

# B S R & 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 2022, 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 2022, 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.

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.



## **B S R & Co. LLP**

### **INDEPENDENT AUDITORS' REPORT**

**To the Members of Tata Technologies Limited**

**Report on the Audit of the Standalone Financial Statements**

#### **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.

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.



## **B S R & Co. LLP**

### **INDEPENDENT AUDITORS' REPORT**

**To the Members of Tata Technologies Limited**

**Report on the Audit of the Standalone Financial Statements**

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements (continued)**

- 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, 2020 ("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.
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.



## **B S R & Co. LLP**

### **INDEPENDENT AUDITORS' REPORT**

**To the Members of Tata Technologies Limited**

**Report on the Audit of the Standalone Financial Statements**

#### **Report on Other Legal and Regulatory Requirements (continued)**

- 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 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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:
- a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 28 to the standalone financial statements.
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 37(b) (vii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
  - (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 37(b) (vii) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or





**B S R & Co. LLP**

**INDEPENDENT AUDITORS' REPORT**

**To the Members of Tata Technologies Limited**

**Report on the Audit of the Standalone Financial Statements**

**Report on Other Legal and Regulatory Requirements (continued)**

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) The Company has neither declared nor paid any dividend during the year.

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

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: 22113896AIAXEY1058

Place: Mumbai

Date: 29 April 2022

**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 2022**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable property (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering information technology and related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted unsecured loans to its holding company during the year, in respect of which the requisite information is as below in clause (iii) (a).
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans to any other entity as below:

Particulars	Unsecured Loan (Rs. in crores)
Aggregate amount of loan provided during the year	
- Holding Company	1,481.00
Balance outstanding as at balance sheet date	
- Holding Company	42.50

**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 2022**

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the aforesaid loans are prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the aforesaid loan is repayable on demand. As informed to us, the holding company is repaying the principal amounts whenever called. Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013:

Particulars	Holding Company (Rs. in crores)
Aggregate amount of loans provided during the year	
- Repayable on demand	1,481.00
Percentage of loans to the total loans	100 %

- (iv) According to the information and explanations given to us and on the basis of our examination of the records, 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) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148 of the Act, for any of the services rendered by the Company. Accordingly, the provisions of paragraph 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of



**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 2022**

undisputed statutory dues including Goods and Services Tax (GST), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company 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 Goods and Service Tax ("GST"), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 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 standalone Financial statements.

- (b) According to the information and explanations given to us, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities 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 the dues	Amount Involved (Rs. in crore)	Amount unpaid (Rs. in crore)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 (Service tax provisions)	Service Tax	6.67	6.67	2006-08	CESTAT
Central Sales Tax Act, 1956	Sales Tax	0.003	0.003	2003-04	Deputy Commissioner of Sales Tax (Appeals)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that there are no funds that have been raised on a short-term basis have been used for long-term purposes by the company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any





**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 2022**

entity or person on account of or to meet the obligations of its subsidiaries, or joint venture as defined under Companies Act, 2013.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture as defined under Companies Act, 2013.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of 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, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Establishment of vigil mechanism is not mandated for the Company. We have taken into consideration the whistle blower complaints received under the vigil mechanism established voluntarily by the Company during the year and shared with us while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanation given to us by the management, the Group has five CICs which are registered with the Reserve Bank of India and 1 CIC which is not required to be registered with the Reserve Bank of India.



**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 2022**

- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, in respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Sec.135(6) of the Companies Act, 2013.

**For B S R & Co. LLP**  
Chartered Accountants

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



**Swapnil Dakshindas**  
Partner

Membership No. 113896

ICAI UDIN: 22113896AIAXEY1058

Place: Mumbai  
Date: 29 April 2022

**Annexure B to the Independent Auditors' report**

## Opinion

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 2022, 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”).

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").

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.

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.



## **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 2022**

### **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

Place: Mumbai

Date: 29 April 2022

Membership No. 113896

ICAI UDIN: 22113896AIXEY1058




**TATA TECHNOLOGIES LIMITED**  
**Standalone Balance Sheet**

		(Amount in ₹ Crore)	
	Note No	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Property, Plant and Equipment	3	76.85	50.98
(b) Capital work-in-progress	3	0.26	0.04
(c) Right-of-use-asset	4	84.48	81.50
(d) Intangible assets	5	22.60	27.32
(e) Intangible assets under development	5	-	0.07
(f) Investments in subsidiaries and joint venture	6	218.91	218.91
(g) Financial assets:			
(i) Loans	8	0.02	0.25
(ii) Other financial assets	10	9.53	7.46
(h) Income tax assets (net)	11	30.31	21.97
(i) Deferred tax assets (net)	11	42.04	19.04
(j) Other non-current assets	12	37.66	8.47
<b>Total Non-current Assets</b>		<b>522.66</b>	<b>436.01</b>
<b>(2) Current Assets</b>			
(a) Financial assets:			
(i) Investments	7	527.68	497.08
(ii) Trade receivables			
(a) Billed	13	275.06	237.31
(b) Unbilled		62.21	66.49
(iii) Cash and cash equivalents	14	13.21	243.31
(iv) Other bank balances	9	1.72	1.96
(v) Loans	8	42.82	250.08
(vi) Other financial assets	10	13.34	21.72
(b) Other current assets	12	645.52	142.79
<b>Total Current Assets</b>		<b>1,581.56</b>	<b>1,460.74</b>
<b>Total Assets</b>		<b>2,104.22</b>	<b>1,896.75</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	15	41.81	41.81
(b) Other Equity	16	742.15	829.31
<b>Total Equity</b>		<b>783.96</b>	<b>871.12</b>
<b>Liabilities</b>			
<b>(2) Non-current Liabilities</b>			
(a) Financial liabilities:			
(i) Lease Liabilities		77.98	75.87
(ii) Other financial liabilities	18	0.35	0.47
(b) Provisions	19	18.65	15.20
<b>Total Non-current Liabilities</b>		<b>96.98</b>	<b>91.54</b>
<b>(3) Current Liabilities</b>			
(a) Financial liabilities:			
(i) Lease Liabilities		15.29	12.05
(ii) Trade payables	17		
(a) total outstanding dues of micro enterprises and small enterprises		17.22	0.06
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		109.22	76.73
(iii) Other financial liabilities	18	255.86	3.06
(b) Provisions	19	23.39	4.00
(c) Current tax liabilities (net)	11	15.44	1.83
(d) Other current liabilities	20	786.86	836.36
<b>Total Current Liabilities</b>		<b>1,223.28</b>	<b>934.09</b>
<b>Total Liabilities</b>		<b>1,320.26</b>	<b>1,025.63</b>
<b>Total Equity and Liabilities</b>		<b>2,104.22</b>	<b>1,896.75</b>

See accompanying notes forming integral part of these Standalone financial statements

1-38

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

  
Swapnil Dakshinadas  
Partner  
Membership No: 113896  
ICAI UDIN: 22113896AIAXEY1058

For and on behalf of the Board

   
S Ramadorai  
Chairman  
DIN: 00000002  
Warren Harris  
Managing Director  
DIN: 02098548  
   
Savitha Balachandran  
Chief Financial Officer  
Vikrant Gandhi  
Company Secretary

Mumbai: April 29, 2022

Mumbai: April 29, 2022

**TATA TECHNOLOGIES LIMITED**  
**Standalone Statement of Profit and Loss**

	Note No	For the year ended	
		March 31, 2022	March 31, 2021
I. Revenue from operations	21	1,730.76	1,050.84
II. Other income (net)	22	37.57	18.75
III. Total Income (I + II)		<b>1,768.33</b>	<b>1,069.59</b>
IV. Expenses :			
(a) Purchases of technology solutions		470.70	121.34
(b) Outsourcing and consultancy charges		48.66	32.14
(c) Employee benefits expense	23	710.57	583.03
(d) Finance costs	24	14.48	10.62
(e) Depreciation and amortisation expense	25	49.84	53.65
(f) Other expenses	26	191.29	117.18
Total expenses (IV)		<b>1,485.54</b>	<b>917.96</b>
V. Profit before exceptional items and tax (III-IV)		<b>282.79</b>	<b>151.63</b>
VI. Exceptional Items	32	-	4.99
VII. Profit before tax (V-VI)		<b>282.79</b>	<b>146.64</b>
VIII. Tax Expense :			
(a) Current tax	11	82.17	40.56
(b) Deferred tax	11	(17.90)	(2.13)
		<b>64.27</b>	<b>38.43</b>
IX. Profit for the year (VII-VIII)		<b>218.52</b>	<b>108.21</b>
Other comprehensive income/(loss) for the year			
Items that will not be reclassified to profit or loss:			
(i) Remeasurement of post employment benefits obligations		(14.60)	3.84
(ii) Income tax relating to above items		5.10	(1.34)
Items that will be reclassified to profit or loss			
(i) Exchange differences on translation of operations of a foreign branch		(0.15)	(0.21)
X. Other comprehensive income/(loss) for the year		<b>(9.65)</b>	<b>2.29</b>
XI. Total comprehensive income for the year (IX+X)		<b>208.87</b>	<b>110.50</b>
XII. Earnings Per Equity Share (Face value of ₹ 10 each):	27		
(a) Basic (in ₹ )		52.27	25.89
(b) Diluted (in ₹ )		52.27	25.89
See accompanying notes forming integral part of these Standalone financial statements	1-38		

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: 22113896AIAXEY1058

Mumbai: April 29, 2022

For and on behalf of the Board

 <b>S Ramadorai</b> Chairman DIN: 00000002	 <b>Warren Harris</b> Managing Director DIN: 02098548
 <b>Savitha Balachandran</b> Chief Financial Officer	 <b>Vikrant Gandhi</b> Company Secretary

Mumbai: April 29, 2022

**TATA TECHNOLOGIES LIMITED**  
**Standalone Statement of Cash Flows**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the year	218.52	108.21
Adjustments for:		
Depreciation and amortisation	49.84	53.65
Export incentive written off	13.33	-
Current tax	82.17	40.56
Deferred tax	(17.90)	(2.13)
(Profit)/Loss on derecognition of right of use asset	(0.69)	-
Profit on sale of investments (net)	(0.55)	(6.30)
(Profit)/Loss on sale of tangible and intangible fixed assets	(0.07)	0.15
Interest income	(34.30)	(13.96)
Finance costs	14.48	10.62
Unrealised exchange loss / (gain)	(0.47)	0.58
Effect of exchange differences on translation of foreign currency cash & cash equivalent	2.14	2.42
Allowance for expected credit loss (net)	18.95	7.80
Change in fair value of investments	(0.20)	5.96
Operating profit before working capital changes	345.25	202.56
<b>Working capital adjustments</b>		
(Increase) / Decrease in trade receivables - Billed (current)	(56.16)	50.79
Decrease / (Increase) in trade receivables - Unbilled (current)	4.28	(29.71)
Decrease in trade receivables (non-current)	-	15.73
(Increase) in other current assets	(502.73)	(94.18)
(Increase) / Decrease in other current financial assets	(7.12)	16.75
(Increase) in current loans	(0.31)	(0.05)
Decrease / (Increase) in non-current loans	0.23	(0.79)
(Increase) in other non-current assets	(29.19)	(1.35)
Increase / (Decrease) in trade payables	49.65	(4.98)
Increase / (Decrease) in other financial liabilities	0.15	(0.33)
(Decrease) / Increase in other current liabilities	(105.22)	799.67
Increase / (Decrease) in current provisions	19.39	(4.68)
(Decrease) in non-current provisions	(11.15)	(3.45)
<b>CASH (USED IN)/GENERATED FROM OPERATIONS</b>	(292.93)	945.95
Income taxes paid (net)	(76.90)	(63.64)
<b>NET CASH FLOW (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>	(369.83)	882.31
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Deposits/restricted deposits with banks	0.24	-
Interest received on bank deposit and others	0.66	1.14
Inter corporate deposits placed	(1,481.00)	(1,124.50)
Inter corporate deposits returned	1,688.50	901.00
Interest received from bonds and inter corporate deposits	32.47	12.41
Payment for purchase of mutual funds	(567.47)	(491.98)
Proceeds from sale of Mutual Funds	532.62	31.30
Redemption of bonds	5.00	-
Proceeds from sale of tangible and intangible fixed assets	0.14	0.51
Payment for purchase of tangible and intangible fixed assets (including capital work in progress)	(49.94)	(11.33)
<b>NET CASH FLOW GENERATED FROM/(USED IN) INVESTING ACTIVITIES</b>	161.22	(681.45)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(0.15)	(2.50)
Dividends paid (including dividend tax)	(0.25)	(0.31)
Expenditure for buy-back of equity shares	(0.13)	-
Share application money received	-	0.24
Repayment of lease liabilities	(18.67)	(17.97)
<b>NET CASH FLOW (USED) IN FINANCING ACTIVITIES</b>	(19.20)	(20.54)
<b>NET (DECREASE) / INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	(227.81)	180.32



**TATA TECHNOLOGIES LIMITED**  
**Standalone Statement of Cash Flows**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
Cash and cash equivalents at the end of the year (Also refer note iii)	13.21	243.31
Cash and cash equivalents at the beginning of the year	243.31	65.62
Add: Effect of exchange rate changes on cash and cash equivalents	(2.14)	(2.42)
Less: Translation adjustment on reserves of foreign branch	(0.15)	(0.21)
	(227.81)	180.32

**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, 2022	March 31, 2021
Balances with banks:		
- Current account	11.84	41.50
- Deposits with maturity of less than three months	-	200.00
Cheques, drafts on hand/funds in transit	1.37	1.81
	13.21	243.31

See accompanying notes forming integral part of these  
 Standalone financial statements

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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: 22113896AIXEY1058

For and on behalf of the Board



S Ramadorai

Chairman

DIN: 00000002



Warren Harris

Managing Director

DIN: 02098548



Savitha Balachandran

Chief Financial Officer



Vikrant Gandhi

Company Secretary

Mumbai: April 29, 2022

Mumbai: April 29, 2022



**TATA TECHNOLOGIES LIMITED**  
Standalone Statement of Changes in Equity

**Part A - Equity Share Capital**

	Balance as at April 1, 2021	Changes in equity share capital due to prior year errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
	41.81	-	41.81	-	41.81

	Balance as at April 1, 2020	Changes in equity share capital due to prior year errors	Restated balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
	41.81	-	41.81	0.50	42.31

**Part B - Other Equity**

	Share Application money Pending Allotment	Securities Premium	Securities Premium identified separately for consolidation adjustment	General reserve	Capital Redemption Reserve	Special Economic Zone Reinvestment Reserve	Retained earnings	Items of Other comprehensive income	Total Other Equity
Balance as at April 1, 2020	-	258.84	23.16	134.65	1.25	-	299.33	1.34	716.57
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**	(0.24)	0.24	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	259.08	23.16	134.65	1.25	-	410.04	1.13	829.31
Profit for the year	-	259.08	23.16	134.65	1.25	-	410.04	1.13	829.31
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	218.52	-	218.52
Total comprehensive income for the year	-	-	-	-	-	-	(9.50)	(0.15)	(9.65)
Liability for buy-back (including tax) (refer note 15)	-	(245.79)	-	(50.11)	-	-	209.32	(0.15)	208.87
Expenditure on buy-back of equity shares (refer note 15)	-	(0.13)	-	-	-	-	-	-	(295.90)
Transfer to Special Economic Zone Reinvestment Reserve	-	-	-	-	-	-	19.34	-	(0.13)
Transfer from Special Economic Zone Reinvestment Reserve	-	-	-	-	-	-	19.34	-	-
Balance as at March 31, 2022	-	13.16	23.16	84.54	1.25	-	619.06	0.98	742.15

(Loss)/Gain of ₹ (9.50 crore) and ₹ 2.50 crore on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for year ended March 31, 2022 and 2021, respectively.  
\* The same is below rounding off norms

See accompanying notes forming integral part of these Standalone financial statements

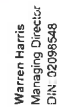
1-38

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

  
S. Ramadurai  
Partner  
Membership No: 113896  
ICAI UDIN: 22113896AAXEY1058

For and on behalf of the Board

  
S. Ramadurai  
Chairman  
DIN: 00000002

  
Warren Harris  
Managing Director  
DIN: 02098548

  
Ravindra Balakrishna  
Chief Financial Officer

  
Vikrant Gandhi  
Company Secretary

Mumbai, April 29, 2022

Mumbai, April 29, 2022

## **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 six offices located at Mumbai, Lucknow, Jamshedpur, Bangalore, Gurugram 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 contract assets (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-instated 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, Property, Plant and Equipment and Right to Use Assets**

At each balance sheet date, the Company assesses whether there is any indication that any Property, Plant and Equipment, Intangible Assets with finite lives and Right to use Assets 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, 2022, none of the Company's property, plant and equipment, intangible assets and right to use 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. The Company has no further obligations under this scheme beyond its periodic contributions.

#### 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. Accordingly, with effect from December 2019, the Company has continued 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.

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. Accordingly, with effect from January 2021, the carrying value of liability has been recognised based on an independent actuarial valuation under Projected Unit Cost method for those beneficiaries having claims under this scheme before the date of discontinuation.

#### **(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.

#### **Sub lease**

At the inception of the sub lease contract, the Company classifies the sub lease as a finance lease or an operating lease based on criteria in Ind AS 116 Lease.

The sub lease, which is classified as an operating lease, the lease Liability and Right to Use of the head lease is not derecognised. The lease income which would be received from the sub lease over the lease term is recognised as other income in the Statement of Profit or Loss Account.

The sub lease, which is classified as a finance lease, the lease liability of the head lease is not derecognised, instead the Right to Use asset of the head lease is derecognised and net investment in sub lease is recognised. The interest income received on the Net Investment in sub lease is recognised in Statement of Profit or Loss Account over the lease term.

#### **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 year, exceptional items are reported separately in the Statement of Profit and Loss.





## 2.21 Recent Indian Accounting Standards (Ind AS) and Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

### Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

### Ind AS 16 – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statement.

### Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

### Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.





### 3 Property, Plant and Equipment

(i) Contractual obligations: The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 10.91 Crore as at March 31, 2022 (₹ 1.19 Crore as at March 31, 2021).

(ii) Ageing schedule of Capital Work in Progress (CWIP) as at March 31, 2022

Particulars	Amount in CWP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.26	-	-	-	0.26

Ageing schedule of Capital Work in Progress (CWIP) as at March 31, 2021

Particulars	Amount in CWP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	0.04	-	-	0.04



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

	(Amount in ₹ Crore)				
	Commercial Premises	Land	Residential Premises	Vehicles	Total
<b>Cost as at April 1, 2020</b>					
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
<b>Cost as at March 31, 2021</b>	<b>98.79</b>	<b>3.30</b>	<b>0.46</b>	<b>4.91</b>	<b>107.46</b>
<b>Accumulated depreciation as at April 1, 2020</b>					
Depreciation for the year	10.90	0.04	0.21	1.55	12.70
Disposal/adjustments	12.69	0.04	0.15	1.45	14.33
	(0.98)	-	-	(0.09)	(1.07)
<b>Accumulated depreciation as at March 31, 2021</b>	<b>22.61</b>	<b>0.08</b>	<b>0.36</b>	<b>2.91</b>	<b>25.96</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>76.18</b>	<b>3.22</b>	<b>0.10</b>	<b>2.00</b>	<b>81.50</b>
<b>Gross carrying value as at April 1, 2021</b>					
Additions	98.79	3.30	0.46	4.91	107.46
Disposals	24.65	-	-	1.36	26.01
Other adjustments	(11.84)	-	-	(1.48)	(13.32)
	0.45	-	-	-	0.45
<b>Gross carrying value as at March 31, 2022</b>	<b>112.05</b>	<b>3.30</b>	<b>0.46</b>	<b>4.79</b>	<b>120.60</b>
<b>Accumulated depreciation as at April 1, 2021</b>					
Depreciation for the year	22.61	0.08	0.36	2.91	25.96
Disposals	13.03	0.04	0.08	1.13	14.28
	(2.78)	-	-	(1.34)	(4.12)
<b>Accumulated depreciation as at March 31, 2022</b>	<b>32.86</b>	<b>0.12</b>	<b>0.44</b>	<b>2.70</b>	<b>36.12</b>
<b>Net carrying value as at March 31, 2022</b>	<b>79.19</b>	<b>3.18</b>	<b>0.02</b>	<b>2.09</b>	<b>84.48</b>



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**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, 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 amortisation as at March 31, 2021	96.06	96.06
Net carrying value as at March 31, 2021	27.32	27.32
Gross carrying value as at April 1, 2021	123.38	123.38
Additions	11.71	11.71
Disposals	-	-
Gross carrying value as at March 31, 2022	135.09	135.09
Accumulated amortisation as at April 1, 2021	96.06	96.06
Amortization for the year	16.43	16.43
Accumulated amortisation on disposals	-	-
Accumulated depreciation as at March 31, 2022	112.49	112.49
Net carrying value as at March 31, 2022	22.60	22.60

(i) **Intangibles under development**

	(Amount in ₹ Crore)	
	31-Mar-22	31-Mar-21
Balance at the beginning of the year	0.07	0.26
Additions during the year	-	0.07
Capitalized during the year	(0.07)	(0.26)
Balance at the end of the year	-	0.07

(ii) Contractual obligation : The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 1.87 Crore as at March 31, 2022 (₹ 0.33 Crore as at March 31, 2021).

(iii) Ageing schedule of Intangible assets under development as at March 31, 2022

(Amount in ₹ Crore)					
Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					

(iv) Ageing schedule of Intangible assets under development as at March 31, 2021

(Amount in ₹ Crore)					
Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.07	-	-	-	0.07



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## 6 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Unquoted:

<b>(i) Investments in Equity of Subsidiaries- carried at cost</b>				
(a) Tata Technologies Inc.- (3.75% Holding)	150,000	15.57	150,000	15.57
(b) Tata Technologies Pte Ltd, Singapore, a 100% subsidiary company	86,463,759	203.34	86,463,759	203.34
<b>(II) Investments in Joint venture - carried at cost</b>				
(a) Tata HAL Technologies Limited	5,070,000	5.07	5,070,000	5.07
Less: Provision for impairment in value of investment*		(5.07)		(5.07)
		-		-
<b>Total Aggregate Unquoted Investments [(i)+(II)]</b>		<b>218.91</b>		<b>218.91</b>

(III) Information about Joint Venture:

Name of the Company	Principal place of the business	% of Holding	
		As at March 31, 2022	As at March 31, 2021
TATA HAL Technologies Limited (THTL)	India	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.

The Board and Shareholders of the joint venture have approved the voluntary liquidation of the Company and have appointed Mr. Thirupal Gorige, Insolvency Professional, as the liquidator of the Company on June 8, 2021. The winding up process is likely to be completed within due course of time.

(iv)	Aggregate book value of unquoted investments	218.91	218.91
	Aggregate value of impairment	5.07	5.07



## TATA TECHNOLOGIES LIMITED

Notes forming part of the Standalone Financial Statements

## 7 INVESTMENTS (Also refer note 35.9)

CURRENT

**Quoted Investments:**

**1) Investment carried at Fair value through Profit and Loss (FVTPL)**

### Investments in Mutual Funds

SBI Premier Liquid Fund - DIRECT Growth

Aditya Birla Sun Life Cash Plus

Axis Liquid Fund-Direct-Growth-CFDG

Kotak Liquid Fund Direct Plan Growth

UTI Liquid Cash Plan - Direct Plan - Growth Option

ICICI Prudential Liquid - Direct Plan - Growth

### SBI Liquid Fund Regular Growth

HDFC Liquid Fund -Direct Plan - Growth

Total Investment carried at Fair value through Profit and Loss (FVTPL)

**Quoted Investments:**

II) Investments carried at amortised cost - Investment in Debentures (See Note-1 below)

**Tata Motors Finance Limited**

Total Investments carried at amortised cost

**Total Current Investments**

Aggregate book value of quoted investments

Aggregate market value of quoted investments

Aggregate book value of unquoted investments

Aggregate book value of impairment

**Note:**

1. The debentures carried interest at 11% per annum payable annually and matured in September, 2021.

As at March 31, 2022		(Amount in ₹ Crore) As at March 31, 2021	
Units	Amount	Units	Amount
150,049	50.01	310,461	100.02
2,915,499	100.04	2,775,146	92.01
423,111	100.03	437,753	100.02
63,921	27.51	240,455	100.01
-	-	296,749	100.02
3,549,902	100.04	-	-
151,061	50.01	-	-
239,055	100.04	-	-
	527.68		492.08
		100	5.00
			5.00
	527.68		497.08

527.68	497.08
527.68	497.08





**TATA TECHNOLOGIES LIMITED**  
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		(Amount in ₹ Crore)	
		As at March 31, 2022	As at March 31, 2021
<b>8 LOANS (Also refer note 35.9)</b>			
<b>NON-CURRENT</b>			
<b>(Unsecured, considered good)</b>			
(a) Loans and advances to employees			0.24
(b) Advances to related parties (Also refer note 30(ii))		0.02	0.01
		<b>0.02</b>	<b>0.25</b>
<b>CURRENT</b>			
<b>(Unsecured, considered good)</b>			
(a) Loans to related parties (Also refer note 30(ii))			
- Inter corporate deposits	42.50		250.00
(b) Loans and advances to employees	0.63		0.33
Less : Provision for doubtful receivables	(0.31)		(0.25)
	<b>42.82</b>		<b>250.08</b>

Disclosure of the loan granted which are repayable on demand

Type of borrowers	(Amount in ₹ Crore)			
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans (including current and non-current)	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans (including current and non-current)
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Promoter	42.50	100.00%	250.00	100.00%
Directors	-	-	-	-
Key Managerial Personnel ("KMP")	-	-	-	-
Related Parties	-	-	-	-

		(Amount in ₹ Crore)	
		As at March 31, 2022	As at March 31, 2021
<b>9 OTHER BANK BALANCES (Also refer note 35.9)</b>			
<b>CURRENT</b>			
(a) Earmarked balance with banks (Refer Note (i) below)		1.72	1.96
		<b>1.72</b>	<b>1.96</b>

Note:

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

		(Amount in ₹ Crore)	
		As at March 31, 2022	As at March 31, 2021
<b>10 OTHER FINANCIAL ASSETS (Also refer note 35.9)</b>			
<b>NON-CURRENT</b>			
<b>(Unsecured, considered good)</b>			
(a) Deposits pledged/lien with banks (Refer Note (i) below)		0.06	0.05
(b) Security deposits		9.47	7.41
		<b>9.53</b>	<b>7.46</b>

Notes :

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

		(Amount in ₹ Crore)	
		As at March 31, 2022	As at March 31, 2021
<b>CURRENT</b>			
<b>(Unsecured, considered good)</b>			
(a) Interest accrued on deposits and investments			0.33
(b) Bills of Exchange	5.06		-
(c) Receivable from related parties for reimbursement of expenses (Also refer note 30(ii))	3.49		3.07
(d) SEIS licenses receivable	4.78		18.11
(e) Security deposits	0.01		0.01
(f) Others	-		0.20
	<b>13.34</b>		<b>21.72</b>



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**11 (i) Income tax assets/(liabilities)**

	(Amount in ₹ Crore)	
	As at March 31, 2022	As at March 31, 2021
Income Tax Assets (Net)	30.31	21.97
Income Tax Liabilities (Net)	15.44	1.83
<b>Net current income tax assets /(liabilities)</b>	<b>14.87</b>	<b>20.14</b>

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

The gross movement in income tax assets/(liabilities) for the year ended March 31, 2022 and year ended March 31, 2021 is as follows:

	(Amount in ₹ Crore)	
	As at March 31, 2022	As at March 31, 2021
Net current income tax assets /(liability) at beginning	20.14	(2.94)
Income tax paid (net) (Also refer note below)	76.90	63.64
Current income tax expense	(82.17)	(40.56)
<b>Net current income tax assets /(liability) at the end</b>	<b>14.87</b>	<b>20.14</b>

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

	(Amount in ₹ Crore)			
Significant components and movement of deferred tax assets and liabilities for the year ended March 31, 2022:	As at April 1, 2021	Recognized in the statement of profit or loss	Recognized in/reclassified from other comprehensive income	As at March 31, 2022
<b>Deferred tax assets:</b>				
Provisions and allowances for doubtful receivables and others	4.35	6.63	-	10.98
Compensated absences and retirement benefits	9.44	9.80	-	19.24
Others	3.54	1.40	-	4.94
Remeasurement of post employment benefits obligations	0.94	-	5.10	6.04
<b>Total deferred tax assets</b>	<b>18.27</b>	<b>17.83</b>	<b>5.10</b>	<b>41.20</b>
<b>Deferred tax liabilities:</b>				
Property, plant and equipment and intangible assets	(0.79)	(0.14)	-	(0.93)
Gain/Loss on Change in Fair Value of Investments	0.02	0.07	-	0.09
<b>Total deferred tax liabilities</b>	<b>(0.77)</b>	<b>(0.07)</b>	<b>-</b>	<b>(0.84)</b>
<b>Net Deferred tax assets/(liabilities)</b>	<b>19.04</b>	<b>17.90</b>	<b>5.10</b>	<b>42.04</b>

	(Amount in ₹ Crore)			
Significant components of deferred tax assets and liabilities for the year ended March 31, 2021:	As at April 1, 2020	Recognized in the statement of profit and loss	Recognized in/reclassified from other comprehensive income	As at March 31, 2021
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
Remeasurement of post employment benefits obligations	2.28	-	(1.34)	0.94
Others	3.46	0.08	-	3.54
<b>Total deferred tax assets</b>	<b>21.64</b>	<b>(2.03)</b>	<b>(1.34)</b>	<b>18.27</b>
<b>Deferred tax liabilities:</b>				
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
<b>Total deferred tax liabilities</b>	<b>3.39</b>	<b>(4.16)</b>	<b>-</b>	<b>(0.77)</b>
<b>Net Deferred tax assets/(liabilities)</b>	<b>18.25</b>	<b>2.13</b>	<b>(1.34)</b>	<b>19.04</b>



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(Amount in ₹ Crore)		
	As at March 31, 2022	As at March 31, 2021
<b>12 OTHER ASSETS (Also refer note 35.9)</b>		
<b>NON-CURRENT</b>		
(Unsecured, considered good)		
(a) Prepaid expenses	36.33	7.64
(b) Other non-current asset	0.26	-
(c) Deposits with government authorities	1.07	0.83
	<u>37.66</u>	<u>8.47</u>
<b>CURRENT</b>		
(Unsecured, considered good)		
(a) Advances to suppliers and contractors	31.38	0.06
(b) Prepaid expenses	36.63	19.43
(c) Balances with government authorities	120.47	100.45
(d) Current Assets	456.92	22.71
(e) Deposits with government authorities	0.12	0.14
	<u>645.52</u>	<u>142.79</u>

(Amount in ₹ Crore)		
	As at March 31, 2022	As at March 31, 2021
<b>13 TRADE RECEIVABLES (Also refer note 35.9)</b>		
<b>CURRENT</b>		
(Unsecured unless otherwise stated)		
Trade receivables considered good	306.14	249.51
Less : Expected credit loss allowance	31.08	12.20
	<u>275.06</u>	<u>237.31</u>

Above balance of Trade receivable include balances with related parties (Also refer Note 30 (ii))

Trade receivable ageing schedule as at March 31, 2022							
Particulars	Outstanding for following periods from due date of payment						(Amount in ₹ Crore)
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable - Considered good	125.95	143.79	9.19	18.79	1.56	6.86	306.14
Disputed Trade receivable - Considered good	-	-	-	-	-	-	-
Gross trade receivables	-	-	-	-	-	-	306.14
Less : Expected credit loss allowance	-	-	-	-	-	-	(31.08)
Trade receivables - billed	-	-	-	-	-	-	275.06
Unbilled receivables	62.21	-	-	-	-	-	62.21
Trade receivables - billed and unbilled	-	-	-	-	-	-	337.27

Trade receivable ageing schedule as on March 31, 2021							
Particulars	Outstanding for following periods from due date of payment						(Amount in ₹ Crore)
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable - Considered good	117.26	101.73	17.16	3.67	4.67	5.00	249.51
Disputed Trade receivable - Considered good	-	-	-	-	-	-	-
Gross trade receivables	-	-	-	-	-	-	249.51
Less : Expected credit loss allowance	-	-	-	-	-	-	(12.20)
Trade receivables - billed	-	-	-	-	-	-	237.31
Unbilled receivables	66.49	-	-	-	-	-	66.49
Trade receivables - billed and unbilled	-	-	-	-	-	-	303.80

**14 CASH AND CASH EQUIVALENTS (Also refer note 35.9)**

(Amount in ₹ Crore)		
	As at March 31, 2022	As at March 31, 2021
(a) Balances with banks:		
- Current account	11.84	41.50
- Deposits with original maturity of less than three months	-	200.00
(b) Cheques, drafts on hand/funds in transit	1.37	1.81
	<u>13.21</u>	<u>243.31</u>



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	(Amount in ₹ Crore)	
	As at March 31, 2022	As at March 31, 2021
<b>15 Equity Share Capital</b>		
(a) Authorised:		
(i) 60,000,000 equity shares of ₹ 10/- each (as at March 31, 2021: 50,000,000 equity shares of ₹ 10/- each)	60.00	60.00
(ii) 730,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each (as at March 31, 2021: 700,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each)	0.70	0.70
	<u>60.70</u>	<u>60.70</u>
(b) Issued, Subscribed and Fully paid up capital: 41,806,975 equity shares of ₹ 10/- each (as at March 31, 2021: 41,836,975 equity shares of ₹ 10/- each)	41.81	41.81
	<u>41.81</u>	<u>41.81</u>

**Note on Buy-back of Shares**

The Board of Directors of the Company, at its meeting held on February 11, 2022 had approved a proposal to buyback upto 1,240,122 equity shares of the Company for an aggregate amount not exceeding ₹ 245.79 crore representing 2.97% of the total paid up equity share capital at ₹ 1,982 per equity share, which was approved by the shareholders by means of a special resolution through a postal ballot dated March 18, 2022.

A Letter of Offer was sent to all eligible shareholders holding shares as on the record date i.e. March 21, 2022. The offer period i.e. the period for tendering the equity shares for buyback was March 26, 2022 to April 09, 2022. The verification of the applications was completed by the Registrar to the Buyback on April 11, 2022 and payments made to equity shareholders during April 13, 2022 to April 26, 2022. The unaccepted equity shares were returned to eligible equity shareholders on April 11, 2022. Pursuant to the Letter of Offer, the Company has recorded a payable of ₹ 255.90 crore (including provision for tax on buy-back of ₹ 50.11 crore) as at March 31, 2022 as Other financial and current liability (refer note 18 and refer note 20). The Company paid an amount of ₹ 79.48 crore to Tata Capital Growth Fund I Associate of Group company, on April 13, 2022 and ₹ 158.98 crore to Alpha TC Holdings Pte. Ltd. towards the consideration for buy-back of its equity shares on April 26, 2022.

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

Particulars	No. of Shares	Amount in ₹ Crore
<b>Equity shares</b>		
Number of shares as at April 1, 2020	41,803,225	41.81
Add: Crores issued under ESOP scheme	3,750	0.00*
Number of shares as at March 31, 2021	<u>41,806,975</u>	<u>41.81</u>
<b>Particulars</b>	<b>No. of Shares</b>	<b>Amount in ₹ Crore</b>
<b>Equity shares</b>		
Number of shares as at April 1, 2021	41,806,975	41.81
Add: Shares issued under ESOP scheme		
Number of shares as at March 31, 2022	<u>41,806,975</u>	<u>41.81</u>

\* Amount is below rounding off norms of the company.

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

**(i) Ordinary shares:**

The Company has only one class of shares having par value of ₹ 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, its subsidiaries and**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity shares</b>				
(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	8.98	3,746,505	8.98
	<u>34,047,105</u>	<u>81.44</u>	<u>34,047,105</u>	<u>81.44</u>

**(f) Shares held by promoter**

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter name	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
<b>Equity shares</b>					
(a) Tata Motors Limited	30,300,600	72.48	30,300,600	72.48	

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

Promoter name	As at March 31, 2021		As at March 31, 2020		% change during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
<b>Equity shares</b>					
(a) Tata Motors Limited	30,300,600	72.48	30,300,600	72.48	

**(g) 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 ₹ 745 per equity share. The equity shares bought back were extinguished on March 6, 2020.



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(h) Shares reserved for issue under options:

Option activity during the period under the plan is given as below:

Number of options granted, exercised and forfeited	As at March 31, 2022	As at March 31, 2021
Options granted, beginning of the period/year	-	3,750
Granted during the period/year	-	-
Exercised during the period/year	-	(3,750)
Expired during the period/year	-	-
Option exercisable at the period/year end	-	-
Weighted average share price at the date of exercise	N.A.	N.A.
Weighted average remaining contractual life (in years)	-	-
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.

(i) 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.





**TATA TECHNOLOGIES LIMITED**  
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		(Amount in ₹ Crore)
	As at March 31, 2022	As at March 31, 2021
<b>16 (i) Other Equity:</b>		
Securities Premium	13.16	259.08
Securities Premium identified separately for consolidation adjustment	23.16	23.16
Capital Redemption Reserve	1.25	1.25
General reserve	84.54	134.65
Special Economic Zone Reinvestment Reserve	-	-
Retained earnings	619.06	410.04
Items of other comprehensive income	0.98	1.13
	<b>742.15</b>	<b>829.31</b>
		(Amount in ₹ Crore)
	As at March 31, 2022	As at March 31, 2021
<b>16 (ii) Movement in other equity</b>		
<b>Share application money pending allotment</b>		
Balance at the beginning of the year	-	-
Share application money received during the year	-	0.24
Issue of equity shares under employee share option plan	-	(0.24)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Securities premium</b>		
Balance at the beginning of the year	259.08	258.84
Add: Received during the year on exercise of stock options issued to employees (including from share based payment reserve)	-	0.24
Less: Liability towards buy-back of equity shares (Refer note 15 and 18)	(245.79)	-
Less: Expenditure incurred on buy-back of equity shares	(0.13)	-
<b>Balance at the end of the year</b>	<b>13.16</b>	<b>259.08</b>
<b>Securities Premium identified separately for consolidation adjustment</b>		
Balance at the beginning of the year	23.16	23.16
<b>Balance at the end of the year</b>	<b>23.16</b>	<b>23.16</b>
<b>Capital redemption reserve</b>		
Balance at the beginning of the year	1.25	1.25
Add : Transferred from Securities Premium	-	-
<b>Balance at the end of the year</b>	<b>1.25</b>	<b>1.25</b>
<b>General reserve</b>		
Balance at the beginning of the year	134.65	134.65
Add : Transferred from Retained earnings	-	-
Less: Tax liability towards buy-back of equity shares (Refer note 15 and 20)	(50.11)	-
<b>Balance at the end of the year</b>	<b>84.54</b>	<b>134.65</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	410.04	299.33
Add: Profit for the year	218.52	108.21
Less: Remeasurements of post employment benefits obligations (net of tax effect)	(9.50)	2.50
Less: Transfer to Special Economic Zone Reinvestment Reserve	(19.34)	-
Add: Transferred from Special Economic Zone Reinvestment Reserve	19.34	-
<b>Balance at the end of the year</b>	<b>619.06</b>	<b>410.04</b>
<b>Special Economic Zone Reinvestment Reserve</b>		
Balance at the beginning of the year	-	-
Add : Transferred from retained earnings	19.34	-
Less : Transferred to retained earnings	(19.34)	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Other Components of Equity:</b>		
Balance at the beginning of the year	1.13	1.34
Foreign Currency Translation Reserve	(0.15)	(0.21)
<b>Balance at the end of the year</b>	<b>0.98</b>	<b>1.13</b>



**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 March 31, 2021 ₹ 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, 2021 ₹ 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) Special Economic Zone Reinvestment Reserve**

The Special Economic Zone (SEZ) re-investment reserve is created out of the profit of eligible SEZ unit in terms of the provisions of section 10AA(1)(ii) of the Income-tax Act, 1961. The reserve will be utilised by the Company for acquiring new assets for the purpose of its business as per the terms of section 10AA(2) of Income-tax Act, 1961.

**(vi) Retained earnings**

Retained earnings comprises of the Company's undistributed earnings after taxes.



**TATA TECHNOLOGIES LIMITED**  
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		(Amount in ₹ Crore)	
		As at	As at
		March 31, 2022	March 31, 2021
<b>17 Trade Payables</b>			
<b>CURRENT</b>			
(a) Total outstanding dues of micro enterprises and small enterprises*		17.22	0.06
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		109.22	76.73
		<b>126.44</b>	<b>76.79</b>

\* 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	As at
		March 31, 2022	March 31, 2021
(a) Principal amount and the interest due and remaining unpaid		17.22	0.06
(b) Principal amount paid after appointed date during the year		0.73	0.71
(c) Interest remaining due and payable for earlier years		0.09	0.08
(d) Amount of interest paid, other than under Section 16 of MSME Act, to suppliers registered under the MSME Act, beyond the appointed date during the year			
(e) Amount of interest accrued and unpaid		0.09	0.09

Trade payable ageing schedule as at March 31, 2022

		(Amount in ₹ Crore)				
Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	17.02	0.20				17.22
(ii) Others	53.56	3.99	0.77		2.13	100.45
(iii) Disputed dues - MSME						
(iv) Disputed dues - Others						
Accrued expenses	110.58	4.19	0.77		2.13	117.67
<b>Total</b>						<b>8.77</b>
						<b>126.44</b>

Trade payable ageing schedule as at March 31, 2021

		(Amount in ₹ Crore)				
Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME		0.06				0.06
(ii) Others	62.48	5.07	0.15	2.05	0.62	70.37
(iii) Disputed dues - MSME						
(iv) Disputed dues - Others						
Accrued expenses	62.48	5.13	0.15	2.05	0.62	70.43
<b>Total</b>						<b>6.36</b>
						<b>76.79</b>

**18 OTHER FINANCIAL LIABILITIES**

		(Amount in ₹ Crore)	
		As at	As at
		March 31, 2022	March 31, 2021
<b>NON CURRENT</b>			
(a) Retention Bonus payable		0.35	0.47
		<b>0.35</b>	<b>0.47</b>
<b>CURRENT</b>			
(a) Capital creditors		7.99	1.00
(b) Unpaid dividends		1.71	1.96
(c) Retention Bonus payable		0.37	0.10
(d) Liability towards buy-back of equity shares (Refer note 15)		245.79	
		<b>255.86</b>	<b>3.06</b>

**19 Provisions**

		(Amount in ₹ Crore)	
		As at	As at
		March 31, 2022	March 31, 2021
<b>NON CURRENT</b>			
(a) Provision for employee benefits		18.65	15.20
		<b>18.65</b>	<b>15.20</b>
<b>CURRENT</b>			
(a) Provision for employee benefits		23.39	4.00
		<b>23.39</b>	<b>4.00</b>



**TATA TECHNOLOGIES LIMITED**  
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**20 OTHER CURRENT LIABILITIES**

- (a) Statutory remittances (withholding taxes, Provident Fund, GST, etc.)
- (b) Advance and Progress payments
- (c) Unearned revenue
- (d) Tax on liability towards buy-back of equity shares (Refer note 15)

(Amount in ₹ Crore)	
As at March 31, 2022	As at March 31, 2021
18.74	117.51
659.79	678.40
58.22	40.45
50.11	-
<b>786.86</b>	<b>836.36</b>



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**21 REVENUE FROM OPERATIONS (Also refer note 35.9)**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
(a) Sale of technology solutions	569.87	154.02
(b) Sale of services	1,159.78	896.82
(c) Other operating revenue		
(i) Commission income	1.11	-
	1,730.76	1,050.84

**21 (I) Revenue disaggregation by Vertical business units is as follows:**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
(a) Service	1,156.08	893.73
(b) Technology Solutions (Refer note below)	574.68	157.11
	1,730.76	1,050.84

**Note:**

Technology solution segment includes revenue from services pertaining to product business amounting to ₹ 3.70 crores (March 31, 2021 : ₹ 3.09 crore).

**21 (II) Changes in Contract assets are as follows:**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
Balance at the beginning year	22.71	30.17
Revenue recognised during the year	753.80	191.27
Invoices raised during the year	(319.59)	(198.73)
Translation exchange difference	-	-
Balance at the end year	456.92	22.71

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

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	718.85	15.83
Revenue recognised that was included in unearned and deferred revenue at the beginning of the year	(59.15)	(10.77)
Increase due to invoicing during the year, excluding amounts recognised as revenue and increase in advances received during the year	58.31	713.79
Translation exchange difference	-	-
Balance at the end of the year	718.01	718.85

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

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
Contracted price	1,730.76	1,050.84
Reductions towards variable consideration components	-	-
Revenue recognised	1,730.76	1,050.84

The reduction towards variable consideration comprise of service level credits.

**21 (v) The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 476.59 crores (March 31, 2021: ₹ 630.40) 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, 2022	March 31, 2021
(a) Interest Income		
(i) Interest income-others	34.05	13.41
(ii) Interest income on debentures	0.25	0.55
(b) Other gains/(losses)		
(i) Change in fair value of investments measured at FVTPL - mutual fund units	0.20	(5.96)
(c) Other non-operating income		
(i) Foreign currency gain/(loss) (net)	0.48	1.11
(ii) Profit on sale of investments measured at FVTPL - mutual fund units (net)	0.55	6.30
(iii) Other non-operating income	1.65	3.34
(iv) Lease Income	0.39	-
	37.57	18.75





**TATA TECHNOLOGIES LIMITED**  
Notes forming part of the Standalone Financial Statements

**23 EMPLOYEE BENEFITS EXPENSE**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
(a) Salaries and wages	660.69	551.02
(b) Contribution to provident and other funds	32.96	26.00
(c) Staff welfare expenses (Refer note below)	16.92	6.01
	<b>710.57</b>	<b>583.03</b>

**Note:**

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 ₹ 8.04 crore during the year ended March 31, 2021.

**24 FINANCE COSTS**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
(a) Interest on lease liabilities	7.45	8.12
(b) Other Interest cost	7.03	2.50
	<b>14.48</b>	<b>10.62</b>

**25 DEPRECIATION AND AMORTISATION EXPENSE**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
(a) Depreciation on Property, Plant and Equipment	19.13	18.97
(b) Depreciation on Right-of-use-asset	14.28	14.33
(c) Amortisation of Other Intangible assets	16.43	20.35
	<b>49.84</b>	<b>53.65</b>



**TATA TECHNOLOGIES LIMITED**  
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**26 OTHER EXPENSES**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
(a) Rent (also refer note 26(iii) below)	6.96	3.51
(b) Repairs & maintenance		
- Buildings	0.20	0.15
- Plant & machinery	0.10	0.51
- Others	7.69	7.03
(c) Insurance	0.53	0.33
(d) Rates and taxes	2.08	1.42
(e) Advertisement and publicity	-	0.01
(f) Business promotion expenses	0.05	-
(g) Office expenses	8.02	5.27
(h) Travelling & conveyance	5.44	3.48
(i) Power & fuel	4.74	4.94
(j) Water charges	0.15	0.18
(k) Auditors remuneration (also refer note 26(i) below)	0.58	0.63
(l) Staff training and seminar expenses	2.04	0.68
(m) Staff recruitment expenses	9.41	3.79
(n) AMC charges	34.92	25.61
(o) Software-internal use	49.84	33.19
(p) Professional fees	4.50	7.68
(q) Communication expenses	10.67	7.85
(r) Allowances for expected credit loss (net)	18.88	2.55
(s) Allowances for expected credit loss (net) on advances	0.37	0.25
(t) Export incentive receivable written off	13.33	-
(u) Corporate social responsibility (also refer note 26(ii) below)	5.48	5.83
(v) Miscellaneous expenses	5.61	2.29
	<b>191.29</b>	<b>117.18</b>

**26 (i) Payment to auditors**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
(a) For statutory audit, including limited review	0.48	0.48
(b) For Tax audit	0.06	0.06
(c) For other attest services	0.02	0.05
(d) For reimbursement of expenses	0.02	0.04
	<b>0.58</b>	<b>0.63</b>



26 (ii) Corporate social responsibility expenditure

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
1 Gross amount required to be spent	5.31	5.81
2 Amount spent during the year on:		
(a) Construction/ acquisition of any asset	-	-
(b) On purposes other than (a) above	4.48	5.83
3 Shortfall at the end of the year	0.83	-
4 Total of previous year shortfall	-	-
5 Reason for shortfall	Pertains to ongoing projects	
6 Nature of CSR activities	NA STEM Education program, Employability enhancement program, Women empowerment program, Integrated rural development, Disaster relief program	

Movement in provision for corporate social responsibility expenditure

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
Opening balance of the provision	-	-
Add: addition during the year	1.00	-
Less: Utilised during the year	-	-
Closing balance of the provision	1.00	-

The Company has not entered into related party transaction for corporate social expenditure for the year ended March 31, 2022 and Previous year March 31, 2021.

The unspent amount of ₹ 1.00 crore as at the year end is transferred to separate bank account on April 28, 2022 in accordance with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

26 (iii) Rent

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
(a) Expenses related to short-term leases	0.36	0.55
(b) Expenses related to low-value assets, excluding short-term leases of low-value assets	6.60	2.96
<b>Total</b>	<b>6.96</b>	<b>3.51</b>



**TATA TECHNOLOGIES LIMITED**  
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**27 Earning per Share**

Particulars		For the year ended	
		March 31, 2022	March 31, 2021
(a)	Profit attributable to equity shareholders ₹ Crore	218.52	108.21
(b)	The weighted average number of ordinary equity shares outstanding during the year Nos.	41,806,975	41,804,458
(c)	The nominal value per ordinary Share ₹	10.00	10.00
(d)	Earnings Per Share (Basic) ₹	52.27	25.89
(e)	The weighted average number of ordinary equity shares outstanding during the year Nos.	41,806,975	41,804,458
(f)	Add: Adjustment for Employee Stock Options Nos.	-	-
(g)	The weighted average number of equity shares outstanding for diluted EPS Nos.	41,806,975	41,804,458
(h)	Earnings Per Shares (Diluted) ₹	52.27	25.89

**28 (a) Contingent Liabilities**

		(Amount in ₹ Crore)	
		As at March 31, 2022	As at March 31, 2021
(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	0.02
(d)	Service Tax demands disputed in appeals (Also refer note (iii) and (iv))	23.55	22.56

**Notes:**

(i) Statutory bonus at the revised rates pertaining to year 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 crore (Previous year ₹ 1.49 crore) 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 ₹ 6.67 crore (Previous Year ₹ 6.45 crore) consisting of demand of ₹ 1.49 (Previous year ₹ 1.49 crore) crores and interest and penalty of ₹ 5.18 crore. (Previous year ₹ 4.96 crore)

(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 cenval 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 2018. Considering the merit of the case, confirmation of demand is likely to be remote, hence contingent liability has been disclosed to the tune of ₹ 16.88 crore (Previous Year ₹ 16.11 crores) consisting of demand of ₹ 5.11 crores and interest and penalty of ₹ 11.77 crores (Previous year ₹ 11.00 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.

**28 (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, 2022 has been recognised in the statement of Profit and Loss as follows:

	Amount in ₹ Crore	
	March 31, 2022	March 31, 2021
Contribution to provident fund	22.28	15.28
Contribution to superannuation fund	4.01	4.02
	<b>26.29</b>	<b>19.30</b>

#### Defined benefit plans

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

	Gratuity (Funded)	
	March 31, 2022	March 31, 2021
Discount rate(s)	7.10%	6.90%
Expected rate(s) of salary increase	7%-10.50%	5.75%-6%
Withdrawal rate	-	-
Age		
20 - 34 years	16%	17%
35 - 40 years	9%	8%
41 - 50 years	5%	5%
51 - 60 years	5%	3%

	Bhavishya Kalyan Yojana (BKY) (Unfunded)	
	March 31, 2022	March 31, 2021
Valuation as at		
March 31, 2022	6.50%	6.00%
March 31, 2021	7.10%	6.90%
Expected rate(s) of salary increase	7%-10.50%	5.75%-6%
Withdrawal rate	-	-
Age		
20 - 34 years	16%	17%
35 - 40 years	9%	8%
41 - 50 years	5%	5%
51 - 60 years	5%	3%

	Superannuation (Partly Funded)	
	March 31, 2022	March 31, 2021
Valuation as at		
March 31, 2022	6.50%	6.00%
March 31, 2021	7.10%	6.90%
Expected rate(s) of salary increase	7%-10.50%	5.75%-6%
Withdrawal rate	-	-
Age		
20 - 34 years	16%	17%
35 - 40 years	9%	8%
41 - 50 years	5%	5%
51 - 60 years	5%	3%

	Post Retirement Medicare Scheme (Unfunded)	
	March 31, 2022	March 31, 2021
Valuation as at		
March 31, 2022	6.00%	6.00%
March 31, 2021	7.20%	6.90%
Expected rate(s) of salary increase	7%-10.5%	5.75%-6%
Withdrawal rate	-	-
Age		
20 - 34 years	N.A.	17%
35 - 40 years	N.A.	8%
41 - 50 years	N.A.	5%
51 - 60 years	N.A.	3%

	Compensated Absence (Unfunded)	
	March 31, 2022	March 31, 2021
Valuation as at		
March 31, 2022	7.10%	6.90%
March 31, 2021	7%-10.5%	5.75%-6%
Expected rate(s) of salary increase	7%-10.5%	5.75%-6%
Withdrawal rate	-	-
Age		
20 - 34 years	19%	17%
35 - 40 years	9%	8%
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, 2022	Year Ended March 31, 2021
	Amount in ₹ Crore	Amount in ₹ Crore
Service cost:		
Current service cost	6.61	6.49
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.06	0.21
Components of defined benefit costs recognised in profit or loss	<b>6.67</b>	<b>6.70</b>
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(0.16)	(1.33)
Actuarial (gains) / losses arising from changes in demographic assumptions	0.15	-
Actuarial (gains) / losses arising from changes in financial assumptions	14.06	-
Actuarial (gains) / losses arising from experience adjustments	0.74	(2.60)
Others		
Components of defined benefit costs recognised in other comprehensive income	14.77	(3.93)
Total	<b>21.44</b>	<b>2.77</b>

	Year Ended March 31, 2022	Year Ended March 31, 2021
	Amount in ₹ Crore	Amount in ₹ Crore
Service cost:		
Current service cost	0.06	0.07
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.15	0.14
Components of defined benefit costs recognised in profit or loss	<b>0.15</b>	<b>0.14</b>
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	(0.04)	-
Actuarial (gains) / losses arising from experience adjustments	0.01	0.17
Others	0.26	0.07
Components of defined benefit costs recognised in other comprehensive income	-	0.22
Total	<b>0.06</b>	<b>0.28</b>

	Year Ended March 31, 2022	Year Ended March 31, 2021
	Amount in ₹ Crore	Amount in ₹ Crore
Service cost:		
Current service cost	0.06	0.07
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	-	(0.01)
Components of defined benefit costs recognised in profit or loss	<b>0.06</b>	<b>0.06</b>
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(0.23)	(0.03)
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(0.04)	-
Actuarial (gains) / losses arising from experience adjustments	0.01	0.17
Others	0.26	0.07
Components of defined benefit costs recognised in other comprehensive income	-	0.22
Total	<b>0.06</b>	<b>0.28</b>

	Year Ended March 31, 2022	Year Ended March 31, 2021
	Amount in ₹ Crore	Amount in ₹ Crore
Service cost:		
Current service cost	-	-
Past service cost and (gain)/loss from settlements	0.18	0.17
Net interest expense	0.18	(7.87)
Components of defined benefit costs recognised in profit or loss	<b>0.18</b>	<b>(7.87)</b>
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	0.02	(0.12)
Actuarial (gains) / losses arising from changes in demographic assumptions	(0.11)	0.18
Actuarial (gains) / losses arising from changes in financial assumptions	-	-
Actuarial (gains) / losses arising from experience adjustments	(0.09)	0.06
Others	0.09	(7.81)
Components of defined benefit costs recognised in other comprehensive income	-	-
Total	<b>0.09</b>	<b>(7.81)</b>

	Year Ended March 31, 2022	Year Ended March 31, 2021
	Amount in ₹ Crore	Amount in ₹ Crore
Service cost:		
Current service cost	3.48	3.33
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	5.39	0.43
Components of defined benefit costs recognised in profit or loss	<b>8.87</b>	<b>3.81</b>
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	<b>8.87</b>	<b>3.81</b>





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 March 31, 2022	As at March 31, 2021	As at March 31, 2020
	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
Present value of funded defined benefit obligation	(76.22)	(55.41)	(55.41)
Fair value of plan assets	55.10	57.27	57.27
Effect of asset ceiling	-	-	-
Funded status	(21.02)	(2.14)	(2.14)
Net liability arising from defined benefit obligation	(21.02)	(2.14)	(2.14)

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

	Gratuity (Funded)		
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening defined benefit obligation	59.41	55.41	55.41
Current service cost	6.61	6.49	6.49
Interest cost	3.80	3.71	3.71
Remeasurement (gains)/losses: Actuarial gains and losses arising from changes in demographic assumptions	0.15	-	-
Actuarial gains and losses arising from changes in financial assumptions	14.06	-	-
Actuarial gains and losses arising from experience adjustments	0.74	(2.60)	(2.60)
Transfer to/from Holding Company (Net)	-	-	-
Others	(8.65)	(4.00)	(4.00)
Benefits paid	-	-	-
Curtailment	-	-	-
Closing defined benefit obligation	76.12	59.41	59.41

	Bhavishya Kalyan Yojana (BKY) (Unfunded)		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
	(2.17)	(2.32)	(2.32)
	-	-	-
	(2.17)	(2.32)	(2.32)
	(2.17)	(2.32)	(2.32)

	Bhavishya Kalyan Yojana (BKY) (Unfunded)		
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020
	2.31	2.58	2.58
	0.15	0.14	0.14
	-	-	-
	(0.08)	(0.19)	(0.19)
	-	-	-
	-	-	-
	-	-	-
	(0.22)	(0.22)	(0.22)
	2.16	2.31	2.31

	Superannuation (Partly Funded)		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
	(2.87)	(2.66)	(2.66)
	3.22	2.77	2.77
	(0.35)	(0.09)	(0.09)
	-	0.01	0.01
	-	-	-
	-	0.01	0.01

	Superannuation (Partly Funded)		
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020
	2.68	2.30	2.30
	0.06	0.07	0.07
	0.16	0.14	0.14
	-	-	-
	(0.04)	-	-
	0.01	0.17	0.17
	-	-	-
	-	-	-
	2.87	2.68	2.68

	Post Retirement Medicare Scheme (Unfunded)		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
	(2.51)	(2.76)	(2.76)
	-	-	-
	(2.51)	(2.76)	(2.76)
	(2.51)	(2.76)	(2.76)

	Post Retirement Medicare Scheme (Unfunded)		
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020
	2.76	10.87	10.87
	-	3.33	3.33
	0.18	0.17	0.17
	-	-	-
	0.02	(0.12)	(0.12)
	(0.11)	0.18	0.18
	-	-	-
	(0.34)	(0.30)	(0.30)
	2.51	2.76	2.76

	Compensated Absence (Unfunded)		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
	(16.34)	(11.99)	(11.99)
	-	-	-
	(16.34)	(11.99)	(11.99)
	(16.34)	(11.99)	(11.99)

	Compensated Absence (Unfunded)		
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020
	11.99	10.87	10.87
	3.48	3.33	3.33
	0.67	0.66	0.66
	-	-	-
	4.71	(0.16)	(0.16)
	-	-	-
	-	-	-
	-	-	-
	(4.51)	(2.59)	(2.59)
	16.34	11.99	11.99



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

	Gratuity (Funded)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Opening fair value of plan assets	57.27	48.97
Interest income	3.74	3.49
Remeasurement gain (loss): Return on plan assets (excluding amounts included in net interest expense)	0.18	1.33
Contributions from the employer	2.50	7.48
Benefits paid	(8.65)	(4.00)
Transfer to/from Holding Company (Net)	-	-
Closing fair value of plan assets	55.10	57.27

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

Gratuity (Funded)
Debt securities
Not Applicable (N/A)

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	8.10%	Defined Above
Increase by 1%	6.10%	Defined Above
Decrease by 1%	(0.13)	N.A.
Impact on defined benefit obligation:		
Increase by 1%	7.85	(6.39)
Decrease by 1%	(2.21)	2.64
Impact on service cost and interest cost:		
Increase by 1%	2.48	(2.29)
Decrease by 1%		

#### Maturity profile of defined benefit obligation:

Amount in ₹ Crore
Within 1 Year
1-2 years
2-3 years
3-4 years
4-5 years
5-10 years

Amount in ₹ Crore
0.27
0.27
0.22
0.22
0.22
0.93

Amount in ₹ Crore
0.15
0.09
-
-
-
0.10

Amount in ₹ Crore
0.31
0.30
0.28
0.27
0.25
0.89

Amount in ₹ Crore
1.87
1.91
1.99
2.01
1.93
9.35

Superannuation (Partly Funded)	
Year Ended March 31, 2022	Year Ended March 31, 2021
2.77	2.51
0.16	0.16
0.23	0.03
0.06	0.07
-	-
-	-
3.22	2.77

Superannuation (Partly Funded)
100.00%
100.00%

Post Retirement: Medicare Scheme (Unfunded)	
Year Ended March 31, 2022	Year Ended March 31, 2021
-	-
-	-
0.34	0.30
(0.34)	(0.30)
-	-
-	-

Post Retirement: Medicare Scheme (Unfunded)
N/A
N/A

Compensated Absence (Unfunded)	
Year Ended March 31, 2022	Year Ended March 31, 2021
-	-
-	-
4.51	2.68
(4.51)	(2.68)
-	-
-	-

Compensated Absence (Unfunded)
N/A
N/A

Discount Rate	Medical Cost
8.20%	7.50%
6.20%	5.00%
(0.10)	0.13
0.11	(0.12)
0.02	0.01
(0.02)	(0.01)



#### Employee benefit plans

Investment risk	The plans typically expose the company to the actuarial risks such as investments risk, interest risks, longevity risk and salary risk. The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting Year on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting Year on high quality corporate bonds when 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, 2022 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, 2022**

**(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"> <li>1 Tata Technologies (Thailand) Limited</li> <li>2 INCAT International Plc.</li> <li>3 Tata Technologies Europe Limited</li> <li>4 Tata Technologies GmbH (Formerly known as INCAT GmbH upto March 30, 2022)</li> <li>5 Tata Technologies Inc (Subsidiary of Tata Technologies Europe Limited w.e.f March 20, 2015)</li> <li>6 Tata Technologies de Mexico, S.A. de C.V. (under liquidation)</li> <li>7 Cambric Limited</li> <li>8 Cambric GmbH (Liquidated on September 17, 2020)</li> <li>9 Tata Technologies SRL Romania</li> <li>10 Tata Manufacturing Technologies (Shanghai) Co. Limited</li> <li>11 Tata Technologies Nordics AB (Formerly known as Escanda Engineering AB upto November 01, 2020)</li> <li>12 Tata Technologies Limited Employees Stock Option Trust</li> <li>13 Incat International Limited ESOP 2000</li> </ol>
4	Fellow subsidiaries	<ol style="list-style-type: none"> <li>1 TML Business Services Limited</li> <li>2 Tata Motors European Technical Centre PLC</li> <li>3 Tata Motors Insurance Broking and Advisory Services Limited</li> <li>4 TMF Holdings Limited</li> <li>5 TML Holdings Pte. Limited</li> <li>6 TML Distribution Company Limited (Merged with TML Business Services Limited w.e.f. April 1, 2021)</li> <li>7 Tata Hispano Motors Carrocera S.A.</li> <li>8 Tata Hispano Motors Carroceries Maghreb SA</li> <li>9 Trilix S.r.l.</li> <li>10 Tata Precision Industries Pte. Limited</li> <li>11 Tata Marcopolo Motors Limited</li> <li>12 Tata Daewoo Commercial Vehicle Company Limited</li> <li>13 Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited</li> <li>14 Tata Motors (Thailand) Limited</li> <li>15 Tata Motors (SA) (Proprietary) Limited</li> <li>16 PT Tata Motors Indonesia</li> <li>17 PT Tata Motors Distribusi Indonesia</li> <li>18 Jaguar Land Rover Automotive Plc</li> <li>19 Jaguar Land Rover Limited</li> <li>20 Jaguar Land Rover Austria GmbH</li> <li>21 Jaguar Land Rover Japan Limited</li> <li>22 JLR Nominee Company Limited (dormant)</li> <li>23 Jaguar Land Rover Deutschland GmbH</li> <li>24 Jaguar Land Rover North America LLC</li> <li>25 Jaguar Land Rover Nederland BV</li> <li>26 Jaguar Land Rover Portugal - Veiculos e Peças, Lda.</li> <li>27 Jaguar Land Rover Australia Pty Limited</li> <li>28 Jaguar Land Rover Italia Spa</li> <li>29 Jaguar Land Rover Korea Company Limited</li> <li>30 Jaguar Land Rover (China) Investment Co. Ltd.</li> <li>31 Jaguar Land Rover Canada ULC</li> <li>32 Jaguar Land Rover France, SAS</li> <li>33 Jaguar Land Rover (South Africa) (Pty) Limited</li> <li>34 Jaguar e Land Rover Brasil Indústria e Comércio de Veículos LTDA</li> <li>35 Limited Liability Company "Jaguar Land Rover" (Russia)</li> <li>36 Jaguar Land Rover (South Africa) Holdings Limited</li> <li>37 Jaguar Land Rover Classic Deutschland GmbH</li> <li>38 Jaguar Land Rover Hungary KFT</li> <li>39 Jaguar Land Rover India Limited</li> <li>40 Jaguar Land Rover Espana SL</li> <li>41 Jaguar Land Rover Belux NV</li> <li>42 Jaguar Land Rover Holdings Limited</li> <li>43 Jaguar Cars South Africa (Pty) Limited (dormant)</li> <li>44 Jaguar Cars Limited (dormant)</li> <li>45 Land Rover Exports Limited (dormant)</li> <li>46 Land Rover Ireland Limited (non-trading)</li> <li>47 The Daimler Motor Company Limited (dormant)</li> <li>48 Daimler Transport Vehicles Limited (dormant)</li> <li>49 S.S. Cars Limited (dormant)</li> <li>50 The Lanchester Motor Company Limited (dormant)</li> <li>51 Shanghai Jaguar Land Rover Automotive Services Company Limited</li> <li>52 Jaguar Land Rover Pension Trustees Limited (dormant)</li> <li>53 Jaguar Land Rover Slovakia s.r.o</li> <li>54 Jaguar Land Rover Singapore Pte. Ltd.</li> <li>55 Jaguar Racing Limited</li> <li>56 InMotion Ventures Limited</li> <li>57 InMotion Ventures 2 Limited</li> </ol>



**TATA TECHNOLOGIES LIMITED**  
Notes forming part of the Standalone Financial Statements

**31 Related Party Disclosures for the year ended March 31, 2022**

**(i) Related party and their relationship**

	58	InMotion Ventures 3 Limited
	59	Jaguar Land Rover Colombia S.A.S
	60	Jaguar Land Rover Ireland (Services) Limited
	61	Jaguar Land Rover Taiwan Company Limited
	62	Jaguar Land Rover Servicios México, S.A. de C.V.
	63	Jaguar Land Rover México, S.A.P.I. de C.V.
	64	Jaguar Land Rover Classic USA LLC (dormant)
	65	Tata Motors Finance Solutions Limited
	66	Tata Motors Finance Limited
	67	Spark44 (JV) Limited
	68	Spark44 Pty. Ltd. (Sydney, Australia)
	69	Spark44 GmbH (Frankfurt, Germany)
	70	Spark44 LLC (LA & NYC, USA)
	71	Spark44 Shanghai Limited (Shanghai, China)
	72	Spark44 DMCC (Dubai, UAE)
	73	Spark44 Limited (London & Birmingham, UK)
	74	Spark44 Singapore Pte. Ltd. (Singapore)
	75	Spark44 Communications Sl. (Madrid, Spain)
	76	Spark44 S.r.l. (Rome, Italy)
	77	Spark44 Seoul Limited (Korea)
	78	Spark44 Japan K.K. (Tokyo, Japan)
	79	Spark44 Canada Inc (Toronto, Canada)
	80	Spark44 Pty. Limited (South Africa)
	81	Spark44 Colombia S.A.S. (Colombia)
	82	Spark44 Taiwan Limited (Taiwan)
	83	Bowler Motors Limited
	84	Jaguar Land Rover (Ningbo) Trading Co. Limited
	85	Spark44 Demand Creation Partners Private Limited (Mumbai, India)
	86	Brabo Robotics and Automation Limited
	87	Tata Motors Passenger Vehicles Limited (Name changed from TML Business Analytics Services Limited with effect from September 17, 2021)
	88	Jaguar Land Rover Ventures Limited
	89	TML CV Mobility Solutions Limited (Incorporated on June 7, 2021)
	90	JT Special Vehicles Pvt. Limited
	91	Tata Passenger Electric Mobility Ltd. (Incorporated on December 21, 2021)
	92	In-Car Ventures Limited
5	Joint Venture	TATA HAL Technologies Limited (in process of liquidation)
6	Associates and Joint Venture of Group Company	<p>1 Tata Sons Private Limited</p> <p>2 Jaguar Cars Finance Limited</p> <p>3 Automobile Corporation of Goa Limited</p> <p>4 Nita Company Limited</p> <p>5 Tata Hitachi Construction Machinery Company Private Limited</p> <p>6 Tata Precision Industries (India) Limited</p> <p>7 Tata AutoComp Systems Limited</p> <p>8 Loginomic Tech Solutions Private Limited ("TruckEasy")</p> <p>9 Automotive Stampings and Assemblies Limited</p> <p>10 Nanjing Tata Autocomp Systems Limited</p> <p>11 TACO Engineering Services GmbH</p> <p>12 Ryhpez Holding (Sweden) AB</p> <p>13 TitanX Holding AB</p> <p>14 TitanX Engine Cooling Inc.,</p> <p>15 TitanX Engine Cooling Kunshan Co. Ltd.</p> <p>16 TitanX Engine Cooling AB</p> <p>17 TitanX Engine Cooling, Poland</p> <p>18 TitanX Refrigeração de Motores LTDA</p> <p>19 Tata Ficosa Automotive Systems Private Limited</p> <p>20 Tata AutoComp GY Batteries Private Limited</p> <p>21 Tata Autocomp Hendrickson Suspensions Private Limited</p> <p>22 Air International TTR Thermal Systems Limited</p> <p>23 Tata Autocomp Katcon Exhaust Systems Private Limited</p> <p>24 TM Automotive Sealing Systems Private Limited</p> <p>25 TACO Sanken Automotive Electronics Limited</p> <p>26 Tata Cummins Private Limited</p> <p>27 Fiat India Automobiles Private Limited</p> <p>28 Chery Jaguar Land Rover Automotive Company Limited</p> <p>29 Chery Jaguar Land Rover Auto Sales Company Limited</p> <p>30 Tata AutoComp Gotion Green Energy Solutions Private Limited</p> <p>31 Ewart Investments Limited</p> <p>32 Tata Limited</p> <p>33 Tata AIA Life Insurance Company Limited</p> <p>34 Tata AIG General Insurance Company Limited</p> <p>35 Indian Rotorcraft Limited</p> <p>36 Panatone Finvest Limited</p> <p>37 TS Investments Limited</p> <p>38 Tata SIA Airlines Limited</p> <p>39 Infiniti Retail Limited</p>





**TATA TECHNOLOGIES LIMITED**  
Notes forming part of the Standalone Financial Statements

**31 Related Party Disclosures for the year ended March 31, 2022**

**(i) Related party and their relationship**

40	Tata Incorporated
41	Tata Investment Corporation Limited
42	Sinto Investment Company Limited
43	Tata Asset Management Limited
44	Tata Asset Management (Mauritius) Private Limited
45	Tata Pension Management Limited
46	Tata Consulting Engineers Limited
47	Ecofirst Services Limited
48	TCE QSTP-I.LC (in liquidation)
49	Tata International AG, Zug
50	TRIF Investment Management Limited
51	Tata Advanced Systems Limited
52	Aurora Integrated Systems Private Limited
53	HELA Systems Private Limited
54	Nova Integrated Systems Limited
55	TASL Aerostructures Private Limited
56	Tata Lockheed Martin Aerostructures Limited
57	Tata Sikorsky Aerospace Limited (formerly Tata Aerospace Systems Limited)
58	Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)
59	Tata Capital Limited
60	Tata Capital Advisors Pte. Limited
61	Tata Capital Financial Services Limited
62	TATA Capital General Partners LLP
63	Tata Capital Growth Fund I
64	Tata Capital Healthcare General Partners LLP
65	Tata Capital Housing Finance Limited
66	Tata Capital Markets Pte. Limited
67	Tata Capital Plc
68	Tata Capital Pte. Limited
69	Tata CleanTech Capital Limited
70	Tata Opportunities General Partners LLP
71	Tata Securities Limited
72	Tata Capital Special Situation Fund
73	Tata Capital Healthcare Fund I
74	Tata Capital Innovations Fund
75	Tata Capital Growth Fund II
76	Tata Housing Development Company Limited
77	Apex Realty Private Limited
78	Ardent Properties Private Limited
79	Concept Developers & Leasing Limited (formerly Concept Marketing and Advertising Limited)
80	HLT Residency Private Limited
81	Kriday Realty Private Limited
82	North Bombay Real Estate Private Limited
83	One-Colombo Project (Private) Limited
84	Promont Hillside Private Limited
85	Smart Value Homes (Boisar) Private Limited (formerly Niyati Sales Private Limited)
86	Tata Value Homes Limited (formerly Smart Value Homes Limited)
87	THDC Management Services Limited (formerly THDC Facility Management Limited)
88	World-One (Sri Lanka) Projects Pte. Limited
89	World-One Development Company Pte. Limited
90	Synergizers Sustainable Foundation (incorporated under Section 25 of the Companies Act, 1956)
91	Tata Realty and Infrastructure Limited
92	Acme Living Solutions Private Limited
93	Arrow Infraestate Private Limited
94	Gurgaon Construct Well Private Limited
95	Gurgaon Realtech Limited
96	HV Farms Private Limited
97	TRIF Gurgaon Housing Projects Private Limited
98	TRIL Constructions Limited
99	Wellkept Facility Management Services Private Limited (formerly TRIL Hospitality Private Limited)
100	TRIL Roads Private Limited
101	TRIL Urban Transport Private Limited
102	TRIL Infopark Limited
103	Hampi Expressways Private Limited
104	Dharamshala Ropeway Limited
105	Manali Ropeways Private Limited
106	International Infrabuild Private Limited
107	Uchit Expressways Private Limited
108	TRPL Roadways Private Limited
109	Tata Consultancy Services Limited
110	APTOline Limited (formerly APOline Limited)
111	C-Edge Technologies Limited
112	CMC Americas Inc.
113	Diligenta Limited
114	MahaOnline Limited
115	MGDC S.C.
116	MP Online Limited
117	PT Tata Consultancy Services Indonesia
118	Tata America International Corporation



**TATA TECHNOLOGIES LIMITED**  
Notes forming part of the Standalone Financial Statements

**31 Related Party Disclosures for the year ended March 31, 2022**

**(i) Related party and their relationship**

119	Tata Consultancy Services (Africa) (PTY) Ltd.
120	Tata Consultancy Services (China) Co., Ltd.
121	Tata Consultancy Services (Philippines) Inc.
122	Tata Consultancy Services (South Africa) (PTY) Ltd.
123	Tata Consultancy Services (Thailand) Limited
124	Tata Consultancy Services Argentina S.A.
125	Tata Consultancy Services Asia Pacific Pte Ltd.
126	Tata Consultancy Services Belgium (formerly Tata Consultancy Services Belgium S.A.)
127	Tata Consultancy Services Canada Inc.
128	Tata Consultancy Services Chile S.A.
129	Tata Consultancy Services Danmark ApS
130	Tata Consultancy Services De Espana S.A.
131	Tata Consultancy Services De Mexico S.A., De C.V.
132	Tata Consultancy Services Deutschland GmbH
133	Tata Consultancy Services Do Brasil Ltda
134	Tata Consultancy Services France (formerly Tata Consultancy Services France SA) (formerly Allt S.A.)
135	Tata Consultancy Services Luxembourg S.A.
136	Tata Consultancy Services Malaysia Sdn Bhd
137	Tata Consultancy Services Netherlands BV
138	Tata Consultancy Services Osterreich GmbH
139	Tata Consultancy Services Qatar S.S.C.
140	Tata Consultancy Services Sverige AB
141	Tata Consultancy Services Switzerland Ltd.
142	TCS e-Serve America, Inc.
143	TCS Financial Solutions (Beijing) Co., Ltd.
144	TCS Financial Solutions Australia Holdings Pty Limited
145	TCS Financial Solutions Australia Pty Limited
146	TCS FNS Pty Limited
147	TCS Iberoamerica SA
148	TCS Inversiones Chile Limitada
149	Tata Consultancy Services Italia s.r.l.
150	TCS Solution Center S.A.
151	TCS Uruguay S. A.
152	TCS e-Serve International Limited
153	Tata Consultancy Services Japan, Ltd.
154	TCS Foundation
155	Tata Consultancy Services UK limited (formerly W12 Studios Limited)
156	Tata Consultancy Services Saudi Arabia
157	Technology Outsourcing S.A.C.
158	Tata Trustee Company Limited
159	Tata Sky Limited
160	ACTIVE Digital Services Private Limited
161	Tata Sky Broadband Private Limited (formerly Quickest Broadband Private Limited)
162	TSBB Voice Private Limited
163	Niskalp Infrastructure Services Limited (formerly Niskalp Energy Limited)
164	India Emerging Companies Investment Limited
165	Inshaallah Investments Limited
166	Tata Industries Limited
167	Tata Advanced Materials Limited
168	Qubit Investments Pte. Limited
169	Tata SmartFoodz Limited (formerly SmartFoodz Limited)
170	Tata International Limited
171	Alliance Motors Ghana Limited
172	Blackwood Hodge Zimbabwe (Private) Limited
173	Calsea Footwear Private Limited
174	Monroa Portugal, Comércio E Serviços, Unipessoal LDA
175	Move On Componentes E Calçado, S.A.
176	Move On Retail Spain, S.L.
177	Tata International Metal (S.A) Pty Ltd
178	Pamodzi Hotels Plc
179	Tata Africa (Cote D'Ivoire) SARL
180	Tata Africa Holdings (Ghana) Limited
181	TATA Africa Holdings (Kenya) Limited
182	Tata Africa Holdings (SA) (Proprietary) Limited
183	Tata Africa Holdings (Tanzania) Limited
184	Tata Africa Services (Nigeria) Limited
185	Tata Africa Steel Processors (Proprietary) Limited
186	Tata Automobile Corporation (SA) (Proprietary) Limited
187	Tata De Mocambique, Limitada
188	Tata Holdings Mocambique Limitada
189	Tata International Metals (Americas) Limited (formerly Tata Steel International (North America) Limited)
190	Tata International Metals (Asia) Limited (formerly Tata Steel International (Hongkong) Limited)
191	Tata International Metals (UK) Limited (formerly Tata Steel International (UK) Limited)
192	Tata International Singapore Pte Limited
193	Tata South East Asia (Cambodia) Limited
194	Tata South-East Asia Limited
195	Tata Uganda Limited
196	Tata West Asia FZE



**TATA TECHNOLOGIES LIMITED**  
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**31 Related Party Disclosures for the year ended March 31, 2022**

**(i) Related party and their relationship**

197	Tata Zambia Limited
198	Tata Zimbabwe (Private) Limited (dormant)
199	TIL Leather Mauritius Limited
200	Tata International West Asia DMCC
201	Motor-Hub East Africa Limited
202	Tata International Vietnam Company Limited
203	Tata International Unitech (Senegal) SARL (formerly Tata Africa (Senegal) S.A.R.L.)
204	Tata International Canada Limited
205	Newshelf 1369 Pty Ltd.
206	Taj Air Limited
207	AirAsia (India) Limited
208	Strategic Energy Technology Systems Private Limited
209	A & T Road Construction Management and Operation Private Limited
210	Pune Solapur Expressways Private Limited
211	TRIL IT4 Private Limited (formerly Albrecht Builder Private Limited)
212	Mikado Realtors Private Limited
213	Industrial Minerals and Chemicals Company Private Limited
214	Arvind and Smart Value Homes LLP
215	Princeton Infrastructure Private Limited
216	Sohna City LLP
217	Technopolis Knowledge Park Limited
218	HL Promoters Private Limited
219	Kolkata-One Excelton Private Limited
220	Sector 113 Gatevida Developers Private Limited (formerly Lemon Tree Land & Developers Private Limited)
221	Promont Hilltop Private Limited
222	Smart Value Homes (Peenya Project) Private Limited (formerly Smart Value Homes (Bolsar Project) Private Limited)
223	Smart Value Homes (New Project) LLP
224	One Bangalore Luxury Projects LLP
225	Tata International DLT Private Limited
226	Tata International GST AutoLeather Limited
227	Synaptiv Limited
228	DriveClubService Pte. Ltd.
229	Cloud Car Inc
230	Durg Shivnath Expressways Private Limited (formerly SMS Shivnath Infrastructure Private Limited)
231	Matheran Rope-Way Private Limited
232	TATASOLUTION CENTER S.A.
233	Alliance Finance Corporation Limited
234	MIA Infrastructure Private Limited
235	Flisom - AG
236	915 Labs Inc (formerly 915 Labs LLC)
237	Impetis Biosciences Limited
238	Tata Digital Limited
239	Tata Engineering Consultants Saudi Arabia Company
240	AFCL RSA (Pty) Limited
241	TISPL Trading Company Limited (formerly Tata International Myanmar Limited)
242	TCTS Senegal Limited
243	Tata Autocomp SECO Powertrain Private Limited
244	Tata Autocomp Katcon Exhaust System Private Limited
245	TAL Manufacturing Solutions Limited
246	TCL Employee Welfare Trust
247	Tata Capital Growth II General Partners LLP
248	Tata Capital Healthcare Fund II
249	TATA Capital Healthcare II General Partners LLP
250	Tata Capital Opportunities II General Partners LLP
251	Tata Capital Opportunities II Alternative Investment Fund (in the process of winding up)
252	Tata Consultancy Services (Portugal), Unipessoal Limitada
253	TCS Business Services GmbH
254	Tata International Metals (Guangzhou) Limited
255	AFCL Ghana Limited
256	AFCL Premium Services Ltd.
257	AFCL Zambia Limited
258	Stryder Cycle Private Limited
259	NelFoundry Inc.
260	TC IOT Managed Solutions Limited (w.e.f. 06.06.2019)
261	Tata Payments Limited
262	Women in Transport
263	T/A Tata International Cape Town
264	Air International TTR Thermal Systems Private Limited
265	Pune IT City Metro Rail Limited
266	Land kart Builders Private Limited
267	Alliance Leasing Limited
268	TRIL Bengaluru Real Estate One Private Limited
269	TRIL Bengaluru Real Estate Two Private Limited
270	TRIL Bengaluru Real Estate Three Private Limited
271	Tata Consultancy Services Italia s.r.l.
272	TRIL Bengaluru Real Estate Four Private Limited
273	Société Financière Décentralisée Alliance Finance Corporation Senegal



**TATA TECHNOLOGIES LIMITED**  
Notes forming part of the Standalone Financial Statements

**31 Related Party Disclosures for the year ended March 31, 2022**

**(i) Related party and their relationship**

274	Tata Medical and Diagnostics Limited
275	Filsom Hungary Kft
276	Tata Electronics Private Limited (formerly TRIL Bengaluru Real Estate Four Private Limited)
277	IHMS Hotels (South Africa) (Proprietary) Limited
278	Good Hope Palace Hotels (Pty) Limited
279	Consilience Technologies (Proprietary) Limited
280	Ferguson Place Pty Ltd. (formerly Newshelf 919 (Proprietary) Limited)
281	Talace Private Limited
282	Tata Toyo Radiator Limited
283	Tata Consultancy Services Ireland Limited
284	Tata Teleservices Limited
285	Tata Tele NXTGEN Solutions Limited (formerly MMP Mobi Wallet Payment Systems Limited)
286	NVS Technologies Limited
287	TTL Mobile Private Limited
288	Tata Teleservices (Maharashtra) Limited
289	Tata Communications Limited
290	Tata Communications Transformation Services Limited
291	Tata Communications Collaboration Services Private Limited
292	Tata Communications Payment Solutions Limited
293	Tata Communications Lanka Limited
294	Tata Communications Services (International) Pte. Limited
295	Tata Communications (Bermuda) Limited
296	Tata Communications (Netherlands) B.V.
297	Tata Communications (Hong Kong) Limited
298	ITXC IP Holdings S.A.R.L.
299	Tata Communications (America) Inc.
300	Tata Communications (International) Pte Limited
301	Tata Communications (Canada) Limited
302	Tata Communications (Belgium) SRL (formerly Tata Communications (Belgium) S.P.R.L.)
303	Tata Communications (Italy) SRL
304	Tata Communications (Portugal) Unipessoal LDA
305	Tata Communications (France) SAS
306	Tata Communications (Nordic) AS
307	Tata Communications (Guam) L.L.C.
308	Tata Communications (Portugal) Instalacao E Manutencao De Redes LDA
309	Tata Communications (Australia) Pty Limited
310	Tata Communications SVCS Pte Ltd (formerly Tata Communications Services (Bermuda) Limited
311	Tata Communications (Poland) SP.Z O.O.
312	Tata Communications (Japan) KK.
313	Tata Communications (UK) Limited
314	Tata Communications Deutschland GMBH
315	Tata Communications (Middle East) FZ-LLC
316	Tata Communications (Hungary) KFT
317	Tata Communications (Ireland) DAC
318	Tata Communications (Russia) LLC
319	Tata Communications (Switzerland) GmbH
320	Tata Communications (Sweden) AB
321	TCPOP Communication GmbH
322	Tata Communications (Taiwan) Limited
323	Tata Communications (Thailand) Limited
324	Tata Communications (Malaysia) Sdn. Bhd.
325	Tata Communications Transformation Services South Africa (Pty) Ltd
326	Tata Communications (Spain) S.L.
327	Tata Communications (Beijing) Technology Limited
328	VSNL SNOSPV Pte. Limited
329	Tata Communications (South Korea) Limited
330	Tata Communications Transformation Services (Hungary) Kft.
331	Tata Communications Transformation Services Pte Limited
332	Tata Communications (Brazil) Participacoes Limitada
333	Tata Communications Transformation Services (US) Inc
334	Tata Communications Comunicacoes E Multimidia (Brazil) Limitada
335	Nexus Connexion (SA) Pty Limited



**TATA TECHNOLOGIES LIMITED**  
Notes forming part of the Standalone Financial Statements

**31 Related Party Disclosures for the year ended March 31, 2022**

**(i) Related party and their relationship**

	336	SEPCO Communications (Pty) Limited
	337	Tata Communications (New Zealand) Limited
	338	Tata Communications MOVE B.V. (formerly Teleena Holding B.V.)
	339	Tata Communications MOVE Nederland B.V. (formerly Teleena Nederland B.V.)
	340	Tata Communications MOVE UK Limited (formerly Teleena UK Limited)
	341	Tata Communications MOVE Singapore Pte. Ltd. (formerly Teleena Singapore Pte. Ltd.)
	342	Oasis Smart E-Sim Pte Ltd
	343	Tata Business Hub Limited
	344	Tata Elxsi Limited
	345	Postbank Systems AG
	346	Ferbine Private Limited
	347	LTH Milcom Private Limited
	348	OASIS Smart SIM Europe SAS
	349	Changshu Tata Autocomp Systems Limited
	350	Akashastha Technologies Private Limited
	351	Saudi Desert Rose Holding B.V.
	352	TitanX Engine Cooling SRL
	353	TACO Prestolite Electric Pvt. Ltd.
	354	TCS e-Serve International Limited Employees' Gratuity Fund
	355	Inchcape JLR Europe Limited (Incorporated 31 August 2020) (JLRL shareholding 30% effective 30 April 2021)
	356	Jaguar Land Rover Schweiz AG
	357	Tejas Networks Limited
	358	Tejas Communication Pte Limited, Singapore
	359	Tejas Communications (Nigeria) Limited
	360	Tata Consultancy Services Guatemala S.A
	361	Tata Consultancy Services Bulgaria EOOD
	362	Supermarket Grocery Supplies Private Limited
	363	Savis Retail Private Limited
	364	Delyver Retail Network Private Limited
	365	Dailyninja Delivery Services Private Limited
	366	Tata 1mg Technologies Private Limited
	367	Tata 1mg Healthcare Solutions Private Limited
	368	LFS Healthcare Private Limited
	369	Innovative Retail Concepts Private Limited
	370	MuCosso B.V. (formerly Tata Communications MuCosso B.V.)
	371	Air India Limited
	372	Air India Express Limited
	373	Air India SATS Airport Services Private Limited
	374	Vidyal Residency Private Limited
	375	Tata Fintech Private Limited
	376	Tata Asset Management Private Limited (formerly Tata Asset Management Limited)
	377	Tata Trustee Company Private Limited (formerly Tata Trustee Company Limited)
	378	Protravny Private Limited
	379	Infopark Properties 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
8	Key Management Personnel	1 Mr. Warren Harris, Managing Director 2 Mr. Vikrant Gandhi, 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 (upto June 30, 2021) 10 Mr. PB Balaji, Director 11 Mr. Ajoyendra Mukherjee, Director (w.e.f March 29, 2021) 12 Ms. Nivruti Rai, Director (w.e.f. June 24, 2021) (upto March 11, 2022)





**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)	2.27 (0.10)	- (-)	0.04 (-)	- (-)	2.31 (0.24)
Sale of products	41.80 (36.67)	2.10 (0.65)	0.09 (2.42)	- (-)	13.45 (5.35)	- (-)	57.44 (45.09)
Services received	1.81 (1.78)	0.17 (0.10)	4.13 (0.10)	- 0.01	18.41 (12.59)	- (-)	24.52 (14.56)
Services rendered	417.29 (431.93)	61.55 (14.06)	560.27 (347.81)	- (-)	19.52 (16.51)	- (-)	1,058.63 (810.31)
Finance placed (including loans, equity & ICD)	1,481.00 (1,124.50)	- (-)	- (-)	- (-)	- (-)	- (-)	1,481.00 (1,124.50)
Finance received back (including loans, equity & ICD)	1,688.50 (901.00)	- (-)	- (-)	- (-)	- (-)	- (-)	1,688.50 (901.00)
Interest paid / (received)(net)	(32.47) (12.41)	(0.25) (0.55)	- (-)	- (-)	(0.03) (0.19)	- (-)	(32.75) (13.15)
Remuneration	- (-)	- (-)	- (-)	- (-)	- (-)	1.82 (1.41)	1.82 (1.41)
Amount receivable (Including unbilled receivables)	76.88 (98.76)	30.36 (5.14)	177.72 (117.63)	- (0.01)	10.21 (6.91)	- (-)	295.17 (228.45)
Amount payable (Including unearned revenue)	5.97 (0.21)	2.09 (0.09)	20.43 (4.84)	- (-)	4.93 (2.91)	- (-)	33.42 (8.05)
Amount receivable (in respect of advances, loans, Equity, ICD, Bonds)	42.50 (250.00)	- (5.29)	0.02 (0.01)	- (-)	- (-)	- (-)	42.52 (255.30)
Lease receivables	- (-)	- (-)	- (-)	- (-)	- (0.21)	- (-)	- (0.21)
Commission	- (-)	- (-)	- (-)	- (-)	- (-)	1.00 (0.55)	1.00 (0.55)
Sitting fees	- (-)	- (-)	- (-)	- (-)	- (-)	0.13 (0.16)	0.13 (0.16)

Previous year's figures are shown in the brackets

**Disclosure of material transactions:**

**Purchase of Goods:**

Tata Technologies Inc.: ₹ 2.27 crore (March 31, 2021 ₹ 0.10 crore)

**Services rendered:**

Tata Technologies Europe Limited ₹ 321.39 crore (March 31, 2021 ₹ 142.12 crore)

Tata Technologies Inc.: ₹ 176.07 crore (March 31, 2021 ₹ 131.96 crore)

**Services received:**

Tata Communications Limited: ₹ 5.95 crore (March 31, 2021 ₹ 3.96 crore)

Tata Sons Limited: ₹ 4.28 crore (March 31, 2021 ₹ 1.83 crore)

Tata Consultancy Services Limited: ₹ 6.55 crore (March 31, 2021 Rs. 6.10 crore)

**Sale of Goods:**

Tata Consultancy Services Limited: ₹ 4.19 crore (March 31, 2021 Rs. 4.33 crore)

Tata Elxsi Limited: ₹ 7.99 crore (March 31, 2021 Rs. Nil crore)

**Accounts receivable:**

Tata Technologies Europe Limited ₹ 86.85 crore (March 31, 2021 ₹ 44.94 crore)

Tata Technologies Inc.: ₹ 36.78 crore (March 31, 2021 ₹ 27.33 crore)

**Accounts payable:**

Tata Technologies Pte Ltd.: ₹ 12.61 crore (March 31, 2021 ₹ 0.09 crore)

Tata Technologies Inc.: ₹ 3.43 crore (March 31, 2021 ₹ 2.44 crore)

**Interest received:**

Tata Motors Finance Limited ₹ 0.25 crores (March 31, 2021 ₹ 0.55 crore)

Consideration of key management personnel*	Year ended March 31, 2022	Year ended March 31, 2021
Short term benefits	1.95	1.08
Post employment benefits	0.02	0.52
<b>Total</b>	<b>1.97</b>	<b>1.60</b>

\*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**  
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**32 Exceptional Items**

Exceptional items ₹ Nil crores (Previous year: ₹ 4.99 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, 2022	March 31, 2021
<b>Income tax expense</b>		
<b>Current Tax</b>		
Current tax on profits for the year	82.17	40.56
<b>Total current tax expense</b>	<b>82.17</b>	<b>40.56</b>
<b>Deferred tax</b>		
Decrease / (increase) in deferred tax assets	(17.83)	2.03
(Decrease) / increase in deferred tax liabilities	(0.07)	(4.16)
<b>Total deferred tax expense / (benefit)</b>	<b>(17.90)</b>	<b>(2.13)</b>
<b>Income tax expense</b>	<b>64.27</b>	<b>38.43</b>

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, 2022	March 31, 2021
Profit before taxes	282.79	146.64
Enacted income tax rate in India	34.94%	34.94%
<b>Computed expected tax expenses</b>	<b>98.82</b>	<b>51.23</b>
Income taxed at higher/(lower) rates	(37.57)	(15.37)
Effect of non deductible expenses	1.71	2.06
Others	1.31	0.51
<b>Total tax expense</b>	<b>64.27</b>	<b>38.43</b>

**(iii) Amounts recognised in OCI**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
	Deferred tax	Deferred tax
Income tax relating to items that will not be reclassified to profit and loss	5.10	(1.34)
<b>Total</b>	<b>5.10</b>	<b>(1.34)</b>

**(iv) Tax losses**

	(Amount in ₹ Crore)	
	For the year ended	
	March 31, 2022	March 31, 2021
Unused tax losses on which no deferred tax asset has been recognised	2.58	5.38
Potential tax benefit @23.296% ( @ 23.296% for March 31, 2021)	0.60	1.25

Capital losses pertain to A.Y. 2014-2015 - ₹ 1.32 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 2021-22 is 34.94% and financial year 2020-21 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, 2022	March 31, 2021
<b>(i) Equity shares</b>		
Interim dividend declared during the year aggregating ₹ Nil (₹Nil for the year ended 31 March 2021) per fully paid equity share	-	-



**TATA TECHNOLOGIES LIMITED**  
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**35.1 Categories of financial instruments**

	As at March 31, 2022		As at March 31, 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>				
Investments :				
- mutual funds	527.68	-	492.08	-
- debentures	-	-	-	5.00
Security deposits	-	9.48	-	7.42
Loans to related parties-others	-	0.02	-	0.01
Loans to related parties- Inter-corporate deposits	-	42.50	-	250.00
Bills of exchange	-	5.06	-	-
Unbilled receivables	-	62.21	-	66.49
Trade receivables	-	275.06	-	237.31
Cash and cash equivalents	-	13.21	-	243.31
Other bank balances	-	1.72	-	1.96
SEIS licenses receivable	-	4.78	-	18.11
Others	-	3.87	-	3.97
<b>Total financial assets</b>	<b>527.68</b>	<b>417.91</b>	<b>492.08</b>	<b>833.58</b>
<b>Financial liabilities</b>				
Lease Liabilities	-	93.27	-	87.93
Trade payables	-	126.44	-	76.79
Contractual obligation of buyback of equity shares (Refer note 16)	-	245.79	-	-
Others	-	10.42	-	3.53
<b>Total financial liabilities</b>	<b>-</b>	<b>475.92</b>	<b>-</b>	<b>168.25</b>

**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, 2022	Total	Fair value measurement at end of reporting period using		
		Level 1	Level 2	Level 3
<b>Financial Assets</b>				
Investments in Mutual Funds	527.68	527.68	-	-

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

**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
8. Other financial assets



**TATA TECHNOLOGIES LIMITED**  
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**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, 2022 & March 31, 2021 are as follows:**

The Company do not have open forward contracts as at March 31, 2022 and previous year as at 31 March 2021

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

(Amount in crore)						
Particulars	Currency	As at March 31, 2022		As at March 31, 2021		
		Amount in Foreign Currency	Equivalent amount In INR	Amount in Foreign Currency	Equivalent amount in INR	
<b>Financials Assets:</b>						
Trade Receivables & Unbilled Revenue	EUR	0.10	8.06	0.08	7.15	
	CAD	0.01	0.70	0.01	0.67	
	GBP	0.73	72.50	0.37	37.62	
	THB	3.37	7.67	2.02	4.72	
	USD	1.02	77.31	0.62	45.57	
	ZAR	-	-	-	-	
	CNY	0.58	6.96	0.41	4.58	
	SGD	0.00	0.14	0.03	1.61	
	JPY	-	-	1.62	1.07	
	SEK	0.90	7.34	1.17	9.79	
	CHF	0.00	0.08	-	-	
	Current account with Bank (including cheques in hand/money in transit)	USD	-	-	0.00	0.28
		JPY	-	-	6.05	4.00
GBP		-	-	0.11	10.81	
EUR		-	-	0.03	2.66	
<b>Total</b>			<b>180.76</b>		<b>130.53</b>	
<b>Financials Liabilities:</b>						
Trade Payables	EUR	0.01	0.49	0.00	0.02	
	GBP	0.00	0.10	0.00	0.16	
	USD	0.05	3.88	0.03	2.34	
	SEK	0.00	0.00	-	-	
	CNY	-	-	-	-	
	JPY	-	-	0.26	0.17	
	VND	-	-	14.31	0.05	
<b>Total</b>			<b>4.47</b>		<b>2.74</b>	

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 ₹ 18.08 crores as at March 31, 2021 (13.05 crores as at March 31, 2021) and ₹ 0.45 crores as at March 31, 2021 (₹ 0.27 crores as at March 31, 2021) for financial assets and financial liabilities respectively.





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**35.6 Interest rate risk**

The Company's investments are primarily in fixed rate interest bearing deposits/debentures and long 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 March 31, 2022	As at March 31, 2021
<b>Movement in the expected credit loss allowance</b>		
Balance at the beginning of the year	12.20	9.65
Movement in expected credit allowance on trade receivables	18.88	2.55
Reversal of provisions for debts paid	-	-
<b>Balance at the end of the year</b>	<b>31.08</b>	<b>12.20</b>

**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, 2022:

Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	(Amount in ₹ Crore)
						Total contractual cash flows
(a) Trade payables	126.44 (76.79)	126.44 (76.79)	- (-)	- (-)	- (-)	126.44 (76.79)
(b) Lease liabilities	93.27 (87.92)	15.29 (12.05)	15.23 (10.73)	38.74 (34.66)	24.01 (30.48)	93.27 (87.92)
(c) Other financial liabilities	256.21 (3.53)	255.86 (3.06)	0.35 (0.46)	- (0.01)	- (-)	256.21 (3.53)
<b>Total</b>	<b>475.92</b> <b>(168.24)</b>	<b>397.59</b> <b>(91.90)</b>	<b>15.58</b> <b>(11.19)</b>	<b>38.74</b> <b>(34.67)</b>	<b>24.01</b> <b>(30.48)</b>	<b>475.92</b> <b>(168.24)</b>

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
	<p>The Company has assessed the following risks which could impact future revenue streams due to COVID 19 pandemic:</p> <ul style="list-style-type: none"> <li>- prolonged lock-down situation in different geographies which may result in inability to deploy resources at different locations due to restrictions on mobility.</li> <li>- Customer postponing discretionary spend to secure liquidity and changes in priorities.</li> <li>- 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.</li> </ul>
Revenue from operations	<p>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 fulfil our obligations.</p> <p>The Company has a diversified portfolio of offerings for its customer. 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.</p>
Right to use assets (Lease Arrangements)	<p>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.</p>
Intangible assets	<p>The Company carries intangible assets of ₹ 22.60 crore as at March 31, 2022 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.</p>
Financial Assets	<p>The Company carries Financial assets of ₹ 417.91 crore as at March 31, 2022.</p> <p>The Company carries trade receivables of ₹ 275.06 crore and unbilled revenue of ₹ 62.21 crore as at March 31, 2022 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.</p> <p>Financial assets of ₹ 14.99 crore have been recorded as at March 31, 2022 at amortised cost in the form of cash and cash equivalents, bank deposits, earmarked balances with banks and third party remittances where the Company has assessed the counterparty credit risk does not expect any credit loss on these balances.</p> <p>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.</p> <p>Financial assets of ₹ 527.67 crore have been recorded as at March 31, 2022 at fair value through profit or loss in the form of investments in mutual funds where the Group has assessed the counterparty credit risk. The Group does not expect any credit risk due to emerging COVID 19 situation.</p> <p>Other Loans and Financial assets are at ₹ 65.65 crore which includes ₹ 4.78 crore recoverable from government authorities under incentive schemes ₹ 42.50 crore towards inter corporate deposits with parent company and 5.06 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.</p>
Deferred tax assets	<p>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.</p>
Other non-financial assets	<p>The Company carries other non-financial assets of ₹ 683.18 crore including ₹ 456.92 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.</p> <p>The Company also carries unamortised balance of prepaid expenses of ₹ 72.96 crore and expects utilisation of services over the scheduled service period.</p>
Going Concern	<p>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.</p> <p>The Company carries the cash and cash equivalents of ₹ 13.21 crore and inter corporate deposits of ₹ 42.50 crore as at March 31, 2022. The Company also have unutilized working capital limit which can be utilized to address any unforeseen liquidity risk in future.</p> <p>Hence the Company does not foresee any liquidity and going concern issue on account of COVID 19 outbreak.</p>

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



**TATA TECHNOLOGIES LIMITED**  
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**37. (a) Key Financial Ratios**

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Variance	Reason for the variance for any change in the ratio by more than 25% as compared to the preceding year.
Current ratio (in times)	Total current assets	Total current liabilities	1.29	1.55	-17%	-
Debt Equity ratio (in times)	Debt consists of Lease liabilities	Total equity	0.12	0.10	18%	-
Debt Service coverage ratio (in times)	Earning for Debt service = Net profit after tax + Non cash operating expenses + Interest + Other non cash adjustments	Debt consists of Lease liabilities	3.39	2.10	61%	Debt service coverage ratio improved on account of increase in earnings during the year ended March 31, 2022
Return on equity (in %)	Profit for the year	Average total equity	26.41%	13.27%	99%	Increase in profits has resulted in an improvement in the ratio
Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivables	5.40	3.53	53%	Revenue growth along with good collection of Trade Receivables has resulted in an improvement in the ratio
Trade payable turnover ratio (in times)	Purchase of technology solutions + outsourcing & consultancy charges + Other expenses	Average trade payables	6.99	3.41	105%	Timely payments of Trade Payables has resulted in an improvement in the ratio
Net capital turnover ratio (in times)	Revenue from operations	Working capital (i.e. Total current assets less Total current liabilities)	4.83	2.00	142%	Revenue growth along with higher efficiency on working capital improvement has resulted in an improvement in the ratio
Net profit ratio (in %)	Profit for the year	Revenue from operations	13%	10%	23%	-
Return on Capital employed (in %)	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	34%	17%	100%	Increase in profits has resulted in an improvement in the ratio
Return on Investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	5.30%	3.49%	52%	Return on Investment has improved on account of increase in fair value of Investments during the year ended March 31, 2022

**37. (b) Additional regulatory information required by Schedule III**

- (i) Details of benami property held  
No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ii) Willful defaulter  
The Company is not declared willful defaulter by any bank or financial institution or government or any government authority.
- (iii) Borrowings secured against current assets  
The Company does not have any borrowings from banks and financial institutions that are secured against current assets during the year.
- (iv) Relationship with struck off companies  
The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (v) Compliance with number of layers of companies  
The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (vi) Compliance with approved scheme(s) of arrangements  
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vii) Utilisation of borrowed funds and share premium  
The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall: a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) Undisclosed income  
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (ix) Details of crypto currency or virtual currency  
The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (x) Valuation of PPE, intangible asset and investment property  
The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year.
- (xi) Title deeds of immovable properties not held in name of the company  
The title deeds of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- (xii) Registration of charges or satisfaction with Registrar of Companies (ROC)  
There are no charges or satisfaction which are yet to be registered with ROC beyond the statutory period.
- (xiii) Utilisation of borrowings availed from bank and financial institutions  
The Company does not have any borrowings from banks and financial institutions as at the balance sheet date.



**TATA TECHNOLOGIES LIMITED**  
**Notes forming part of the Standalone Financial Statements**

38. Previous period'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 S R & Co. LLP  
Chartered Accountants  
Firm Registratin No: 101248W/W -100022



**Swapnil Dakshindas**  
Partner  
Membership No: 113896  
ICAI UDIN: 22113896AIAXEY1058

Mumbai: April 29, 2022

For and on behalf of the Board



**S Ramadorai**  
Chairman  
DIN: 00000002



**Warren Harris**  
Managing Director  
DIN: 02098548



**Savitha Balachandran**  
Chief Financial Officer



**Vikrant Gandhi**  
Company Secretary

Mumbai: April 29, 2022