ₹ 10/- each)	41.81	41.81
	41.81	41.81

Note on Buy-back of Shares

The Board of Directors of the Company, at its meeting held on December 27, 2019 had approved a proposal to buyback upto 2,135,337 equity shares of the Company for an aggregate amount not exceeding ₹ 159.72 crore representing 4.96% of the total paid up equity share capital at ₹ 748 per equity share, which was approved by the shareholders by means of a special resolution through a postal ballot dated February 04, 2020.

A Letter of Offer was made to all eligible shareholders. The Company bought back 1,246,665 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares bought on March 08, 2020.

Capital redemption reserve was created to the extent of nominal value of share capital extinguished of ₹ 1.25 crore. An amount of ₹ 92 crore from securities premium reserve and ₹ 18.07 crore (including ₹ 0.13 crore towards cost of buyback transaction) from retained earnings was used to offset the excess of buy-back cost of ₹ 110.07 crore over par value of shares.

(c) The movement of number of shares and share capital

Particulars	No. of Shares	Amount in ₹ Crore
Equity shares		
Number of shares as at April 1, 2019	43,043,702	43.05
Add: Shares issued under ESOP scheme	6,188	0.01
Less: Shares extinguished on buy-back	1,246,665	1.25
Number of shares as at March 31, 2020	41,803,225	41.81

Particulars	No. of Shares	Amount in ₹ Crore
Equity shares		
Number of shares as at April 1, 2020	41,803,225	41.81
Add: Shares issued under ESOP scheme during the year	3,750	0.00*
Number of shares as at March 31, 2021	41,806,975	41.81

* Amount is below rounding off norms of the company



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

(d) Rights, preferences and restrictions attached to shares :

(i) Ordinary shares :

The Company has only one class of shares having par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share and in the event of liquidation, has rights proportionate to their shareholdings over the residual assets after paying out all the liabilities.

(e) Shares in the Company held by each shareholder holding more than 5% shares(including shares held by the Holding Company, it's subsidiaries and associates)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity shares				
(a) Tata Motors Limited (Holding Company)	30,300,600	72.48	30,300,600	72.48
(b) Alpha TC Holdings Pte Ltd.	3,746,505	8.96	3,746,505	8.96
	34,047,105	81.44	34,047,105	81.44

(f) Information regarding issue of shares in the last five years:

(i) The Company has not issued any shares without payment being received in cash.

(ii) The Company has not issued any bonus shares.

(iii) Equity shares extinguished on buy-back

1,246,665 equity shares of ₹ 10 each were extinguished on buy-back by the company pursuant to a Letter of Offer made to all eligible shareholders of the company at ₹ 748 per equity share. The equity shares bought back were extinguished on March 6, 2020.

(g) Shares reserved for issue under options:

Option activity during the year under the plan is given as below

Number of options granted, exercised and forfeited	As at	As at
	March 31, 2021	March 31, 2020
Options granted, beginning of the year	3,750	5,248
Granted during the year	-	-
Exercised during the year	3,750	-
Expired during the year	-	(1,496)
Option exercisable at the year end	-	3,750
Weighted average share price at the date of exercise	N.A.	N.A.
Weighted average remaining contractual life (in years)	-	7
Range of exercise prices	N.A.	N.A.

During the fiscal year 2014-15, the Compensation Committee of the Board of Directors, Company had granted 30,000 options to the eligible employees. The options vest over 4-5 years and are exercisable during a maximum period of 11 years from the date of vesting. In terms of the ESOP plan, the options were granted at the exercise price equivalent to the fair value of the underlying shares. The Company has accounted the above options at fair value.

The fair value of the stock option is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected term of the options to be 4 & 5 years, an expected dividend rate of 3.88% on the underlying equity shares, a risk free rate of 7.81% and volatility in the share price of 37.5% since the company being closely held and its shares not being freely traded. The Company's calculations are based on a single option valuation approach, and forfeitures are recognized as they occur.

(h) Stock based incentive schemes by Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Incat International Limited ESOP 2000

To manage and implement various stock based incentive programs for employees of the Company, the Company has formed Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Incat International Limited ESOP 2000 for employees of the Company and its subsidiaries. Since shares of the Company are not listed on Stock Exchange, Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Incat International Limited ESOP 2000 purchase the shares from employees and ex-employees of the Company. The shares so purchased by the Trusts are reissued to the employees through various stock based incentive schemes from time to time. These shares are issued at their fair values on the date of grant which is determined on the basis of latest audited balance sheet of the Company. Some of the ESPPs require the employees to offer the shares to trusts on cessation of employment for which the trusts have retained a first right of refusal. No employee has been allocated more than 1% of the issued capital of the Company.

The trusts have participated in the Share Buyback scheme launched by the Company during the year ended 31 March 2020. Consequently all shares have been bought back by the Company during the year ended 31 March 2020 and extinguished accordingly.



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

		(Amount in ₹ Crore)	
		As at March 31, 2021	As at March 31, 2020
16 (i) Other Equity:			
Securities Premium	259.08	259.08	
Securities Premium identified separately for consolidation adjustment	23.10	23.10	
Capital Redemption Reserve	1.25	1.25	
General reserve	134.05	134.05	
Retained earnings	410.04	299.33	
Items of other comprehensive income	1.13	1.34	
	829.31	718.57	
		(Amount in ₹ Crore)	
		As at March 31, 2021	As at March 31, 2020
16 (ii) Movement in other equity			
Share application money pending allotment			
Balance at the beginning of the year	-	0.34	
Share application money received during the year	0.24	0.08	
Issue of equity shares under employee share option plan	(0.24)	(0.40)	
Balance at the end of the year	-	-	
Securities premium			
Balance at the beginning of the year	258.84	351.70	
Add: Received during the year on exercise of stock options issued to employees (including from share based payment reserve)	0.24	0.39	
Less: Utilisation for buyback of equity shares	-	(92.00)	
Less: Transfer to Capital Redemption Reserve	-	(1.25)	
Balance at the end of the year	259.08	268.84	
Securities Premium identified separately for consolidation adjustment			
Balance at the beginning of the year	23.16	23.16	
Balance at the end of the year	23.16	23.16	
Capital redemption reserve			
Balance at the beginning of the year	1.25	-	
Add: Transferred from Securities Premium	-	1.25	
Balance at the end of the year	1.25	1.25	
General reserve			
Balance at the beginning of the year	134.65	134.65	
Balance at the end of the year	134.65	134.65	
Retained earnings			
Balance at the beginning of the year	299.33	205.79	
Add: Profit for the year	108.21	291.92	
Less: Dividends, including taxes thereon	-	(179.31)	
Less: Expenditure on Buyback of shares	-	(0.13)	
Less: Buyback Tax	-	(17.94)	
Add/ (Less): Remeasurements of post employment benefits obligations (net of tax effect)	2.50	(1.00)	
Balance at the end of the year	410.04	299.33	
Other Components of Equity:			
Balance at the beginning of the year	1.34	0.56	
Foreign Currency Translation Reserve	(0.21)	0.78	
Balance at the end of the year	1.13	1.34	

Notes:

- (i) **Securities Premium**
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.
- (ii) **Securities Premium identified separately for consolidation adjustment**
During 2010, based on the approval of Shareholders of the Company at the Extra-Ordinary General Meeting held on March 5, 2010 and the Order of the Honourable High Court of Judicature at Mumbai dated April 16, 2010, the Company had utilized balance in the securities premium account to the tune of ₹ 46.66 Crore towards one time charges/cost (including change in accounting policy for provision for doubtful debts) incurred by the Company and its subsidiary companies. The amounts relating to the Company amounting to ₹ 17.32 Crore had been adjusted to the Securities Premium Account. An amount of ₹ 29.34 Crore equivalent to the total amount of adjustments relating to the subsidiaries had been identified and segregated from the balance in the Securities Premium Account for adjustment on consolidation. Of this total adjustment made ₹ 1.58 Crore and ₹ 16.58 Crore relates to provision for doubtful debts of the Company and its subsidiary companies respectively on account of change in accounting policy with regard to provision for doubtful debts.
- Consequently, such excess provisions for doubtful debts on account of the said collections have been written back to the Securities Premium Account. The subsidiary companies have realized from doubtful debts upto December 31, 2020 ₹ 6.18 crores (March 31, 2020 ₹ 6.18 crores). Accordingly the said amount has been transferred from the Securities Premium identified separately for consolidated adjustment to Securities Premium Account and the balance amount of ₹ 23.16 crores (March 31, 2020 ₹ 23.16 crores) relating to the subsidiaries is continued to be disclosed separately as securities premium account for adjustment on consolidation.
- (iii) **Capital redemption reserve**
As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The Company has transferred the amount to Capital redemption reserve from Securities Premium.
- (iv) **General reserve**
The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- (v) **Retained earnings**
Retained earnings comprises of the Company's undistributed earnings after taxes.



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

		(Amount in ₹ Crore)	
		As at March 31, 2021	As at March 31, 2020
17 Trade Payables			
CURRENT			
(a) Total outstanding dues of micro enterprises and small enterprises*		0.06	6.36
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		76.73	75.38
		76.79	81.74

*** Note:**

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

		(Amount in ₹ Crore)	
		As at March 31, 2021	As at March 31, 2020
(a) Principle amount and the Interest due and remaining unpaid as at March 31,		0.06	6.36
(b) Principle amount paid after appointed date during the year		0.71	7.42
(c) Interest remaining due and payable for earlier years		0.08	-
(d) Amount of interest paid, other than under Section 16 of MSMED Act, to suppliers		-	-
registered under the MSMED Act, beyond the appointed date during the year		-	-
(e) Amount of interest accrued and unpaid as at March 31,		0.09	0.08

18 OTHER FINANCIAL LIABILITIES

		(Amount in ₹ Crore)	
		As at March 31, 2021	As at March 31, 2020
NON-CURRENT			
(a) Retention Bonus payable		0.47	0.28
		0.47	0.28
CURRENT			
(a) Capital creditors		1.00	1.87
(b) Unpaid dividends		1.96	2.27
(c) Retention Bonus payable		0.10	0.62
		3.06	4.76

19 Provisions

		(Amount in ₹ Crore)	
		As at March 31, 2021	As at March 31, 2020
NON CURRENT			
(a) Provision for employee benefits		15.20	22.49
		15.20	22.49
CURRENT			
(a) Provision for employee benefits		4.00	8.68
		4.00	8.68



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

20 OTHER CURRENT LIABILITIES

- (a) Statutory remittances (withholding taxes, Provident Fund, GST, etc.)
- (b) Advance and Progress payments
- (c) Unearned revenue

(Amount in ₹ Crore)			
	As at		As at
	March 31, 2021	March 31, 2020	
	117.51		20.91
	678.40		2.76
	40.45		13.07
	836.36		36.74



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

21 REVENUE FROM OPERATIONS (Also refer note 35.9)

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
(a) Sale of products	154.02	162.31
(b) Sale of services	896.82	1,080.81
(c) Other operating revenue		
(i) Export incentive	-	19.42
(ii) Commission income	-	2.01
	<u>1,050.84</u>	<u>1,244.55</u>

21 (i) Revenue disaggregation by geography is as follows:

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
(a) India	692.48	857.88
(b) UK	124.66	176.98
(c) North America	120.68	130.72
(d) Rest of Europe	35.97	28.16
(e) Rest of the world	77.05	50.81
	<u>1,050.84</u>	<u>1,244.55</u>

Geographical revenue is allocated based on the location of the customers

21 (ii) Changes in Contract assets are as follows:

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
Balance at the beginning of the year	30.17	24.10
Revenue recognised during the year	191.27	207.05
Invoices raised during the year	(198.73)	(200.98)
Translation exchange difference	-	-
Balance at the end of the year	<u>22.71</u>	<u>30.17</u>

21 (iii) Changes in unearned and deferred revenue and advance from customers are as follows:

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
Balance at the beginning of the year	15.83	20.60
Revenue recognised that was included in unearned and deferred revenue at the beginning of the year	(10.77)	(19.25)
Increase due to invoicing during the year, excluding amounts recognised as revenue and increase in advances received during the year	713.79	14.48
Balance at the end of the year	<u>718.85</u>	<u>15.83</u>

21 (iv) Reconciliation of revenue recognized with the contracted price is as follows:

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
Contracted price	1,050.84	1,244.55
Reductions towards variable consideration components	-	-
Revenue recognised	<u>1,050.84</u>	<u>1,244.55</u>

21 (v) The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 630.40 crores (March 31, 2020: ₹ 44.93 crores) and is expected to be recognised as revenue in the next year.

22 OTHER INCOME (NET)

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
(a) Interest income		
(i) Interest income-others	13.41	5.53
(ii) Interest income on debentures	0.55	0.55
(b) Dividend income on investments		
(i) Dividend income on investments	-	137.83
(c) Other gains/(losses)		
(i) Change in fair value of investments measured at FVTPL - mutual fund units	(5.96)	2.22
(d) Other non-operating income		
(i) Foreign currency gain/(loss) (net)	1.11	3.55
(ii) Profit on sale of investments measured at FVTPL - mutual fund units (net)	6.30	0.01
(iii) Others	<u>3.34</u>	<u>0.93</u>
	<u>18.75</u>	<u>150.62</u>



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

23 EMPLOYEE BENEFITS EXPENSE

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
(a) Salaries and wages	551.02	556.62
(b) Contribution to provident and other funds	26.00	34.36
(c) Staff welfare expenses (Refer note below)	6.01	24.71
	583.03	615.69

Note: 1

During the year ended March 31, 2021, the Company has revised its policy for Post-retirement medicare scheme to exclude all employees who will retire after December 31, 2020. As a result, the Company has reversed the provision of Rs. 8.04 crore during the year.

Note: 2

During the year ended March 31, 2020 the Company has decided to replace its employee benefit scheme BKY with Group Term Life Insurance (GTL) policy with effect from November 2019. The Company has reversed the provision of Rs. 3.90 (Current Year "Nil") crore during the financial year ended 31 March 2020 based on actuarial valuation. The Company will continue to carry obligation under this scheme based on actuarial valuation for those beneficiaries having claims under this scheme before the date of discontinuation.

24 FINANCE COSTS

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
(a) Interest on lease liabilities	8.12	8.09
(b) Other Interest cost	2.50	0.76
	10.62	8.85

25 DEPRECIATION AND AMORTISATION EXPENSE

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
(a) Depreciation on Property, Plant and Equipment	18.97	21.42
(b) Depreciation on Right-of-use-asset	14.33	13.06
(c) Amortisation of Other Intangible assets	20.35	25.48
	53.65	59.96



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

26 OTHER EXPENSES

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
(a) Rent (also refer note 26(iii) below)	3.51	1.99
(b) Repairs & maintenance		
- Buildings	0.15	1.21
- Plant & machinery	0.51	0.58
- Others	7.03	8.63
(c) Insurance	0.33	0.28
(d) Rates and taxes	1.42	1.55
(e) Advertisement and publicity	0.01	0.01
(f) Business promotion expenses	-	0.52
(g) Office expenses	5.27	6.27
(h) Travelling & conveyance	3.48	22.41
(i) Power & fuel	4.94	8.91
(j) Water charges	0.18	0.31
(k) Auditors remuneration (also refer note 26(i) below)	0.63	0.60
(l) Staff training and seminar expenses	0.68	0.65
(m) Staff recruitment expenses	3.79	2.99
(n) AMC charges	25.61	38.33
(o) Software-internal use	33.19	30.61
(p) Professional fees	7.68	7.64
(q) Communication expenses	7.85	9.09
(r) Allowances for expected credit loss (net)	2.55	2.15
(s) Allowances for expected credit loss (net) on advances	0.25	-
(t) Corporate social responsibility (also refer note 26(ii) below)	5.83	5.15
(u) Miscellaneous expenses	2.29	3.67
	117.18	153.55

26 (i) Payment to auditors

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
(a) For statutory audit, including limited review	0.48	0.47
(b) For Tax audit	0.06	0.06
(c) For other attest services	0.05	0.03
(d) For reimbursement of expenses	0.04	0.04
	0.63	0.60

26 (ii) Corporate social responsibility expenditure

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
Gross amount required to be spent	5.81	5.14
Total	5.81	5.14
Amount spent during the year on		
(a) Construction/ acquisition of any asset	-	-
(b) On purposes other than (i) above	5.83	5.15
	5.83	5.15

26 (iii) Rent

	For the year ended	
	March 31, 2021	March 31, 2020
(a) Expenses related to short-term leases	0.55	1.34
(b) Expenses related to low-value assets, excluding short-term leases of low-value assets	2.96	0.65



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

27 Earning per Share

(Amount in ₹ Crore)

Particulars			For the year ended	
			March 31, 2021	March 31, 2020
(a)	Profit attributable to equity shareholders	₹ Crore	108.21	291.92
(b)	The weighted average number of ordinary equity shares outstanding during the year	Nos.	41,804,458	42,967,516
(c)	The nominal value per ordinary Share	₹	10.00	10.00
(d)	Earnings Per Share (Basic)	₹	25.89	67.94
(e)	The weighted average number of ordinary equity shares outstanding during the year	Nos.	41,804,458	42,967,516
(f)	Add: Adjustment for Employee Stock Options	Nos.	-	3,750
(g)	The weighted average number of equity shares outstanding for diluted EPS	Nos.	41,804,458	42,971,266
(h)	Earnings Per Shares (Diluted)	₹	25.89	67.93

28 (a) Contingent Liabilities

(Amount in ₹ Crore)

		As at	As at
		March 31, 2021	March 31, 2020
(a)	Bonus related to retrospective year (Also refer note (i))	7.82	7.82
(b)	Income Tax demands disputed in appeals (Also refer note (ii))	3.14	3.14
(c)	Sales Tax demands disputed in appeals	0.02	0.01
(d)	Service Tax demands disputed in appeals (Also refer note (iii) and (iv))	22.56	21.56

Notes:

(i) Statutory bonus at the revised rates pertaining to period retrospective to the notification dated on 01.01.2016 (i.e. from 01.04.2014 to 31.12.2015) was not provided pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts. During November 2016, considering the industry practices, the management after internal deliberations decided to and has paid the incremental bonus covering the fiscal year of the said notification i.e. from 01.04.2015 to 31.12.2015 aggregating to ₹. 5.55 crores, which has been presented as exceptional item in the financials for the year ended 31.03.2017. The incremental bonus for the FY 2014-15 is continued as contingent liability pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts.

(ii) The Company has ongoing disputes with Income Tax Authorities relating to tax treatment of certain items. These mainly include disallowed expenses for Corporate tax, the tax treatment of certain expenses claimed by the Company as deductions and the computation of certain allowances.

(iii) Pertains to disputes in relation to service tax on reverse charge mechanism amounting to ₹ 1.49 crores (Previous year ₹ 1.49 crores) for Financials Years 2006-07 and 2007-08. Considering the merit of the case, confirmation of demand is likely to be remote, hence contingent liability has been disclosed to the tune of ₹ 6.45 crores (Previous Year ₹ 6.23 crores) consisting of demand of ₹ 1.49 (Previous year ₹ 1.49 crores) crores and interest and penalty of ₹ 4.96 crores. (Previous year ₹ 4.74 crores)

(iv) Service Tax Department had raised demand amounting to ₹ 5.11 crores (for the period April 08 to September 08 - ₹ 1.57 crores and for the period October 08 to September 09 - ₹ 3.54 crores) for delay in filing the prescribed declaration for availing cenvat credit. Aggrieved by the order, company had preferred an appeal with CESTAT. The appeal was decided in favour of the company during January 2016. Subsequently service tax department filed an appeal with High Court in 2017. The case being question of law, the High Court admitted the appeal in December 18. Considering the merit of the case, confirmation of demand is likely to be remote, hence contingent liability has been disclosed to the tune of ₹ 16.11 crores (Previous Year ₹ 15.33 crores) consisting of demand of ₹ 5.11 crores and interest and penalty of ₹ 11.00 crores (Previous year ₹ 10.22 crores).

(v) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on the receipt of the judgements/decisions pending with various forums/authorities.

(vi) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(b) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable and consequently no financial effect has been provided for in the financial statements. The Company has given effect on a prospective basis, from the date of the SC order.

29 Segment reporting

Where a financial report contains both consolidated financial statements and separate financial statements of the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.



30 - Defined Benefit Plans

The Company's contribution to defined contribution plan for the year ended March 31, 2021 has been recognised in the statement of Profit and Loss as follows.

	(Amount in ₹ Crores)	
	March 31, 2021	March 31, 2020
Contribution to provident fund	15.28	24.37
Contribution to superannuation fund	4.02	4.20
	19.30	28.57

Defined benefit plans

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	Gratuity (Funded)	
	Valuation as at	
	March 31, 2021	March 31, 2020
Discount rate(s)	6.90%	6.90%
Expected rate(s) of salary increase	5.75%-6%	5.75%-6%
Medical inflation rate	-	-
Withdrawal rate	-	-
RSR	17%	17%
35 - 40 years	5%	5%
41 - 50 years	5%	5%
51 - 60 years	3%	3%

Amounts recognised in standalone statement of profit and loss in respect of these defined benefit plans are as follows.

	Year Ended March 31, 2021	Year Ended March 31, 2020
	Amount in ₹ Crores	Amount in ₹ Crores
Service cost:		
Current service cost	6.49	5.70
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.21	0.09
Components of defined benefit costs recognised in profit or loss	6.70	5.79
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(1.33)	(1.84)
Actuarial (gains) / losses arising from changes in demographic assumptions	-	0.44
Actuarial (gains) / losses arising from changes in financial assumptions	-	3.09
Actuarial (gains) / losses arising from experience adjustments	(2.60)	(0.21)
Others	-	-
Components of defined benefit costs recognised in other comprehensive income	(3.93)	1.94
Total	2.77	7.73

	Bhavisha Kalyan Yojana (BKY) (Unfunded)	
	Valuation as at	
	March 31, 2021	March 31, 2020
Discount rate(s)	6.90%	6.90%
Expected rate(s) of salary increase	5.75%-6%	5.75%-6%
Medical inflation rate	-	-
Withdrawal rate	-	-
RSR	17%	17%
35 - 40 years	5%	5%
41 - 50 years	5%	5%
51 - 60 years	3%	3%

	Year Ended March 31, 2021	Year Ended March 31, 2020
	Amount in ₹ Crores	Amount in ₹ Crores
Service cost:		
Current service cost	0.49	0.49
Past service cost and (gain)/loss from settlements	-	(5.17)
Net interest expense	0.14	0.15
Components of defined benefit costs recognised in profit or loss	0.14	(4.53)
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	-	0.14
Actuarial (gains) / losses arising from experience adjustments	(0.19)	0.39
Others	-	-
Components of defined benefit costs recognised in other comprehensive income	(0.19)	0.53
Total	(0.05)	(3.99)

	Superannuation (Partly Funded)	
	Valuation as at	
	March 31, 2021	March 31, 2020
Discount rate(s)	6.00%	6.10%
Expected rate(s) of salary increase	-	-
Medical inflation rate	-	-
Withdrawal rate	-	-
RSR	17%	17%
35 - 40 years	5%	5%
41 - 50 years	5%	5%
51 - 60 years	3%	3%

	Year Ended March 31, 2021	Year Ended March 31, 2020
	Amount in ₹ Crores	Amount in ₹ Crores
Service cost:		
Current service cost	0.07	0.09
Past service cost and (gain)/loss from settlements	(0.01)	0.02
Net interest expense	0.06	0.11
Components of defined benefit costs recognised in profit or loss	0.06	0.11
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(0.03)	(0.81)
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	-	-
Actuarial (gains) / losses arising from experience adjustments	0.17	0.17
Others	0.07	-
Components of defined benefit costs recognised in other comprehensive income	0.27	(0.64)
Total	0.37	(0.53)

	Post Retirement Medicare Scheme (Unfunded)	
	Valuation as at	
	March 31, 2021	March 31, 2020
Discount rate(s)	6.00%	6.00%
Expected rate(s) of salary increase	-	-
Medical inflation rate	8.00%	8.00%
Withdrawal rate	-	-
RSR	17%	17%
35 - 40 years	5%	5%
41 - 50 years	5%	5%
51 - 60 years	3%	3%

	Year Ended March 31, 2021	Year Ended March 31, 2020
	Amount in ₹ Crores	Amount in ₹ Crores
Service cost:		
Current service cost	-	0.85
Past service cost and (gain)/loss from settlements	(8.04)	-
Net interest expense	0.17	0.74
Components of defined benefit costs recognised in profit or loss	(7.87)	1.59
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	(0.65)
Actuarial (gains) / losses arising from changes in financial assumptions	(0.72)	1.45
Actuarial (gains) / losses arising from experience adjustments	0.18	(1.11)
Others	-	-
Components of defined benefit costs recognised in other comprehensive income	0.06	(0.28)
Total	(7.81)	1.31

	Compensated Absence (Unfunded)	
	Valuation as at	
	March 31, 2021	March 31, 2020
Discount rate(s)	6.00%	6.00%
Expected rate(s) of salary increase	5.75%-6%	5.75%-6%
Medical inflation rate	-	-
Withdrawal rate	-	-
RSR	17%	17%
35 - 40 years	5%	5%
41 - 50 years	5%	5%
51 - 60 years	3%	3%

	Year Ended March 31, 2021	Year Ended March 31, 2020
	Amount in ₹ Crores	Amount in ₹ Crores
Service cost:		
Current service cost	3.33	3.58
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.48	0.13
Components of defined benefit costs recognised in profit or loss	3.81	3.71
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	-	-
Actuarial (gains) / losses arising from experience adjustments	-	-
Others	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-
Total	3.81	3.71



The current service cost and the net interest expense for the Year are included in the 'Employee benefits expense' line item in the standalone statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the standalone balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	Gratuity (Funded)	
	As at	As at
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
Present value of funded defined benefit obligation	(59.41)	(55.31)
Fair value of plan assets	57.27	48.37
Effect of asset ceiling	-	-
Funded status	(2.14)	(6.94)
Net liability arising from defined benefit obligation	(2.14)	(6.94)

	Bhavishya Kalyan Yojana (BKY) (Unfunded)	
	As at	As at
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
	(2.32)	(2.48)
	-	-
	-	-
	(2.32)	(2.48)
	(2.32)	(2.48)

	Superannuation (Partly Funded)	
	As at	As at
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
	(2.68)	(2.30)
	2.77	2.51
	(0.08)	-
	0.01	0.21
	0.01	0.21

	Post Retirement Medicare Scheme (Unfunded)	
	As at	As at
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
	(2.76)	(10.87)
	-	-
	(2.76)	(10.87)
	(2.76)	(10.87)

	Compensated Absence (Unfunded)	
	As at	As at
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
	(11.99)	(10.87)
	-	-
	(11.99)	(10.87)
	(11.99)	(10.87)

Movements in the present value of the defined benefit obligation are as follows:

	Gratuity (Funded)	
	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
Opening defined benefit obligation	59.41	48.37
Current service cost	4.20	4.20
Interest income	3.71	3.12
Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions	-	0.44
Actuarial gains and losses arising from changes in financial assumptions	-	3.65
Actuarial gains and losses arising from experience adjustments	(2.80)	(0.32)
Transfers to/from Holding Company (Net)	-	-
Others	(4.00)	(4.44)
Benefits paid	59.41	55.31
Closing defined benefit obligation	59.41	55.31

	Bhavishya Kalyan Yojana (BKY) (Unfunded)	
	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
Opening defined benefit obligation	2.32	2.48
Current service cost	0.14	0.16
Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions	(0.18)	-
Actuarial gains and losses arising from changes in financial assumptions	-	0.14
Actuarial gains and losses arising from experience adjustments	-	0.39
Transfers to/from Holding Company (Net)	-	-
Others	(0.22)	(0.21)
Benefits paid	2.31	2.58
Closing defined benefit obligation	2.31	2.58

	Superannuation (Partly Funded)	
	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
Opening defined benefit obligation	0.07	0.02
Current service cost	0.14	0.17
Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	-	-
Actuarial gains and losses arising from experience adjustments	0.17	0.17
Transfers to/from Holding Company (Net)	-	-
Others	-	-
Benefits paid	2.68	2.30
Closing defined benefit obligation	2.68	2.30

	Post Retirement Medicare Scheme (Unfunded)	
	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
Opening defined benefit obligation	10.87	10.87
Current service cost	0.17	0.65
Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions	-	0.74
Actuarial gains and losses arising from changes in financial assumptions	-	(0.65)
Actuarial gains and losses arising from experience adjustments	0.12	1.49
Transfers to/from Holding Company (Net)	-	-
Others	-	-
Benefits paid	10.30	(0.31)
Closing defined benefit obligation	2.76	10.87

	Compensated Absence (Unfunded)	
	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
	Amount in ₹	Amount in ₹
	Amount in ₹ Crore	Amount in ₹ Crore
Opening defined benefit obligation	3.32	3.58
Current service cost	0.66	0.63
Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	(0.18)	(0.49)
Actuarial gains and losses arising from experience adjustments	-	-
Transfers to/from Holding Company (Net)	-	-
Others	-	-
Benefits paid	(2.69)	(2.50)
Closing defined benefit obligation	11.99	10.87



Reconciliation of the fair value of the plan assets are as follows.

	Gratuity (Funded)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening fair value of plan assets	48.97	44.20
Interest income	3.49	3.39
Investment gain (loss) Return on plan assets	1.33	1.84
Re-measurement gain (loss) in net interest expense	-	-
Contributions from the employer	7.48	3.98
Benefits paid	(4.00)	(4.44)
Transfer to/from Holding Company (Net)	-	-
Closing fair value of plan assets	57.27	48.97

The major categories of plan assets as percentage of total plan assets:

	Gratuity (Funded)	
	100.00%	100.00%
Equity securities		
Not Applicable (N/A)		

Sensitivity Analysis

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and health care cost

Assumption	Discount Rate	Salary Escalation Rate
Change in Assumption		
Increase by 1%	7.80%	Defined Above
Decrease by 1%	5.80%	Defined Above
Impact on defined benefit obligation		
Increase by 1%	(4.16)	5.45
Decrease by 1%	5.68	(4.87)
Impact on service cost and interest cost		
Increase by 1%	(1.53)	1.73
Decrease by 1%	1.68	(1.53)

Maturity profile of defined benefit obligation:

Within 1 Year	Amount in ₹ Crore
1-2 years	5.78
2-3 years	5.78
3-4 years	5.42
4-5 years	6.37
5-10 years	7.89
	38.92

	Bhavishya Kalyan Yojana (BKY) (Unfunded)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening fair value of plan assets	-	-
Interest income	-	-
Investment gain (loss) Return on plan assets	-	-
Re-measurement gain (loss) in net interest expense	-	-
Contributions from the employer	0.22	0.21
Benefits paid	(0.27)	(0.21)
Transfer to/from Holding Company (Net)	-	-
Closing fair value of plan assets	-	-

	Bhavishya Kalyan Yojana (BKY) (Unfunded)	
	N/A	N/A
Equity securities		
Not Applicable (N/A)		

	Superannuation (Party Funded)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening fair value of plan assets	2.51	3.88
Interest income	0.16	0.15
Investment gain (loss) Return on plan assets	0.03	0.81
Re-measurement gain (loss) in net interest expense	-	-
Contributions from the employer	0.07	0.07
Benefits paid	-	(1.39)
Transfer to/from Holding Company (Net)	-	-
Closing fair value of plan assets	2.77	3.51

	Superannuation (Party Funded)	
	100.00%	100.00%
Equity securities		
Not Applicable (N/A)		

	Post Retirement Medicare Scheme (Unfunded)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening fair value of plan assets	-	-
Interest income	-	-
Investment gain (loss) Return on plan assets	-	-
Re-measurement gain (loss) in net interest expense	-	-
Contributions from the employer	0.30	0.31
Benefits paid	(0.30)	(0.31)
Transfer to/from Holding Company (Net)	-	-
Closing fair value of plan assets	-	-

	Post Retirement Medicare Scheme (Unfunded)	
	N/A	N/A
Equity securities		
Not Applicable (N/A)		

	Compensated Absence (Unfunded)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening fair value of plan assets	-	-
Interest income	-	-
Investment gain (loss) Return on plan assets	-	-
Re-measurement gain (loss) in net interest expense	-	-
Contributions from the employer	2.09	1.98
Benefits paid	(2.09)	(1.98)
Transfer to/from Holding Company (Net)	-	-
Closing fair value of plan assets	-	-

	Compensated Absence (Unfunded)	
	N/A	N/A
Equity securities		
Not Applicable (N/A)		

Discount Rate	Medical Cost
7.80%	7.80%
5.90%	5.00%

Discount Rate	Salary Escalation Rate
7.00%	Defined Above
5.00%	Defined Above

Discount Rate	Salary Escalation Rate
	Defined Above
7.90%	Defined Above
5.90%	

Amount in ₹ Crore
1.33
1.20
1.00
0.95
0.93
3.99

Amount in ₹ Crore
0.32
0.31
0.30
0.28
0.26
1.01

Amount in ₹ Crore
0.15
0.09
-
-
0.10

Amount in ₹ Crore
0.27
0.22
0.22
0.22
0.22
0.87



Employee benefit plans

The plans typically expose the company to the actuarial risks such as investments risk, interest risk, longevity risk and salary risk.	
The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to the yield of the government bonds of the reporting year. For other defined benefit plans, the discount rate is determined by reference to the yield of the government bonds of the reporting year. For other defined benefit plans, the discount rate is determined by reference to the yield of the government bonds of the reporting year. For other defined benefit plans, the discount rate is determined by reference to the yield of the government bonds of the reporting year.	
There is a deep market for such bonds, if the return on plan asset is below this rate. It will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.	
Interest risk	A decrease in the bond interest rate will increase the plan liability, however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

In respect of the plan in India, the actuarial valuation of the plan assets and the present value of the defined benefit obligation are carried out for March 31, 2021 by Willis Towers Watson, Fellow of the Institute

of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, are measured using the projected unit credit method on a proportionate basis.

The fair value of plan assets are majority balance mix of investments in government securities and other debt instruments. The Trust activities are managed by mix of professional employees representing management and employees.



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

31 Related Party Disclosures for the year ended March 31, 2021

(i) Related party and their relationship

1	Parent Company	Tata Motors Limited
2	Subsidiary	Tata Technologies Pte. Limited
3	Indirect Subsidiaries	<ol style="list-style-type: none"> 1 Tata Technologies (Thailand) Limited 2 INCAT International Plc. 3 Tata Technologies Europe Limited 4 INCAT GmbH (under liquidation) 5 Tata Technologies Inc (Subsidiary of Tata Technologies Europe Limited w.e.f March 20, 2015) 6 Tata Technologies de Mexico, S.A. de C.V. (under liquidation) 7 Cambric Limited 8 Cambric GmbH (Liquidated on September 17, 2020) 9 Tata Technologies SRL Romania 10 Tata Manufacturing Technologies (Shanghai) Co. Limited 11 Tata Technologies Nordics AB (Formerly known as Escenda Engineering AB upto November 01, 2020) 12 Tata Technologies Limited Employees Stock Option Trust 13 Incat International Limited ESOP 2000
4	Fellow subsidiaries	<ol style="list-style-type: none"> 1 TML Business Services Limited (Name changed from Concorde Motors (India) Limited w.e.f. March 31, 2020) 2 Tata Motors European Technical Centre PLC 3 Tata Motors Insurance Broking and Advisory Services Limited 4 TMF Holdings Limited 5 TML Holdings Pte. Limited 6 TML Distribution Company Limited 7 Tata Hispano Motors Carrocera S.A. 8 Tata Hispano Motors Carroceries Maghreb SA 9 Trilix S.r.l. 10 Tata Precision Industries Pte. Limited 11 Tata Marcopolo Motors Limited (49% held by other JV partner - Marcopolo SA) 12 Tata Daewoo Commercial Vehicle Company Limited 13 Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited 14 Tata Motors (Thailand) Limited (Increased from 95.87% to 97.17% with effect from June 6, 2019) 15 Tata Motors (SA) (Proprietary) Limited 16 PT Tata Motors Indonesia 17 PT Tata Motors Distribusi Indonesia 18 TMNL Motor Services Nigeria Limited 19 Jaguar Land Rover Automotive Plc 20 Jaguar Land Rover Limited 21 Jaguar Land Rover Austria GmbH 22 Jaguar Land Rover Japan Limited 23 JLR Nominee Company Limited (dormant) 24 Jaguar Land Rover Deutschland GmbH 25 Jaguar Land Rover North America LLC 26 Jaguar Land Rover Nederland BV 27 Jaguar Land Rover Portugal - Veículos e Peças, Lda. 28 Jaguar Land Rover Australia Pty Limited 29 Jaguar Land Rover Italia Spa 30 Jaguar Land Rover Korea Company Limited 31 Jaguar Land Rover (China) Investment Co. Ltd. 32 Jaguar Land Rover Canada ULC 33 Jaguar Land Rover France, SAS 34 Jaguar Land Rover (South Africa) (Pty) Limited 35 Jaguar e Land Rover Brasil Indústria e Comércio de Veículos LTDA 36 Limited Liability Company "Jaguar Land Rover" (Russia) 37 Jaguar Land Rover (South Africa) Holdings Limited 38 Jaguar Land Rover Classic Deutschland GmbH 39 Jaguar Land Rover Hungary KFT 40 Jaguar Land Rover India Limited 41 Jaguar Land Rover Espana SL 42 Jaguar Land Rover Belux NV 43 Jaguar Land Rover Holdings Limited 44 Jaguar Cars South Africa (Pty) Limited (dormant) 45 Jaguar Cars Limited (dormant) 46 Land Rover Exports Limited (dormant) 47 Land Rover Ireland Limited (non-trading)



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

31 Related Party Disclosures for the year ended March 31, 2021

(i) Related party and their relationship

48	The Daimler Motor Company Limited (dormant)
49	Daimler Transport Vehicles Limited (dormant)
50	S S Cars Limited (dormant)
51	The Lanchester Motor Company Limited (dormant)
52	Shanghai Jaguar Land Rover Automotive Services Company Limited
53	Jaguar Land Rover Pension Trustees Limited (dormant)
54	Jaguar Land Rover Slovakia s.r.o. (JLRHL 0.01% and JLRL 99.99%)
55	Jaguar Land Rover Singapore Pte. Ltd.
56	Jaguar Racing Limited
57	InMotion Ventures Limited
58	InMotion Ventures 2 Limited
59	InMotion Ventures 3 Limited
60	InMotion Ventures 4 Limited (Incorporated w.e.f. January 4, 2019) (Shareholding reduced from 100% to 15% w.e.f. December 1, 2020)
61	Jaguar Land Rover Colombia S.A.S
62	Jaguar Land Rover Ireland (Services) Limited (Incorporated w.e.f. July 28, 2017)
63	Jaguar Land Rover Taiwan Company Limited
64	Jaguar Land Rover Servicios México, S.A. de C.V.
65	Jaguar Land Rover México, S.A.P.I. de C.V.
66	Jaguar Land Rover Classic USA LLC (dormant)
67	Tata Motors Finance Solutions Limited
68	Tata Motors Finance Limited
69	Spark44 (JV) Limited
70	Spark44 Pty. Ltd. (Sydney, Australia)
71	Spark44 GmbH (Frankfurt, Germany)
72	Spark44 LLC (LA & NYC, USA)
73	Spark44 Shanghai Limited (Shanghai, China)
74	Spark44 DMCC (Dubai, UAE)
75	Spark44 Limited (London & Birmingham, UK)
76	Spark44 Singapore Pte. Ltd. (Singapore)
77	Spark44 Communications SL (Madrid, Spain)
78	Spark44 S.r.l. (Rome, Italy)
79	Spark44 Seoul Limited (Korea)
80	Spark44 Japan K.K. (Tokyo, Japan)
81	Spark44 Canada Inc (Toronto, Canada)
82	Spark44 Pty. Limited (South Africa)
83	Spark44 Colombia S.A.S. (Colombia)
84	Spark44 Taiwan Limited (Taiwan)
85	Bowler Motors Limited (Name changed from Jaguar Land Rover Auto Ventures Limited on 28 January 2020 (Incorporated w.e.f. December 13, 2019)
86	Jaguar Land Rover (Ningbo) Trading Co. Limited (Incorporated w.e.f. November 4, 2019)
87	Spark44 Demand Creation Partners Private Limited (Mumbai, India)
88	Brabo Robotics and Automation Limited (Incorporated with effect from July 17, 2019)
89	TML Business Analytics Services Limited (Incorporated with effect from April 4, 2020)
90	Jaguar Land Rover Ventures Limited (Incorporated w.e.f. May 16, 2019)
91	Lenny Insurance Limited (Name changed from InMotion Ventures 1 Limited w.e.f. September 6, 2019)
92	JT Special Vehicles Pvt. Limited (Ceased to be a JV and became a Wholly-owned Subsidiary, consequent to 50% share transfer from Jayem Automotive Private Limited to Tata Motors Limited w.e.f. August 11, 2020)

5	Joint Venture	TATA HAL Technologies Limited
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6	Associates and Joint Venture of Group Company	1 Tata Sons Private Limited (Entity with more than 20% voting rights in Tata Motors Limited) 2 Jaguar Cars Finance Limited 3 Automobile Corporation of Goa Limited 4 Nita Company Limited 5 Tata Hitachi Construction Machinery Company Private Limited 6 Tata Precision Industries (India) Limited 7 Tata AutoComp Systems Limited 8 Loginomic Tech Solutions Private Limited ("TruckEasy") 9 Automotive Skills Training Private Limited (formerly known as Automotive Skills Training Foundation) 10 Automotive Stampings and Assemblies Limited 11 Nanjing Tata Autocomp Systems Limited 12 TACO Engineering Services GmbH 13 TACO Holdings (Mauritius) Limited 14 Ryhpez Holding (Sweden) AB 15 TitanX Holding AB 16 TitanX Engine Cooling Inc. 17 TitanX Engine Cooling Kunshan Co. Ltd. 18 TitanX Engine Cooling AB
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TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

31 Related Party Disclosures for the year ended March 31, 2021

(i) Related party and their relationship

19	TitanX Engine Cooling, Poland
20	TitanX Refrigeração de Motores LTDA
21	Tata Ficosa Automotive Systems Private Limited (Tata Ficosa Automotive Systems Limited)
22	Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp GY Batteries Limited)
23	Tata Autocomp Hendrickson Suspensions Private Limited (formerly Taco Hendrickson Suspensions Private Limited)
24	Air International TTR Thermal Systems Limited
25	Tata Autocomp Katcon Exhaust Systems Private Limited (formerly Katcon India Private Limited)
26	TM Automotive Seating Systems Private Limited
27	TACO Sanken Automotive Electronics Limited
28	Tata Cummins Private Limited
29	Fiat India Automobiles Private Limited
30	Chery Jaguar Land Rover Automotive Company Limited
31	Chery Jaguar Land Rover Auto Sales Company Limited (100% Subsidiaries of Chery Jaguar Land Rover Automotive Company Limited)
32	Tata AutoComp Gotion Green Energy Solutions Private Limited
33	Ewart Investments Limited
34	Tata Limited
35	Tata AIA Life Insurance Company Limited
36	Tata AIG General Insurance Company Limited
37	Indian Rotorcraft Limited
38	Panatone Finvest Limited
39	TS Investments Limited
40	Tata SIA Airlines Limited
41	Infiniti Retail Limited
42	Tata Incorporated
43	Tata Investment Corporation Limited
44	Simto Investment Company Limited
45	Tata Asset Management Limited
46	Tata Asset Management (Mauritius) Private Limited
47	Tata Pension Management Limited
48	Tata Consulting Engineers Limited
49	Ecofirst Services Limited
50	TCE QSTP-LLC (in liquidation)
51	Tata International AG, Zug
52	Tata AG, Zug
53	TRIF Investment Management Limited
54	Tata Petrodyne Limited
55	Belida B.V.
56	Dian Energy B.V.
57	Merangin B.V.
58	Meruap B.V.
59	Tata Advanced Systems Limited
60	Aurora Integrated Systems Private Limited
61	HELA Systems Private Limited
62	Nova Integrated Systems Limited
63	TASL Aerostructures Private Limited
64	Tata Lockheed Martin Aerostructures Limited
65	Tata Sikorsky Aerospace Limited (formerly Tara Aerospace Systems Limited)
66	Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)
67	Tata Capital Limited
68	Tata Capital Advisors Pte. Limited
69	Tata Capital Financial Services Limited
70	TATA Capital General Partners LLP
71	Tata Capital Growth Fund I
72	Tata Capital Healthcare General Partners LLP
73	Tata Capital Housing Finance Limited
74	Tata Capital Markets Pte. Limited (ceased w.e.f. 23.07.2020)
75	Tata Capital Plc
76	Tata Capital Pte. Limited
77	Tata Cleantech Capital Limited
78	Tata Opportunities General Partners LLP
79	Tata Securities Limited
80	Tata Capital Special Situation Fund
81	Tata Capital Healthcare Fund I
82	Tata Capital Innovations Fund
83	Tata Capital Growth Fund II
84	Tata Housing Development Company Limited
85	Apex Realty Private Limited
86	Ardent Properties Private Limited
87	Concept Developers & Leasing Limited (formerly Concept Marketing and Advertising Limited)
88	HLT Residency Private Limited



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

31 Related Party Disclosures for the year ended March 31, 2021

(i) Related party and their relationship

89	Kriday Realty Private Limited
90	North Bombay Real Estate Private Limited
91	One-Colombo Project (Private) Limited
92	Promont Hillside Private Limited
93	Smart Value Homes (Bolsar) Private Limited (formerly Niyati Sales Private Limited)
94	Tata Value Homes Limited (formerly Smart Value Homes Limited)
95	THDC Management Services Limited (formerly THDC Facility Management Limited)
96	World-One (Sri Lanka) Projects Pte. Limited
97	World-One Development Company Pte. Limited
98	Synergizers Sustainable Foundation (incorporated under Section 25 of the Companies Act, 1956)
99	Tata Realty and Infrastructure Limited
100	Acme Living Solutions Private Limited
101	Arrow Infraestate Private Limited
102	Gurgaon Construct Well Private Limited
103	Gurgaon Realtech Limited
104	HV Farms Private Limited
105	TRIF Gurgaon Housing Projects Private Limited
106	TRIL Amritsar Projects Limited (formerly TRIF Amritsar Projects Limited)
107	TRIL Constructions Limited
108	Wellkept Facility Management Services Private Limited (formerly TRIL Hospitality Private Limited)
109	TRIL Roads Private Limited
110	TRIL Urban Transport Private Limited
111	TRIL Infopark Limited
112	Hampi Expressways Private Limited
113	TRIF Real Estate And Development Limited
114	Dharamshala Ropeway Limited
115	Manali Ropeways Private Limited
116	International Infrabuild Private Limited
117	Uchit Expressways Private Limited
118	TRPL Roadways Private Limited
119	Tata Consultancy Services Limited
120	APTOnline Limited (formerly APOnline Limited)
121	C-Edge Technologies Limited
122	CMC Americas Inc. (dissolved on 16.12.2020)
123	Diligenta Limited
124	MahaOnline Limited
125	MGDC S.C.
126	MP Online Limited
127	PT Tata Consultancy Services Indonesia
128	Tata America International Corporation
129	Tata Consultancy Services (Africa) (PTY) Ltd.
130	Tata Consultancy Services (China) Co., Ltd.
131	Tata Consultancy Services (Philippines) Inc.
132	Tata Consultancy Services (South Africa) (PTY) Ltd.
133	Tata Consultancy Services (Thailand) Limited
134	Tata Consultancy Services Argentina S.A.
135	Tata Consultancy Services Asia Pacific Pte Ltd.
136	Tata Consultancy Services Belgium (formerly Tata Consultancy Services Belgium S.A.)
137	Tata Consultancy Services Canada Inc.
138	Tata Consultancy Services Chile S.A.
139	Tata Consultancy Services Danmark ApS
140	Tata Consultancy Services De Espana S.A.
141	Tata Consultancy Services De Mexico S.A., De C.V.
142	Tata Consultancy Services Deutschland GmbH
143	Tata Consultancy Services Do Brasil Ltda
144	Tata Consultancy Services France SA (formerly Alti S.A.)
145	Tata Consultancy Services Luxembourg S.A.
146	Tata Consultancy Services Malaysia Sdn Bhd
147	Tata Consultancy Services Netherlands BV
148	Tata Consultancy Services Österreich GmbH
149	Tata Consultancy Services Portugal Unipessoal Limitada
150	Tata Consultancy Services Qatar S.S.C.
151	Tata Consultancy Services Sverige AB
152	Tata Consultancy Services Switzerland Ltd.
153	TCS e-Serve America, Inc.
154	TCS Financial Solutions (Beijing) Co., Ltd.
155	TCS Financial Solutions Australia Holdings Pty Limited
156	TCS Financial Solutions Australia Pty Limited
157	TCS FNS Pty Limited
158	TCS Iberoamerica SA
159	TCS Inversiones Chile Limitada
160	Tata Consultancy Services Italia SRL



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

31 Related Party Disclosures for the year ended March 31, 2021

(i) Related party and their relationship

161	TCS Solution Center S.A.
162	TCS Uruguay S. A.
163	TCS u Servo International Limited
164	Tata Consultancy Services Japan, Ltd.
165	TCS Foundation
166	W12 Studios Limited
167	Tata Consultancy Services Saudi Arabia
168	Technology Outsourcing S.A.C. (ceased w.e.f. 01.12.2020)
169	Tata Trustee Company Limited
170	Tata Sky Limited
171	ACTIVE Digital Services Private Limited
172	Tata Sky Broadband Private Limited (formerly Quickest Broadband Private Limited)
173	TSBB Voice Private Limited (w.e.f. 13.02.2019)
174	Niskalp Infrastructure Services Limited (formerly Niskalp Energy Limited)
175	India Emerging Companies Investment Limited
176	Inshaallah Investments Limited
177	Tata Industries Limited
178	Tata Advanced Materials Limited
179	Qubit Investments Pte. Limited
180	Tata SmartFoodz Limited (formerly SmartFoodz Limited)
181	Tata Autocomp Systems Limited (Included above as a Direct Associate of Tata Motors Limited)
182	Tata International Limited
183	Alliance Motors Ghana Limited
184	Blackwood Hodge Zimbabwe (Private) Limited
185	Calsea Footwear Private Limited
186	Cometal, S.A.R.L.
187	Euro Shoe Components Limited
188	Monroa Portugal, Comércio E Serviços, Unipessoal LDA
189	Move On Componentes E Calçado, S.A.
190	Move On Retail Spain, S.L.
191	Tata International Metal (S.A) Pty Ltd
192	Pamodzi Hotels Plc
193	Tata Africa (Cote D'Ivoire) SARL
194	Tata Africa Holdings (Ghana) Limited
195	TATA Africa Holdings (Kenya) Limited
196	Tata Africa Holdings (SA) (Proprietary) Limited
197	Tata Africa Holdings (Tanzania) Limited
198	Tata Africa Services (Nigeria) Limited
199	Tata Africa Steel Processors (Proprietary) Limited
200	Tata Automobile Corporation (SA) (Proprietary) Limited
201	Tata De Mocambique, Limitada
202	Tata Holdings Mocambique Limitada
203	Tata International Metals (Americas) Limited (formerly Tata Steel International (North America) Limited)
204	Tata International Metals (Asia) Limited (formerly Tata Steel International (Hongkong) Limited)
205	Tata International Metals (UK) Limited (formerly Tata Steel International (UK) Limited)
206	Tata International Singapore Pte Limited
207	Tata South East Asia (Cambodia) Limited
208	Tata South-East Asia Limited
209	Tata Uganda Limited
210	Tata West Asia FZE
211	Tata Zambia Limited
212	Tata Zimbabwe (Private) Limited (dormant)
213	TIL Leather Mauritius Limited
214	Tata International West Asia DMCC
215	Motor-Hub East Africa Limited
216	Tata International Vietnam Company Limited
217	Tata International Unitech (Senegal) SARL (formerly Tata Africa (Senegal) S.A.R.L.)
218	Tata International Canada Limited
219	Newshelf 1369 Pty Ltd.
220	Taj Air Limited
221	AirAsia (India) Limited (ceased to be a joint venture and became a subsidiary w.e.f. 04.02.2020)
222	Strategic Energy Technology Systems Private Limited
223	A & T Road Construction Management and Operation Private Limited
224	Pune Solapur Expressways Private Limited
225	TRIL IT4 Private Limited (formerly Albrecht Builder Private Limited)
226	Mikado Realtors Private Limited
227	Industrial Minerals and Chemicals Company Private Limited
228	Arvind and Smart Value Homes LLP
229	Princeton Infrastructure Private Limited
230	Sohna City LLP
231	Technopolis Knowledge Park Limited



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

31 Related Party Disclosures for the year ended March 31, 2021

(i) Related party and their relationship

232	HL Promoters Private Limited
233	Kolkata-One Excelton Private Limited
234	Sector 113 Gatevida Developers Private Limited (formerly Lemon Tree Land & Developers Private Limited)
235	Promont Hilltop Private Limited
236	Smart Value Homes (Peenya Project) Private Limited (formerly Smart Value Homes (Boisar Project) Private Limited)
237	Smart Value Homes (New Project) LLP
238	One Bangalore Luxury Projects LLP
239	Tata International DLT Private Limited
240	Tata International Wolverine Brands Limited
241	Tata International GST AutoLeather Limited
242	Synaptiv Limited
243	DriveClubService Pte. Ltd.
244	Cloud Car Inc
245	Durg Shivnath Expressways Private Limited (formerly SMS Shivnath Infrastructure Private Limited)
246	Matheran Rope-Way Private Limited
247	TATASOLUTION CENTER S.A.
248	Alliance Finance Corporation Limited
249	MIA Infrastructure Private Limited
250	Flisom - AG (w.e.f. 25.03.2020)
251	915 Labs Inc (formerly 915 Labs LLC)
252	Impetis Biosciences Limited
253	Tata Digital Limited (w.e.f. 11.03.2019)
254	Tata Engineering Consultants Saudi Arabia Company (w.e.f. 24.11.2019)
255	AFCL RSA (Pty) Limited (w.e.f. 14.10.2019)
256	TISPL Trading Company Limited (formerly Tata International Myanmar Limited)
257	TCTS Senegal Limited (w.e.f. 23.12.2019)
258	Tata Autocomp SECO Powertrain Private Limited (w.e.f. 26.11.2019)
259	Tata Autocomp Katcon Exhaust System Private Limited
260	TAL Manufacturing Solutions Limited
261	TCL Employee Welfare Trust
262	Tata Capital Growth II General Partners LLP
263	Tata Capital Healthcare Fund II
264	TATA Capital Healthcare II General Partners LLP
265	Tata Capital Opportunities II General Partners LLP
266	Tata Capital Opportunities II Alternative Investment Fund (in the process of winding up)
267	Tata Consultancy Services (Portugal), Unipessoal Limitada
268	TCS Business Services GmbH
269	Tata International Metals (Guangzhou) Limited
270	AFCL Ghana Limited
271	AFCL Premium Services Ltd. (w.e.f. 27.05.2019)
272	AFCL Zambia Limited (w.e.f. 26.04.2019)
273	Stryder Cycle Private Limited (w.e.f. 20.04.2019)
274	NetFoundry Inc. (w.e.f. 21.02.2019)
275	TC IOT Managed Solutions Limited (w.e.f. 06.06.2019) (applied for strike off on 29.11.2019)
276	Tata Payments Limited (w.e.f. 16.08.2019)
277	Women in Transport
278	T/A Tata International Cape Town (w.e.f. 01.02.2020)
279	Air International TTR Thermal Systems Private Limited
280	Pune IT City Metro Rail Limited (w.e.f. 28.05.2019)
281	Land kart Builders Private Limited (w.e.f. 18.07.2019)
282	Alliance Leasing Limited (w.e.f. 17.04.2019)
283	TRIL Bengaluru Real Estate One Private Limited
284	TRIL Bengaluru Real Estate Two Private Limited
285	TRIL Bengaluru Real Estate Three Private Limited
286	Tata Consultancy Services Italia s.r.l.
287	TRIL Bengaluru Real Estate Four Private Limited (ceased w.e.f. 21.07.2020)
288	Société Financière Décentralisé Alliance Finance Corporation Senegal
289	Tata Medical and Diagnostics Limited (w.e.f. 23.07.2020)
290	Flisom Hungary Kft (w.e.f. 25.03.2020)
291	Tata Electronics Private Limited (formerly TRIL Bengaluru Real Estate Four Private Limited) (w.e.f. 30.09.2020)
292	IHMS Hotels (South Africa) (Proprietary) Limited (ceased w.e.f. 30.06.2020)
293	Good Hope Palace Hotels (Pty) Limited (ceased w.e.f. 30.06.2020)
294	Consilience Technologies (Proprietary) Limited
295	Ferguson Place Pty Ltd. (formerly Newshelf 919 (Proprietary) Limited)
296	Talace Private Limited (w.e.f. 12.08.2020)
297	Tata Toyo Radiator Limited
298	Tata Consultancy Services Ireland Limited (w.e.f. 02.12.2020)
299	Jaguar Land Rover Switzerland AG (Jaguar Land Rover Limited increased its shareholding from 10% to 30% w.e.f. November 25, 2020)



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

31 Related Party Disclosures for the year ended March 31, 2021

(i) Related party and their relationship

300	Tata Teleservices Limited
301	MMP Mobi Wallet Payment Systems Limited
302	NVS Technologies Limited
303	TTL Mobile Private Limited
304	Tata Teleservices (Maharashtra) Limited
305	Tata Communications Limited
306	Tata Communications Transformation Services Limited
307	Tata Communications Collaboration Services Private Limited
308	Tata Communications Payment Solutions Limited
309	Tata Communications Lanka Limited
310	Tata Communications Services (International) Pte. Limited
311	Tata Communications (Bermuda) Limited
312	Tata Communications (Netherlands) B.V.
313	Tata Communications (Hong Kong) Limited
314	ITXC IP Holdings S.A.R.L.
315	Tata Communications (America) Inc.
316	Tata Communications (International) Pte Limited
317	Tata Communications (Canada) Limited
318	Tata Communications (Belgium) S.P.R.L.
319	Tata Communications (Italy) SRL
320	Tata Communications (Portugal) Unipessoal LDA
321	Tata Communications (France) SAS
322	Tata Communications (Nordic) AS
323	Tata Communications (Guam) L.L.C.
324	Tata Communications (Portugal) Instalacao E Manutencao De Redes LDA
325	Tata Communications (Australia) Pty Limited
326	Tata Communications SVCS Pte Ltd (formerly Tata Communications Services (Bermuda) Limited
327	Tata Communications (Poland) SP.Z.O.O.
328	Tata Communications (Japan) KK
329	Tata Communications (UK) Limited
330	Tata Communications Deutschland GMBH
331	Tata Communications (Middle East) FZ-LLC
332	Tata Communications (Hungary) LLC
333	Tata Communications (Ireland) DAC
334	Tata Communications (Russia) LLC
335	Tata Communications (Switzerland) GmbH
336	Tata Communications (Sweden) AB
337	TCPOP Communication GmbH
338	Tata Communications (Taiwan) Limited
339	Tata Communications (Thailand) Limited
340	Tata Communications (Malaysia) Sdn. Bhd.
341	Tata Communications Transformation Services South Africa (Pty) Ltd
342	Tata Communications (Spain) S.L.
343	Tata Communications (Beijing) Technology Limited
344	VSNL SNOSPV Pte. Limited
345	Tata Communications (South Korea) Limited
346	Tata Communications Transformation Services (Hungary) Kft.
347	Tata Communications Transformation Services Pte Limited
348	Tata Communications (Brazil) Participacoes Limitada
349	Tata Communications Transformation Services (US) Inc
350	Tata Communications Comunicacoes E Multimidia (Brazil) Limitada
351	Nexus Connexion (SA) Pty Limited
352	SEPCO Communications (Pty) Limited
353	Tata Communications (New Zealand) Limited
354	Tata Communications MOVE B.V. (formerly Teleena Holding B.V.)
355	Tata Communications MOVE Nederland B.V. (formerly Teleena Nederland B.V.)
356	Tata Communications MOVE UK Limited (formerly Teleena UK Limited)
357	Tata Communications MOVE Singapore Pte. Ltd. (formerly Teleena Singapore Pte. Ltd.)
358	MuCoso B.V.
359	Oasis Smart E-Sim Pte Ltd (w.e.f. 23.12.2020)
360	Tata Business Hub Limited (w.e.f. 19.10.2020)
361	Tata Elxsi Limited (ceased to be an associate and became a subsidiary w.e.f. 01.12.2020)
362	Postbank Systems AG
363	Ferbine Private Limited
364	LTH Milcom Private Limited
365	OASIS Smart SIM Europe SAS (w.e.f. 23.12.2020)
366	Changshu Tata Autocomp Systems Limited

7 Post employment benefit plans

- | | |
|---|---|
| 1 | Tata Technologies (India) Limited Gratuity Fund |
| 2 | Tata Technologies (India) Limited Superannuation Fund |
| 3 | Tata Technologies (India) Limited Provident Fund |



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

31 Related Party Disclosures for the year ended March 31, 2021

(i) Related party and their relationship

8 Key Management Personnel	1	Mr. Warren Harris, Managing Director
	2	Mr. Vikrant Gandhe, Company Secretary
	3	Mr. J.K. Gupta, Chief Financial Officer (upto June 30,2020)
	4	Ms. Savitha Balachandran, Chief Financial Officer (w.e.f July 01, 2020)
	5	Mr. S. Ramadorai, Director
	6	Mr. P.P. Kadle, Director (upto July 27, 2020)
	7	Mr. Rakesh Makhija, Director (upto March 29, 2021)
	8	Ms. Falguni Nayar, Director (upto March 29, 2021)
	9	Mr. Guenter Butschek, Director
	10	Mr. PB Balaji, Director
	11	Mr. Ajoyendra Mukherjee (w.e.f March 29, 2021)



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

31 (ii) Transactions with related parties

(Amount in ₹ Crore)

Particulars	Parent Company	Fellow subsidiaries	Subsidiaries	Joint Venture	Associates and joint venture of Group company	Key Management Personnel	Total
Purchase of products	- (-)	0.14 (-)	0.10 (0.09)	- (-)	- (0.71)	- (-)	0.24 (0.80)
Sale of products	36.67 (39.02)	0.65 (1.24)	2.42 (0.10)	- (0.10)	5.35 (15.52)	- (-)	45.09 (55.99)
Services received	1.78 (4.24)	0.10 (0.08)	0.10 (0.08)	(0.01) (1.11)	12.59 (9.66)	- (-)	14.56 (15.17)
Services rendered	431.93 (547.18)	14.06 (14.60)	347.81 (363.57)	- (-)	16.51 (11.90)	- (-)	810.31 (937.25)
Finance placed (including loans, equity & ICD)	1,124.50 (1,031.75)	- (-)	- (-)	- (-)	- (-)	- (-)	1,124.50 (1,031.75)
Finance received back (including loans, equity & ICD)	901.00 (1,064.50)	- (-)	- (-)	- (-)	- (-)	- (-)	901.00 (1,064.50)
Dividend paid	- (121.20)	- (3.25)	- (-)	- (-)	- (22.48)	- (2.68)	- (149.61)
Interest (received)	(12.41) (3.23)	(0.55) (0.54)	- (1.12)	- (-)	(0.19) (0.31)	- (-)	(13.15) (5.20)
Remuneration	- (-)	- (-)	- (-)	- (-)	- (-)	1.41 (2.33)	1.41 (2.33)
Amount receivable (including unbilled receivables)	98.76 (143.38)	5.14 (6.69)	117.63 (105.44)	0.01 (0.04)	6.91 (6.23)	- (-)	228.45 (261.78)
Amount payable	0.21 (1.24)	0.09 (0.06)	4.84 (0.92)	- (0.13)	2.91 (3.93)	- (0.50)	8.05 (6.78)
Amount receivable (in respect of advances, loans, Equity, ICD, Bonds)	250.00 (26.50)	5.29 (5.29)	0.01 (-)	- (-)	- (-)	- (-)	255.30 (31.79)
Lease receivables	- (-)	- (-)	- (-)	- (-)	0.21 (0.72)	- (-)	0.21 (0.72)
Commission	- (-)	- (-)	- (-)	- (-)	- (-)	0.55 (0.50)	0.55 (0.50)
Sitting fees	- (-)	- (-)	- (-)	- (-)	- (-)	0.16 (0.19)	0.16 (0.19)

The above transactions are excluding reimbursement of expenses
Previous year's figures are shown in the brackets

Disclosure of material transactions:

Purchase of Goods:

BRABO Robotics and Automation Limited: Rs. 0.14 crore (March 31, 2020 ₹ Nil crore)

Services rendered:

Tata Technologies Inc.: ₹ 131.96 crores (March 31, 2020 ₹ 129.38 crores)

Tata Technologies Pte Ltd: ₹ 52.72 crores (March 31, 2020 ₹ 29.64 crores)

Tata Technologies Europe Limited ₹ 142.12 crores (March 31, 2020 ₹ 197.92 crores)

Services received:

Tata Communications Limited: ₹ 3.96 crores (March 31, 2020 ₹ 6.95 Crores)

Tata Sons Private Limited: ₹ 1.83 crores (March 31, 2020 ₹ 2.17 crores)

Tata Consultancy Services Limited ₹ 6.10 crores (March 31, 2020 ₹ 0.71 crores)

Sale of Goods:

Tata Technologies Inc.: ₹ 1.68 crore (March 31, 2020 Rs. 0.10 crore)

Tata Consultancy Services Limited ₹ 4.33 crores (March 31, 2020 ₹ 12.76 crores)

Accounts receivable:

Tata Technologies Europe Limited ₹ 44.94 crores (March 31, 2020 ₹ 47.19 crores)

Tata Technologies Inc.: ₹ 27.33 crores (March 31, 2020 ₹ 25.12 crores)

Accounts payable:

Tata Technologies Inc.: ₹ 2.44 crores (March 31, 2020 ₹ 26.24 crores)

Interest received:

Tata Motors Finance Limited ₹ 0.55 crores (March 31, 2020 ₹ 0.55 crores)

Dividend paid:

Tata Capital General Partners LLP ₹ Nil crores (March 31, 2020 ₹ 14.99 crores)

Consideration of key management personnel*	Year ended March 31, 2021	Year ended March 31, 2020
Short term benefits	1.08	3.13
Post employment benefits	0.52	0.34
Total	1.60	3.47

*Includes provision for encashable leave and gratuity for certain key management personnels on estimate basis as a separate actuarial valuation is not available



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

32 Exceptional items

Exceptional items ₹ 4.99 crores (Previous year: ₹ 1.34 crores) pertains to fees for Professional services towards consultation for restructuring activities.

33 Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to Company's tax positions.

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
Income tax expense		
Current Tax		
Current tax on profits for the year	40.53	88.47
Total current tax expense	40.56	88.47
Deferred tax		
Decrease in deferred tax assets	2.03	4.77
(Decrease) in deferred tax liabilities	(4.16)	(1.56)
Total deferred tax expense / (benefit)	(2.13)	3.21
Income tax expense	38.43	91.68

The company has benefited from certain tax incentives that the Government of India has provided to the units registered under the Special Economic Zones Act 2005 (SEZ). SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50 percent of such profits or gains for further five years. Up to 50% of such profits or gains are also available for deduction for five years subject to certain conditions.

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Act 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company to pay income taxes at reduced tax rates as per the provisions/ conditions defined in the said section. The Company had evaluated both options and has decided to continue with the existing tax regime to avail the benefits of 10AA.

(ii) Reconciliation of tax expense and the accounting profit multiplied by statutory tax rate in India:

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
Profit before taxes	146.64	383.60
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expenses	51.23	134.02
Effect of tax on dividend received from Subsidiaries*	-	(24.04)
Income taxed at higher/(lower) rates	(15.37)	(20.54)
Effect of income exempt from tax	-	(0.08)
Effect of non deductible expenses	2.06	1.96
Others	0.51	0.36
Total tax expense	38.43	91.68

*Current tax includes amount of ₹ Nil crores (previous period: ₹ ₹ 24.04) in respect of tax on dividend income received by the Company from its offshore subsidiary Tata Technologies Pte. Limited as per Section 115BBD of the Income tax Act, 1961.

(iii) Amounts recognised in OCI

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
	Deferred tax	Deferred tax
Income tax relating to items that will not be reclassified to profit and loss	(1.34)	0.54
Total	(1.34)	0.54

(iv) Tax losses

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2021	March 31, 2020
Unused tax losses on which no deferred tax asset has been recognised	5.38	5.38
Potential tax benefit @23.296% (@ 23.296% for March 31, 2020)	1.25	1.25

Capital losses pertain to A.Y. 2014-2015 - ₹ 4.12 crore A.Y. 2015 - 2016 ₹ 1.26 crore. Deferred tax asset was not recognised on unused capital losses since there was lack of reasonable certainty of taxable capital profits to utilize this deferred tax asset. The losses can be carried forward for a period of 8 years as per local tax regulations.

(v) Changes in tax rate - The applicable Indian statutory tax rate for the financial year 2020-21 is 34.94% and financial year 2019-20 is 34.94%.



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

34 Capital Management

(a) Risk Management

The Company's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders.

The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital

As there is no debt in Company, hence the debt ratio is not applicable.

No changes were made in the objectives, policies or processes for managing capital of the Company during the current year and previous year.

(b) Dividends

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2021	March 31, 2020
(i) Equity shares		
Interim dividend declared during the year aggregating ₹ Nil (₹40 for the year ended 31 March 2020) per fully paid equity share	-	179.31



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

35.1 Categories of financial instruments

	As at March 31, 2021		As at March 31, 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments :				
- Mutual funds	492.08	-	31.06	-
- debentures	-	5.00	-	5.00
Security deposits	-	7.42	-	6.40
Loans to related parties- others	-	0.01	-	-
Loans to related parties- Inter-corporate deposits	-	250.00	-	26.50
Unbilled receivables	-	66.49	-	36.78
Trade receivables	-	237.31	-	306.62
Cash and cash equivalents	-	243.31	-	65.62
Other bank balances	-	1.96	-	2.27
SEIS licenses receivable	-	18.11	-	34.02
Others	-	3.97	-	4.85
Total financial assets	492.08	833.58	31.06	488.06
Financial liabilities				
Lease Liabilities	-	87.92	-	85.12
Trade payables	-	76.79	-	81.74
Others	-	3.53	-	5.04
Total financial liabilities	-	168.24	-	171.90

35.2 (a) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2021	Total	Fair value measurement at end of reporting year using		
		Level 1	Level 2	Level 3
Financial Assets				
Investments in Mutual Funds	492.08	492.08	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2020	Total	Fair value measurement at end of reporting year using		
		Level 1	Level 2	Level 3
Financial Assets				
Investments in Mutual Funds	31.06	31.06	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price.

Level 2: Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

35.2 (b) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

1. Trade receivables
2. Cash and Cash Equivalent
3. Other Bank Balances
4. Loans
5. Borrowings
6. Trade payables
7. Other financial liabilities (except derivatives and lease liabilities)
8. Other financial assets (except derivatives)



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

35.3 Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

35.4 Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

35.5 Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, Great Britain Pounds, Euro and Swedish Krona, against the respective functional currencies of Tata Technologies Limited and its subsidiaries.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies.

Derivative instruments outstanding as at March 31, 2021 & March 31, 2020 are as follows:

The Company do not have open forward contracts as at March 31, 2021 and previous year as at 31 March 2020

Foreign exchange currency exposures not covered by derivative instruments are as follows:

Particulars	Currency	As at March 31, 2021		As at March 31, 2020	
		Amount in Foreign Currency	Equivalent amount in INR	Amount in Foreign Currency	Equivalent amount in INR
Financials Assets:					
Trade Receivables & Unbilled Revenue	EUR	0.08	7.15	0.06	4.76
	CAD	0.01	0.67	0.02	1.22
	GBP	0.37	37.62	0.44	40.99
	THB	2.02	4.72	0.12	0.29
	USD	0.62	45.57	0.73	55.36
	ZAR	-	-	0.03	0.13
	CNY	0.41	4.58	0.85	9.04
	SGD	0.03	1.61	0.02	1.04
	JPY	1.62	1.07	-	-
	SEK	1.17	9.79	0.62	4.62
	CHF	-	-	0.02	1.55
Current account with Bank (including cheques in hand/money in transit)	USD	0.00	0.28	0.03	2.39
	JPY	6.05	4.00	12.12	8.42
	SGD	-	-	0.00	0.23
	ZAR	-	-	0.03	0.11
	GBP	0.11	10.81	0.40	37.44
	EUR	0.03	2.66	-	-
Total			130.53		167.59
Financials Liabilities:					
Trade Payables	EUR	0.00	0.02	0.01	0.74
	GBP	-	0.16	0.01	0.94
	THB	-	-	0.06	0.13
	USD	0.03	2.34	0.11	7.67
	SEK	-	-	0.02	0.13
	CNY	-	-	0.01	0.12
	AED	-	-	(0.01)	(0.11)
	JPY	0.26	0.17	1.80	1.25
	SGD	-	-	0.00	0.00
	CAD	-	-	0.00	0.00
	CHF	-	-	0.00	0.24
	VND	14.31	0.05	-	-
Total			2.74		11.11

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in increase/decrease in the Company's net income before tax by approximately ₹ 13.05 crores as at March 31, 2021 (₹ 16.76 crores as at March 31, 2020) and ₹ 0.27 crores as at March 31, 2021 (₹ 1.11 crores as at March 31, 2020) for financial assets and financial liabilities respectively.



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

35.6 Interest rate risk

The Company's investments are primarily in fixed rate interest bearing deposits/debentures and short term growth mutual funds. Hence, the Company is not significantly exposed to interest rate risk

35.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to The Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased. Tata Motors Limited, is the largest customer of the Company (Refer note 31 (ii)).

		(Amount in ₹ Crore)	
		As at	As at
		March 31, 2021	March 31, 2020
Movement in the expected credit loss allowance			
Balance at the beginning of the year		9.65	7.51
Movement in expected credit allowance on trade receivables		2.55	2.14
Reversal of provisions for debts paid		-	-
Balance at the end of the year		12.20	9.65

35.8 Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks.

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2021:

						(Amount in ₹ Crore)
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables	76.79	76.79	-	-	-	76.79
	(81.74)	(81.74)	(-)	(-)	(-)	(81.74)
(b) Lease liabilities	87.92	12.05	10.73	34.66	30.48	87.92
	(85.12)	(8.94)	(9.68)	(26.41)	(40.09)	(85.12)
(c) Other financial liabilities	3.53	3.06	0.46	0.01	-	3.53
	(11.88)	(11.88)	(-)	(-)	(-)	(11.88)
Total	168.24	81.90	11.19	34.67	30.48	168.24
	(178.74)	(102.56)	(9.68)	(26.41)	(40.09)	(178.74)

Previous year's figures are shown in the brackets



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

35.9 Risk assessment by the Company of COVID 19 (Global Pandemic)

Particulars	Risk assessment by the Company
Revenue from operations	The Company has assessed the following risks which could impact future revenue streams due to COVID 19 pandemic:
	- prolonged lock-down situation in different geographies which may result in inability to deploy resources at different locations due to restrictions on mobility.
	- Customer postponing discretionary spend to secure liquidity and changes in priorities.
	- the inability of our customers to continue their businesses due to financial resource constraints or further slowdown in auto industry or if their services no-longer being availed by their customers
Right to use assets (Lease Arrangements)	The Company has enabled 'Work from home' model for majority of workforce across the globe to address the risk of disruption in delivery of services. Hence the Company does not foresee any situation giving rise to disruption in delivery in case of prolonged lock down situation. The Company is in constant touch with its customers to update them about the efforts being made by it to continue to fulfill our obligations.
	The Company has a diversified portfolio of offerings for its customers. The Company has incorporated risks of COVID 19 outbreak in its revenue projections to the extent known and available at present. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.
Intangible assets	The Company has assessed the risk of COVID 19 disruptions to its revenues. Basis its assessment and on-going internal efficiency plans, it does not expect any large scale down-sizing of its employee base rendering the physical infrastructure redundant. The leased properties are used as delivery centers / sales offices which are long term in nature and the Company does not expect any change in the terms of lease arrangements including renewal options due to global pandemic that were assessed in this regard while assessing the Right to use assets.
Intangible assets	The Company carries intangible assets of Rs. 27.32 crores as at March 31, 2021 which includes net book value of software licenses. The Company does not expect any material changes in the amortisation period of software licences on account of global pandemic. The net book value commensurates with the life and the benefits to be derived in future by utilising those intangibles for revenue generation activities.
Financial Assets	The Company carries Financial assets of Rs. 1325.66 crore as at March 31, 2021.
	The Company carries trade receivables of Rs. 237.31 crore and unbilled revenue of Rs. 66.49 crore as at March 31, 2021 which forms a significant part of the financial assets and are carried at amortised cost which is valued considering provision for allowance using expected credit loss method. The Company has assessed the credit risk of its clients and does not expect any likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19.
	Financial assets of Rs. 250.32 crore have been recorded as at March 31, 2021 at amortised cost is in the form of cash and cash equivalents, bank deposits, earmarked balances with banks and third party debentures where the Company has assessed the counterparty credit risk does not expect any credit loss on these balances.
	The Company has also prepared detailed cash flow projections for future years after factoring impact of COVID 19 outbreak on its revenue streams and due to possible delay in customer collections. The Company does not expect a material increase in credit risk on an overall other than those that are already factored in.
Deferred tax assets	Other Loans and Financial assets are at Rs. 279.51 crore which includes Rs. 18.11 crore recoverable from government authorities under incentive schemes Rs. 250.00 crore towards inter corporate deposits with parent company and Rs.11.40 crore towards security deposits and other recoverables recorded at amortised cost. The Company does not expect a material increase in credit risk on an overall other than those that are already factored in.
	The Company has factored its future projections to consider impact of COVID 19 on future revenues and taxable profits. Based on an assessment, the Company expects that there is reasonable certainty that the sufficient future profits will be available to utilise the deferred tax assets carried by the Company.
Other non-financial assets	The Company carries other non-financial assets of Rs. 151.26 crore including Rs. 22.71 Contract assets pertains to unbilled revenue on fixed price contracts awaiting billing milestone. The Company has assessed its recoverability along with trade receivable and unbilled revenue for each customer.
Going Concern	The Company also carries unamortised balance of prepaid expenses of Rs. 27.07 crore and expects utilisation of services over the scheduled service period.
	The Company has prepared its financial statements based on going concern basis and assessed its assumption based on reasonable future projections, estimates and other relevant assumptions as applicable. Amid emerging risks on account of COVID 19 outbreak, the Company has also factored the possible impact of global pandemic on its revenues and cashflow projections which are known to the Company.
	The Company carries the cash and cash equivalents of ₹ 243.31 crore and current investments in high rated securities of Rs. 255.00 crore (including inter corporate deposits of ₹ 250.00 crore) as at March 31, 2021. The Company also have unutilized working capital limit which can be utilized to address any unforeseen liquidity risk in future.
	Hence the Company does not foresee any liquidity and going concern issue on account of COVID 19 outbreak.

36. 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 year in which, the Code becomes effective and the related rules to determine the financial impact are published



TATA TECHNOLOGIES LIMITED
Notes forming part of the Standalone Financial Statements

37. Current year's figures have been regrouped / reclassified wherever necessary to correspond with current period's classification / disclosure.

As per our report of even date attached
For B & R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W -100022



Swapnil Dakehlindas
Partner
Membership No: 113896
ICAI UDIN: 21113896AAAACQ3537

Pune: April 29, 2021

For and on behalf of the Board



S Ramadorai
Chairman
DIN: 00000002



Savitha Balachandran
Chief Financial Officer

Pune: April 29, 2021



Warren Harris
Managing Director
DIN: 02098548



Vikrant Gandhi
Company Secretary