



**TATA INDUSTRIES**

**79<sup>th</sup> Annual Report**  
2022-2023

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**Tata Industries Limited**

**CORPORATE INFORMATION**

R. N. Tata

*Chairman Emeritus*

**DIRECTORS**

(As on April 27, 2023)

F. N. Subedar (DIN - 00028428)

N. Srinath (DIN - 00058133)

Aarthi Subramanian (DIN - 07121802)

K. R. S. Jamwal (DIN - 03129908) *Executive Director*

**CHIEF FINANCIAL OFFICER  
& COMPANY SECRETARY**

S. Sriram

**AUDITORS**

Messrs Singhi & Co.

Chartered Accountants

**REGISTERED OFFICE**

Bombay House

24 Homi Mody Street

Mumbai 400 001

Tel : 022-6665 8282

Fax : 022-6665 7974

Email : tataind@tata.com

Website : www.tataindustries.com

CIN : U44003MH1945PLC004403

## BOARD'S REPORT

### TO THE SHAREHOLDERS

The Directors of Tata Industries Limited ("**Company**") hereby present their Seventy-Ninth Annual Report together with the audited statements of accounts for the year ended on March 31, 2023. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

### 1. FINANCIAL RESULTS

The Standalone and Consolidated financial results for the year ended March 31, 2023 are given below:

		STANDALONE		CONSOLIDATED	
Particulars		FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
		Rs. crores	Rs. crores	Rs. crores	Rs. crores
Total Income		257.92	139.54	337.72	253.38
Total Expenditure		221.21	165.06	376.54	354.12
Profit / (Loss) before Tax from Continuing Operations, exceptional items and share of profit of equity accounted investees and income tax		36.70	(25.52)	(38.82)	(100.75)
Exceptional Items		-	(452.32)	-	(499.43)
Profit / (Loss) from Continuing Operations, before share of profit of equity accounted investees and income tax		36.70	(477.84)	(38.82)	(600.18)
Share of (Loss) of equity accounted investees (net of income tax)		-	-	(634.32)	(263.32)
Profit / (Loss) before Tax from Continuing Operations		36.70	(477.84)	(673.15)	(863.50)
Tax Expense / (credit)		-	-	(1.88)	0.05
Profit / (Loss) after Tax		36.70	(477.84)	(671.26)	(863.55)
Profit / (Loss) for the year from discontinuing operations / disposal of asset held for sale after tax		(64.86)	(171.38)	(192.20)	(186.65)
Loss on sale of Long term investments		(2,043.23)	(67.54)	-	-
Profit / (Loss) for the year		(2,071.39)	(716.76)	(863.46)	(1,050.20)
Other Comprehensive Income for the year		(136.98)	1,148.98	(1.98)	1,248.19
Total Comprehensive Income for the year		(2,208.36)	432.21	(865.44)	198.00
Total Comprehensive Income attributable to Owners of the Parent Company		(2,208.36)	432.21	(840.22)	(63.95)
Earnings Per Share (Rs.)	Continuing Operations	(185.87)	(50.52)	(62.18)	(97.88)
	Discontinuing Operations / disposal of asset held for sale	(6.01)	(15.88)	(17.80)	(26.42)
	Total Operations	(191.88)	(66.40)	(79.98)	(97.28)

In view of the loss for the year, the Board did not recommend a dividend.

## **2. OPERATIONS OF THE COMPANY**

- (a) The Company's valued investments are in the divisions, subsidiaries and joint ventures of the Company that house new and high technology businesses, as well as in other Tata Companies.

The fair value of the gross Investments of the Company as at March 31, 2023 stood at Rs. 5680.69 crores, cost price Rs. 3596.81 crores (Previous Year: Rs. 6208.83 crores, cost price Rs. 4017.44 crores). The Company holds significant investments in Tata Motors Limited, Qubit Investments Pte. Ltd., Tata Digital Private Limited and Tata AutoComp Systems Limited.

- (b) The Company holds a Certificate of Registration (CoR) No. N-13.02011 dated April 27, 2012 issued by the Reserve Bank of India categorizing Tata Industries Limited as a Core Investment Company, which is Systemically Important (SI), and not permitted to accept public deposits.
- (c) An internal project team is engaged in incubating/ reviewing investments in growth areas such as Health, Education and other emerging Technology areas for ideating and conceptualising investment in new businesses.

## **3. OPERATIONS OF THE DIVISIONS**

### **a. Tata ClassEdge Division (TCE)**

TCE continues to be the preferred digital partner for India's leading schools. Effective 1st January 2023 ("Effective Date"), TCE has been hived-off into a subsidiary company whereby the entire business is transferred to its subsidiary company, Tata ClassEdge Limited, formerly known as Smart ClassEdge Systems Limited.

During the period of 9 months (i.e. from April 01, 2022 to December 31, 2022), when TCE was a division of the Company, the business added 10,144 classrooms. With healthy gross additions, the total number of TCE content installed classrooms increased to 26,500 as against 24,800 classrooms in FY21-22, despite TCE undertaking aggressive portfolio rationalisation by terminating schools which were financially impacted by COVID. Some of these terminated schools have now returned and re-engaged as TCE customers.

The new products relating to computational and AI skills, coding and labs based on NEP curriculum have seen initial success. These products help schools to impart technical skills to students at an early age and prepare them to embrace digital technologies. Further, TCE has leveraged its R&D investments to create meaningful and differentiated offerings focused on teaching, learning, and development of students like School Connect and Early Child Education to deepen its product portfolio in the K-12 space.

### **b. Tata Strategic Management Group (TSMG)**

During FY 2022-23, TSMG has been supporting Tata Sons Private Ltd. with strategy, incubation and execution support aligned to the Tata group's strategic planks – B2C and B2B digital business incubation, supply chain resilience (5G & Battery), aviation, climate & new energy. In addition, it supported critical initiatives such as developing an IoT based water management platform for the Jal Jeevan Mission.

TSMG has deepened its support for the Tata group companies including Air India, Tata Motors, Tata Communication, Tata Steel and Infiniti Retail Ltd. It has worked on key strategic and transformation initiatives focused on growth, customer experience and profitability. TSMG also continued to strengthen its relationship with leaders of Tata group companies. TSMG continues to hire high quality talent from top-tier strategy firms and has collaborated with global strategy firms to support the Tata ecosystem in strategy and transformation initiatives.

Over the last 2 years, 18 employees from TSMG have moved to Tata group companies, making it a source for high calibre lateral talent.

In 2023-24, TSMG proposes to strengthen its capabilities in select areas such as infrastructure, aviation, consumer, sustainability and 5G to further support the group's strategic planks, while continuing to drive impactful projects with group companies, including new incubations.

### **c. Tata Insights & Quants (Tata iQ)**

Tata iQ has continued its partnership with several Tata companies across key sectors in furthering their data and analytics journey. The focus on analytics solutions in predictive asset maintenance, predictive quality management, supply chain & logistics, strategic procurement, customer analytics, customer lifecycle

management, HR analytics, and customer & market insights continued during the year. Data Governance has emerged with greater emphasis being placed by companies on foundational Data Management and Governance.

Tata iQ received a Net Promoter Score (NPS) of 61 (average rating of 8.7 on a scale of 0-10) for FY22-23. Of the 14 companies, 9 responded with all stakeholders being Promoters (Score of 9 or 10), which was testament to the focus Tata iQ has placed on ensuring it is able to drive value for Group companies through data and analytics.

Tata iQ also secured recognition at various forums – both internal and external - received a Certificate of Appreciation at Tata Steel InnoVista for leveraging Image Analytics. Tata iQ was awarded one of the Asia's Most Admired Brands by White Page International at the 10<sup>th</sup> White Page Leadership Conclave 2022.

Solutions backed by Assets & Accelerators (A&A), especially computer vision across multiple use cases from safety to quality, saw a greater adoption across applications in Group companies as well as end-customers of Tata Communications Ltd.

The Tata iQ partnership with Tata Management Training Centre (TMTC) continues to build data and analytics capabilities for Tata Group personnel. Tata iQ also embarked on a journey of nationwide skill building in the Data and Analytics space by partnering with Group HR and Forage and the EdTech function in Tata Digital Private Limited.

With our existing engagements with group companies and projects in the pipeline, Tata iQ is poised to leverage solution-led analytics offerings across the Group, and an ecosystem of complementary partners, to further drive value through data and analytics.

#### **d. Tata Health**

In alignment with the overall strategy of the Group, it was decided to integrate most of the team and platform with Tata 1MG Healthcare Solutions Private Ltd. (Tata 1mg) and subsequently cease the operations of Tata Health at the end of the year.

In the interest of the existing customers of Tata Health, the MOU signed with Tata 1mg enables them to continue to receive services.

### **4. ANNUAL RETURN**

As per the requirements of Section 92(3) of the Companies Act, 2013 ("**Act**") and Rules framed thereunder, the Annual Return in Form MGT – 7 for FY 2022-23 is available on <<https://www.tataindustries.com/investors.htm>>

### **5. NUMBER OF MEETINGS OF THE BOARD.**

The Board met 8 times during the financial year viz., on April 29, 2022, May 9, 2022, July 25, 2022, August 23, 2022, November 2, 2022, November 18, 2022, January 24, 2023 and March 29, 2023. The maximum interval between any two meetings did not exceed 120 days.

### **6. DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management, the Board is of the opinion that the Company's internal financial controls and compliance systems were adequate and effective during the financial year 2022-23.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts for financial year ended March 31, 2023, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2023 and of the loss of the Company for the year ended on that date;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. they have prepared the Annual Accounts for financial year ended March 31, 2023 on a 'going concern' basis; and
- v. they have devised proper systems to ensure compliance with the provisions of all applicable laws which are adequate and operating effectively.

## **7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The Company being a Core Investment company, the provisions of Section 186 of the Act, pertaining to investment and lending activities are not applicable to the Company. Details of loans, investments and guarantees are given in the financial statements.

## **8. RELATED PARTY TRANSACTIONS**

In line with the requirements of the Act, the Company has formulated a Framework for Related Party Transactions (RPTs) and all the RPTs were either within the Framework approved by the Board or were separately approved by the Board as required under the Act.

Details of transactions with related parties as required under Section 188 of the Act are provided in AOC 2 format, in Annexure A.

## **9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **10. i. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The Company's activities involve low energy consumption. However, efforts are made to further reduce energy consumption.

Meanwhile, measures are taken to improve energy efficiency at the Company's work places, on a continuous basis.

The Company continues to adopt and use the latest technologies to improve the efficiency and effectiveness of its business operations.

## **ii. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has incurred expenditure in foreign currency amounting to Rs. 5.48 crores (Previous Year: Rs. 2.13 crores) and has earned income in foreign currency amounting to Rs. 0.16 crores during the year (Previous Year: Rs. 0.17 crores).

## **11. i. RISK MANAGEMENT**

The Board of Directors of the Company has a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Board has additional oversight in the area of financial risks and controls.

The Company has a Risk Management Policy as contemplated under Section 134(3)(n) of the Act, for major activities of the Company.

## **ii. INTERNAL FINANCIAL CONTROLS**

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations with reference to the financial statements presented by the Company.

## **12. ANNUAL PERFORMANCE EVALUATION BY THE BOARD**

The performance of the Board and of its Committees was evaluated after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the individual Directors was evaluated on the basis of criteria such as the contribution of the individual Director to the Board Meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, attendance, etc.

The criteria for evaluation is modelled based on the Guidance Note on Board Evaluation dated January 05, 2017, issued by Securities and Exchange Board of India.

The Nomination and Remuneration Committee and the Board in their respective meetings held on April 27, 2023 reviewed the performance of the Board and individual Directors and approved the same.

### **13. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under review, no order has been passed by the Regulators or Courts or Tribunals impacting the Going Concern status and Company's operations in future. Therefore, the provisions relating to disclosure of details of material orders are not applicable to the Company.

### **14. DIRECTORS**

In accordance with Articles 126 & 127 of the Articles of Association of the Company, Ms. Aarthi Subramanian (DIN 07121802) would retire by rotation at the forthcoming Annual General Meeting (AGM) and she is eligible for re-appointment. A resolution seeking shareholders' approval for her re-appointment forms part of the Notice.

Pursuant to the 'Fit and Proper' Policy adopted by the Company under the RBI directions for Core Investment Companies, the Company has received the 'Fit and proper' declarations from all the Directors of the Company.

During the year under review, the non-executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees for the purpose of attending meetings of the Board and the Committees of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2023 are:

- Mr. K. R. S. Jamwal (DIN 3129908), Executive Director
- Mr. S. Sriram, Chief Financial Officer & Company Secretary

### **15. COMMITTEES OF THE BOARD**

The Board has the following Committees:

- Corporate Social Responsibility Committee
- Risk Management Committee
- Asset Liability Management Committee
- Nomination and Remuneration Committee, which has been constituted w.e.f. 24<sup>th</sup> January 2023, pursuant to the Guidelines on Compensation of KMPs and Senior Management, in NBFCs, issued by the Reserve Bank of India.
- Approvals Committee

The details of the Committees are included in the Corporate Governance Report, which is appended to this Report as Annexure E.

### **16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company has five subsidiaries, seven associates and one joint venture company. There has been no material change in the nature of the business of the subsidiaries, associates and the joint venture company.

Tata Unistore Limited (TUL), ceased to be a joint venture company with effect from December 9, 2022 as the entire shareholding held in TUL was sold to another Tata company, Tata Digital Private Limited.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is appended to this Report as Annexure B.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at < <https://www.tataindustries.com/investors.htm> >.



## **17. DEPOSITS**

The Company has not accepted any deposits falling in the ambit of Section 73 of the Act and therefore the provisions relating to disclosure of details of deposits are not applicable to the Company.

## **18. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has a well-defined CSR policy which outlines the thrust areas of development viz. (i) Livelihood & Employability, (ii) Health, (iii) Education, (iv) Environment, as adopted by the CSR Committee and the Board of Directors of the Company. The CSR policy and annual action plan of the Company are available on the Company's website: <<https://www.tataindustries.com/investors.htm>>

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure C which is attached to the report. The Company has voluntarily contributed towards CSR activities during the year under review.

The members of the CSR Committee are Mr. F.N. Subedar and Mr. K.R.S. Jamwal.

## **19. VIGIL MECHANISM**

The Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns or grievances. The said mechanism encompasses the Whistle Blower Policy, the Fraud Risk Management Process, the Ethics mechanism under Tata Code of Conduct, etc. and provides for adequate safeguards against victimization of persons who use such mechanism.

## **20. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company complied with provisions relating to the constitution of Internal Committees as required under the above Act.

The Company has not received any complaint regarding sexual harassment during the Financial Year 2022-23.

## **21. SECRETARIAL AUDIT REPORT**

The Board of Directors of the Company had appointed M/s. Parikh & Associates, Practicing Company

Secretaries, to conduct the Secretarial Audit and their Report on Company's Secretarial Audit is appended to this Report as Annexure D.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

## **22. AUDITORS' REPORT**

There are no qualifications, reservations, adverse remarks or disclaimers made in the Independent Auditors' Report on the Standalone Financial Statements as well as on the Consolidated Financial Statements of the Company.

## **23. REPORTING OF FRAUD**

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Board of Directors under Section 143(12) of the Act, details of which needs to be mentioned in this Report.

## **24. AUDITORS**

Members of the Company at the AGM held on June 28, 2022, approved the appointment of M/s. BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company for a period of two years commencing from the conclusion of the 78<sup>th</sup> AGM held on June 28, 2022 until the conclusion of 80<sup>th</sup> AGM of the Company to be held in the year 2024. The Board of Directors is authorised to fix their remuneration.

Accordingly, no appointment / re-appointment is proposed or applicable during the year under review.

## **25. COST AUDITORS**

Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is not applicable to the Company.

## **26. SECRETARIAL STANDARDS**

The Company has devised proper systems to ensure compliance with the provisions of all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

## **27. PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE**

There are no such proceedings or appeals pending and no application has been filed under Insolvency and Bankruptcy Code, 2016 during the year under review and from the end of the financial year upto the date of this report.

## **28. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS**

During the year under review, the Company has availed loans from the Banks. However, there was no instance of any one time settlement for reporting details vis-à-vis Valuation.

## **29. CORPORATE GOVERNANCE REPORT**

The Corporate Governance Report is appended to this Report as Annexure E.

## **30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report is appended to this Report as Annexure F.

## **31. ACKNOWLEDGEMENTS**

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support.

The Directors also thank the Government of India, Governments of various States in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors appreciate and value the contribution made by every member of the Tata Industries families.

Finally, we appreciate and value the contributions made by all our employees and their families for making the Company what it is today.

For and on behalf of the Board of Directors,

Sd/-

Sd/-

Place: Mumbai  
Date: 27th April, 2023

\_\_\_\_\_  
F.N. Subedar  
Director

\_\_\_\_\_  
K.R.S. Jamwal  
Executive Director

**Registered Office:**  
Bombay House  
24 Homi Modi Street Mumbai 400 001  
CIN - U44003MH1945PLC004403

## FORM NO. AOC.2

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

***(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)***

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Particulars	Details of Transaction – 1	Details of Transaction – 2
a)	Name(s) of the related party and nature of relationship	Tata ClassEdge Limited (Formerly known as Smart ClassEdge Systems Limited) – Wholly owned subsidiary	Tata Digital Private Limited – Fellow subsidiary
b)	Nature of contracts/ arrangements/ transactions	Sale, transfer and dispose of, as a going concern and on a Slump Sale basis, the business of the Tata ClassEdge ("TCE"), a Division of the Company, at fair valuation.	Sale and transfer of the entire investment held in equity shares of Tata UniStore Limited (Stake Sale) at fair valuation.
c)	Duration of the contracts/ arrangements/ transactions	November 1, 2022 to March 31, 2023	November 2, 2022 to December 9, 2022
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Covered in item (b) above	Covered in item (b) above
e)	Date(s) of approval by the Board, if any	November 2, 2022	November 2, 2022
f)	Amount paid as advances, if any	None	None

*The aforesaid transactions have been approved by the shareholders with requisite majority under applicable provisions of the Companies Act, 2013.*

For and on behalf of the Board of Directors,

Sd/-

Sd/-

Place: Mumbai  
Date: 27th April, 2023

F.N. Subedar  
Director

K.R.S. Jamwal  
Executive Director

## Form AOC - I

## Annexure - B (i)

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of the Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1  
Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

## Part A: Subsidiaries

(₹ lakhs)

Name of the subsidiary	Qubit Investments Pte. Ltd.	Tata ClassEdge Limited	915 Labs, Inc	Flisom AG	Flisom Hungary Kft
The date since when subsidiary was acquired	19-Jul-16	10-Oct-22	08-Mar-19	25-Mar-20	25-Mar-20
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as the holding Company's reporting period	Same as the holding Company's reporting period	Financial Year ending 31 December 2022	Financial Year ending 31 December 2022	Financial Year ending 31 December 2022
Reporting currency	US Dollars	Indian Rupees	US Dollars	CHF	EUR
Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	82.18	-	82.18	89.82	89.31
Share Capital	1,41,122.53	310.00	1,309.08	1,201.81	9.44
Reserves & Surplus	505.44	(6.73)	(33.62)	(113.71)	(75.64)
Total Assets	1,919.03	16,649.88	2,206.28	58,347.72	36,343.57
Total Liabilities	237.00	6,131.31	4,259.08	68,516.81	43,898.26
Investments	1,00,879.39	1,496.01	-	11,219.70	-
Turnover	821.60	2,250.37	162.48	3,863.54	1,845.58
Profit before taxation	335.00	(822.18)	(1,183.03)	(9,249.69)	(6,613.93)
Provision for taxation	129.55	-	(317.26)	-	-
Profit after taxation	205.45	(822.18)	(865.77)	(9,249.69)	(6,613.93)
Proposed dividend	-	-	-	-	-
% of shareholding	100%	100%	100%	84.10%	84.10%

**Additional details:**

- 1 There are no subsidiaries which are yet to commence operations.
- 2 Turnover reported above are the amounts reported in the financial statements of respective subsidiaries & include other Income.
- 3 Investments include Current and Non Current Investments.

For and on behalf of the Board of Directors of Tata Industries Limited,  
CIN: U44003MH1945PLC004403

Sd/-

K.R.S Jamwal  
Executive Director

Sd/-

F.N. Subedar  
Director

Sd/-

S. Sriram  
Chief Financial Officer & Company Secretary

27 April 2023, Mumbai

**Form AOC - I**
**Part B: Associates and Joint Ventures**
**Annexure - B (ii)**
**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(₹ lakhs)

Name of the Associates and Joint Ventures		Tata Autocomp Systems Limited (Refer Note 4)	Impetis Biosciences Limited	Indigene Pharmaceuticals Inc	Oriental Floratech India Limited	Oriental Seritech Limited	ITeL Industries Limited	Niskalp Infrastructure Limited	Tata UniStore Limited (Refer Note 7)	Inzpera Healthsciences Limited
		Associate	Associate	Associate	Associate	Associate	Associate	Associate	Joint Venture	Joint Venture
Latest audited balance sheet date		31-Mar-22	31-Mar-22	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23
Date on which the Associate or Joint Venture was associated or acquired		25-Apr-96	04-Oct-17	22-Jul-05	23-Sep-94	25-May-93	10-Dec-02	20-Jan-06	13-Aug-07	22-Jun-16
Reporting currency		Indian Rupees	Indian Rupees	US Dollars	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees
Shares of the Associate / Joint Ventures held by the Company as on March 31, 2023	No of shares held by the company in associate / joint venture	6,92,45,203	12,82,892	78,00,000	7,50,000	190	150	4,00,00,000	-	1,23,82,680
	Amount of investment in associate / joint venture (₹ lakhs) (Refer Note 3)	10,251.04	762.22	-	-	0.01	0.01	0.00	-	1,238.27
	Extent of holding (in percentage)	34.40%	34.37%	32.96%	24.19%	28.21%	20.00%	50.00%	96.78%	76.92%
Description of how there is significant influence		By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding agreement	By virtue of shareholding agreement
Reason why the Associate / Joint Venture is not consolidated (Refer Note 3)		NA	NA	NA	NA	NA	NA	NA	NA	NA
Net worth attributable to shareholding as per latest balance sheet (₹ lakhs) (Refer Note 5)		70,669.03	875.32	NA	-	-	-	-	-	-
Profit / Loss for the year (Refer Note 6)	Considered in Consolidation (₹ lakhs)	24,868.77	184.92	NA	-	-	-	-	(64,936.44)	(1,099.91)
	Not Considered in Consolidation (₹ lakhs)	53,466.90	353.10	NA	(0.79)	(0.71)	(0.84)	287.78	(5,015.56)	(300.83)

**Additional details:**

- There are no associates and joint ventures which are yet to commence operations.
- Amount of Investment in Associates and Joint Ventures are net of original cost of investments written off.
- Investment in Associates and Joint Ventures are accounted in consolidation, basis equity method.
- The Numbers are based on Unaudited financials for the year.
- Amount is mentioned as Nil where associates and joint ventures have Negative Net worth.
- Profit / Loss for the year does not include Other comprehensive income.
- Tata Unistore Limited (TUL) ceased to be a joint venture w.e.f. 09.12.2022

 For and on behalf of the Board of Directors of Tata Industries Limited,  
 CIN: U44003MH1945PLC004403

**Sd/-**

 K.R.S Jamwal  
 Executive Director

**Sd/-**

 F.N. Subedar  
 Director

**Sd/-**

 S. Sriram  
 Chief Financial Officer & Company Secretary

27 April 2023, Mumbai

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23**

**1. A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

The Company's endeavour is to protect the interests of all its stakeholders and contribute to society at large, by making a measurable and positive difference through the four causes we support viz.:

- i. Livelihood & Employability
- ii. Health
- iii. Education
- iv. Environment

and improve the quality of life of those we serve through long term stakeholder value creation.

The following activities have been undertaken by the Company during the financial year:

Sr. No.	Project	Details
1.	<b>Sustainable livelihood through conservation and restoration of degraded forest lands</b>	<p>Forest First Samithi (FFS) works in Wayanad and Kodagu districts, the primary catchment areas of the rivers Kabini and Cauvery. It is an NGO with over a decade of experience in land restoration and habitat conservation work, in alignment with the UN Sustainability Development Goal SDG 15 - Life on Land. FFS conserves lands that are degraded by invasive species with the use of proven scientific techniques of land restoration over a period of three to five years.</p> <p>The Company contributed Rs. 15,00,000 towards the initiative of FFS in tranches, the details of outcome have been given below:</p> <ul style="list-style-type: none"> <li>- Saplings planted: 5007</li> <li>- Land area covered: 33 acres</li> <li>- Saplings procured for 2023: 3000</li> <li>- Completed 100 acres mulching</li> <li>- Assisted Natural Regeneration : 6 acres of lantana camara</li> <li>- Livelihood: 1837 person days</li> </ul>
2.	<b>Model Tribal Village Development</b>	<p>The project was started by All India Institute of Local Self-Governance (AIILSG) under its initiative Modern Tribal Village for which the Company contributed Rs. 5,00,000. AIILSG started Shikshan Ranjan Kendras each in 5 tribal villages of Karjat Taluka, Raigarh District, namely at Tepachiwadi, Chafewadi, Gavandwadi, Bangrawadi and Nagewadi.</p>

Sr. No.	Project	Details
		<p>The objective of this project was to:</p> <ul style="list-style-type: none"> <li>• Improve access to &amp; quality of education to disadvantaged children.</li> <li>• Improving learning outcomes of disadvantaged children with respect to foundational literacy &amp; numeracy.</li> <li>• Building capacities of schools and teachers by equipping them along with advanced teaching-learning tools.</li> <li>• Enabling the parents and community towards improved health, nutrition and mental health of children, &amp; resilience building</li> <li>• Battle health challenges such as COVID-19 pandemic.</li> <li>• Reduce vulnerability of children to disasters, exploitation and violence against them.</li> </ul> <p>During FY 2022-23 the following outcomes were enabled for 279 children [138 girls and 141 boys], and their parents:</p> <ul style="list-style-type: none"> <li>• Improvement in foundational literacy outcomes for language (reading &amp; writing)</li> <li>• Improvement in foundational literacy outcomes in numeracy</li> <li>• Enhanced involvement of parents in their children's education, nutrition, health and holistic development</li> <li>• Capacities of parents &amp; children strengthened vis-à-vis Water, Sanitation and Hygiene (WASH)</li> </ul>

**2. Composition of CSR Committee:**

Sl. No.	Name of Director (Identity of the Chairman)	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. F.N. Subedar	Non-Independent Non-Executive Director	2	2
2.	Mr. K.R.S. Jamwal	Executive Director	2	2

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. – <https://www.tataindustries.com/investors.htm>**

4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – *Not Applicable*

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any –

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be setoff for the financial year, if any (in Rs.)
1	2022-23	3,50,967	Nil
Total Carried Forward: 3,50,967			

6. Average net profit / (loss) of the company as per section 135(5): Rs. (9,09,55,172)

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. (18,19,103)

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): Nil

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
20,00,000	N.A.	N.A.	N.A.	N.A.	N.A.



The Company has voluntarily contributed towards CSR activities for FY 2022-23.					
--	--	--	--	--	--

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)
Sl. No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District					Name.	CSR registration number
Not Applicable											

**NOTE:** Due to the pandemic, the two projects undertaken by the Company through Implementing Agencies (IAs) namely, Public Health Foundation of India and Prime Education Health Learning Services, had been partly completed in FY 2021-22 and were continuing in FY 2022-23. The Company had spent entire amount committed for the above projects during FY 2021-22 itself. However, given the budgeted allocation out of the funds of Company by the IAs, the CSR Committee had passed a Circular noting these projects as 'ongoing projects' and the Board had also approved and noted the same in its meeting held on March 30, 2022. During FY 2022-23, the said projects stand completed with the IAs certifying their completion and budgeted utilization of funds within given phase of time.

**(c) Details of CSR amount spent against other than ongoing projects for the financial year**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name.	CSR registration number
1.	Sustainable livelihood through conservation and restoration of degraded forest lands	iv	No	Karnataka	Wayanad	15,00,000	No	Forest First Samithi	CSR00004799
2.	Model tribal village development	ii	No	Maharashtra	Raigad	5,00,000	No	All India Institute of Local Self-Governance	CSR00000373
<b>TOTAL</b>						<b>20,00,000</b>			

*The Company has voluntarily contributed towards CSR activities for FY 2022-23.*

**(d) Amount spent in Administrative Overheads: NIL**

**(e) Amount spent on Impact Assessment, if applicable – Not Applicable**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 20,00,000**

**(g) Excess amount for set off, if any:**

Sl. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	(18,19,103)
(ii)	Total amount spent for the Financial Year	20,00,000 The Company has voluntarily contributed towards CSR activities for FY 2022-23.
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	23,50,967* An amount of Rs. 3,50,967 will be available for set-off by FY 2023-24 whereas 20,00,000 will be available for set-off by FY 2025-26 Stipulated conditions under Rule 7 of Companies (Corporate Social Responsibility Policy) Rules, 2014 for availing set-off stand compiled.

9. (a) Details of Unspent CSR amount for the preceding three financial years – *Not Applicable*

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1							
2							
TOTAL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) – *Not Applicable*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1								

2								
TOTAL								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) – *Not Applicable***

**(a) Date of creation or acquisition of the capital asset(s).**

**(b) Amount of CSR spent for creation or acquisition of capital Asset**

**(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.**

**(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).**

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – *Not Applicable***

Sd/-

**F.N. SUBEDAR**  
**Director**

(Member – CSR Committee)

Sd/-

**K.R.S. JAMWAL**  
**Executive Director**

(Member - CSR Committee)

Place: Mumbai

Date : 27<sup>th</sup> April 2023



### FORM No. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

(Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
TATA INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TATA INDUSTRIES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2023 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

Office: 111, 11th floor, Sai-Dwar CHS Ltd., SAB TV Lane, Opp. Laxmi Industrial Estate, Off Link Road,  
Above Shabari Restaurant, Andheri (West), Mumbai-400 053

Tel.: 26301232/26301233

Email: cs@parikhassociates.com

Website: www.parikhassociates.com

Firm Unique Code: P1988MH009800

Continuation Sheet

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company namely:-
  1. Directions issued by the Reserve Bank of India with regard to Core Investment Companies and Overseas Direct Investments, 2011, 2016 and 2020;
  2. Systemically Important Non-Banking Financial (Non Deposit Accepting or Holding Companies Prudential Norms (RB) Directions, 2015; and
  3. The Reserve Bank of India Act, 1934

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except for those Board Meetings, which were held at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

- a) Sale of entire stake held in Tata Unistore Limited to Tata Digital Private Limited.
- b) Transfer of entire business of Tata ClassEdge Division to its wholly owned subsidiary company – Smart ClassEdge Systems Ltd. (name changed to Tata ClassEdge Ltd w.e.f. 29.03.2023) as a slump sale by execution of a Business Transfer Agreement.
- c) Winding down of Business of Tata Health Division of the Company.
- d) The Company has on September 6, 2022 allotted 8.65% Unsecured, Unlisted, Rated, Redeemable, Non-Convertible Debentures aggregating to Rs. 200 crores.

Place: Mumbai  
Date: 27.04.2023

**For Parikh & Associates**  
Company Secretaries

Signature: JIGYASA  
NILESH  
VED

Digitally signed  
by JIGYASA  
NILESH VED  
Date: 2023.04.27  
12:39:29 +05'30'

Jigyasa N. Ved  
Partner

FCS No: 6488 CP No: 6018  
UDIN: F006488E000203949  
PR No.: 1129/2021

*This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.*



'Annexure A'

To,  
The Members  
TATA INDUSTRIES LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai  
Date: 27.04.2023

**For Parikh & Associates**  
Company Secretaries

Signature: VED JIGYASA  
NILESH  
Digitally signed  
by JIGYASA  
NILESH VED  
Date: 2023.04.27  
12:39:58 +05'30'  
Jigyasa N. Ved

Partner

FCS No: 6488 CP No: 6018  
UDIN: F006488E000203949  
PR No.: 1129/2021

## CORPORATE GOVERNANCE REPORT

## Company's Philosophy on Corporate Governance

The Company recognises its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of corporate governance through transparency, ethical business practices and accountability to its customers, Government, and other stakeholders.

The Company believes that good governance is essential, and also enables the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximising value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision, while upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to a Tata company.

As a part of the Tata Group, Tata Industries Limited has a strong legacy of fair, transparent and ethical governance practices. The Corporate Governance philosophy is further strengthened with the adherence to the principles of Tata Business Excellence Model as a means to drive excellence, the Key Performance Metrics for tracking progress on long-term strategic objectives and the Tata Code of Conduct (TCOC), which articulates the values, ethics and business principles and serves as a guide to the Company, its directors and employees, supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the TCOC. In addition, the Company has adopted a Policy against Sexual Harassment (POSH) in the Workplace, a Fit and Proper Policy for ascertaining the fit and proper criteria of the directors at the time of appointment and on a continuing basis, an Anti-Bribery and Anti-Corruption Policy, an Anti-Money Laundering Policy, a Gifts and Hospitality Policy and a Whistle Blowers' Policy.

The Company has signed the Tata Brand Equity and Business Promotion ("BEBP") Agreement with Tata Sons Private Limited for subscribing to the TATA BEBP Scheme. The Company abides by the TCOC and the norms for using the Tata Brand identity.

## 1. Board of Directors

The Board of Directors, along with its Committees, provides leadership and guidance to the Company's Management and directs, supervises, and controls the activities of the Company.

The size of the Board is commensurate with the business and activities of the Company. As on March 31, 2023, the Board comprised four Directors viz., Mr. F. N. Subedar, Mr. N. Srinath, Ms. Aarthi Subramanian and Mr. K. R. S. Jamwal.

The composition of the Board of Directors, meetings of the Board, remuneration and shareholding in the Company are tabulated below:

Sl. No.	Name of the Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration (In Rs.)***			No. of shares and convertible instruments held in the Company
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mr. F. N. Subedar	12-12-2016	Non-Executive Director	00028428	8	8	4	-	4,00,000*	-	None
2	Mr. N. Srinath	12-12-2016	Non-Executive Director	00058133	8	7	3	-	2,80,000	-	None
3	Ms. Aarthi Subramanian	22-06-2018	Non-Executive Director	07121802	8	8	10	-	4,40,000**	-	None
4	Mr. K. R. S. Jamwal	01-07-2010	Executive Director	03129908	8	8	4	4.13 Crs.	-	-	None

\* The sitting fees for Mr. F.N. Subedar includes fees paid for attending Board Meetings and Asset Liability Management Committee meetings. He had opted not to take sitting fees for attending Corporate Social Responsibility Committee meetings.

\*\* The sitting fees for Ms. Aarthi Subramanian includes fees paid for attending Board Meetings and Risk Management Committee meetings.

\*\*\* The Company has not issued any ESOPs to its Directors.

Additional disclosures pursuant to Schedule V of the Companies Act, 2013 w.r.t. appointment of Executive Director :

1. Current tenure of appointment : July 1, 2020 to June 30, 2025
2. Notice period : Six months from either side
3. Severance pay : Nil

During the year under review, there is no change in the composition of the Board of Directors of the Company.

Except for above, none of the Non-Executive Directors had any pecuniary relationships or transactions with the Company during the year under review.

None of the Directors of the Company are related to each other, inter-se.

## 2. Committees of the Board and their composition

The Board has constituted Committees with specific terms of reference to focus effectively on specific issues and ensure expedient resolution of diverse matters. The Chief Financial Officer and Company Secretary acts as the Secretary to the Committees. The Board of Directors and the Committees also take decisions by resolutions passed through circulation which are noted by the Board / Committee of the Board at their ensuing meetings, respectively. The Minutes of meetings of the Committees of the Board are circulated to the Board of Directors for noting.

### i) Corporate Social Responsibility (“CSR”) Committee

Composition of the Committee and Meetings held during FY 2022-23:

Sl. No.	Name of the Director	Member of the Committee since	Capacity (i.e. Executive / Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee	
				Held	Attended
1	Mr. F. N. Subedar	12-12-2016	Non-Executive Director – Member	2	2
2	Mr. K. R. S. Jamwal	04-05-2018	Executive Director – Member	2	2

During FY 2022-23, 2 CSR Committee Meetings were held on August 23, 2022 and March 15, 2023.

#### Terms of reference

Given below, inter alia, are the gist of the responsibilities of the CSR Committee:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act (“CSR Activities”);
- To recommend the amount of expenditure to be incurred on CSR activities;
- To monitor the CSR Policy from time to time and instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company; and
- To oversee the Company’s conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen.

### ii) Risk Management Committee.

Composition of the Committee and Meetings held during FY 2022-23:

Sl. No.	Name of the Director	Member of the Committee since	Capacity (i.e. Executive/ Non- Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee	
				Held	Attended
1	Ms. Aarthi Subramanian	30-07-2021	Non-Executive - Chairperson	3	3
2	Mr. K. R. S. Jamwal	30-07-2021	Executive Director – Member	3	3
3	Mr. S. Sriram	30-07-2021	CFO & CS – Member	3	3
4	Mr. Anish Raghunandan	30-07-2021	TIL Nominee – Member	3	1
5	Mr. Tarun Bhojwani	15-11-2021	Chief Risk Officer – Member	3	3

6	Mr. Manzoor UL Ameen	30-07-2021 (Ceased to be a member w.e.f. 02-11-2022)	TIL Nominee – Member	1	1
7	Mr. Milind Shahane	30-07-2021 (Ceased to be a member w.e.f. 24-01-2023)	TIL Nominee – Member	2	2
8	Mr. Tarun George	11-11-2021	TIL Nominee – Member	3	3
9	Mr. Mangesh Sathe	11-11-2021	TIL Nominee – Member	3	2

During FY 2022-23, 3 Risk Management Committee Meetings were held on July 11, 2022, December 20, 2022 and March 15, 2023.

#### Terms of reference

Given below, inter alia, are gist of the responsibilities of the Risk Management Committee:

- Overseeing the Company's risk management process and controls;
- Reviewing strategic plans and objectives for risk management, risk philosophy and risk optimisation;
- Reviewing compliance with risk management policies implemented by the Company and procedures used to implement the same;
- Reviewing risk assessment of the Company annually and exercising oversight of various risks including credit risk, financial & operational risks, technology risk, market risk, liquidity risk, investment risk, cyber security risk, forex risk, commodity risk, enterprise risk, etc; and
- Exercising oversight of the Company's risk tolerance, capital liquidity and funding.

### **iii) Asset Liability Management Committee.**

#### Composition of the Committee and Meetings held during FY 2022-23:

Sl. No.	Name of the Director	Member of the Committee since	Capacity (i.e. Executive/ Non- Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee	
				Held	Attended
1	Mr. F. N. Subedar	30-07-2021	Non-Executive - Chairman	2	2
2	Mr. K.R.S. Jamwal	30-07-2021	Executive Director – Member	2	2
3	Mr. S. Sriram	30-07-2021	CFO & CS – Member	2	2
4	Mr. Anish Raghunandan	30-07-2021	TIL Nominee – Member	2	2
5	Mr. Tarun Bhojwani	25-01-2022	TIL Nominee – Member	2	2
6	Ms. Deepika Bhagwagar	30-07-2021	TIL Nominee – Member	2	2
7	Mr. Mahendra Mandhana	30-07-2021 (Ceased to be a member w.e.f. 02-11-2022)	TIL Nominee – Member	1	1
8	Ms. Komal Gunjal	24-01-2023	TIL Nominee – Member	1	1

During FY 2022-23, 2 Asset Liability Management Committee Meetings were held on October 4, 2022 and March 15, 2023.

#### Terms of reference

Given below, inter alia, are gist of the responsibilities of the Asset Liability Management Committee:

- Asset Liability Management;
- Noting of RBI filings;

- Debt composition and plan of the Company for fund raising; and
- Resource raising policy of the Company.

#### iv) Nomination and Remuneration Committee

##### Composition of the Committee

Sl. No.	Name of the Director	Name o the Committee Since	Capacity (i.e. Executive/ Non Executive/ Chairman/ Promoter nominee/ Independent
1	Mr. F. N. Subedar	24-01-2023	Non- Executive – Member
2	Mr. N. Srinath	24-01-2023	Non- Executive – Member
3	Ms. Aarthi Subramanian	24-01-2023	Non- Executive – Member

##### Terms of reference

Given below, inter alia, are gist of the responsibilities of the Nomination and Remuneration Committee:

- Appointment and remuneration of Directors/ KMPs/ Senior Management
- Formulation of Processes/ Policies
- Retirals and Succession Planning
- Review and Implementation

Note: The Nomination and Remuneration Committee has been constituted by the Board of Directors w.e.f. January 24, 2023 and no meetings of the Committee were held during FY 2022-23.

#### v) Approvals Committee.

##### Composition of the Committee

Sl. No.	Name of the Director	Name o the Committee Since	Capacity (i.e. Executive/ Non Executive/ Chairman/ Promoter nominee/ Independent
1	Mr. F. N. Subedar	12-12-2016	Non- Executive – Member
2	Mr. N. Srinath	12-12-2016	Non- Executive – Member
3	Mr. K. R. S. Jamwal	12-12-2016	Executive Director – Member

##### Terms of reference

Given below, inter alia, are gist of the responsibilities of the Approvals Committee:

- Opening and closing of bank accounts and demat accounts;
- Modifying instructions/changing signatories for the operation of existing bank and demat accounts;
- Approve renewal of facilities with banks;
- Appointing representatives of the Company to attend and vote at general meetings of companies in which Tata Industries Limited (TIL) is a shareholder/debenture holder;
- Grant Specific Powers of Attorney or Authorisations to executives of the Company or other persons in connection with the business of TIL and its Divisions; and
- Approve the affixing of the Common Seal of the Company on any document executed/to be executed by Directors/officials authorised by the Company.

### 3. General Body Meetings

Details of the general body meetings held during FY 2022-23:

Sl. No.	Type of Meeting (Annual / Extra-ordinary)	Date	Place	Special resolutions passed
1	Annual General Meeting	June 28, 2022	Held through video conference / other audio-visual means  Deemed venue - Bombay House, 24 Homi Mody Street, Mumbai - 400001	-
2	Extra-ordinary General Meeting	November 28, 2022	At the registered office of the Company at Bombay House, 24 Homi Mody Street, Mumbai - 400001	a. Transfer and disposal of the business of Tata ClassEdge Division of the Company b. Sale of Investments held in Tata Unistore Limited to a related party c. Scaling down and cessation of the activities of Tata Health Division of the Company

#### 4. Secretarial Standards

The Company is in compliance with SS – 1 i.e., Secretarial Standard on Meetings of the Board of Directors and SS – 2 i.e., Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India.

#### 5. Means of Communication

The 'Investor Relations' section on the Company's website keeps the investors updated on material developments in the Company by providing key and timely information such as Financial Results, Annual Reports, etc. The debenture holders can also send in their queries/complaints at the designated email address at tataind@tata.com.

#### 6. General Information for Members and Debenture holders

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number ("CIN") allotted to the Company by the Ministry of Corporate Affairs ("MCA") is U44003MH1945PLC004403.

Details of Debenture Trustees and the Registrar and Transfer Agents for the Debentures issued by the Company are, given below:

Debenture Trustees
Axis Trustee Services Limited Address: The Ruby, 2nd Floor, SW 29 Senapati Bapat Marg, Dadar West, Mumbai -400 028 Tel No. 022 – 62300446 Fax No: 022 – 62300700 Email: debenturetrustee@axistrustee.com
Registrar and Transfer Agents
TSR Darashaw Consultants Private Limited Address: C-101, 1 <sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli(W), Mumbai - 400 083 Tel No. +91 22 6656 8484 Fax No: + 91 22 66568494 Email: vbrahme@tcplindia.co.in

**7. Details of non-compliance with requirements of Companies Act, 2013**

The Company is in compliance with all the applicable provisions and requirements under Companies Act, 2013. The compliance is further certified by M/s. Parikh & Associates, Practicing Company Secretaries, the Secretarial Auditors' of the Company, whose report is annexed as "Annexure D" to the Board's Report of the Company.

There is no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in their report for the year under review.

**8. Details of penalties and strictures**

The Company has neither incurred any penalties nor been placed under any strictures during FY 2022-23.

For and on behalf of the Board of Directors,

Sd/-

Sd/-

Place : Mumbai  
Date : 27 April, 2023

F.N. Subedar  
Director

K.R.S. Jamwal  
Executive Director

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. Industry Structure and Developments

Tata Industries Limited (TIL) is registered with the Reserve Bank of India as a Core Investment Company (“CIC”). The Company is an investment holding company and is part of the promoter group with shareholding in group companies apart from being engaged in incubation / promotion of new business ventures such as Tata Unistore Ltd. (TataCLiQ), which was sold to Tata Digital Private Limited during the year.

Tata Industries Ltd. divisions now operate in the sectors of Data Analytics and Strategy and Management Consulting with the Edtech business being hived-off during the year into a subsidiary company, Tata ClassEdge Limited - TCL (formerly known as Smart ClassEdge Systems Limited) apart from Tata Digital Health ceasing operations at the end of the year after integration with Tata 1mg Healthcare Solutions Pvt. Ltd.

#### ❖ Strategy and Management Consulting

- Tata Strategic Management Group (TSMG), serves as a Strategy Center of Excellence for Chairman’s office and Tata Group companies and offers strategy advisory and business incubation services. It also collaborates closely with the other Tata companies to identify and facilitate synergy initiatives across various companies. It partners with external experts and firms as needed to deliver its services. TSMG has consistently been able to recruit high quality talent from the market. TSMG has implemented structured training interventions for its employees and built strong knowledge management capabilities to support its core advisory services.

#### ❖ Data Analytics

- Tata iQ serves as a Centre of Excellence for Tata Group Companies by offering data analytics and developing assets and accelerators for big data.
- Digital transformation journeys were spurred by an increased need for tech-driven solutions to drive efficiency and effectiveness. This also brought about a renewed focus on Data Governance, Data Pipelines, Data Management Platforms and Big Data.
- The IT Sector continues to be the top contributor to the analytics industry market in 2022 with a share of almost 50%, up from 43% last year. Amongst the other sectors, industries like BFSI, Retail and eCommerce, that were early adopters, continue to dominate.
- Sectors such as an Healthcare and Travel & Hospitality, have also seen an increasing trend in their contribution to the share of the analytics industry market, while traditional sectors such as FMCG, Engineering & Manufacturing, Telecom, and Energy & Utilities have a smaller share. However, even traditional sectors are looking at a combination of Technology Automation and Data interventions towards addressing opportunities to improve efficiency, sales and safety & sustainability.

#### ❖ Education Technology

- The Education Technology (‘EdTech’) sector continues to be a high focus area in India and aims to enhance the process of learning by making it more engaging, inclusive and personalised. India is a significant participant in the global education market and has one of the largest networks of education institutions globally.

Moreover, the supportive efforts from the Government to make education available to anybody, everywhere, have also contributed to providing momentum to the EdTech sector. India’s burgeoning internet economy – with a large subscriber base and an increasing number of smartphone users – has helped augment the sector’s growth.



## 2. Operations and Threats

### ❖ Strategy and Management Consulting

#### Opportunities

Growth of digital businesses across Group companies provides significant opportunity for TSMG to provide digital-linked business strategy and incubation support services. 5G and sustainability being other key priorities for Group companies provides TSMG with an opportunity to extend its expertise in these areas and enter long-term projects with Group companies. Ongoing transformations within Group companies, provides continued opportunity for TSMG to drive major transformations.

#### Threats

With the slowdown expected in key sectors, discretionary spends are likely to come down, which may impact revenues in the short term.

### ❖ Data Analytics

#### Opportunities

The growth in digitisation as well as accelerating shift in the share of online consumer interactions will continue to drive the growth of the data and analytics industry.

The net demand for analytics workforce has also continued to grow. Despite some layoffs in recent times, the net demand for the analytics workforce in India witnessed an upward growth trend.

With the realisation of value due to data analytics, there is an increasing adoption in key sectors to enable business operations move effectively and efficiently.

#### Threats

Cybersecurity continues to be a key global threat, especially as more sensitive information is made available and liable to attack. Data privacy regulations across geographies are focusing on data rights and ownership, which requires organizations to treat data sensitively and use it ethically.

Lack of skilled talent may also pose a challenge, as the industry saw an over 30% increase in demand in the current year.

### ❖ Education Technology

#### Opportunities

\$6.5 Tn of the global education industry is still in the early stages of digitization, with less than 4% of the market currently digitized. A major proportion of India's population is below the age of 30, as per census data. With literacy rates at about 74% and favourable demographics, demand for quality education is expected to continuously rise. There is also a growing demand for proper training of educators and teachers which are often not linked with recognition and progression along their career paths.

The Company recognised the value of creating quality educational content and will continue through its subsidiary, TCL, to focus on improving the existing product mix with a strong emphasis on quality of the content delivered. Given the dynamic nature of a business environment, the subsidiary company will proceed to align to the National Educational Policy (2020) by its curriculum mapped to the policy.

## Threats

The growth trend in EdTech is burdened with players looking to acquire direct customers through a 'freemium' model, which increases the challenge of creating a differentiated and competitive value proposition. Other threats also include a lack of awareness of online offerings, abundance of free content online and, therefore, a high degree of industry fragmentation with large number of players with multiple products and services. In the direct-to-school segment, democratization of content and government initiatives are a key threat to players positioning the proposition with content at the center.

### **3. Segment**

Please refer to Para 3 of the Board's Report.

### **4. Outlook**

#### **❖ Strategy and Management Consulting**

TSMG is expected to continue its current trajectory, leveraging its credible value additions and strong relationships with Group company leaders, further reinforced by TSMG alumni transitioning to Group companies. There is a steady pipeline of projects from both Tata Sons and Group companies across strategically important topics. Continuous effort in talent management enables TSMG to onboard expertise towards emerging topics on an ongoing basis which ensures continued relevance to Group companies.

#### **❖ Data Analytics**

The estimated growth of the Indian analytics market is at a CAGR of 27% till 2027.

Tata iQ having been one of the early entrants, can possibly look at increasing the penetration in the existing companies where there is a good order book of projects in important areas. Efforts are also being made in bringing in new talent to focus on emerging areas in analytics to ensure group companies are serviced with best in class solutions.

#### **❖ Education Technology**

The Edtech market is expected to reach \$78.50 Billion by 2027, growing at a CAGR of over 19% over 2022-2027. The major growth drivers include a substantial addressable market, convenience, price advantage, aided with constant evolving technology capabilities. Besides technologies which provide increased personalization of course content and delivery, the demand for vernacular languages, integration of augmented reality and virtual reality, and upskilling and reskilling has seen a sharp increase.

The Company's objective for FY 2022-23 was to create a product mix which would deliver the highest margins. During the year, revenues, total collections and total order bookings were largely in line with the budgets set. Expenses towards advertisements and other overheads were reduced substantially so as to operate with better margins.

Going forward, TIL, through its subsidiary, TCL aims to improve its market share in specific markets while also improving the product mix with a focus on content and the software stack.

## **5. Risks and Concerns**

### **❖ Strategy and Management Consulting**

This success of delivering high quality strategy and business incubation services is dependent largely on quality of talent. TSMG targets lateral talent from top-tier strategy consulting firms. Consulting firms have increased their compensation leading to increase in hiring costs. There is an increased demand for this talent from industry, start-ups and consulting firms. TSMG will need to focus on offering competitive employee value proposition and compensation to address this risk.

### **❖ Data Analytics**

Key risks involve data privacy and storage, data ownership, data governance with a focus on clarity on the ethical use of data, a dearth of capabilities and skillsets vis-à-vis the demand with increased amount of data and the cyber security risk is continuously growing.

Digital solutions have made the sharing of data easy but tracking the ownership to avoid any dispute as well as the regulatory requirements in few countries pose considerable risk for the data analytics industry and can hamper the growth if a sustainable solution is not found in next few years. India has a shortage of data science talent and current education streams are lagging in supplying the skillsets being demanded by a rapidly growing industry.

The continuing debate on India Data Privacy Act in its draft format leaves the market cautious in their adoption of scalable cloud solutions to fuel Data and Analytics Solutions especially when it comes to where the data is housed and the ease of accessibility as well as the use of the same in an ethical and transparent (customer informed) manner while conforming to changing Government regulations.

### **❖ Education Technology**

The impact of the changes in Government regulation is a concern to players in the EdTech industry. With the government's announcement to provide a range of free content, the quality of the content is expected to evolve at a rapid pace. It places a high emphasis on the EdTech sector to ideate key differentiators to stand out. EdTech enterprises have had to take drastic measures to stay afloat in the face of a global economic slowdown. Companies that had seen headcounts increase exponentially during the pandemic resorted to downsizing, restructuring, and mass layoffs to trim costs and optimise their bottom lines.

## **6. Internal control systems and their adequacy**

Please refer to Para 11 of the Board's Report.

## **7. Discussion on financial performance with respect to operational performance**

Please refer to Paras 1 to 3 of the Board's Report.

## **8. Material developments in Human Resources / Industrial Relations front, including number of people employed**

### **❖ Strategy and Management Consulting**

- Number of People Employed: 85

#### ❖ Data Analytics

- Number of People Employed: 111

#### ❖ Education Technology

- Number of People Employed: 265.

For and on behalf of the Board of Directors,

Sd/-

F.N. Subedar  
Director

Sd/-

K.R.S. Jamwal  
Executive Director

Place :Mumbai  
Date : 27<sup>th</sup> April, 2023

## **Independent Auditor's Report**

To  
The Members of  
Tata Industries Limited

### **Opinion**

We have audited the accompanying standalone financial statements of Tata Industries Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of 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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements, the standalone financial statements and our auditor's 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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management and Board of Director's Responsibility for the Standalone Financial Statements**

The Company's Management and Board of Directors is 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 financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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, management is 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 Management and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility 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 financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of sub section (11) of Section 143 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. 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 cash flows and standalone statement of changes in equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the 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.
- h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
1. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements – Refer Note 43 to the standalone financial statements.
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  4. (i) The management has represented that, to the best of its knowledge and belief, 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, 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
  - 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.
5. The Company has neither declared nor paid any dividend during the year.
6. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **Singhi & Co.**  
Chartered Accountants  
Firm's Registration No.: 302049E

Sd/-

**Nikhil Singhi**  
Partner  
Membership No.061567  
UDIN:23061567BGYHLQ9903

Place: Mumbai  
Date : 27 April 2023

## **Annexure “A” to the Independent Auditor’s Report**

**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)
  - a) 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 has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use 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 maintained proper records showing full particulars of Intangible Assets.
  - b) As per information and explanations given to us the Property, Plant and Equipment and Right-of-Use Assets have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the operations of the Company and on the basis of explanations received no material discrepancies were noticed during the 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 title deeds of all immovable properties included in Property, Plant and Equipment disclosed (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.
  - d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
  - e) According to the information and explanations given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii)
  - a) The inventories have been physically verified by the management during the year with respect to Tata Classedge and Tata Digital Health segment. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory. Tata Classedge and Tata Digital Health segment were discontinued during the year. The Company does not hold any inventory as at March 31, 2023.
  - b) As per the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees by one Financial Institution and no security for the same has been provided and there is no requirement for submission of quarterly returns / statements with such financial institutions.
- (iii)
  - a) The Company is Core investment Company (CIC) and hence reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.

- b) According to information and explanations provided to us, the Company has made investments and loans and advances which are not prima facie prejudicial to the Company's interest. During the year no security or guarantee have been given by the Company.
- c) The Company has stipulated the schedule of repayment of principal and payment of interest in respect of loans granted to a joint venture and repayments or receipt are regular.
- d) In respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount for more than ninety days as at the Balance Sheet date as on March 31, 2023.
- e) Since the Company is CIC whether any loans granted by the Company which has fallen due during the current year, has been renewed or extended of fresh loans granted to settle the overdues of existing loans given to the same parties is not required to be commented upon, and hence reporting under clause 3 (iii) (e) is not applicable.
- f) In respect of loans granted and advances in the nature of loans provided by the Company to Promoters or related parties, there are no loans which are either repayable on demand or without specifying any terms or period of repayment and hence reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments or provided guarantees and securities which attract the provisions of sections 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of loans, investments made, to the extent applicable, to the parties covered under section 186 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for any of the products sold and services rendered by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.

(vii) (a) 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 undisputed statutory dues including Provident fund, Employees' State Insurance, Income tax, Professional tax, Duty of customs, Goods and Service tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities. As explained to us, the Company did not have any dues on account of wealth tax, sales tax, value added tax and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Profession tax, Income-tax, Duty of customs, Goods and Service tax and, Cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Duty of customs, Duty of excise, Goods and Service tax and Value added tax as at 31 March 2023, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below

<b>Name of the statute</b>	<b>Nature of the Dues</b>	<b>Amount in Dispute (Rs in Lakhs)</b>	<b>Amount in Dispute and Not paid (Rs in Lakhs)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Income tax Act, 1961	Income tax	27.32	0.00	AY 1998-99	High Court
Income tax Act, 1961	Income tax	692.42	0.00	AY 1999-00	High Court
Income tax Act, 1961	Income tax	875.50	0.00	AY 2000-01	High Court
Income tax Act, 1961	Income tax	486.49	0.00	AY 2001-02	High Court
Income tax Act, 1961	Income tax	4,540.13	0.00	AY 2006-07	Commissioner of Income Tax (Appeal)
Income tax Act, 1961	Income tax	288.06	0.00	AY 2006-07	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	250.89	0.00	AY 2010-11	High Court
Income tax Act, 1961	Income tax	52.92	0.00	AY 2011-12	High Court
Income tax Act, 1961	Income tax	974.90	0.00	AY 2015-16	ITAT
Madhya Pradesh VAT Act, 2002	VAT including interest and penalty	2.67	1.99	AY 2014-15	Commercial Tax Officer

Maharashtra Value Added Tax Act, 2002	VAT	0.45	0.45	2014-15	Deputy Commissioner of Sales Tax
Goods & Service Tax Act, 2017	Interest on late reversal of ITC	5.06	5.06	2017-18 & 2018-19	

- (viii) According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)
- According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
  - The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - According to the information and explanations given to us and to the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
  - On an overall examination of the financial statements of the Company, funds raised on short-term basis do not seem to have used during the year for long-term purposes by the Company.
  - 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 taken funds from following entities and persons on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under Companies Act, 2013 as per details below.

Nature of fund taken	Name of lender	Amount involved (Rs in Lakhs)	Name of the subsidiary, joint venture, associate	Relation	Nature of Transaction for which funds utilized*
Borrowings	Bajaj Finance Limited	25,000	Tata UniStore Limited	Joint venture	Business purpose
			Inzpera Healthscience Limited	Joint venture	
			Tata classedge limited	Subsidiary	

Borrowings	Kotak Investm ents limited	10,000	Tata UniStore Limited	Joint venture	Business purpose
NCD	DBS Ban k Limit ed	20,000	Tata UniStore Limited	Joint venture	Business purpose
	<b>Tota l</b>	<b>55,000</b>			

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies. Accordingly, reporting this clause is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under paragraph 3 (x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) According to the information and explanations given to us and to the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditor's) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi company and hence reporting under paragraph 3 (xii) (a) to (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by applicable Ind AS. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly to the extend the paragraph 3(xiii) of the Order is not applicable to the Company.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have taken into consideration, the internal audit reports for the period under audit issued to the Company till the date while determining the nature, timing and extent of audit procedures.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Thus, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and is registered as a core investment Company with the Reserve Bank of India vide registration no. N-13.02011 dated 27 April 2012.
- (b) The Company is registered as Core Investment Company with the Reserve bank of India and holds a valid certificate of registration and hence reporting under this clause is not applicable to the Company.
- (c) The Company is registered as Core Investment Company with the Reserve bank of India and has complied the criteria of a CIC as given in the Master circular of CIC Directions 2016 except for para 36 (3) of Master Circular for Core investment Company Directions 2016 with regard to "CIC shall generally be earning profit continuously for the last three years and its performance shall be satisfactory during the period of its existence."
- (d) According to the information and explanations given to us by the management, the Group has five CICs which are registered with Reserve Bank of India and 1 CIC which is not required to be registered with Reserve Bank of India (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at end of the reporting period.
- (xvii) The Company has incurred cash losses of INR 204,510.71 lakhs in the current financial year and INR 22,590.97 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditors during the year. Accordingly, Clause 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 realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS 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 the 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) Basis the requirements as stipulated by the provisions of Section 135, the Company does not have adequate net profits, which requires any CSR spends to be undertaken. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **Singhi & Co.**  
Chartered Accountants  
Firm's Registration No.: 302049E

Sd/-

**Nikhil Singhi**  
Partner  
Membership No. 061567  
UDIN: 23061567BGYHLQ9903

Place: Mumbai  
Date : 27 April 2023



## **Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 2 (A) (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the Internal Financial Controls Over Financial Reporting of Tata Industries Limited (the “Company”) as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls Over Financial Reporting**

The Company’s management and the Board of Directors is responsible for establishing and maintaining Internal Financial Controls based on the Internal Financial Controls Over Financial Reporting with reference to standalone 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”).

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s Internal Financial Controls Over Financial Reporting with reference to standalone financial statements of the Company 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. 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 standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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 standalone financial statements.

## **Meaning of Internal Financial Controls Over Financial Reporting with reference to standalone financial statements**

A Company's Internal Financial Controls Over Financial Reporting with reference to standalone 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 control with reference to standalone financial statements includes 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Over Financial Reporting Over Financial Reporting**

Because of the inherent limitations of Internal Financial Controls Over Financial Reporting with reference to standalone 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 control 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.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls Over Financial Reporting with reference to standalone financial statements and such Internal Financial Controls Over Financial Reporting were operating effectively as at 31 March 2023, based on the internal financial controls over financial reporting with reference to standalone 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").

For **Singhi & Co.**  
Chartered Accountants  
Firm's Registration No.: 302049E

Sd/-

**Nikhil Singhi**  
Partner

Place: Mumbai  
Date : 27 April 2023

Membership No. 061567  
UDIN: 23061567BGYHLQ9903

# Tata Industries Limited

## Standalone Balance Sheet

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	Note	31 March 2023	31 March 2022
<b>Assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	4	1,183.42	1,470.70
Bank balances other than cash and cash equivalents	5	31.22	46.17
Receivables	6		
(i) Trade Receivables		2,134.65	3,054.28
(ii) Other Receivables		81.54	3,210.83
Loans	7	-	108,955.78
Investments	8 & 33	568,069.25	620,882.03
Other financial assets	9	1,000.56	1,180.83
		<b>572,500.64</b>	<b>738,800.62</b>
<b>Non-financial assets</b>			
Inventories	10	-	308.70
Current tax assets (net)	11	10,662.09	12,477.12
Property, plant and equipment	12	2,470.88	2,882.95
Capital work-in-progress	13	109.84	365.41
Right of use assets	37	190.39	2,492.16
Intangible assets under development	13	-	2,393.76
Other Intangible assets	14	3.80	7,409.04
Other non-financial assets	15	2,299.39	3,797.63
		<b>15,736.39</b>	<b>32,126.77</b>
<b>Assets classified as held for sale and discontinued operations</b>	34	-	1.00
		-	1.00
<b>Total Assets</b>		<b>588,237.03</b>	<b>770,928.39</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		160.13	3,245.42
(I) Trade payables	16		
(i) total outstanding dues of micro and small enterprises		2.12	314.74
(ii) total outstanding dues of creditors other than micro and small enterprises		677.10	3,901.59
(II) Other payables	16		
(i) total outstanding dues of micro and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		1,031.58	45.65
Debt Securities	17	101,896.54	79,148.01
Borrowings (Other than Debt Securities)	18	60,000.00	35,000.00
Other financial liabilities	19	2,738.04	3,230.65
		<b>166,505.51</b>	<b>124,886.06</b>
<b>Non-financial liabilities</b>			
Current tax liabilities (net)	20	9.46	9.46
Provisions	21	3,747.46	4,524.61
Other non-financial liabilities	22	696.67	3,394.31
		<b>4,453.59</b>	<b>7,928.38</b>
<b>Equity</b>			
Equity share capital	23	107,954.60	107,954.60
Other equity	24	309,323.33	530,159.35
<b>Total equity</b>		<b>417,277.93</b>	<b>638,113.95</b>
<b>Total liabilities and equity</b>		<b>588,237.03</b>	<b>770,928.39</b>
Significant accounting policies	1-3		
Notes to the Standalone Financial Statements	4-51		
The notes are an integral part of these standalone financial statements			

As per our report of even date attached

For **Singhi & Co.**

Chartered Accountants

Firm's Registration No: 302049E

Sd/-

**Nikhil Singhi**

Partner

Membership No: 061567

Mumbai

Date: 27 April 2023

For and on behalf of the Board of Directors of

**Tata Industries Limited**

CIN: U44003MH1945PLC004403

Sd/-

Sd/-

**K.R.S Jamwal**

Executive Director

DIN: 03129908

**F.N. Subedar**

Director

DIN: 00028428

Sd/-

**S. Sriram**

Chief Financial Officer

& Company Secretary

CS Membership Number: A10083

Mumbai

# Tata Industries Limited

## Standalone Statement of Profit and Loss

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

	Note	For the Year ended 31 March 2023	For the Year ended 31 March 2022
<b>A. Continuing operations</b>			
<b>Revenue from operations</b>			
Interest income	25	10,573.30	4,466.02
Dividend income	26	3,748.62	638.76
Net gain on fair value changes	27	640.59	1,541.16
Sale of services	28	8,291.63	5,761.91
<b>Other income</b>	29	2,538.74	1,546.20
<b>Total income</b>		<b>25,792.88</b>	<b>13,954.05</b>
<b>Expenses</b>			
Finance costs	30	10,429.90	6,557.66
Employee benefits expenses	31	9,565.89	7,865.84
Depreciation, impairment and amortisation	12, 14 & 37	332.55	218.37
Other expenses	32	1,793.57	1,864.34
Loss on sale of long term investments (net)	33	204,323.43	6,753.98
<b>Total expenses</b>		<b>226,445.34</b>	<b>23,260.19</b>
<b>Loss before exceptional items and tax</b>		<b>(200,652.46)</b>	<b>(9,306.14)</b>
<b>Exceptional items:</b>			
Provision for Impairment of investment in subsidiaries	33	-	45,232.39
<b>Total exceptional items</b>		<b>-</b>	<b>45,232.39</b>
<b>Loss for the year from continuing operations before tax</b>		<b>(200,652.46)</b>	<b>(54,538.53)</b>
Tax expense of continuing operations			
- Current tax		-	-
- Deferred tax		-	-
- Short/(Excess) provision of tax for earlier years		-	-
<b>Loss for the year from continuing operations after tax</b>		<b>(200,652.46)</b>	<b>(54,538.53)</b>
<b>B. Discontinued operations / Disposal of asset held for sale</b>			
Loss for the year from discontinued operations / disposal of asset held for sale before tax	34	(6,485.60)	(17,138.29)
Less: Tax expense of discontinued operations / disposal of asset held for sale		-	-
<b>Loss for the year from discontinued operations after tax / disposal of asset held for sale</b>		<b>(6,485.60)</b>	<b>(17,138.29)</b>
<b>C. Loss for the year (A + B)</b>		<b>(207,138.06)</b>	<b>(71,676.82)</b>
<b>D. Other comprehensive income ('OCI')</b>			
(I) Items that will not be reclassified to profit or loss:			
- Changes in fair value of investments in equities carried at fair value through OCI		(13,327.89)	115,210.34
- Remeasurement of defined employee benefit plans		(370.07)	(312.83)
<b>Other comprehensive income</b>		<b>(13,697.96)</b>	<b>114,897.51</b>
<b>E. Total comprehensive income for the year (C + D)</b>		<b>(220,836.02)</b>	<b>43,220.69</b>

# Tata Industries Limited

## Standalone Statement of Profit and Loss (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

	Note	For the Year ended 31 March 2023	For the Year ended 31 March 2022
<b>F.</b> Earnings per equity share from continuing operations (face value of Rs. 100 each) Basic and diluted (in Rs.)		<u>(185.87)</u>	<u>(50.52)</u>
<b>G.</b> Earnings per equity share from discontinued operations / disposal of asset held for sale (face value of Rs. 100 each) Basic and diluted (in Rs.)		<u>(6.01)</u>	<u>(15.88)</u>
<b>H.</b> Earnings per equity share from continuing and discontinued operations / disposal of asset held for sale (face value of Rs. 100 each) Basic and diluted (in Rs.)		<u>(191.88)</u>	<u>(66.40)</u>

Significant accounting policies

1-3

Notes to the Standalone Financial Statements

4-51

The notes are an integral part of these standalone financial statements

As per our report of even date attached

**For Singhi & Co.**

Chartered Accountants

Firm's Registration No: 302049E

**For and on behalf of the Board of Directors of**

**Tata Industries Limited**

CIN: U44003MH1945PLC004403

Sd/-

Sd/-

Sd/-

**Nikhil Singhi**

Partner

Membership No: 061567

**K.R.S Jamwal**

Executive Director

DIN: 03129908

**F.N. Subedar**

Director

DIN: 00028428

Mumbai

Date: 27 April 2023

Sd/-

**S. Sriram**

Chief Financial Officer

& Company Secretary

CS Membership Number: A10083

Mumbai

# Tata Industries Limited

## Standalone Cash Flow Statement

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

Particulars	31 March 2023		31 March 2022	
<b>A. Cash flows from operating activities</b>				
Profit / (Loss) before tax from continuing operations	(200,652.46)		(71,805.99)	
Profit before tax from discontinued operation	(6,485.60)	(207,138.06)	129.17	(71,676.82)
Adjustments:				
Depreciation, impairment and amortisation	2,627.35		3,853.46	
(Profit) / Loss on sale/write off of Property, plant and equipment (net)	67.90		(0.67)	
Provision for doubtful debts / advances made (net)	155.89		337.52	
Provision for unbilled revenue	-		8.32	
Provision for Impairment of investment in subsidiaries	-		45,232.39	
Interest income on unwinding of financial assets at amortised cost	(3,406.32)		892.26	
Fair value gain on investments in preference shares (net)	37.94		66.49	
Fair value (gain) / loss on investment in mutual funds	76.22		(61.79)	
Lease Payments net of lease concession	(2,238.38)		(2,377.10)	
Provision for Employee benefits	573.02		497.67	
Provision for standard assets provided / (written back)(net)	(436.32)		293.69	
Finance costs - Interest on borrowings	10,593.85		6,562.98	
Credit / sundry balances written back	(163.68)		(0.33)	
(Profit)/ Loss on sale of asset held for sale	(128.28)		-	
Provisions for CWIP,IAUD & Inventory	174.89		-	
(Profit)/ Loss on sale of long term investments	202,420.69		6,753.98	
Profit on sale of current investments	(754.76)		(1,545.86)	
Interest on Income Tax Refund	(399.51)		(204.64)	
	209,200.50		60,308.37	
<b>Operating cash flow before working capital changes</b>	2,062.44		(11,368.45)	
(Increase) / decrease in trade and other receivables	3,893.03		478.57	
(Increase) / decrease in inventories	180.83		117.99	
(Increase) / decrease in loans, other financial assets and other non-financial assets	(510.38)		(1,220.40)	
Increase / (decrease) in trade payables, other financial liabilities and other non-financial liabilities	2,840.18	6,403.66	3,954.07	3,330.23
<b>Cash used in operations</b>	8,466.10		(8,038.22)	
Direct taxes received /(paid)	4,484.00		(851.19)	
<b>Net cash flow generated / (used in) operating activities</b>	12,950.10		(8,889.41)	
<b>B. Cash flows from Investing activities</b>				
Purchase of Property, plant and equipment	(719.93)		(3,852.13)	
Sale of Property, plant and equipment	9.45		10.09	
Purchase of investment in subsidiaries	(11,192.00)		(18,650.00)	
Purchase of investment in Joint Venture	(161,107.69)		(10,238.33)	
Inter Corporate Deposits to Joint Venture / Subsidiary Company (net)	108,950.00		(74,250.00)	
Sale of investments in other companies	3,093.03		(113.07)	
Sale of investments in subsidiaries	-		39,500.00	
Sale of Assets held for sale	129.28		0.28	
Redemption of NCDs in subsidiaries	-		14,900.00	
Sale / (purchase) of current investments (net)	10,219.69		4,760.24	
Bank balances not considered as cash and cash equivalents	14.95		(2.75)	
<b>Net cash flow used in investing activities</b>	(50,603.22)		(47,935.67)	

# Tata Industries Limited

## Standalone Cash Flow Statement (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

Particulars	31 March 2023	31 March 2022
<b>C. Cash flows from financing activities</b>		
Proceeds from borrowings	55,000.00	89,000.00
Repayment from borrowings	(10,000.00)	(29,000.00)
Repayment of Interest cost	(7,463.90)	(2,244.92)
Other borrowing cost paid	(170.26)	(184.51)
<b>Net cash flow (used in) / generated from financing activities</b>	<b>37,365.84</b>	<b>57,570.57</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(287.28)</b>	<b>745.49</b>
Cash and cash equivalents as at the beginning of the year (see note 4)	1,470.70	725.21
<b>Cash and cash equivalents as at end of the year (see note 4)</b>	<b>1,183.42</b>	<b>1,470.70</b>

### Notes to cash flow statement

	31 March 2023	31 March 2022
<b>1. Components of cash and cash equivalents:</b>		
(a) Cash on hand	-	0.14
(b) Balances with banks		
- In current accounts	1,183.42	1,470.56
- In demand deposit accounts	-	-
	<b>1,183.42</b>	<b>1,470.70</b>

- Dividend earned and interest income has been considered as part of "Cash flow from operating activities" since the Company is an Investment Company.
- Direct taxes paid is treated as operating expenses and is not bifurcated between investing and financing activities.
- The fixed deposits placed as security deposit are not available for use by the Company and hence not considered as cash and cash equivalents.
- Debt reconciliation statement in accordance with Ind AS 7

	31 March 2023	31 March 2022
Opening balance	110,000.00	50,000.00
Movement	45,000.00	60,000.00
Closing	<b>155,000.00</b>	<b>110,000.00</b>

Significant accounting policies

1-3

Notes to the Standalone Financial Statements

4-51

The notes are an integral part of these standalone financial statements

As per our report of even date attached

**For Singhi & Co.**

Chartered Accountants

Firm's Registration No: 302049E

Sd/-

**Nikhil Singhi**

Partner

Membership No: 061567

Mumbai

Date: 27 April 2023

**For and on behalf of the Board of Directors of**

**Tata Industries Limited**

CIN: U44003MH1945PLC004403

Sd/-

**K.R.S Jamwal**

Executive Director

DIN: 03129908

Sd/-

**F.N. Subedar**

Director

DIN: 00028428

Sd/-

**S. Sriram**

Chief Financial Officer

& Company Secretary

CS Membership Number: A10083

Mumbai

# Tata Industries Limited

## Standalone Statement of Changes in Equity

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### (a) Equity share capital

Particulars	31 March 2023	31 March 2022
<b>Balance at the beginning of the year</b>	<b>107,954.60</b>	107,954.60
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the current year	-	-
<b>Balance at the end of the year</b>	<b>107,954.60</b>	107,954.60

### (b) Other equity

Particulars	Reserves and surplus							Items of Other comprehensive income ('OCI')	Total
	Capital reserves	Securities premium	Amalgamation reserve	Reserve fund	Impairment reserve	General reserve	Retained earnings*	Equity instruments through OCI	
<b>Balance as at 1 April 2022</b>	174,522.54	60,480.01	2,498.76	50,199.22	887.12	17,040.37	(69,392.07)	293,923.40	530,159.35
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning of previous reporting period</b>	<b>174,522.54</b>	<b>60,480.01</b>	<b>2,498.76</b>	<b>50,199.22</b>	<b>887.12</b>	<b>17,040.37</b>	<b>(69,392.07)</b>	<b>293,923.40</b>	<b>530,159.35</b>
Profit / (Loss) for the year	-	-	-	-	-	-	(207,138.06)	-	(207,138.06)
Other comprehensive income / (loss) (net of tax)	-	-	-	-	-	-	(370.07)	(13,327.89)	(13,697.96)
<b>Total comprehensive income / (loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(207,508.13)</b>	<b>(13,327.89)</b>	<b>(220,836.02)</b>
Transfer from Equity instruments through OCI	-	-	-	-	-	-	765.33	(765.33)	-
<b>Balance as at 31 March 2023</b>	<b>174,522.54</b>	<b>60,480.01</b>	<b>2,498.76</b>	<b>50,199.22</b>	<b>887.12</b>	<b>17,040.37</b>	<b>(276,134.87)</b>	<b>279,830.18</b>	<b>309,323.33</b>

Particulars	Reserves and surplus							Items of Other comprehensive income ('OCI')	Total
	Capital reserves	Securities premium	Amalgamation reserve	Reserve fund	Impairment reserve	General reserve	Retained earnings*	Equity instruments through OCI	
<b>Balance as at 1 April 2021</b>	174,522.54	60,480.01	2,498.76	50,199.22	887.12	17,040.37	2,597.58	178,713.06	486,938.66
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning of previous reporting period</b>	<b>174,522.54</b>	<b>60,480.01</b>	<b>2,498.76</b>	<b>50,199.22</b>	<b>887.12</b>	<b>17,040.37</b>	<b>2,597.58</b>	<b>178,713.06</b>	<b>486,938.66</b>
Profit / (Loss) for the year	-	-	-	-	-	-	(71,676.82)	-	(71,676.82)
Other comprehensive income / (loss) (net of tax)	-	-	-	-	-	-	(312.83)	115,210.34	114,897.51
<b>Total comprehensive income / (loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(71,989.65)</b>	<b>115,210.34</b>	<b>43,220.69</b>
<b>Balance as at 31 March 2022</b>	<b>174,522.54</b>	<b>60,480.01</b>	<b>2,498.76</b>	<b>50,199.22</b>	<b>887.12</b>	<b>17,040.37</b>	<b>(69,392.07)</b>	<b>293,923.40</b>	<b>530,159.35</b>

\* Including remeasurement of net defined benefit plans



# Tata Industries Limited

## Standalone Statement of Changes in Equity (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### (b) Other equity (Continued)

#### Notes:

#### 1. Capital reserve

Capital reserve is created on account of merger of Apex Investments (Mauritius) Holding Private Limited.

#### 2. Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013 ('the Act').

#### 3. Amalgamation reserve

Amalgamation reserve is created on account of amalgamation of Tata Televentures (Holdings) Limited.

#### 4. Reserve fund

Reserve fund is created under section 45IC of the Reserve Bank of India Act, 1934.

#### 5. General reserve

General reserve is a free reserve which is created by transferring funds from retained earning to meet future obligations or purpose.

#### 6. Retained earnings

Retained earnings are the profits / (losses) that the Company has earned till date, less any transfer to general reserve, dividends or other distribution paid to shareholders.

#### 7. Equity instruments through OCI

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within 'Equity instruments through OCI'. The Company transfers amounts therefrom to retained earnings when the relevant equity securities are derecognised.

#### 8. Impairment reserve

Where impairment allowance (Expected credit loss) under Ind AS is lower than the provisioning required under IRACP guidelines, Company shall appropriate the difference from their net profit or loss after tax to a separate impairment reserve.

Significant accounting policies

1-3

Notes to the Standalone Financial Statements

4-51

The notes are an integral part of these standalone financial statements

As per our report of even date attached

#### For Singhi & Co.

Chartered Accountants

Firm's Registration No: 302049E

Sd/-

**Nikhil Singhi**

Partner

Membership No: 061567

Mumbai

Date: 27 April 2023

#### For and on behalf of the Board of Directors of

**Tata Industries Limited**

CIN: U44003MH1945PLC004403

Sd/-

**K.R.S Jamwal**

Executive Director

DIN: 03129908

Mumbai

Sd/-

**F.N. Subedar**

Director

DIN: 00028428

Sd/-

**S. Sriram**

Chief Financial Officer

& Company Secretary

CS Membership Number: A10083

# Tata Industries Limited

## Notes to standalone financial statements

*for the year ended 31 March 2023*

(Currency: Indian rupees in lakhs)

### 1. Background

Tata Industries Limited ('TIL') was incorporated on April 7, 1945 at Mumbai under the Companies Act, VII of 1913 and has been carrying on the business of an investment holding company engaged in the incubation / promotion of new business ventures.

From April 2012 onwards, TIL is categorised as a Core Investment Company ('CIC') by the Reserve Bank of India ('RBI') on account of its investments being made prominently in other Tata companies. Earlier, it was registered with RBI as a Non-Banking Financial Company.

Besides carrying out investment activities from Head office, TIL has four operating divisions engaged into management consultancy, digital classroom solutions, digital health business and data analytics business.

The Board of Directors approved the standalone financial statements for the year ended 31 March 2023 and authorised for issue on 27 April 2023.

### 2. Summary of statement of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements

#### A. Statement of compliance

These Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules as amended from time to time, other relevant provisions of the Act and the Prudential norms directions issued by the Reserve Bank of India as applicable to Core Investment Companies.

#### B. Functional and presentation currency

These Standalone financial statements are presented in Indian Rupees (INR), which is also Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

#### C. Basis of preparation

The standalone financial statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### D. Use of estimates and judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these Ind AS standalone financial statements and the reported amounts of revenues and expenses for the periods presented. Actual results may differ from these estimates.

# Tata Industries Limited

## Notes to standalone financial statements *(Continued)*

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### **2. Summary of statement of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements *(Continued)***

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below:

#### **(i) Useful lives of property, plant and equipment and intangible assets**

Determination is done to evaluate the estimated useful lives of tangible assets and also assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, considering the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions are also made, when the Company assesses whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

#### **(ii) Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan and other long-term employment benefits is determined based on actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

#### **(iii) Recognition of deferred tax assets**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

#### **(iv) Revenue recognition**

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.

# Tata Industries Limited

## Notes to standalone financial statements *(Continued)*

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### **2. Summary of statement of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements *(Continued)***

#### **(v) Impairment of trade receivables**

The Company reviews its trade receivables to assess impairment at regular intervals. The Company's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be reported in the statement of profit and loss, the Company makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

#### **(vi) Impairment losses on investments**

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

### **E. Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurement, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies

#### A. Foreign currency translation

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

#### B. Financial instruments

##### (i) Investments and other financial assets

###### Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which the investment is held. For investment 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 OCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

###### Debt instruments

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

###### *Amortised cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

###### *Fair value through other comprehensive income ('FVTOCI')*

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income ('FVTOCI').

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (*Continued*)

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised as gains/ (losses) within other income or other expense. Interest income from these financial assets is included in other income using the effective interest rate method.

#### ***Fair value through profit or loss ('FVTPL')***

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss as gains/(losses) within other income or other expense in the period in which it arises. Interest income from these financial assets is included in other income.

#### **Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as Other Income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised as gains/(losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

#### **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

#### **De-recognition of financial assets**

A financial asset is derecognised only when the Company

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company 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.

# Tata Industries Limited

## Notes to standalone financial statements *(Continued)*

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies *(Continued)*

Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### (ii) Debt and equity instruments (liabilities)

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### (iii) Financial liabilities

The Company's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the Statement of Profit and Loss.

#### De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

#### (iv) Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency exposures. Derivative instruments are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit and loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates. At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between hedged item and hedging instrument, including whether the changes in cash flows of the hedged item and the hedging instrument are expected to offset each other.

#### Cash Flow Hedge

When a derivative is designated as a cash flow hedging instrument, the effective portion of the changes in the fair value of the derivatives is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of the changes in the fair value of the derivative that is recognised in the OCI is limited to the cumulative change in fair value of the hedge item, determined

# Tata Industries Limited

## Notes to standalone financial statements *(Continued)*

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies *(Continued)*

on a present value basis, from the inception of the hedge. Any ineffective portion of the changes in the fair value of the derivative is recognised immediately in profit and loss.

The amount accumulated in other equity is reclassified to profit and loss in the same period or periods during which the hedged expected future cash flows affect profit and loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then the hedge accounting is discontinued prospectively. When the hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity is reclassified to profit and loss in the same period or periods as the hedged expected future cash flows affect profit and loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in profit and loss.

#### (v) Financial guarantee contracts

The Company on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Company has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognized in profit or loss.

#### (vi) Offsetting of financial instruments

Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Company intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### C. Property, plant and equipment

#### Recognition and measurement

All items of property, plant and equipment are stated at their historical cost of acquisition or construction less accumulated depreciation and accumulated impairment losses if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item 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 replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.



# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (Continued)

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

Depreciation on tangible fixed assets of the Company has been provided on Straight Line Method (SLM), considering the useful lives and residual value prescribed in Schedule II of the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support:

#### Depreciation

Assets	Useful life
Mobile phones	2 / 3 years
Medical demo devices	3 years
ClassEdge implementation and installation expenses and assets deployed at schools	Over the period of licensing contract
Computers	3 / 4 years
Leasehold improvements	Period of Lease

### D. Intangible assets

#### Recognition and measurement

Intangible assets are measured at historical cost. All the intangible assets have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any.

#### Amortisation

Intangible assets are amortised over their estimated useful life on straight line basis as follows:

Assets	Amortization
SAP Software	Four years
ClassEdge Content (Internally generated)	Ten years
ClassEdge Content – Technological upgrades / Value Education Content (Internally generated)	Five years
Digital Content Videos (Internally generated)	Over the expected pattern of consumption of economic benefit over a period of five years
Licensed Content	Over the licencing contract period
PlanEdge and TestEdge platforms	Over the balance period to expiry of ClassEdge content amortisation.
Digital Health Platform and Analytics Software	Three years
Licenses, software (other than SAP) and right to use third party systems etc.	One - Ten years

# Tata Industries Limited

## Notes to standalone financial statements *(Continued)*

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies *(Continued)*

#### **Research and development expenses**

Revenue expenses pertaining to research is charged to the standalone statement of profit and loss. Development cost of products are also charged to standalone statement of profit and loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. The amount capitalized comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilized for research and development are capitalized and depreciated in accordance with the policies stated for the property, plant and equipment.

#### **E. Inventories**

Stock-in-trade is valued at cost and net realisable value whichever is lower. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of traded goods is determined on First-in-First out (FIFO) basis and includes the cost of purchases and other costs incurred in bringing the inventories to their present location and condition. The comparison of cost and net realizable value is made on an item by item basis. Provision is made for the cost of obsolescence and other anticipated losses, whenever considered necessary.

#### **F. Impairment**

##### **Impairment of financial instruments (other than at fair value)**

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

##### **Impairment of non-financial assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

#### **G. Non-current assets or disposal group held for sale**

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

# Tata Industries Limited

## Notes to standalone financial statements *(Continued)*

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies *(Continued)*

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated.

#### H. Employee benefits

##### Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the year.

##### Defined Contribution plans

The Company makes monthly contributions to the Superannuation fund and National pension scheme for all qualifying employees, until retirement or resignation of the employee. The Company recognizes such contributions as an expense when incurred. The Company has no further obligation beyond its monthly contribution.

##### Defined benefit plans

The Company operates the post-employment schemes such as Gratuity, Provident fund and post-retirement medical benefits (PRMB) and Pension to an ex-director which are defined benefit plans.

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The actuarial valuation method, carried out by an independent actuary, used for measuring the liability for provident Fund is Projected Accrued Benefit method. This approach determines the present value of the interest rate guarantee to employees. Provident fund trusts are treated as Defined Benefit Plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (*Continued*)

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in the other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or enhancements are recognised in profit and loss as past service cost.

#### **Other long-term employee benefits**

The liabilities for earned leave and sick leave are not expected to be settled wholly after the end of the period in which the employees render the related services. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as liabilities in the balance sheet after the reporting period, regardless of when the actual settlement is expected to occur.

#### **I. Revenue recognition**

The Company has applied Ind AS 115 *Revenue from Contracts with Customers* which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

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

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (*Continued*)

#### Rendering of services

In respect of contracts, other than ClassEdge license and support fees, revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. Efforts or costs expended have been used to measure progress towards completion. Projected losses, if any, are provided in entirety as per Ind AS based on management's current estimates of cost to completion arrived at on the basis of technical assessment of time and effort required and estimates of future expenditure.

Revenue from licensing of ClassEdge content to schools is recognized, on a pro-rata basis over the contract period, commensurate with the services rendered / cost incurred for the same. The Company has applied the guidance in Ind AS 115 by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering equipment, software licenses and support services as distinct performance obligations. The performance obligations are satisfied as and when the services are rendered since the customer consumes the services as time progresses.

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.

Revenues in excess of invoicing are classified as contract assets (which are referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which are referred to as unearned revenues).

Contract assets are recognised 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 recognised when there are billings in excess of revenues.

Revenue from After School (AFS) License subscription consist of subscription fees charged for subscription-based online educational content.

Content subscription fee is received in advance and is record as deferred revenue. Revenue is recognized uniformly over the contract period as the subscription services represent a obligation to provide the services while the customer simultaneously receives and consumes the benefits of such services throughout the contract period.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (*Continued*)

#### **Sale of goods**

Revenue from sale of goods is recognised on transfer of control over to the goods to the customer. Sales are recorded net of returns (if any), trade discounts, rebates, and goods and service tax.

Deferred contract costs are incremental costs of obtaining a customer contract. Deferred contract costs are recognised as assets and amortized over the term of the customer contract, except in case where the amortisation period is one year or less, in which case the costs are expensed as and when incurred.

#### **Interest income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension) but does not consider the expected credit loss.

#### **Dividend income**

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

### **J. 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.

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.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (*Continued*)

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 as an adjustment to the right-of-use asset. 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 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 to allocate the consideration in the contract.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019).

# Tata Industries Limited

## Notes to standalone financial statements *(Continued)*

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies *(Continued)*

Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. The company has applied the Covid -19 related concession – amendment to Ind AS 116. The amendment did not have any impact on the amounts recognized in prior periods and will affect the current & future periods only.

#### K. Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

##### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

##### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- a. temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- b. taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets- unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.



# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (*Continued*)

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

#### L. Discontinued Operations

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Company and which represents a separate major line of business or geographical area of operations and

- a. is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- b. is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

#### M. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (*Continued*)

#### N. Operating Segments

An operating Segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of Company's other components, and for which discrete financial information is available. All operating segments operating results are reviewed regularly by the Company's Board to make decisions about resources to be allocated to the segment and assess their performance.

#### O. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### P. Business combinations

##### *Business combinations under common control*

Business combinations arising from transfers of interests in entities that are under the common control are accounted in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103) *Business combinations of entities under common control*, notified under the Companies Act, 2013.

All assets, liabilities and reserves of the combining entity are recorded in the books of account of the Company at their existing carrying amounts. Inter-company balances are eliminated. The difference, between the investments held by the Company and all assets, liabilities and reserves of the combining entity are recognised in capital reserve and presented separately from other capital reserves. Comparative accounting period presented in the financial statements of the Company has been restated for the accounting impact of the merger, as stated above, as if the merger had occurred from the beginning of the comparative period in the financial statements.

Any non-controlling interest in an acquiree is measured at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets. This accounting choice is made on a transaction by transaction basis.

##### *Business combinations not under common control*

Business combinations except under common control are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (*Continued*)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 3. Significant accounting policies (*Continued*)

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

#### **Q. Provisions and contingencies**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that 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 or a reliable estimate of the amount cannot be made.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

# Tata Industries Limited

## Notes to standalone financial statements *(Continued)*

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### **R. Ind AS modified but not effective as at Balance Sheet date**

The following standards modified by MCA become effective w.e.f. 1st April 2023.

Particulars	Effective date
Modification to existing Ind Accounting Standard	
Ind AS 101 - First-time Adoption of Indian Accounting Standards	1st April, 2023
Ind AS 103 - Business Combinations	1st April, 2023
Ind AS 107 - Financial Instruments: Disclosures	1st April, 2023
Ind AS 109 - Financial Instruments	1st April, 2023
Ind AS 115 - Revenue from Contracts with Customers	1st April, 2023
Ind AS 1 - Presentation of Financial Statements	1st April, 2023
Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors	1st April, 2023
Ind AS 12 - Income Taxes	1st April, 2023

The company is assessing the potential impact of above amendments on the financial statements. The management presently is of the view that it would not have a material impact on the financial statements.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>4 Cash and cash equivalents</b>		
Cash on hand	-	0.14
Balances with banks		
In current accounts	1,183.42	1,470.56
	<u>1,183.42</u>	<u>1,470.70</u>
<b>5 Bank balance other than cash and cash equivalents</b>		
Bank deposits	31.22	46.17
(Fixed deposits placed with banks and statutory authorities as securities against performance guarantees issued / legal proceedings )		
	<u>31.22</u>	<u>46.17</u>

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>6 Receivables</b>		
<b>Trade receivables</b>		
(a) Considered good- Secured	-	-
(b) Considered good- Unsecured	2,134.65	3,054.28
(c) Receivables which have significant increase in Credit Risk;	3.71	3,167.25
Less: Allowance for impairment loss	(3.71)	(3,167.25)
(d) Receivables - credit impaired	-	-
Less: Allowance for impairment loss	-	-
	<b>2,134.65</b>	<b>3,054.28</b>

### As at 31 March 2023

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	1,181.23	945.51	7.91	-	-	-	2,134.65
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	3.71	-	-	-	3.71
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for impairment loss	-	-	(3.71)	-	-	-	(3.71)
<b>Total</b>	<b>1,181.23</b>	<b>945.51</b>	<b>7.91</b>	<b>-</b>	<b>-</b>	<b>0.01</b>	<b>2,134.65</b>

### As at 31 March 2022

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	1,240.55	1,177.62	248.55	127.83	48.87	48.08	2,891.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	66.63	237.77	422.69	806.70	307.39	302.42	2,143.60
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	0.06	2.03	11.94	148.75	162.78
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.10	12.74	75.13	935.68	1,023.65
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for impairment loss	(66.63)	(237.77)	(422.79)	(819.44)	(382.52)	(1,238.10)	(3,167.25)
<b>Total</b>	<b>1,240.55</b>	<b>1,177.62</b>	<b>248.62</b>	<b>129.85</b>	<b>60.81</b>	<b>196.82</b>	<b>3,054.28</b>

	31 March 2023	31 March 2022
<b>Other receivables</b>		
(a) Considered good- Secured	-	-
(b) Considered good- Unsecured	81.54	3,210.83
(c) Receivables which have significant increase in Credit Risk;	-	-
Less: Allowance for impairment loss	-	-
(d) Receivables - credit impaired	-	-
Less: Allowance for impairment loss	-	-
	<b>81.54</b>	<b>3,210.83</b>

Tata Industries Limited

Notes to standalone financial statements *(Continued)*  
as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>7      Loans</b>		
<i>(Unsecured, considered good, at amortised cost)</i>		
Loans to Others (in India)		
- Loans to employees	-	5.78
- Inter Corporate Deposits to related party	-	108,950.00
	<hr/>	<hr/>
	-	108,955.78
	<hr/>	<hr/>



# Tata Industries Limited

## Notes to standalone financial statements (Continued)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

### 8 Investments

(Refer Note 33)

31 March 2023						
Investments	Amortised cost (1)	At Fair Value		Sub-Total (4)=(2)+(3)	Others (5)	Total (6)=(1)+(4)+(5)
		Through OCI (2)	Through profit or loss (3)			
Mutual funds	-	-	17,618.34	17,618.34	-	17,618.34
<b>Debt securities</b>						
Subsidiaries	-	-	-	-	-	-
Joint Venture	-	-	1,096.68	1,096.68	-	1,096.68
Associates	-	-	-	-	-	-
Others	76,835.69	-	-	-	-	76,835.69
<b>Equity instruments</b>						
Subsidiaries	-	-	-	-	98,471.62	98,471.62
Joint Venture	-	-	-	-	2,499.81	2,499.81
Associates	-	-	-	-	11,013.28	11,013.28
Others (unquoted)	-	26,671.27	-	26,671.27	-	26,671.27
Others (quoted)	-	332,554.89	-	332,554.89	-	332,554.89
Deemed Investments	-	-	1,307.67	1,307.67	-	1,307.67
<b>Total – Gross (A)</b>	<b>76,835.69</b>	<b>359,226.16</b>	<b>20,022.69</b>	<b>379,248.85</b>	<b>111,984.71</b>	<b>568,069.25</b>
(i) Investments outside India	-	-	-	-	87,279.62	87,279.62
(ii) Investments in India	76,835.69	359,226.16	20,022.69	379,248.85	24,705.09	480,789.63
<b>Total (B)</b>	<b>76,835.69</b>	<b>359,226.16</b>	<b>20,022.69</b>	<b>379,248.85</b>	<b>111,984.71</b>	<b>568,069.25</b>

31 March 2022						
Investments	Amortised cost (1)	At Fair Value		Sub-Total (4)=(2)+(3)	Others (5)	Total (6)=(1)+(4)+(5)
		Through OCI (2)	Through profit or loss (3)			
Mutual funds	-	-	27,159.50	27,159.50	-	27,159.50
<b>Debt securities</b>						
Subsidiaries	-	-	-	-	-	-
Joint Venture	-	-	1,134.62	1,134.62	-	1,134.62
Others	941.82	-	-	-	-	941.82
<b>Equity instruments</b>						
Subsidiaries	-	-	-	-	87,279.62	87,279.62
Joint Venture	-	-	-	-	118,301.17	118,301.17
Associates	-	-	-	-	11,013.28	11,013.28
Others (unquoted)	-	26,941.28	-	26,941.28	-	26,941.28
Others (quoted)	-	346,803.07	-	346,803.07	-	346,803.07
Deemed Investments	-	-	1,307.67	1,307.67	-	1,307.67
<b>Total – Gross (A)</b>	<b>941.82</b>	<b>373,744.35</b>	<b>29,601.79</b>	<b>403,346.14</b>	<b>216,594.07</b>	<b>620,882.03</b>
(i) Investments outside India	-	-	-	-	87,279.62	87,279.62
(ii) Investments in India	941.82	373,744.35	29,601.79	403,346.14	129,314.45	533,602.41
<b>Total (B)</b>	<b>941.82</b>	<b>373,744.35</b>	<b>29,601.79</b>	<b>403,346.14</b>	<b>216,594.07</b>	<b>620,882.03</b>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>9 Other financial assets</b>		
Security deposits	802.60	978.87
Less: Impairment loss allowance	-	-
	<u>802.60</u>	<u>978.87</u>
Interest accrued on fixed deposits	-	0.16
Other receivables	197.96	201.80
	<u>1,000.56</u>	<u>1,180.83</u>
<b>10 Inventories</b>		
(At lower of cost and net realisable value)		
Stock-in-trade		
- Medicines, food and nutritional items	-	0.50
- Equipments (includes goods in transit Rs.100.63 lakhs in FY 22)	-	308.20
	<u>-</u>	<u>308.70</u>
<b>11 Current tax assets (net)</b>		
Taxes paid [net of provision]	10,662.09	12,477.12
	<u>10,662.09</u>	<u>12,477.12</u>

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

## 12 Property, plant and equipment

	Office premises / ownership flats	Vehicles	Furniture at schools for class edge	Furniture for offices	Leasehold improvements	Office equipment (including medical demo devices)	Computers	ClassEdge implementation and installation	Total
<b>Gross Block</b>									
Balance at 1 April 2022	2,237.03	177.53	776.40	57.35	194.14	839.25	331.57	1,103.46	5,716.73
Additions	-	18.85	-	157.48	-	195.63	161.04	0.50	533.50
Deletions	-	(53.69)	-	(13.73)	(47.55)	(125.14)	(248.75)	-	(488.86)
Assets of discontinued operations	-	(25.84)	(776.40)	(16.92)	-	(885.58)	-	(1,103.96)	(2,808.70)
<b>Balance at 31 March 2023</b>	<b>2,237.03</b>	<b>116.85</b>	<b>-</b>	<b>184.18</b>	<b>146.59</b>	<b>24.16</b>	<b>243.86</b>	<b>-</b>	<b>2,952.67</b>
<b>Accumulated depreciation</b>									
Balance at 1 April 2022	203.94	73.97	673.20	35.05	136.49	548.74	207.69	954.70	2,833.78
Depreciation	33.82	71.18	51.61	17.60	34.64	129.00	66.68	62.61	467.14
Deletion	-	(47.71)	-	(6.95)	(45.17)	(107.85)	(193.09)	-	(400.77)
Assets of discontinued operations	-	(7.40)	(724.81)	(11.83)	-	(657.01)	-	(1,017.31)	(2,418.36)
<b>Balance at 31 March 2023</b>	<b>237.76</b>	<b>90.04</b>	<b>-</b>	<b>33.87</b>	<b>125.96</b>	<b>(87.12)</b>	<b>81.28</b>	<b>-</b>	<b>481.79</b>
<b>Net block</b>									
<b>At 31 March 2023</b>	<b>1,999.27</b>	<b>26.81</b>	<b>-</b>	<b>150.31</b>	<b>20.63</b>	<b>111.28</b>	<b>162.58</b>	<b>-</b>	<b>2,470.88</b>
<b>At 1 April 2022</b>	<b>2,033.09</b>	<b>103.56</b>	<b>103.20</b>	<b>22.30</b>	<b>57.65</b>	<b>290.51</b>	<b>123.88</b>	<b>148.76</b>	<b>2,882.95</b>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

### 12 Property, plant and equipment

	Office premises / ownership flats	Vehicles	Furniture at schools for class edge	Furniture for offices	Leasehold improvements	Office equipment (including medical demo devices)	Computers	ClassEdge implementation and installation	Total
<b>Gross Block</b>									
Balance at 1 April 2021	2,237.03	177.53	771.37	64.15	197.97	755.75	325.97	1,077.62	5,607.39
Additions	-	-	5.03	0.92	-	157.43	75.94	25.84	265.16
Deletions	-	-	-	(7.72)	(3.83)	(73.93)	(70.34)	-	(155.82)
<b>Balance at 31 March 2022</b>	<b>2,237.03</b>	<b>177.53</b>	<b>776.40</b>	<b>57.35</b>	<b>194.14</b>	<b>839.25</b>	<b>331.57</b>	<b>1,103.46</b>	<b>5,716.73</b>
<b>Accumulated depreciation</b>									
Balance at 1 April 2021	170.12	51.99	580.21	33.82	97.90	479.83	206.68	853.05	2,473.60
Depreciation	33.82	21.98	92.99	6.33	42.48	137.86	69.47	101.65	506.58
Deletion	-	-	-	(5.63)	(1.96)	(70.35)	(68.46)	-	(146.40)
Reclassification	-	-	-	0.53	(1.93)	1.40	-	-	-
<b>Balance at 31 March 2022</b>	<b>203.94</b>	<b>73.97</b>	<b>673.20</b>	<b>35.05</b>	<b>136.49</b>	<b>548.74</b>	<b>207.69</b>	<b>954.70</b>	<b>2,833.78</b>
<b>Net block</b>									
<b>At 31 March 2022</b>	<b>2,033.09</b>	<b>103.56</b>	<b>103.20</b>	<b>22.30</b>	<b>57.65</b>	<b>290.51</b>	<b>123.88</b>	<b>148.76</b>	<b>2,882.95</b>
<b>At 1 April 2021</b>	<b>2,066.91</b>	<b>125.54</b>	<b>191.16</b>	<b>30.33</b>	<b>100.07</b>	<b>275.92</b>	<b>119.29</b>	<b>224.57</b>	<b>3,133.79</b>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 13 Capital work-in-progress & Intangible assets under development

#### Ageing Schedule:

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				31 March 2023
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year	
Projects in progress	1.24	-	-	108.60	109.84
Projects temporarily suspended	-	-	-	-	-
					<u>109.84</u>

Capital-work-in progress / Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year
Project 1	-	-	-	-
Project 2	-	-	-	-
Project 3	-	-	-	-
Project 4	-	-	-	-

#### Year ended 31 March 2022

#### Ageing Schedule:

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				31 March 2022
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year	
Projects in progress	2,256.79	373.65	3.29	108.60	2,742.33
Projects temporarily suspended	-	16.84	-	-	16.84
					<u>2,759.17</u>

Capital-work-in progress / Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year
Project 1	-	-	-	-
Project 2	-	-	-	-
Project 3	-	-	-	-
Project 4	-	-	-	-

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

### 14 Intangible assets

	Software	Digital health platform software	Consumer analytics software	ClassEdge content, PlanEdge and TestEdge platform (internally generated)	Licensed content	Value education and videos	Digital content videos	Total
<b>Gross Block</b>								
Balance at 1 April 2022	468.40	779.45	6.43	11,839.18	685.43	139.54	459.26	14,377.69
Additions	9.01	-	-	1,691.54	-	-	-	1,700.55
Deletions	(38.02)	-	-	-	-	-	-	(38.02)
Assets of discontinued operations	(344.73)	(779.45)	-	(13,530.72)	(685.43)	(139.54)	(459.26)	(15,939.13)
<b>Balance at 31 March 2023</b>	<b>94.66</b>	<b>-</b>	<b>6.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101.09</b>
<b>Accumulated depreciation</b>								
Balance at 1 April 2022	383.01	717.77	6.43	4,874.76	400.65	126.77	459.26	6,968.65
Depreciation	52.76	63.27	-	749.20	-	-	-	865.23
Deletion	(38.02)	-	-	-	-	-	-	(38.02)
Assets of discontinued operations	(306.89)	(781.04)	-	(5,623.96)	(400.65)	(126.77)	(459.26)	(7,698.57)
<b>Balance at 31 March 2023</b>	<b>90.86</b>	<b>-</b>	<b>6.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97.29</b>
<b>Net block</b>								
<b>At 31 March 2023</b>	<b>3.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.80</b>
<b>At 1 April 2022</b>	<b>85.39</b>	<b>61.68</b>	<b>-</b>	<b>6,964.42</b>	<b>284.78</b>	<b>12.77</b>	<b>-</b>	<b>7,409.04</b>

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

as at 31 March 2022

(Currency: Indian rupees in lakhs)

### 14 Intangible assets

	Software	Digital health platform software	Consumer analytics software	ClassEdge content, PlanEdge and TestEdge platform (internally generated)	Licensed content	Value education and videos	Digital content videos	Total
<b>Gross Block</b>								
Balance at 1 April 2021	444.34	779.45	6.43	9,115.96	685.43	139.54	459.26	11,630.41
Additions	24.06	-	-	2,723.22	-	-	-	2,747.28
Deletions	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2022</b>	<b>468.40</b>	<b>779.45</b>	<b>6.43</b>	<b>11,839.18</b>	<b>685.43</b>	<b>139.54</b>	<b>459.26</b>	<b>14,377.69</b>
<b>Accumulated depreciation</b>								
Balance at 1 April 2021	306.35	569.09	6.43	3,716.79	316.41	121.16	418.25	5,454.48
Depreciation	76.66	148.68	-	1,157.97	84.24	5.61	41.01	1,514.17
Deletion	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2022</b>	<b>383.01</b>	<b>717.77</b>	<b>6.43</b>	<b>4,874.76</b>	<b>400.65</b>	<b>126.77</b>	<b>459.26</b>	<b>6,968.65</b>
<b>Net block</b>								
<b>At 31 March 2022</b>	<b>85.39</b>	<b>61.68</b>	<b>-</b>	<b>6,964.42</b>	<b>284.78</b>	<b>12.77</b>	<b>-</b>	<b>7,409.04</b>
<b>At 1 April 2021</b>	<b>137.99</b>	<b>210.36</b>	<b>-</b>	<b>5,399.17</b>	<b>369.02</b>	<b>18.38</b>	<b>41.01</b>	<b>6,175.93</b>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>15 Other non-financial assets</b>		
Capital advances	<b>0.22</b>	-
Trade advance	-	643.74
Other advance	<b>25.02</b>	110.45
Less: Provision for doubtful advances	<b>(1.23)</b>	(1.23)
Unbilled revenue	<b>564.45</b>	548.92
Less: Provision for unbilled revenue	-	(14.75)
Balances with statutory authorities	<b>1,439.78</b>	1,965.70
Prepaid expenses	<b>186.02</b>	532.50
Others	<b>85.13</b>	12.30
	<b><u>2,299.39</u></b>	<b><u>3,797.63</u></b>



# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>16 Payables</b>		
Trade Payables		
- Payable to micro and small enterprises	2.12	314.74
- Payable to others	677.10	3,901.59
	<b>679.22</b>	<b>4,216.33</b>

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 years	1-2 Years	2-3 Years	More than 3 years	
i) MSME	-	2.12	-	-	-	2.12
(ii) Other	264.08	381.88	31.14	-	-	677.10
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

### As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 years	1-2 Years	2-3 Years	More than 3 years	
i) MSME	302.10	12.64	-	-	-	314.74
(ii) Other	2,714.11	1,078.40	79.57	18.85	10.66	3,901.59
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

	31 March 2023	31 March 2022
<b>Other Payables</b>		
- Payable to micro and small enterprises	-	-
- Payable to others	1,031.58	45.65
	<b>1,031.58</b>	<b>45.65</b>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>17 Debt Securities</b>		
<i>(Unsecured, at amortised cost)</i>		
Loans and advances (in India)		
- Non-Convertible Debentures		
a.7.15% coupon, Rated, Unlisted, Taxable, Redeemable, Non- Convertible Debentures of face value of Rs. 500 crs, issued on 26 July 2021, with the maturity of 3 years i.e. 26 July 2024	73,111.54	52,180.59
b.8.65% coupon, Rated, Unlisted, Taxable, Redeemable, Non- Convertible Debentures of face value of Rs. 200 crs, issued on 6 Sept 2022, with the maturity of 3 years i.e. 8 Sept 2025		
Zero coupon, Rated, Unlisted, Taxable, Redeemable, Non- Convertible Debentures of face value of Rs. 250 crs, issued on 18 January 2021, Annualised yield of 6.69% with the maturity of 4 years and 363 days i.e. 16 January 2026	28,785.00	26,967.42
	<u>101,896.54</u>	<u>79,148.01</u>
<b>18 Borrowings (Other than Debt Securities)</b>		
<i>(Unsecured, at amortised cost)</i>		
Loans and advances (in India)		
Term loan (From other parties)		
- Short term revolving loan facility	50,000.00	25,000.00
- Term loan facility	10,000.00	10,000.00
(12 months annual renewable facility of 6.95% - 8.75%)		
	<u>60,000.00</u>	<u>35,000.00</u>
<b>19 Other financial liabilities</b>		
Interest accrued but not due	-	135.49
Capital creditors	86.94	393.79
Employee benefit payables	2,373.97	2,546.37
Security deposits	277.13	155.00
	<u>2,738.04</u>	<u>3,230.65</u>
<b>20 Current tax liabilities (net)</b>		
Provision for taxation	9.46	9.46
	<u>9.46</u>	<u>9.46</u>
<b>21 Provisions</b>		
Provision for employee benefits		
- Compensated absences	1,153.40	1,728.25
- Post retirement medical benefits (refer note 41)	645.32	253.61
- Pension benefits to ex-directors (refer note 41)	1,786.48	1,894.55
- Gratuity Benefit (funded) (refer note 41)	144.93	187.98
Other provisions		
- Contingency provision for standard assets (refer note 46)	17.33	460.22
	<u>3,747.46</u>	<u>4,524.61</u>
<b>22 Other non-financial liabilities</b>		
Revenue received in advance	10.97	877.39
Advance received from customers	-	1,751.58
Statutory dues payable	685.70	765.34
	<u>696.67</u>	<u>3,394.31</u>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

31 March 2023

31 March 2022

### 23 Share Capital

#### Authorised

11,10,00,000 (31 March 2022: 11,10,00,000) Equity shares of Rs. 100 each

111,000.00

111,000.00

50,00,000 (31 March 2022: 50,00,000) Redeemable preference shares of Rs. 100 each

5,000.00

5,000.00

**116,000.00**

**116,000.00**

#### Issued, subscribed and fully paid-up

10,79,54,602 (31 March 2022: 10,79,54,602) Equity shares of Rs 100 each, fully paid-up

107,954.60

107,954.60

**107,954.60**

**107,954.60**

#### (a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

	31 March 2023		31 March 2022	
	No. of Shares	Rs. Lakhs	No. of Shares	Rs. Lakhs
At the beginning and at the end of the year	107,954,602	107,954.60	107,954,602	107,954.60

#### (b) Terms/rights attached to equity shares:

In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

#### (c) Shareholders holding more than 5% shares in the Company:

Name of the Shareholder	31 March 2023		31 March 2022	
	No. of shares	% holding	No. of shares	% holding
Tata Sons Pvt Ltd.*	53,521,229	49.58%	53,521,229	49.58%
Tata Motors Ltd.	10,310,242	9.55%	10,310,242	9.55%
Tata Steel Ltd.	9,980,436	9.24%	9,980,436	9.24%
Tata Chemicals Ltd.	9,861,303	9.13%	9,861,303	9.13%
Tata Consumer Products Limited (formerly Tata Global Beverages Ltd.)	6,519,441	6.04%	6,519,441	6.04%
The Tata Power Company Ltd.	6,828,669	6.33%	6,828,669	6.33%

\* Promoter Company

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>24 Other equity</b>		
(a) Capital reserve		
At the commencement and at the end of the year	<u>174,522.54</u>	<u>174,522.54</u>
(b) Securities premium		
At the commencement and at the end of the year	<u>60,480.01</u>	<u>60,480.01</u>
(c) Amalgamation reserve		
At the commencement and at the end of the year	<u>2,498.76</u>	<u>2,498.76</u>
(d) Impairment reserve		
At the commencement of the year	887.12	887.12
Addition during the year	-	-
At the end of the year	<u>887.12</u>	<u>887.12</u>
(e) Reserve fund - under section 45IC of the Reserve Bank of India Act, 1934		
At the commencement of the year	50,199.22	50,199.22
Addition during the year	-	-
At the end of the year	<u>50,199.22</u>	<u>50,199.22</u>
(f) General reserve		
At the commencement and at the end of the year	<u>17,040.37</u>	<u>17,040.37</u>
(g) Retained earnings		
At the commencement of the year	(69,392.07)	2,597.58
Add: Profit / (loss) for the year	(207,138.06)	(71,676.82)
Add: Other comprehensive income for the year	(370.07)	(312.83)
Less: Transfer to reserve fund	-	-
Transfer from Equity instruments through OCI	765.33	-
At the end of the year	<u>(276,134.87)</u>	<u>(69,392.07)</u>
(h) Equity instruments through OCI		
At the commencement of the year	293,923.40	178,713.06
Addition during the year	(13,327.89)	115,210.34
Transferred to the retained earnings	(765.33)	-
At the end of the year	<u>279,830.18</u>	<u>293,923.40</u>
	<u>309,323.33</u>	<u>530,159.35</u>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
<b>25 Interest income</b> <i>(on financial assets measured at amortised cost)</i>		
Interest on Inter corporate deposits / loans	6,290.05	4,994.69
Interest on deposits with banks	0.88	-
Interest on Investments	49.93	372.17
Interest on unwinding of financial assets	4,232.44	(900.84)
	<b>10,573.30</b>	<b>4,466.02</b>
<b>26 Dividend income</b>		
Dividends from long-term investments	3,748.62	638.76
	<b>3,748.62</b>	<b>638.76</b>
<b>27 Net gain on fair value changes</b> <i>(on financial instruments at fair value through profit or loss)</i>		
Net gain /(loss) on financial instruments at fair value through profit or loss:		
- Fair value gain on investments in preference shares (net)	(37.94)	(66.49)
- Fair value gain on investments in mutual funds	678.53	1,607.65
	<b>640.59</b>	<b>1,541.16</b>
Fair Value changes:		
Realised	754.75	1,545.86
Unrealised	(114.16)	(4.70)
<b>28 Sale of services</b>		
Management consultancy services	6,671.13	3,975.58
Data analytics fees	1,620.50	1,786.33
	<b>8,291.63</b>	<b>5,761.91</b>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
<b>29 Other income</b>		
Profit on sale of investments	1,902.74	-
Profit on sale of Property, plant and equipment	-	3.09
Secondment charges recovered	64.03	1,334.74
Exchange gain (net)	0.43	0.18
Provisions/ Credit / sundry balances written back	163.68	-
Interest on Income tax refund	399.51	204.64
Miscellaneous income	8.35	3.55
	<b>2,538.74</b>	<b>1,546.20</b>
<b>30 Finance costs</b> (on financial liabilities measured at amortised cost)		
Interest on borrowings	3,871.51	2,353.49
Interest on debt securities	6,383.35	4,125.07
Other borrowing costs	164.02	76.01
Unwinding interest	11.02	3.09
	<b>10,429.90</b>	<b>6,557.66</b>
<b>31 Employee benefits expenses</b>		
Salaries, wages and incentives	8,876.09	7,313.28
Contribution to		
(i) Provident and other funds	283.64	269.25
(ii) Gratuity fund	80.23	69.57
Staff welfare expenses	325.93	213.74
	<b>9,565.89</b>	<b>7,865.84</b>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
<b>32 Other expenses</b>		
Equipment hire charges	0.45	32.47
Legal and professional fees	592.10	352.51
Rent	287.50	133.83
Travelling	65.31	38.66
Repairs and maintenance - Others	242.92	154.11
Provision for sub-standard and doubtful debts / advances / deposits (net)	3.19	(36.38)
Advertisement, publicity and marketing	0.60	1.25
Data centre hosting charges	159.49	72.06
Rates and taxes	53.61	72.76
Outsourcing charges	181.14	98.83
Recruitment expenses	175.02	164.80
Telephone and communication expenses	28.37	35.73
Conveyance and transportation	4.09	2.30
Insurance	7.55	8.06
Conference courses and training expenses	97.16	17.27
Motor Car expenses	54.42	39.46
Housekeeping and Security Charges	44.65	39.80
Membership and Subscriptions	30.08	29.97
Electricity, power and fuel	24.00	15.07
Printing & Stationery	9.38	4.62
Bad debts / advances written off	-	10.22
Provision for standard assets (net)*	(436.32)	293.62
Loss on sale/write off of PPE, Intangible assets under development (net)	54.63	-
Director's sitting fees	11.20	10.80
Auditors' remuneration		
- As auditors	14.90	14.90
- For tax audit and tax services	0.95	0.95
- For other services	3.50	3.00
- For reimbursement of out-of-pocket expenses	1.31	0.53
Bank Charges	0.28	0.90
Postage/Courier Expenses	2.91	3.20
Corporate Social Responsibility contribution	20.00	195.30
Facility charges for premises	36.98	31.13
Miscellaneous expenses	22.20	22.61
	<b>1,793.57</b>	<b>1,864.34</b>

\* Provision for standard assets (net) is created on Loans given & advances @0.40% as per RBI guidelines. As all the loans are received back during the year, the provision created in previous year is reversed.

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 33 Investments

	Face Value Rs.	As at 31 March 2023		As at 31 March 2022	
		No.	Rs. lakhs	No.	Rs. lakhs
<b>Investments in mutual funds</b>					
<b>(at Fair value through profit and loss)</b>					
Tata Liquid Fund - Direct - Growth		-	-	8,020.40	269.52
Tata Money Market - Direct - Growth		406,649.32	16,461.36	606,970.75	23,218.74
ICICI Prudential Money Market Fund - Direct - Growth		356,752.23	1,156.98	1,196,256.88	3,671.24
Total (A)			17,618.34		27,159.50
<b>Investments in Preference Shares (Unquoted)</b>					
<b>Joint Venture (at Fair value through profit and loss)</b>					
Inzpera HealthSciences Limited - 0.0001% Non cumulative non convertible redeemable preference shares	10	21,310,000	1,096.68	21,310,000	1,134.62
Total (B)			1,096.68		1,134.62
<b>Associates (at Fair value through profit and loss)</b>					
ITel Industries Limited - 7% Redeemable Non-cumulative Preference Shares	10	50,000	-	50,000	-
Oriental Seritech Limited - 7% Redeemable Non-cumulative Preference Shares	10	50,000	-	50,000	-
Niskalp Infrastructure Services Limited - 12.5% Non Cumulative Redeemable Preference Shares	100	500,000	-	500,000	-
Total (C)			-		-
<b>Others (at amortised cost)</b>					
TML Business Services Limited - 7% Cumulative Redeemable Preference Shares (formerly known as Concorde Motors India Limited. )	100	1,080,805	1,528.87	1,080,805	939.88
Drive India Enterprise Solutions Limited - 0.0001% Cumulative Redeemable Non-Convertible Preference Shares	1	117,443	1.17	117,443	1.17
TVS Logistics Services Limited - 0.0001% Cumulative Redeemable Non-Convertible Preference Shares	10	7,674	0.77	7,674	0.77
Tata Digital Private Limited - 3% Non-participating, Non-cumulative Compulsory Convertible Preference Shares	10	725,130,349	75,304.88	-	-
Total (D)			76,835.69		941.82
<b>Investment in equity shares</b>					
<b>Unquoted</b>					
<b>Subsidiaries (at cost)</b>					
Qubit Investments Pte. Ltd.	USD 1	204,538,091	132,512.01	204,538,091	132,512.01
Less: Provision for Impairment in value of Investments (Refer Note 1)			(45,232.39)		(45,232.39)
Tata ClassEdge Limited	10	3,100,000.00	310.00		-
Total (E)			87,589.62		87,279.62



# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 33 Investments (Continued)

	Face Value Rs.	As at 31 March 2023		As at 31 March 2022	
		No.	Rs. lakhs	No.	Rs. lakhs
Joint Ventures (at cost)					
Tata Unistore Limited (Refer Note 2)	10	-	-	1,116,905,741	107,439.95
Inzpera HealthSciences Limited	10	12,382,680	1,238.27	9,305,760	930.58
Total (F)			1,238.27		108,370.53
Associates (at cost)					
Tata Autocomp Systems Limited	10	69,245,203	10,251.04	69,245,203	10,251.04
Impetis Biosciences Limited	10	1,282,892	762.22	1,282,892	762.22
Oriental Floratech (India) Limited	10	750,000	-	750,000	-
Oriental Seritech Limited	10	190	0.01	190	0.01
ITel Industries Limited	10	150	0.01	150	0.01
Niskalp Infrastructure Services Limited	10	40,000,000	0.00	40,000,000	0.00
Indigene Pharmaceuticals Inc - Preferred Stock - Series A	USD.001	3,000,000	-	3,000,000	-
Indigene Pharmaceuticals Inc - Preferred Stock - Series B	USD.001	2,000,000	-	2,000,000	-
Indigene Pharmaceuticals Inc - Preferred Stock - Series C	USD.001	2,800,000	-	2,800,000	-
Total (G)			11,013.28		11,013.28
Others (at Fair value through other comprehensive income)					
Avesthagen Limited	7	301,484	-	301,484	-
Associated Building Co Limited	900	100	0.90	100	0.90
Panatone Finvest Limited	10	-	-	51,318	17.77
Tata Housing Development Company Limited	10	284,338	77.91	284,338	77.62
Tata International Limited	1000	25,683	17,520.94	25,683	12,741.85
Tata Projects Limited	100	3,645,000	5,983.63	60,750	9,842.72
Tata Services Limited	1000	104	1.04	104	1.04
Tata Sons Private Limited	1000	2,295	3,086.85	2,295	3,086.85
Tata Capital Limited	10	-	-	2,272,346	1,172.53
Investech Advisory Services (India) Pvt Limited	100	1,200	-	1,200	-
Namtech Electronic Devices Limited	10	450,000	-	450,000	-
Elcot Power Controls Limited	10	30,000	-	30,000	-
Total (H)			26,671.27		26,941.28
Quoted					
Others (at Fair value through other comprehensive income)					
Artson Engineering Limited	10	9	0.01	9	0.01
The Indian Hotels Co Limited	1	739,197	2,397.55	739,197	1,762.98
Tata Chemicals Limited	10	77,647	755.08	77,647	756.55
Tata Consultancy Services Limited	1	7,220	231.47	7,220	270.02
Tata Steel Limited	1	10,425,450	10,894.60	1,042,545	13,628.15
Tata Motors Limited	2	72,203,630	303,832.88	72,203,630	313,183.25
The Tata Power Company Limited	1	4,535,200	8,628.22	4,535,200	10,823.25
Tayo Rolls Limited	10	3,700	1.94	3,700	4.37
Tata Consumer Products Limited	1	819,637	5,810.00	819,637	6,371.86
TRF Limited	10	1,960	3.14	1,960	2.63
Unitel Communications Limited	10	100	-	100	-
Total (I)			332,554.89		346,803.07

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 33 Investments (Continued)

		As at 31 March 2023		As at 31 March 2022	
	Face Value Rs.	No.	Rs. lakhs	No.	Rs. lakhs
Investments in Non-Convertible Debentures (Unquoted)					
Others					
9.36% Sintex BAPL Limited NCDs 2026	1000000	-	-	32	1.00
Total (J)			-		1.00
Investments in Optionally Convertible Debentures (Unquoted) - Equity instrument (at cost)					
Subsidiary					
Tata ClassEdge Limited	10	108,820,000	10,882.00	-	-
Total (K)			10,882.00		-
Joint Ventures					
Tata Unistore Limited (Refer Note 2)				94,691	9,469.10
Inzpera Healthsciences Limited	1000	80,000	800.00	-	-
Total (L)			800.00		9,469.10
Investments in 0.01% Optionally Convertible Non-Cumulative Preference Shares (Unquoted) - Equity instrument					
Subsidiary					
Inzpera HealthSciences Limited	10	4,615,384	461.54	4,615,384	461.54
Total (M)			461.54		461.54
Deemed Investment in Joint Venture					
Inzpera HealthSciences Limited			1,307.67		1,307.67
Total (N)			1,307.67		1,307.67
Grand Total (A)+(B)+(C)+(D)+(E)+(F)+(G)+(H)+(I)+(J)+(K) +(L)+(M)+(N)			568,069.25		620,883.03
Less: Reclassified as held for sale			-		1.00
Net total			568,069.25		620,882.03

Note 1:

During the previous year, based on the terms of the proposed sale of the investments in Flisom AG by Qubit Investments Pte Ltd (wholly owned subsidiary of the Company), an impairment loss of Rs. 45,232.39 lakhs was provided in the Statement of Profit and Loss, which was classified under "Exceptional items".

Note 2:

During the year ended 31 March 2022, all Optionally Convertible Debentures of Tata Unistore Limited(TUL) were converted into equity shares of TUL. The total investment made by the Company in TUL was sold to Tata Digital Private Limited for a consideration of Rs 72,585.62 Lakhs. The consideration was settled by issue of 3% Non-participating, Non-cumulative Compulsory Convertible Preference Shares of TDPL. Sale consideration was supported by independent valuation done by independent valuer and fairness opinion was obtained from registered Merchant Banker.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 34 Held for sale and discontinued operation

Rs. in Lakhs		
Particulars	31 March 2023	31 March 2022
<b>Assets classified as held for sale and discontinued operation</b>		
Discontinued operations	-	7,432.27
Investment held for sale	-	1.00
	<u>-</u>	<u>7,433.27</u>

#### Investments held for sale

In the previous year, the Board of Directors decided to divest the entire investment in 9.36% Sintex BAPL Limited NCDs 2026. Accordingly the profit on sale of this investment is disclosed in P&L under disposal of investment held for sale.

#### Discontinued operation

##### Tata Health Division

During the current year, the Board of Directors (BOD) of the Company decided to cease operations at Tata Health, a Division of the Company after integration of the operations with Tata 1mg Healthcare Solutions Private Limited (Tata 1mg).

During the previous year, the BOD of the Company had approved sale/transfer of certain assets of the Pharmacy business of Tata Health, a Division of the Company, based at Jamshedpur, as a going concern, to Tata 1mg. The business was transferred with effect from January 1, 2022.

##### Tata ClassEdge Division

The Board of Directors of the Company at their meeting held on November 2, 2022 had taken the decision to hive off Tata ClassEdge business, which is separate business segment of the Company.

Further, the Board of Directors had also approved hiving off the Tata ClassEdge business to its wholly-owned subsidiary, Tata ClassEdge Limited (Previously Smart ClassEdge Systems Limited) as a slump sale against cash consideration, with effect from January 1, 2023.

Accordingly, the disclosures in relation to the said discontinued operations as per IND AS 105- Non-current Assets Held for Sale and Discontinued Operations are stated below:

#### (i) Results of discontinued operations:

Rs. in Lakhs						
Particulars	Tata Health		Tata ClassEdge		Total Discontinued Operations	
	For the Year ended 31 March 2023	For the year ended 31 March 2022	For the Period ended 31 Dec 2022	For the year ended 31 March 2022	For the Year ended 31 March 2023	For the year ended 31 March 2022
<b>Revenue</b>						
Sale of traded goods	3.09	6,034.96	4,301.72	2,402.33	4,304.81	8,437.29
Sale of services	215.38	521.29	3,260.71	4,289.77	3,476.09	4,811.06
Interest income	6.28	6.42	0.23	5.05	6.51	11.47
Other income	4.23	7.44	30.93	(2.76)	35.16	4.68
<b>Total (A)</b>	<b>228.98</b>	<b>6,570.11</b>	<b>7,593.59</b>	<b>6,694.39</b>	<b>7,822.57</b>	<b>13,264.50</b>
<b>Expenditure</b>						
Purchases of stock-in-trade	(3.29)	5,816.73	3,721.85	2,010.34	3,718.56	7,827.07
Changes in inventories	1.03	74.79	(272.89)	(24.96)	(271.86)	49.83
Employee benefits expenses	1,788.37	2,460.77	2,584.38	3,342.28	4,372.75	5,803.05
Depreciation and amortization	277.57	405.72	2,017.22	3,229.39	2,294.79	3,635.11
Other expenses	1,620.56	5,285.89	2,537.68	7,448.22	4,158.24	12,734.11
Finance Costs	13.74	32.39	150.23	321.22	163.97	353.61
<b>Total (B)</b>	<b>3,697.98</b>	<b>14,076.29</b>	<b>10,738.47</b>	<b>16,326.49</b>	<b>14,436.45</b>	<b>30,402.78</b>
<b>Gain on disposal of Discontinued operations ( C )</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit /(loss) before tax (A-B+C)</b>	<b>(3,469.01)</b>	<b>(7,506.18)</b>	<b>(3,144.89)</b>	<b>(9,632.09)</b>	<b>(6,613.88)</b>	<b>(17,138.28)</b>
Less: Tax expense / (credit)	-	-	-	-	-	-
<b>Profit /(loss) after tax</b>	<b>(3,469.01)</b>	<b>(7,506.18)</b>	<b>(3,144.89)</b>	<b>(9,632.09)</b>	<b>(6,613.88)</b>	<b>(17,138.28)</b>
<b>Other comprehensive income:</b>						
Remeasurement gain/ (loss) on defined benefit plans	-	(15.95)	-	(73.68)	-	(89.63)
Net gains / (losses) in cash flow hedges	-	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>(15.95)</b>	<b>-</b>	<b>(73.68)</b>	<b>-</b>	<b>(89.63)</b>
<b>Total comprehensive income / (losses)</b>	<b>(3,469.01)</b>	<b>(7,522.13)</b>	<b>(3,144.89)</b>	<b>(9,705.77)</b>	<b>(6,613.88)</b>	<b>(17,227.91)</b>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### (ii) Assets and liabilities of discontinued operations:

Particulars	Tata Health		Tata ClassEdge		Total Discontinuing Operations	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	-	44.46	-	475.29	-	519.75
Bank balances other than cash and cash equivalents	-	6.11	-	40.06	-	46.17
Trade & Other receivables	-	15.36	-	2,100.08	-	2,115.44
Other financial assets	-	119.68	-	94.56	-	214.24
<b>Non-financial assets</b>						
Inventories	-	1.03	-	307.67	-	308.70
Non-current tax assets (net)	-	-	-	60.03	-	60.03
Property, plant and equipment	-	99.87	-	540.36	-	640.23
Capital work-in-progress	-	4.00	-	70.53	-	74.53
Right of use assets	-	183.67	-	2,152.56	-	2,336.23
Intangibles under development	-	-	-	2,393.76	-	2,393.76
Intangible assets	-	63.27	-	7,339.80	-	7,403.07
Other non-financial assets	-	1,369.46	-	1,886.69	-	3,256.15
<b>Total assets</b>	-	<b>1,906.91</b>	-	<b>17,461.39</b>	-	<b>19,368.30</b>
<b>Liabilities</b>						
<b>Financial liabilities</b>						
Lease liabilities	-	225.70	-	2,920.67	-	3,146.37
Trade & Other payables	-	362.33	-	3,311.96	-	3,674.29
Other financial liabilities	-	407.60	-	1,045.93	-	1,453.53
<b>Non-financial liabilities</b>						
Current tax liabilities (net)	-	-	-	-	-	-
Provisions	-	157.89	-	491.75	-	649.64
Other non-financial liabilities	-	123.30	-	2,888.90	-	3,012.20
<b>Total liabilities</b>	-	<b>1,276.82</b>	-	<b>10,659.21</b>	-	<b>11,936.03</b>
<b>Assets net of liabilities</b>	-	<b>630.09</b>	-	<b>6,802.18</b>	-	<b>7,432.27</b>

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 35 Segment reporting

- A. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. Operating results of all operating segments are reviewed regularly by the management to make decisions about resources to be allocated to the segments and assess their performance.

The Company has five reportable segments as described below, which are the Company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Company's management reviews internal management reports on at least a monthly basis.

The following summary describes the operations in each of the Company's reportable / reported segments:

#### Reportable / Reported segments

#### Operations

Investment, Finance & Promotion (IFP)	The Company's operations predominantly relate to Incubation, Investment, financing and promotion of new / existing ventures.
Tata ClassEdge (TCE)	Providing digital classrooms and related tools, to schools & educational institutions across India and subscription-based online educational content.
Tata Strategic Management Group (TSMG)	Providing management / strategic consultancy services and deploying resources to various clients within the Tata Group
Tata Digital Health (DHP)	Providing health services by using digital technology.
Tata Insights & Quants (TIQ)	Providing data analytics services for various Tata Group companies, across industries.

### B. Information about reportable / reported segments

Information regarding the results of each reportable / reported segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's Executive Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

#### Year ended 31 March 2023

Rs. In Lakhs

Particulars	Continuing Operations			Discontinued Operations			Total
	IFP	TSMG	TIQ	DHP	TCE	Unallocated	
<b>Segment Revenue</b>							
External revenues	15,090.79	6,671.13	1,620.50	224.74	7,562.66	-	31,169.82
Inter-segment revenues	1,775.41	-	-	-	-	-	1,775.41
<b>Total Segment revenue</b>	<b>16,866.20</b>	<b>6,671.13</b>	<b>1,620.50</b>	<b>224.74</b>	<b>7,562.66</b>	<b>-</b>	<b>32,945.23</b>
<b>Segment result</b>							
Segment profit/(loss) before tax	(197,828.03)	293.71	(1,217.76)	(3,469.01)	(3,144.89)	(1,772.11)	(207,138.13)
Less: Tax expenses / (reversal)	-	-	-	-	-	-	-
Segment profit/(loss) after tax	-	-	-	-	-	-	(207,138.13)
<b>Segment assets</b>	<b>572,487.54</b>	<b>3,064.81</b>	<b>2,022.61</b>	<b>-</b>	<b>-</b>	<b>10,662.09</b>	<b>588,237.03</b>
<b>Segment liabilities</b>	<b>167,638.69</b>	<b>2,606.83</b>	<b>704.12</b>	<b>-</b>	<b>-</b>	<b>9.46</b>	<b>170,959.10</b>
<b>Other Information</b>							
Capital expenditure during the year	24.29	197.96	188.25	3.65	2,170.57	-	2,584.71
Depreciation and amortisation	185.36	40.32	106.87	277.57	2,017.22	-	2,627.35
Other non-cash items	1,596.40	2.41	9.23	(7.84)	484.81	-	2,085.01

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 35 Segment reporting (*Continued*)

#### B. Information about reportable / reported segments (*Continued*)

Year ended 31 March 2022

*Rs. In Lakhs*

Particulars	Continuing Operations			Discontinued Operations			Total
	IFP	TSMG	TIQ	DHP	TCE	Unallocated	
<b>Segment Revenue</b>							
External revenues	6,644.76	3,975.58	1,787.50	6,562.66	6,697.15	-	25,667.65
Inter-segment revenues	2,287.02	-	13.99	-	-	-	2,301.01
<b>Total Segment revenue</b>	<b>8,931.78</b>	<b>3,975.58</b>	<b>1,801.49</b>	<b>6,562.66</b>	<b>6,697.15</b>	<b>-</b>	<b>27,968.66</b>
<b>Segment result</b>							
Segment profit/(loss) before tax	(52,330.40)	804.76	(722.57)	(7,497.79)	(11,927.52)	(3.30)	(71,676.82)
Less: Tax expenses	-	-	-	-	-	-	-
Segment profit/(loss) after tax	-	-	-	-	-	-	(71,676.82)
<b>Segment assets</b>	<b>734,538.83</b>	<b>3,796.26</b>	<b>807.94</b>	<b>1,906.90</b>	<b>17,461.37</b>	<b>12,417.09</b>	<b>770,928.39</b>
<b>Segment liabilities</b>	<b>118,943.28</b>	<b>1,257.13</b>	<b>668.54</b>	<b>1,276.83</b>	<b>10,659.19</b>	<b>9.46</b>	<b>132,814.44</b>
<b>Other Information</b>							
Capital expenditure during the year	9.77	14.46	55.83	58.40	3,800.65	-	3,939.11
Depreciation and amortisation	118.54	48.88	50.94	405.72	3,229.37	-	3,853.46
Other non-cash items	1,267.63	(9.62)	(30.33)	1.17	687.27	-	1,916.12

#### C. Geographical Information

The geographical information analyses the Company's revenues and non current assets held by the company's country of domicile (i.e. India) and other countries. In presenting geographical information, segment revenue has been based on geographic location of the customers and segment assets which have been based on geographic location of assets.

Year ended 31 March 2023

*Rs. In Lakhs*

Particulars	Within India	Outside India	Total
Segment Revenue	31,156.63	13.19	31,169.82
Non current assets*	14,283.82	-	14,283.82

Year ended 31 March 2022

*Rs. In Lakhs*

Particulars	Within India	Outside India	Total
Segment Revenue	25,650.80	16.85	25,667.65
Non current assets*	29,415.40	-	29,415.40

\*Non-current assets exclude financial instruments, deferred tax assets and post-employment benefit assets.

#### D. Major customer

No single customers contributed 10% or more to the Company's revenue for the Year ended 31 March 2023 and 31 March 2022 except Tata Steel Limited of Rs.1,202.40 lakhs and Rs. 6,583.11 lakhs respectively.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 36 Earnings per share

Basic and diluted earnings per share (Disclosure as required by Ind AS 33 - Earnings per Share)

Particulars	31 March 2023			31 March 2022		
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
Profit / (loss) attributable to equity shareholders (A) (Rs.in Lakhs)	(200,652.46)	(6,485.60)	(207,138.06)	(54,538.53)	(17,138.29)	(71,676.82)
Weighted average number of equity shares (B) (Nos)	107,954,602	107,954,602	107,954,602	107,954,602	107,954,602	107,954,602
Face value of equity shares (Rs.)	100	100	100	100	100	100
Basic and diluted earnings per share (A/B) (Rs.)	(185.87)	(6.01)	(191.88)	(50.52)	(15.88)	(66.40)

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 37 Disclosure of assets taken on Lease

#### Right-of-use assets

Particulars	Vehicles INR' Lakhs	IT assets INR' Lakhs	Premises on lease INR' Lakhs	Total INR' Lakhs
<b>Cost</b>				
As at 1 April 2022	47.96	6,479.55	1,618.06	8,145.57
Additions	-	-	149.16	149.16
Disposals	(47.96)	(6,479.55)	(1,452.96)	(7,980.47)
<b>Balance at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>314.26</b>	<b>314.26</b>
<b>Accumulated depreciation and impairment</b>				
As at 1 April 2022	45.37	4,527.95	1,080.10	5,653.42
Depreciation	-	878.72	416.24	1,294.97
Disposals	(45.37)	(5,406.68)	(1,372.47)	(6,824.51)
<b>Balance at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>123.87</b>	<b>123.87</b>
<b>Carrying amounts</b>				
As at 1 April 2022	2.59	1,951.60	537.95	2,492.16
Balance at 31 March 2023	-	-	190.39	190.39

#### Breakdown of lease expenses (other than depreciation)

Particulars	Year ended 31/03/23 INR Lakhs	Year ended 31/03/22 INR Lakhs
Short-term lease expense	287.95	186.19
Variable lease cost	-	3.52
Interest cost	11.02	356.70
<b>Total lease expense</b>	<b>298.97</b>	<b>546.41</b>

#### Cash outflow on leases

Particulars	Year ended 31/03/23 INR Lakhs	Year ended 31/03/22 INR Lakhs
Cash outflow for leases	2,238.38	2,377.10

#### Maturity analysis

##### Year ended 31 March 2023

Particulars	Less than 1 year INR'Lakhs	Between 1 and 5 years INR'Lakhs	Over 5 years INR'Lakhs	Total INR'Lakhs
Lease liabilities	127.42	32.71	-	160.13
	<b>127.42</b>	<b>32.71</b>	<b>-</b>	<b>160.13</b>

##### Year ended 31 March 2022

Particulars	Less than 1 year INR'Lakhs	Between 1 and 5 years INR'Lakhs	Over 5 years INR'Lakhs	Total INR'Lakhs
Lease liabilities	1,577.28	1,677.70	-	3,254.99
	<b>1,577.28</b>	<b>1,677.70</b>	<b>-</b>	<b>3,254.99</b>



# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 38 Employee benefits

#### a) Defined contribution plans

The Company makes monthly contributions to Superannuation fund and National pension scheme as defined contribution retirement benefit plans for qualifying employees.

The Company recognised Rs.15.86 lakhs; (31 March 2022: Rs. 30.33 lakhs) for superannuation contribution and Rs.25.95 lakhs; (31 March 2022: Rs.22.87 lakhs) for National pension scheme in the Statement of profit and loss for the year ended 31 March 2023. These amounts are included in "Employee benefits expense" (See note 34) under "Contribution to Provident and other funds" head. The contributions payable to these plans by the Company are at the rates specified in the rules of the schemes.

#### b) Defined benefit plans

##### *Provident Fund*

##### **FY 2022-23**

The Company has continued contributing to the EPFO, both the employer & employee contributions apart from pension contribution.

##### **FY 2021-22**

All eligible employees of the Company are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to a Trust set up by the Company to manage the investments and distribute the amounts entitled to employees. This plan is a defined benefit plan as the Company is obligated to provide its employees a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Company's contribution is transferred to Government administered pension fund. The contributions made by the Company and the shortfall of interest, if any, are recognized as an expense in the statement of profit and loss under employee benefits expense. In accordance with an actuarial valuation of provident fund liabilities on the basis of guidance issued by Actuarial Society of India, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

All the accumulations of employees in the trust setup by the Company till 30th September 2021 have been transferred to Employees Provident Fund Organisation of Government of India (EPFO). From 1st October 2021, the Company has started contributing the employee and employer contributions to EPFO.

The Company recognised Rs. 210.55 lakhs; (31 March 2022: Rs. 386.44 lakhs) for provident fund contributions and Rs. 31.19 lakhs; (31 March 2022: Rs.45.40 lakhs) for Employee pension scheme in the Statement of profit and loss for the year ended 31 March 2023. These amounts are included in "Employee benefits expense" (See note 34) under "Contribution to Provident and other funds" head. The contributions payable to these plans by the Company are at the rates specified in the rules of the schemes.

##### *Gratuity plan*

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Tata AIA Life Insurance Company Limited, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for service less than 15 years, three-fourth month's salary for service of 15 years to 19 years, one month salary for service of 20 years and one and half month salary for service over 20 years, payable for each completed years of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service and is restricted to a maximum of 30 months' salary.

##### *Post retirement medical benefits (PRMB) and pension to an ex-director*

The Company is providing post retirement medical benefits to qualifying employees based on the premium limit applicable to them at the time of retirement. Upon death of an employee while in service or retirement, the benefit payable to the spouse will be restricted only to the extent of 50% of the relevant premium limit. No benefit will be payable in case of resignation. The Company has procured a Group Medclaim policy from an insurance company for providing these benefits to the beneficiaries.

The Company is providing pension and medical benefit to two ex-directors. Upon death of the directors, the benefit payable to the spouse will be restricted to the extent of 50% of the benefit for pension and there would be no medical benefit.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan:

##### **Reconciliation of present value of defined benefit obligation:**

*Rs. In Lakhs*

Particulars	31 March 2023			31 March 2022		
	Gratuity	PRMB	Pension	Gratuity	PRMB	Pension
Balance at the beginning of the year	1,622.23	253.60	1,894.55	1,458.00	236.10	1,883.85
Interest cost	62.23	18.77	137.35	94.18	16.57	130.93
Current service cost	78.27	9.19	-	137.94	8.71	-
Past Service Cost	-	-	-	-	-	(146.39)
Liability transferred in	3.46	-	-	-	-	-
Liability transferred out	-	-	-	(29.65)	-	-
Benefit paid directly by the employer	(13.61)	(17.08)	(162.91)	(1.91)	(5.87)	(157.14)
Benefit paid from the fund	(284.68)	-	-	(179.71)	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	4.81	-	-	(10.56)	21.45	91.76
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(18.11)	(13.39)	(41.87)	25.78	(13.34)	(42.79)
Actuarial (Gains)/Losses on Obligations - Due to Experience	44.09	394.23	(37.89)	128.16	(10.02)	134.33
Transferred to divisions / subsidiaries	(655.91)	-	-	-	-	-
Balance at the end of the year	842.78	645.32	1,789.23	1,622.23	253.60	1,894.55

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 38 Employee benefits (*Continued*)

#### Reconciliation of the present value of plan assets:

*Rs. In Lakhs*

Particulars	31 March 2023			31 March 2022		
	Gratuity	PRMB	Pension	Gratuity	PRMB	Pension
Balance at the beginning of the year	1,434.25	-	-	1,446.05	-	-
Interest income	60.27	-	-	93.41	-	-
Contributions made	48.24	-	-	82.02	-	-
Assets transferred in	3.45	-	-	-	-	-
Assets transferred out	(167.26)	-	-	(19.47)	-	-
Benefit paid	(284.68)	-	-	(179.71)	-	-
Return on plan assets, excluding interest income	(38.20)	-	-	11.95	-	-
Transferred to divisions / subsidiaries	(358.22)	-	-	-	-	-
Balance at the end of the year	697.85	-	-	1,434.25	-	-

#### Amount recognised in the Balance Sheet:

*Rs. In Lakhs*

Particulars	31 March 2023			31 March 2022		
	Gratuity	PRMB	Pension	Gratuity	PRMB	Pension
Present value of benefit obligation at the end of the year	842.78	645.32	1,789.23	1,622.23	253.60	1,894.55
Less: Fair value of plan assets at the end of the year	(697.85)	-	-	(1,434.25)	-	-
Net (liability)/asset recognized in the balance sheet	144.93	645.32	1,789.23	187.99	253.60	1,894.55

#### Expense recognised in profit and loss:

*Rs. In Lakhs*

Particulars	31 March 2023			31 March 2022		
	Gratuity	PRMB	Pension	Gratuity	PRMB	Pension
Current & Past service cost	78.27	9.19	-	137.94	8.71	(146.39)
Net interest cost	1.96	18.77	137.35	0.77	16.57	130.93
Expenses recognised (Net)	80.23	27.96	137.35	138.71	25.28	(15.46)

#### Remeasurements recognised in other comprehensive income:

*Rs. In Lakhs*

Particulars	31 March 2023			31 March 2022		
	Gratuity	PRMB	Pension	Gratuity	PRMB	Pension
Actuarial (gains)/losses on obligation for the year	30.80	380.84	(79.76)	143.38	(1.91)	183.30
Return on plan asset excluding interest income	38.20	-	-	(11.95)	-	-
Net (income)/expense for the year recognized in OCI	69.00	380.84	(79.76)	131.43	(1.91)	183.30

#### Category of Assets:

*Rs. In Lakhs*

Particulars	31 March 2023			31 March 2022		
	Gratuity	PRMB	Pension	Gratuity	PRMB	Pension
Insurance fund	697.85	-	-	1,434.25	-	-

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 38 Employee benefits (Continued)

#### Actuarial assumptions:

Particulars	31 March 2023			31 March 2022		
	Gratuity	PRMB	Pension	Gratuity	PRMB	Pension
Discount rate	7.39%	7.56%	7.58%	6.44%	7.40%	7.25%
Salary escalation	8.00% & 10.00%	-	-	8.00% & 10.00%	-	-
Annual increase in health care	N.A.	6.00%	N.A.	N.A.	6.00%	N.A.
Chance of claim (medical)	-	-	5.00%	-	-	2.50%
Rate of pension & Rent escalation (basic)	-	-	4.00%	-	-	4.00%
Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Individual AMT (2012-15)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Individual AMT (2012-15)
Attrition rate of employees	Age Related and Service Related to respective divisions	4.5% for service group	-	Age Related and Service Related to respective divisions	4.5% for service group	-

#### Notes:

a) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

(b) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

#### Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

*Rs. In Lakhs*

Particulars	31 March 2023		31 March 2022		31 March 2021	
	Gratuity	Pension	Gratuity	Pension	Gratuity	Pension
	Increase	Decrease	Increase	Decrease	Increase	Decrease
<b>Discount rate</b>						
1% change	(29.97)	32.73	(74.94)	91.14	(116.83)	132.54
<b>Salary Escalation</b>						
1% change	31.96	(29.85)	-	-	-	-
<b>Employee Turnover</b>						
1% change	(3.89)	4.15	-	-	-	-
<b>Pension &amp; Rent escalation</b>						
1% change	-	-	-	-	136.02	(121.70)
<b>Medical cost inflation</b>						
1% change	-	-	91.66	(76.59)	-	-

*Rs. In Lakhs*

Particulars	31 March 2022		31 March 2021		31 March 2020	
	Gratuity	Pension	Gratuity	Pension	Gratuity	Pension
	Increase	Decrease	Increase	Decrease	Increase	Decrease
<b>Discount rate</b>						
1% change	(60.95)	66.79	(30.63)	37.48	(131.11)	149.57
<b>Salary Escalation</b>						
1% change	64.99	(60.52)	-	-	-	-
<b>Employee Turnover</b>						
1% change	(9.34)	9.93	-	-	-	-
<b>Pension escalation</b>						
1% change	-	-	-	-	153.00	(136.17)
<b>Medical cost inflation</b>						
1% change	-	-	37.63	(31.26)	-	-

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 38 Employee benefits (*Continued*)

#### Sensitivity analysis: (*Continued*)

Maturity profile of defined benefit obligation is as follows:

Particulars	31 March 2023			31 March 2022		
	Gratuity	PRMB	Pension	Gratuity	PRMB	Pension
Projected benefits payable in future years from the date of reporting:						
1st following year	102.59	19.48	157.95	294.01	6.80	158.22
2nd following year	101.23	23.47	156.42	214.62	8.13	156.98
3rd following year	362.74	28.26	159.29	195.38	9.68	160.21
4th following year	43.24	30.70	161.80	381.63	11.53	163.14
5th following year	86.62	36.21	163.87	117.09	13.63	165.69
Sum of years 6 and 10	166.53	219.10	829.23	518.00	83.20	848.05
Sum of years 11 and above	320.56	1,919.40	1,822.98	480.37	783.57	2,035.49

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 39 Financial instruments

#### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Rs. In Lakhs								
31 March 2023	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents	-	-	1,183.42	1,183.42	-	-	-	-
Bank balances other than above	-	-	31.22	31.22	-	-	-	-
Trade receivables	-	-	2,134.65	2,134.65	-	-	-	-
Other receivables	-	-	81.54	81.54	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Investments	20,022.69	359,226.16	188,820.40	568,069.25	332,554.89	17,618.34	29,075.62	379,248.85
Other financial assets	-	-	1,000.56	1,000.56	-	-	-	-
	20,022.69	359,226.16	193,251.79	572,500.64	332,554.89	17,618.34	29,075.62	379,248.85
<b>Financial liabilities</b>								
Trade payables	-	-	679.22	679.22	-	-	-	-
Other payables	-	-	1,031.58	1,031.58	-	-	-	-
Lease liability	-	-	160.13	160.13	-	-	-	-
Debt Securities	-	-	101,896.54	101,896.54	-	-	-	-
Borrowings	-	-	60,000.00	60,000.00	-	-	-	-
Other financial liabilities	-	-	2,738.04	2,738.04	-	-	-	-
	-	-	166,505.51	166,505.51	-	-	-	-

Rs. In Lakhs								
31 March 2022	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents	-	-	1,470.70	1,470.70	-	-	-	-
Bank balances other than above	-	-	46.17	46.17	-	-	-	-
Trade receivables	-	-	3,054.28	3,054.28	-	-	-	-
Other receivables	-	-	3,210.83	3,210.83	-	-	-	-
Loans	-	-	108,955.78	108,955.78	-	-	-	-
Investments	29,601.79	373,744.35	217,535.89	620,882.03	346,803.07	27,159.50	29,383.57	403,346.14
Other financial assets	-	-	1,180.83	1,180.83	-	-	-	-
	29,601.79	373,744.35	335,454.48	738,800.62	346,803.07	27,159.50	29,383.57	403,346.14
<b>Financial liabilities</b>								
Trade payables	-	-	4,216.33	4,216.33	-	-	-	-
Other payables	-	-	45.65	45.65	-	-	-	-
Lease liability	-	-	3,245.42	3,245.42	-	-	-	-
Debt Securities	-	-	79,148.01	79,148.01	-	-	-	-
Borrowings	-	-	35,000.00	35,000.00	-	-	-	-
Other financial liabilities	-	-	3,230.65	3,230.65	-	-	-	-
	-	-	124,886.06	124,886.06	-	-	-	-

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 39 Financial instruments (*Continued*)

#### B. Measurement of fair values

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

##### Quoted prices in an active market (Level 1):

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

##### Valuation techniques with observable inputs (Level 2):

This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level of hierarchy includes derivative contracts.

##### Valuation techniques with significant unobservable inputs (Level 3):

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes investments in unquoted equity shares and preference shares.

#### C. Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

- (i) Financial assets and liabilities such as cash and cash equivalents, trade and other receivables, loans (measured at amortised cost), trade and other payables, borrowings, other financial assets and other financial liabilities are stated at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their predominant short term nature.
- (ii) Investments in quoted equity shares carried at fair value are based on market price quotations as on 31 March. Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments at FVOCI as the directors believes this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.
- (iii) Investments in unquoted preference shares carried at fair value are based on discounted cash flow approach. The valuation model considers the present value of expected cash inflows, discounted using a risk adjusted discount rate.
- (iv) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique.
- (v) There have been no transfers between Level 1 , Level 2 and Level 3 for the year ended 31 March 2023 and 31 March 2022.

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 40 Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- market risk; and
- liquidity risk

#### Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Company's management is responsible for developing and monitoring the risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board of Directors is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

The Board has setup a Risk Management Committee comprising of Directors, Key Managerial Personnel, CEOs of the business divisions apart from Chief Risk Officer.

Risk Management Committee oversees the Company's risk management process and controls, reviews strategic plans and objectives for risk management, risk philosophy and risk optimisation, reviews compliance with risk management policies implemented by the Company and procedures used to implement the same, oversees various risks including credit risk, financial & operational risks, technology risk, market risk, liquidity risk, investment risk, cyber security risk, forex risk, commodity risk, Company's risk tolerance, capital liquidity and funding.

The Board has setup a Asset Liability Management Committee comprising of Directors, Key Managerial Personnel, Chief Risk Officer and Senior Personnel at Head Office.

Asset Liability Management Committee reviews asset liability mismatch, if any, debt composition and plan of the Company for fund raising of the Company.

#### i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments in debt securities.

The carrying amounts of financial assets represent the maximum credit risk exposure.

#### Trade receivables

Trade receivables of the Company are typically unsecured and derived from sales made to a large number of independent customers. Customer credit risk is managed by each business unit subject to established policies, procedures and control relating to customer credit risk management. Before accepting any new customer, the Company has appropriate level of control procedures to assess the potential customer's credit quality. The credit-worthiness of its customers are reviewed based on their financial position, past experience and other relevant factors. Outstanding customer receivables are reviewed periodically.

The credit risk related to the Trade receivables is mitigated by taking security deposits / bank guarantee / letter of credit / post dated negotiable instruments - as and where considered necessary, setting appropriate credit terms and by setting and monitoring internal limits on exposure to individual customers.

There is no substantial concentration of credit risk as the Revenue / Trade receivables pertaining to any of the single external customer does not exceed 10% of Company revenue.

The Company recognises a loss allowance for expected credit losses on Trade Receivables that is at amortised cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

The movement in the allowance for impairment in respect of trade and other receivables during the Year was as follows:

	31 March 2023	31 March 2022
Opening balance	3,167.25	2,868.26
Add : Impairment loss recognised during the year	3.19	298.99
Less: Provision pertaining to discontinued operation	3,166.73	-
Closing balance	3.71	3,167.25

Trade Receivables	As at 31 March 2023			As at 31 March 2022		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Period						
Not Due	1,181.23	0%	-	1,307.18	5%	66.63
Less than 6 months	945.51	0%	-	1,415.40	17%	237.78
6 months - 1 year	11.62	32%	3.71	671.41	63%	422.79
1 - 2 years	-	0%	-	949.29	86%	819.44
2 - 3 years	-	0%	-	443.33	86%	382.52
More than 3 years	-	0%	-	1,434.92	86%	1,238.10
Total	2,138.36	0%	3.71	6,221.54	51%	3,167.26

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 40 Financial Risk Management (Continued)

#### i) Credit risk (Continued)

##### Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

##### Financial guarantees

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

#### ii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. 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. Financial instruments affected by market risk include loans and borrowings, deposits, investments.

#### (a) Currency risk

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken.

The Company's foreign currency exposure arises mainly from foreign exchange imports and exports, primarily with respect to USD, JPY, AED & SGD.

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated monetary financial assets and financial liabilities in respect of the foreign currencies are as follows:

Particular	31 March 2023		31 March 2022	
	Amount in FC	Amount in Rs. Lakhs	Amount in FC	Amount in Rs. Lakhs
<b>Financial assets</b>				
USD	13,594	11.14	-	-
JPY	-	-	71,005	0.61
SGD	-	-	1,550	0.85
<b>Financial liabilities</b>				
USD	-	-	8,550	6.34
SGD	132,698	81.71	33,973	19.02
AED	-	-	110,700	22.94

##### Foreign currency sensitivity analysis

A reasonably possible strengthening or (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

If INR had (strengthened) /weakened against foreign currency by 5%:

Particular	31 March 2023		31 March 2022	
	Strengthening	Weakening	Strengthening	Weakening
(Decrease) / increase in profit for the year				
USD	0.56	(0.56)	(0.32)	0.32
JPY	-	-	0.03	(0.03)
SGD	(4.09)	4.09	(0.91)	0.91
AED	-	-	(1.15)	1.15

Rs. In Lakhs



# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 40 Financial Risk Management (*Continued*)

#### ii) Market risk (*Continued*)

##### (b) Equity price risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments measured at fair value through other comprehensive income exposes the Company to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Company's investment in quoted equity securities as at 31 March 2023 and 31 March 2022 was Rs. 332,554.89 lakhs and Rs. 346,803.08 lakhs respectively. A 10% change in equity price as at 31 March 2023 and 31 March 2022 would result in an impact of Rs. 33,255.49 lakhs and Rs.34,680.31 lakhs, respectively. The impact is indicated on equity before consequential tax impact, if any.

##### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates.

As the Company does not have exposure to any floating-interest bearing assets or liabilities, or any significant long-term fixed-interest bearing assets, its interest income / expenses and related cash inflows / outflows are not affected by changes in market interest rates.

The Company has investments in redeemable preference shares of joint ventures and other companies. Future cash flows from these investments in the form of dividends have fixed coupon rate and will not fluctuate due to changes in market interest rates. However, the dividend distribution will be subject to availability of adequate profits in the books of respective companies.

#### iii) 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 following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments, if any:

#### Contractual maturities of Non-derivative financial liabilities

Rs. In Lakhs

As at 31 March 2023	Upto 1 year	1 to 5 year	Above 5 year	Total
Trade payables & Other payables	1,710.80	-	-	1,710.80
Lease liabilities	134.38	33.59	-	167.97
Debt Securities	-	101,896.54	-	101,896.54
Borrowings (Other than Debt Securities)	60,000.00	-	-	60,000.00
Other financial liabilities	2,460.92	277.12	-	2,738.04
<b>Total</b>	<b>64,306.10</b>	<b>102,207.25</b>	<b>-</b>	<b>166,513.35</b>

As at 31 March 2022	Upto 1 year	1 to 5 year	Above 5 year	Total
Trade payables & Other payables	4,261.98	-	-	4,261.98
Lease liabilities	1,577.28	1,677.70	-	3,254.98
Debt Securities	-	79,148.01	-	79,148.01
Borrowings (Other than Debt Securities)	35,000.00	-	-	35,000.00
Other financial liabilities	3,074.10	156.55	-	3,230.65
<b>Total</b>	<b>43,913.36</b>	<b>80,982.26</b>	<b>-</b>	<b>124,895.62</b>

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 41 Capital management

The Company's capital management is intended to create long term value for shareholders by defining and meeting long-term and short-term goals of the Company.

Sr No.	Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% Variance	Reason for variance (if above 25%)
i)	CRAR	Adjusted Net worth	Risk Weighted Assets	42.72%	61.41%	-18.69%	N.A.
ii)	TIER I CRAR		Not applicable			0.00%	N.A.
iii)	TIER II CRAR		Not applicable			0.00%	N.A.
iv)	Liquidity Coverage		Not applicable			0.00%	N.A.

The following additional information (other than what is already disclosed else-where) is disclosed in terms of RBI Circular (Ref. No. DBNS.200/CGM CPR-2008) dated 1st August, 2008.

#### a) Capital Adequacy Ratio (CAR) - (CIC) / Capital to Risk Assets Ratio (CRAR)- (NBFC)

Sr No.	Items	31 March 2023	31 March 2022
		(CAR-CIC)	(CAR-CIC)
i)	CAR	43%	61%

#### b) Exposure to Real Estate Sector-

Rs. in Lakhs

Particular	31 March 2023	31 March 2022
a) Direct exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loan upto Rs.15 lakhs may be shown separately)- Housing Loans to employees	-	-
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential,	-	-
b. Commercial Real Estate.	-	-
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-
Others	-	-

#### c) Asset Liability Management

##### Maturity pattern of certain items of assets and liabilities

Rs. in Lakhs

Particular	1 day to 1month	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6months	Over 6 months upto 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from banks	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	60,000.00	101,896.54	-	-	161,896.54
	-	-	-	-	35,000.00	52,180.59	26,967.42	-	114,148.01
<b>Assets</b>									
Advances	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	31.22	-	-	31.22
Investments#	-	-	-	-	6.11	-	40.06	-	46.17
	-	-	-	-	-	13,672.41	-	536,778.50	550,450.91
	-	-	-	-	1.00	10,870.51	-	582,852.01	593,723.52

# Mutual fund investments amounting to Rs. 17,618.34 lacs are not included above, since there is no set maturity pattern for the same.

Figures in italics are in respect of the previous year

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 41 Capital management (continued)

- d) Disclosure based on RBI guidelines / circular issued on 13th March 2020 (RBI/2019-20/170/DOR(NBFC) CC.DD.No. 109/22.10.106/2019-20) for Ind AS compliant NBFCs

Year ended 31 March 2023

Rs. in Lakhs

Assets Classification as per RBI norms	Assets classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (provisions) as per Ind As 109	Net carrying amount	Provision required as per IRACP	Difference between provisions as per Ind AS 109 and IRACP
(1)	(2)	(3)	(4)	(5)= (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	1,945.28	8.05	1,937.23	7.78	0.26
<b>Subtotal</b>		<b>1,945.28</b>	<b>8.05</b>	<b>1,937.23</b>	<b>7.78</b>	<b>0.26</b>
Non- Performing Assets (NPA)						
Sub-standard	Stage 3	193.08	3.45	189.63	193.08	(189.63)
<b>Subtotal for NPA</b>		<b>193.08</b>	<b>3.45</b>	<b>189.63</b>	<b>193.08</b>	<b>(189.63)</b>
Other items such as guarantee, loan commitment, etc. which are in the scope of the Ind As 109, but not covered under IRACP		-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total	Stage 1	1,945.28	8.05	1,937.23	7.78	0.26
	Stage 3	193.08	3.45	189.63	193.08	(189.63)
	<b>Total</b>	<b>2,138.36</b>	<b>11.50</b>	<b>2,126.86</b>	<b>200.86</b>	<b>(189.37)</b>

Year ended 31 March 2022

Rs. in Lakhs

Assets Classification as per RBI norms	Assets classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (provisions) as per Ind As 109	Net carrying amount	Provision required as per IRACP	Difference between provisions as per Ind AS 109 and IRACP
(1)	(2)	(3)	(4)	(5)= (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	2,687.58	189.11	2,498.47	10.75	178.36
<b>Subtotal</b>		<b>2,687.58</b>	<b>189.11</b>	<b>2,498.47</b>	<b>10.75</b>	<b>178.36</b>
Non- Performing Assets (NPA)						
Sub-standard	Stage 3	3,921.54	2,990.09	931.45	3,921.54	(931.45)
<b>Subtotal for NPA</b>		<b>3,921.54</b>	<b>2,990.09</b>	<b>931.45</b>	<b>3,921.54</b>	<b>(931.45)</b>
Other items such as guarantee, loan commitment, etc. which are in the scope of the Ind As 109, but not covered under IRACP		-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total	Stage 1	2,687.58	189.11	2,498.47	10.75	178.36
	Stage 3	3,921.54	2,990.09	931.45	3,921.54	(931.45)
	<b>Total</b>	<b>6,609.12</b>	<b>3,179.20</b>	<b>3,429.92</b>	<b>3,932.29</b>	<b>(753.09)</b>

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 41 Capital management (Continued)

#### (e) Disclosures as required in terms of paragraph 21 of the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016:

Particulars	31-Mar-2023		31-Mar-2022	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
<b>Liabilities Side:</b>				
(1) Loans and Advances availed by the Core Investment Company inclusive of interest accrued thereon but not paid [Refer Note 2]				
(a) Debentures (Other than those falling within the meaning of Public Deposits)				
(i) Secured [Refer Note 2]	-	-	-	-
(ii) Unsecured [Refer Note 2]	101,896.54	-	79,148.01	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans (Refer note 18)	60,000.00	-	35,135.49	-
(d) Inter-corporate Loans and Borrowings	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Other Loans:				
(i) Loans repayable on demand from banks	-	-	-	-
(ii) Others	-	-	-	-
(g) Subordinated Liabilities	-	-	-	-

Particulars	31-Mar-2023	31-Mar-2022
	Amount Outstanding	Amount Outstanding
<b>Assets Side:</b>		
(2) Break-up of Loans and Advances including Bills Receivables (other than those included in (4) below)		
(a) Secured	-	-
(b) Unsecured	-	108,955.78
(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities	--- Not Applicable ---	
(4) Break-up of Investments:		
Current Investments:		
1. Quoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	17,618.34	27,159.50
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds [Refer Note 4]	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
Long term Investments:		
1. Quoted:		
(i) Shares: (a) Equity	332,554.89	346,803.07
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares: (a) Equity	127,820.11	234,912.38
(b) Preference [Refer Note 4]	78,393.91	2,537.98
(ii) Debentures and Bonds [Refer Note 4]	11,682.00	9,470.10
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
(a) Warrants	-	-
(b) Application Money pending allotment	-	-

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 41 Capital management (Continued)

#### (e) Disclosures as required in terms of paragraph 21 of the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 (Continued)

(5) Borrower group-wise classification of assets financed as in (2) and (3) above

Category	31-Mar-2023 Amount net of provision			31-Mar-2022 Amount net of provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties [Refer Note 3]						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	108,950.00	108,950.00
(c) Other Related Parties	-	-	-	-	-	-
2. Other than Related Parties	-	-	-	-	5.78	5.78
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108,955.78</b>	<b>108,955.78</b>

(6) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted):

Category	31-Mar-2023		31-Mar-2022	
	Market Value / Break up or fair value or NAV [Refer Note 4]	Book Value (Net of Provisions/ Write-off)	Market Value / Break up or fair value or NAV [Refer Note 4]	Book Value (Net of Provisions/ Write-off)
1. Related Parties [Refer Note 3]				
(a) Subsidiaries [Refer Note 4]	98,471.62	98,471.62	87,279.62	87,279.62
(b) Companies in the same group	451,977.35	451,977.35	506,440.97	506,440.97
(c) Other Related Parties	-	-	-	-
2. Other than Related Parties	1.94	1.94	2.94	2.94
<b>Total</b>	<b>550,450.91</b>	<b>550,450.91</b>	<b>593,723.53</b>	<b>593,723.53</b>

(7) Other Information

		31-Mar-2023	31-Mar-2022
<b>Particulars</b>			
(i)	Gross Non-Performing Assets		
	(a) Related Parties [Refer Note 3]	-	-
	(b) Other than Related Parties	193.08	3,921.54
(ii)	Net Non-Performing Assets		
	(a) Related Parties [Refer Note 3]	-	-
	(b) Other than Related Parties	-	-
(iii)	Assets acquired in satisfaction of Debt	-	-

#### Notes:

- The Company is registered as a Core Investment Company (CIC) with the Reserve Bank of India and classified as a Systemically Important Non-Deposit Taking Core Investment Company (CIC-ND-SI) and not in the business of assets financing.
- Includes interest accrued but not due amounting to Rs. 6,896.54 lakhs (31st March, 2022 - Rs. 4,283.50 lakhs).
- Includes Companies as defined in Para 3 (v) of the Core Investment Companies (Reserve Bank) Directions, 2016.
- All investments are stated at fair value as disclosed in note 33 except investments in Subsidiaries, Associates & Joint Venture.

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 41 Capital management (Continued)

#### (f) Disclosures as required in terms of paragraph 30 of the Master Direction - Core Investment Companies (Reserve Bank)

##### 1 Components of ANW and other related information

	Particulars	31-03-2023	31-03-2022
i	ANW as a % of Risk Weighted Assets	42.72%	61.41%
ii	unrealized appreciation in the book value of quoted investments (Based on Average market price of last 26 weeks)	228,709.43	268,589.41
iii	diminution in the aggregate book value of quoted investments (Based on Average market price of last 26 weeks)	0.01	0.01
iv	Leverage Ratio	0.69	0.29

##### 2 Investment in Other CICs

		31-03-2023	31-03-2022
a	Total amount representing any direct or indirect capital contribution made by one CIC in another CIC (including name of CICs)		
	Panatone Finvest Ltd.	-	17.77
	Tata Sons Private Ltd.	3,086.85	3,086.85
	Tata Capital Ltd	-	1,172.53
	<b>Total</b>	<b>3,086.85</b>	<b>4,277.15</b>
b	Number of CICs with their names wherein the direct or indirect capital contribution exceeds 10% of Owned Funds	Nil	Nil
c	Number of CICs with their names wherein the direct or indirect capital contribution is less than 10% of Owned Funds	1	3

##### 3 Off Balance Sheet Exposure

	Particulars	31-03-2023	31-03-2022
i	Off balance sheet exposure	8,200.73	13,359.84
ii	Financial Guarantee as a % of total off-balance sheet exposure	-	-
iii	Non-Financial Guarantee as a% of total off-balance sheet exposure	-	-
iv	Off balance sheet exposure to overseas subsidiaries	-	-
v	Letter of Comfort issued to any subsidiary	-	-

##### 4 Investments

	Particulars	31-03-2023	31-03-2022
	Value of Investments		
i	Gross Value of Investments		
a	In India	435,557.24	488,370.02
b	Outside India	132,512.01	132,512.01
ii	Provisions for Depreciation / Impairment		
a	In India	-	-
b	Outside India	45,232.39	45,232.39
iii	Net Value of Investments		
a	In India	435,557.24	488,371.02
b	Outside India	87,279.62	87,279.62
	Movement of provisions held towards depreciation on investments.		
i	Opening Balance	45,232.39	-
ii	Add : Provisions made during the year	-	45,232.39
iii	Less : Write-off / write-back of excess provisions during the year	-	-
iv	Closing balance	45,232.39	45,232.39

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 41 Capital management (*Continued*)

#### (f) Disclosures as required in terms of paragraph 30 of the Master Direction - Core Investment Companies (Reserve Bank) (*Continued*)

##### 5 Business Ratios

Particulars	31-03-2023	31-03-2022
Return on Equity (RoE)	(49.64%)	(11.23%)
Return on Assets (RoA)	(35.21%)	(9.30%)
Net profit per employee (₹ Lakhs)	(355.30)	(125.97)

##### 6 Provisions and Contingencies

	₹ Lakhs	
Break up of 'Provisions and Contingencies' shown under the Profit and Loss Account	31-03-2023	31-03-2022
Provisions for depreciation on Investment	-	45,232.39
Provision towards NPA	3.19	298.99
Provision made towards Income tax	-	-
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	(436.32)	293.69

##### 7 Concentration of NPAs

Particulars	Amount in Rs. lacs	Exposure as a % of total assets
Total Exposure to top five NPA accounts	-	-

Note: Company do not have any financial NPA hence disclosed NIL in above table.

##### 8 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

	₹ Lakhs		
Name of the Joint Venture/ Subsidiary	Other Partner in the JV	Country	Total Assets
Qubit Investments Pte. Ltd.	None	Singapore	87,578.68

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 42a. Related Party and their Relationship

#### 1 Joint Venture Partners

Tata Sons Private Limited  
Tata Chemicals Limited

#### 2 Subsidiary Company

Tata SmartFoodz Limited (formerly SmartFoodz Limited) (ceased w.e.f. 16.11.2021)  
Qubit Investments Pte. Ltd  
#915 Labs, Inc  
#Flisom - AG  
#Flisom Hungary Kft  
Tata Classedge Limited (w.e.f. 10.10.2022)

#### 3 Associate Company

Indigene Pharmaceuticals Inc., USA.  
ITel Industries Ltd.  
Oriental Floratech India Ltd.  
Oriental Seritech Ltd.  
Tata Autocomp Systems Ltd.  
Niskalp Infrastructure Services Ltd. (formerly Niskalp Energy Ltd.)  
Impetis Biosciences Limited

#### 4 Joint Ventures

Inzpera Healthsciences Limited  
Tata Unistore Limited (ceased w.e.f. 08.12.2022)

#### 5 Post Employment Benefit Plans of Tata Industries Limited

Tata Industries Employees PF Trust  
Tata Industries Superannuation Fund Trust  
Tata Industries Employees Gratuity Fund Trust

#### 6 Associates of Joint Venture Partners with whom transactions have been made

The Indian Hotels Company Limited  
Voltas Limited  
Tata Steel Limited  
Tata Consumer Products Limited (formerly Tata Global Beverages Limited)  
Tata Motors Limited  
The Tata Power Company Limited  
Titan Company Limited  
Tata Elxsi Limited (ceased to be an associate and became a subsidiary of Tata Sons Ltd w.e.f. 01.12.2020)  
\*Tata Steel BSL Limited (formerly Bhushan Steel Limited) (ceased w.e.f. 11.11.2021)  
\*Tata Coffee Limited  
\*Piem Hotels Limited



# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 42a. Related Party and their Relationship (*Continued*)

#### 6 Associates of Joint Venture Partners with whom transactions have been made

- \*Tata Power Solar Systems Limited
- \*Roots Corporation Limited
- \*TML Business Services Limited (formerly Concorde Motors (India) Limited)
- \*The Tata Pigments Limited
- \*The Tinplate Company of India Limited
- \*Tata Steel Foundation
- \*Jamshedpur Football and Sporting Private Limited
- \*Noamundi Steel Limited (struck off w.e.f. 24.8.2021)
- \*Tata Steel Long Products Limited (formerly Tata Sponge Iron Limited)
- \*Tata Steel Utilities and Infrastructure Services Limited (formerly Jamshedpur Utilities & Services Company Limited)
- Trent Limited

#### 7 Joint Venture of Joint Venture Partner with whom transactions have been made

- Tata AIA Life Insurance Company Limited
- Tata Play Limited (formerly Tata Sky Limited)

#### 8 Subsidiaries of Associates with whom transactions have been made

- \*Tata SmartFoodz Limited (formerly SmartFoodz Limited) (subsidiary of associate w.e.f. 16.11.2021)

#### 9 Key Management Personnel of the company

- Mr. K.R.S. Jamwal (Executive Director)
- Mr. F. N. Subedar
- Mr. N. Srinath
- Ms. Aarthi Subramanian
- Mr. S. Sriram

# Subsidiaries of Qubit.

\*Associate and Joint-venture include its subsidiaries.

**Note:** Post Employment Benefit Plans of related parties has not been disclosed as there were no transactions with them during the year.

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 42b. Related Party Disclosures for the year ended March 31, 2023 (Continued)

#### Transactions and balances with related parties

Transactions	Joint Venture Partners	Subsidiaries	Associates	Associates of Joint Venture Partner	Key Management Personnel	Joint Venture	JVs of Joint Venture Partner	Post Employment Benefit Trust	Total
Purchase of fixed assets	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	0.76	-	-	0.76
Rendering of services	1,937.27	-	-	2,831.18	-	-	-	-	4,768.45
	1,420.18	2.99	-	3,271.18	-	20.09	-	-	4,714.44
Dividend income	239.21	-	2,769.81	1,495.83	-	-	-	-	4,504.84
	237.26	-	-	366.79	-	-	-	-	604.05
Interest received	-	0.10	-	-	-	6,339.88	-	-	6,339.98
	-	2,260.29	-	-	-	4,958.29	-	-	7,218.58
Other income	-	-	-	-	-	-	-	-	-
	-	0.80	1.00	-	-	-	-	-	1.80
Receiving of services	14.29	-	-	57.66	-	-	14.37	-	86.32
	2.66	-	-	11.01	-	-	19.99	-	33.66
Insurance expenses	-	-	-	-	-	-	76.76	-	76.76
	-	-	-	-	-	-	74.04	-	74.04
Other advances given	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	4.20	-	4.20
ICD given to Related party	-	-	-	-	-	61,975.00	-	-	61,975.00
	-	3,650.00	-	-	-	108,950.00	-	-	112,600.00
Remuneration to KMP	-	-	-	-	648.09	-	-	-	648.09
	-	-	-	-	696.02	-	-	-	696.02
Sitting Fees to Directors	-	-	-	-	11.20	-	-	-	11.20
	-	-	-	-	10.80	-	-	-	10.80
Reimbursements of expenses made	25.15	31.49	-	-	-	-	-	-	56.65
	195.04	-	-	-	-	-	-	-	195.04
Reimbursement of expense received	212.61	11.14	-	55.95	-	-	-	-	279.69
	33.90	-	-	16.22	-	-	-	-	50.12
Repayment of ICD by Related party	-	-	-	-	-	170,925.00	-	-	170,925.00
	-	1,650.00	-	-	-	36,700.00	-	-	38,350.00
Investment in NCD/OCD	-	10,882.00	-	-	-	800.00	-	-	11,682.00
	-	18,650.00	-	-	-	9,469.10	-	-	28,119.10
Repayment of NCD/OCD	-	-	-	-	-	-	-	-	-
	-	14,900.00	-	-	-	-	-	-	14,900.00
Conversion of OCD/ICD into Equity	-	-	-	-	-	9,469.10	-	-	9,469.10
	-	36,250.00	-	-	-	-	-	-	36,250.00
Transfers to Post employment benefit	-	-	-	-	-	-	-	240.63	240.63
	-	-	-	-	-	-	-	631.43	631.43
Transfer of liability towards Gratuity and Leave Encashment	-	-	-	-	-	-	-	-	-
	-	-	-	1.83	-	-	-	-	1.83
Purchase of investment	-	310.00	-	-	-	160,307.69	-	-	160,617.69

# Tata Industries Limited

## Notes to standalone financial statements *(Continued)*

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 42b. Related Party Disclosures for the year ended March 31, 2023 *(Continued)*

#### Transactions and balances with related parties

Transactions	Joint Venture Partners	Subsidiaries	Associates	Associates of Joint Venture Partner	Key Management Personnel	Joint Venture	JVs of Joint Venture Partner	Post Employment Benefit Trust	Total
	-	-	-	<i>110.88</i>	-	<i>769.23</i>	-	<i>1.00</i>	<i>881.11</i>
Sale of investment	<i>3,093.03</i>	-	-	-	-	-	-	-	3,093.03
	-	-	-	<i>39,500.00</i>	-	-	-	-	<i>39,500.00</i>
Purchase of Gift cards	-	-	-	-	-	0.30	-	-	0.30
	-	-	-	<i>0.30</i>	-	<i>3.49</i>	-	-	<i>3.79</i>
Sale of medicine	-	-	-	-	-	-	-	-	-
	-	-	-	<i>5,002.44</i>	-	-	-	-	<i>5,002.44</i>
<b>Debit Balances Outstanding as at March 31, 2023</b>									
Loans & advances	-	-	-	-	-	-	10.44	-	10.44
	-	-	-	-	-	<i>108,950.00</i>	-	-	<i>108,950.00</i>
Interest accrued	-	0.10	-	-	-	49.21	-	-	49.31
	-	<i>2,260.29</i>	-	-	-	<i>3,099.59</i>	-	-	<i>5,359.88</i>
Receivables:	11.65	11.14	-	995.57	-	-	-	-	1,018.35
Trade receivables	<i>200.63</i>	<i>3.53</i>	-	<i>243.18</i>	-	-	-	-	<i>447.34</i>
Receivables:	11.18	-	-	8.25	-	-	-	-	19.42
Other receivables	<i>8.85</i>	-	-	-	-	-	-	-	<i>8.85</i>
Other non-financial assets:	-	11.14	-	122.13	-	-	1.35	-	134.61
Other Advances	-	-	-	<i>0.27</i>	-	-	<i>4.20</i>	-	<i>4.47</i>
Other financial assets:	-	-	-	-	-	-	0.50	-	0.50
Deposit	-	-	-	-	-	-	<i>0.50</i>	-	<i>0.50</i>
<b>Credit Balances Outstanding as at March 31, 2023</b>									
Amounts payable	-	1,058.73	-	-	-	-	-	-	1,058.73
	-	-	-	<i>1.36</i>	-	<i>0.09</i>	-	-	<i>1.45</i>

Figures in *italics* are in respect of the previous year

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 42c. Related Party Disclosures for the year ended March 31, 2023 (Continued)

#### c) Disclosure of material transactions with related parties –

Particulars	31 March 2023	31 March 2022
1 Purchase of fixed assets - Tata Unistore Ltd (ceased w.e.f. 08.12.2022)	-	0.76
2 Purchase of Gift cards - Tata Unistore Ltd (ceased w.e.f. 08.12.2022)	0.30	3.49
3 Sale of Goods / Medicines - Tata Steel Limited	-	4,828.43
4 Rendering of services - Tata Sons Private Limited Tata Motors Ltd Tata Steel Ltd	1,799.63 1,338.23 1,180.35	1,378.72 1,240.81 1,754.68
5 Receiving of services - The Indian Hotels Co.Ltd.	49.79	-
6 Dividend income - Tata Sons Private Limited Tata Steel Ltd The Tata Power Ltd Tata Autocomp Systems Ltd TML Business Services Limited (formerly Concorde Motors (India) Limited)	229.50 531.70 79.37 2,769.81 832.22	229.50 260.64 70.30 - -
7 Interest income - Tata SmartFoodz Limited (formerly SmartFoodz Limited) (ceased w.e.f. 16.11.2021) Tata Unistore Ltd (ceased w.e.f. 08.12.2022)	- 6,290.68	2,260.29 4,958.29
8 Insurance expenses - Tata AIA Life Insurance Company Ltd	76.76	74.04
9 Reimbursement of expenses made - Tata Sons Private Limited	24.62	194.91
10 Reimbursement of expense received - Tata Sons Private Limited Tata Steel Limited	211.80 -	33.90 11.55
11 Remuneration to Directors and Key Managerial Personnel -K.R.S. Jamwal (Executive Director) Including:- -Short term employee benefits -Other employment benefits -S. Sriram (Chief Financial Officer & Company Secretary) Including:- -Short term employee benefits -Other employment benefits	410.89  387.30 23.59 237.20  205.23 31.97	495.65  419.14 76.51 200.36  182.32 18.04
12 Equity / preference contribution by the company and share application money - Tata ClassEdge Ltd Tata Unistore Ltd (ceased w.e.f. 08.12.2022) Inzpera Healthsciences Limited The Indian Hotels Co.Ltd.	310.00 160,000.00 307.69 -	- - 769.23 110.88
13 Sale of investment (in shares of other company) to - Tata Sons Private Limited Tata Consumer Products Limited (formerly Tata Global Beverages Limited)	3,093.03 -	- 39,500.00
14 Investment in NCD/OCD - Tata SmartFoodz Limited (formerly SmartFoodz Limited) (ceased w.e.f. 16.11.2021) Tata ClassEdge Ltd Tata Unistore Ltd	- 10,882.00 -	18,650.00 - 9,469.10
15 Repayment of NCD/OCD - Tata SmartFoodz Limited (formerly SmartFoodz Limited) (ceased w.e.f. 16.11.2021)	-	14,900.00
16 Conversion of NCD/OCD into Equity - Tata SmartFoodz Limited (formerly SmartFoodz Limited) (ceased w.e.f. 16.11.2021) Tata Unistore Ltd (ceased w.e.f. 08.12.2022)	- 9,469.10	36,250.00 -

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 42c. Related Party Disclosures for the year ended March 31, 2023 (*Continued*)

#### c) Disclosure of material transactions with related parties –

Particulars	31 March 2023	31 March 2022
17 ICD given - Tata Unistore Ltd (ceased w.e.f. 08.12.2022)	61,975.00	108,950.00
18 Repayment of ICD by Related party - Tata Unistore Ltd	170,925.00	36,700.00
19 Other Income / Claims received - Oriental Floratech India Ltd	-	1.00
Qubit Investments Pte. Ltd.	-	0.80
20 Other Advances given - Tata AIA Life Insurance Company Ltd	-	4.20
21 Transfer of liability towards Gratuity and Leave Encashment - Tata Consumer Products Limited (formerly Tata Global Beverages Limited)	-	1.83
22 Transfer to Post employment benefit trusts - Tata Industries Superannuation Fund Trust (SAF liability)	34.85	35.70
Tata Industries Employees Gratuity Fund Trust (Gratuity liability)	205.78	82.02
Tata Industries Employees PF Trust (PF liability)	-	513.72

**Note:** Therefore company has disclosed material transactions in excess of 10% of the total related party transactions of the same type.

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

31 March 2023 31 March 2022

### 43 Contingent liabilities and commitments

#### Commitments

a.	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3.92	3,838.22
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#### Contingent liabilities

b.	Income tax matters in appeal	8,188.63	9,377.09
c.	Demand order in relation to Value added tax (VAT) matters	3.12	3.12
d.	Demand order in relation to Service tax matters	-	-
e.	Show cause notices in relation to Service tax matters	-	-
f.	Show cause notices in relation to Goods and Services Tax matters	5.06	5.06
g.	Other contingent liabilities and claims not acknowledged as debt by the Company	-	136.35

- h. During the financial Year 2015-16, as per the Share Purchase Agreement ("SPA") dated May 22, 2015 entered into between Tata Industries Limited ("TIL") and Tata International Limited (the "Selling Shareholders"), Drive India Enterprise Solutions Limited ("DIESL") and TVS Logistics Services Limited ("TLSL"), the Selling Shareholders have jointly sold their entire shareholding in DIESL to TLSL for a total consideration of Rs. 8,581.00 lakhs (TIL share Rs. 4,290.00 lakhs).

As per the SPA, the Selling Shareholders have severally provided certain general and specific indemnities to TLSL. General indemnities up to 100% of total consideration received for breach of Representations and Warranties (R&W) relating to title of sale shares and demand, if any, raised on TLSL/DIESL under Section 281 of the Income Tax Act, 1961. Specific indemnity up to Rs. 3,003.00 lakhs on account of liabilities in respect of demands from statutory authorities presently pending against DIESL and claims that may arise in future in respect of certain matters identified in SPA. Specific indemnities up to 20% of total consideration received in respect of claims arising from breaches of R&W relating to tax compliances, no pending investigations and inquiries (10%) and other general representations (10%).

However, within the sub limits applicable to general and specific indemnities as specified above, the maximum aggregate liability of each Selling Shareholder under this agreement shall not exceed the aggregate amounts received by it from TLSL under the SPA and/or DIESL under the Preference Share Agreement entered into on May 19, 2015 and the liability of each Selling Shareholder to indemnify TLSL/DIESL shall be proportionate to their respective pre-closing equity shareholding percentage. The claims can be made before expiration of eight years from the closing date which is August 31, 2015.

The Selling Shareholders are also liable to indemnify, without limit, TLSL/DIESL in respect of one legal proceeding identified in the SPA for which there are no claims on DIESL presently. The potential future impact of such indemnities provided, if any, cannot be ascertained presently.

- i. During the financial Year 2021-22, as per the Share Purchase Agreement ("SPA") dated November 12, 2021 entered into between Tata Industries Limited ("TIL" or "TSFL Promoter") and Tata Consumer Products Limited ("TCPL"), for selling their entire shareholding in Tata SmartFoodz Limited ("TSFL").

As per the SPA, TIL has severally provided below mentioned specific indemnities to TCPL.

At any time prior to the expiry of 3 (three) years from the Closing Date (16 November 2021), any breach or inaccuracy of any MATS representation set out in SPA, in which case the liability of the TSFL Promoter in respect of any MATS Machine shall be limited to 50% of the cost of purchase of such MATS Machine.

Reference of the MATS machine is given below:

Each MATS Machine is in such state of maintenance and operating condition as would not require additional repair or replacement entailing costs (including ordinary course repairs and maintenance) aggregating to more than Rs. 100 lakhs per annum per MATS Machine, prior to the expiry of 3 (three) years from the Closing Date, subject to such MATS Machine being operated by TSFL.

Cost price of each MATS machine is :

- MATS 1: USD 4.15 million
- MATS 2: ~USD 3.8 million
- MATS 3: ~USD 4 million

At any time prior to the expiry of 6 (six) years from the Closing Date, any liability pertaining to TSFL's non-compliance with the requirements of the Export Promotion Capital Goods (EPCG) Scheme of the Government of India, in which case the liability of the TSFL Promoter shall be limited to 50% of such Losses.

TSFL has imported capital goods under the EPCG Scheme, wherein they have saved custom duty of an amount of Rs. 1,925/- lakhs of which Rs. 1,279.07 lakhs pertain to financial year 2018-19, Rs. 163.79 lakhs for the financial year 2019-20, Rs 309.50 lakhs for the financial year 2020-21 and Rs. 172.64 Lakhs for the financial year 2021-22.

TSFL has to fulfil export obligation to the extent of 6 times of duty saved amount within a period of 6 years from the date of Import which amounts to obligation of Rs.115,50 lakhs.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 44 Dues to micro and small enterprises

No companies have been identified under the Micro, Small and Medium Enterprises Development Act, 2006 except those mentioned below. This disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. Accordingly, the disclosures as required by Notification No. GSR 719(E) dated November 16, 2007 are not applicable. This has been relied upon by the auditors.

<i>Rs. in Lakhs</i>		
Particulars	As at 31 March 2023	As at 31 March 2022
The principal amount remaining unpaid to any supplier as at the Year end of each accounting year.	2.12	314.74
The interest due thereon remaining unpaid to any supplier at end of each accounting year.		1.87
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
The amount of interest due and payable for the Year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.		1.87
The amount of interest accrued and remaining unpaid at the end of the accounting year.		1.87
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

### 45 Capitalisation of Expenditure

During the year, the Company has capitalised the following expenses of revenue nature to the cost of Intangible Assets. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

<i>Rs. in Lakhs</i>		
Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Employee benefit expenses	773.00	764.00
	<u>773.00</u>	<u>764.00</u>

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 46 Provisions

- I) A brief description of the nature of the provisions made and the expected timing of any resulting outflows of economic benefits;
- a) Contingency provision for standard assets is a statutory provision made in accordance with the Reserve Bank of India guidelines for NBFCs. No outflow of economic benefits is expected for the same.

- II) The movement in the above provisions is as follows:

#### As at 31 March 2023

Particulars	Rs. in Lakhs
	Contingency provision for standard assets
Balance at the beginning of the year	460.22
Add: Provision made during the year	(436.32)
Less: Payments / written back during the year	-
Less: Provision pertaining to discontinued operation	(6.57)
Balance at the Year end	17.33

#### As at 31 March 2022

Particulars	Contingency provision for standard assets
Balance at the beginning of the year	166.52
Add: Provision made during the year	293.70
Less: Payments / written back during the year	-
Less: Provision pertaining to discontinued operation	-
Balance at the Year end	460.22



# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 47 Income tax

#### A. Amounts recognised in profit and loss

	31 March 2023	31 March 2022
Current tax expense / (credit)	-	-
Short/(Excess) provision of tax for earlier years	-	-
Deferred tax (refer note D below)	-	-
<b>Tax expense of continuing operations</b>	<b>-</b>	<b>-</b>

**Tax expense of continuing operations does not include the following:**

	31 March 2023	31 March 2022
Current tax expense / (credit) of discontinuing operations	-	-

#### B. Reconciliation of effective tax rate (for continuing operations)

The reconciliation between the statutory income tax rate applicable to the Company and the effective Income tax rate of the Company is as follows:

	31 March 2023	31 March 2022
Profit / (Loss) before tax	(207,138.06)	(71,676.82)
Company's domestic tax rate	25.17%	25.17%
Current tax using Company's domestic tax rates	(52,132.51)	(18,039.62)
<b>Add / (Less): Difference due to</b>		
Non-deductible tax expenses	50,520.95	14,846.10
Utilisation/ Carried forward of unrecognised losses	2,555.01	4,734.10
Tax free income	(943.45)	(1,544.36)
Amount taxable on realised gains	-	3.78
	<b>-</b>	<b>-</b>

The Company has decided to exercise the option for lower tax rate permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance dated 20 September 2019.

#### C. Tax asset and liability

	As at 31 March 2023	As at 31 March 2022
Non-current tax asset (net)	10,662.09	12,477.12
Current tax liability (net)	9.46	9.46

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 47 Income tax (*Continued*)

#### D. Deferred tax asset/(liability)

	31 March 2023	31 March 2022
<b>Deferred tax assets</b>		
Property, plant and equipment and Intangible assets	218.93	92.36
Unabsorbed depreciation	-	-
Provision for doubtful debts	0.93	797.13
Provision for employee benefits and other provisions	294.65	550.79
Provision for advances	0.31	4.02
Lease liability	40.30	819.21
	<b>555.12</b>	<b>2,263.51</b>
<b>Deferred tax liabilities</b>		
Investments in mutual fund	19.18	(389.06)
Right of use assets	47.92	627.23
	<b>67.10</b>	<b>238.17</b>
<b>Net deferred tax assets</b>	<b>488.02</b>	<b>2,025.34</b>
<b>Net deferred tax assets recognised</b>	<b>-</b>	<b>-</b>

Note: The Company does not expect to generate sufficient taxable income against which deferred tax asset could be realised. Accordingly, the net deferred tax assets has not been recognised in the absence of convincing evidence for utilising the deferred tax assets in the foreseeable future.

#### E. Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

	Expiry date	31 March 2023	31 March 2022
Unabsorbed depreciation	Never expire	12,424.67	9,155.34
		<b>12,424.67</b>	<b>9,155.34</b>
Carried forward business loss			
	31-Mar-26	178.28	178.28
	31-Mar-27	63,216.77	63,216.77
	31-Mar-29	2,679.75	2,679.75
	31-Mar-30	2,287.75	2,287.75
	31-Mar-31	20,207.65	16,903.24
	31-Mar-32	9,624.12	-
		<b>98,194.32</b>	<b>85,265.79</b>
Long term capital loss			
	31-Mar-25	5,040.08	5,040.08
	31-Mar-26	724.11	724.11
	31-Mar-27	3,715.58	3,715.58
	31-Mar-29	64.06	64.06
	31-Mar-30	167,212.33	167,212.33
	31-Mar-31	2,911.09	2,911.09
		<b>179,667.25</b>	<b>179,667.25</b>
Temporary deductible difference on account of Indexation on Investments	Never expire	53,606.03	53,606.03
		<b>233,273.28</b>	<b>233,273.28</b>
Short term capital loss	31-Mar-30	3,673.98	3,746.70
		<b>3,673.98</b>	<b>3,746.70</b>

Note: The amounts reflecting in previous year (i.e. 31 March 2022) are as per the financial statements of the said year. However, tax losses reflecting in current year (i.e. 31 March 2023) is based on income-tax return filed for FY 2021-22 and draft tax computation for FY 2022-23.

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 48 Disclosures under Ind AS 115 - Revenue from Contracts with Customers

- A. In the following table, revenue from contracts with customers (including revenue related to a discontinued operation) is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition:

#### Year ended 31 March 2023

Rs. in Lakhs

Particulars	Continuing Operations		Discontinued Operations		Total
	Management consultancy	Insights & quants	Digital classroom solutions	DHP	
<b>Primary geographical markets</b>					
Within India	6,671.13	1,620.50	7,549.24	218.47	16,059.34
Outside India	-	-	13.19	-	13.19
<b>Total revenue</b>	<b>6,671.13</b>	<b>1,620.50</b>	<b>7,562.43</b>	<b>218.47</b>	<b>16,072.53</b>
<b>Major Goods and Service lines</b>					
Sale of traded goods	-	-	4,301.72	3.09	4,304.81
Sale of services	6,671.13	1,620.50	3,260.71	215.38	11,767.72
<b>Total revenue</b>	<b>6,671.13</b>	<b>1,620.50</b>	<b>7,562.43</b>	<b>218.47</b>	<b>16,072.53</b>
<b>Timing of Revenue Recognition</b>					
Goods transferred at point in time	-	-	4,301.72	3.09	4,304.81
Service transferred over time	6,671.13	1,620.50	3,260.71	215.38	11,767.72
<b>Total revenue</b>	<b>6,671.13</b>	<b>1,620.50</b>	<b>7,562.43</b>	<b>218.47</b>	<b>16,072.53</b>

#### Year ended 31 March 2022

Rs. in Lakhs

Particulars	Continuing Operations		Discontinued Operations		Total
	Management consultancy	Insights & quants	Digital classroom solutions	DHP	
<b>Primary geographical markets</b>					
Within India	3,975.58	1,773.14	6,688.43	6,556.25	18,993.40
Outside India	-	13.19	3.66	-	16.85
<b>Total revenue</b>	<b>3,975.58</b>	<b>1,786.33</b>	<b>6,692.09</b>	<b>6,556.25</b>	<b>19,010.25</b>
<b>Major goods and service lines</b>					
Sale of traded goods	-	-	2,402.32	6,034.96	8,437.28
Sale of services	3,975.58	1,786.33	4,289.77	521.29	10,572.97
<b>Total revenue</b>	<b>3,975.58</b>	<b>1,786.33</b>	<b>6,692.09</b>	<b>6,556.25</b>	<b>19,010.25</b>
<b>Timing of revenue recognition</b>					
Goods transferred at point in time	-	-	2,402.32	6,034.96	8,437.28
Service transferred over time	3,975.58	1,786.33	4,289.77	521.29	10,572.97
<b>Total revenue</b>	<b>3,975.58</b>	<b>1,786.33</b>	<b>6,692.09</b>	<b>6,556.25</b>	<b>19,010.25</b>

- B. The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particular	31 March 2023	31 March 2022
Receivables, net of provisions	2,134.65	3,054.28
Unbilled Revenue, net of provisions (contract assets)	564.45	534.17
Advance received from customers (contract liabilities)	10.97	2,628.97

The unbilled revenue (contract assets) primarily relates to the Company's rights to consideration for work completed but not billed at the reporting date. The amount of contract assets during the Year ended 31 March 2023 and 31 March 2022 were impacted by impairment charges of Rs.Nil and Rs. 14.75 Lakhs respectively. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

The advance from customers (contract liabilities) primarily relate to the advance consideration received from customers while invoicing in excess of revenues are classified as income received in advance, both of which constitute contract liabilities. These will be recognised as revenue when the Company fulfils the performance obligations.

The Company expects to fulfil the unsatisfied performance obligations over the contract term ranging from 1 to 5 years.

# Tata Industries Limited

## Notes to standalone financial statements (*Continued*)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 49 Corporate social responsibility expenditure

As per the requirements of the provisions of Section 135 of the Companies Act, 2013 (the Act), the Company has constituted a CSR Committee of the Board consisting of 2 Directors.

Further, the Board of the Company is required to ensure that the company spends in every financial year atleast 2% of the average net profits of the company made during the three immediately preceding financial years in pursuance of its CSR Policy.

The Average net profit of the Company for the last 3 financial years was Rs.(909.61) lakhs and accordingly, no spend towards CSR activity is required for the current year.

Particulars	Rs. in Lakhs	
	Year ended 31 March 2023	Year ended 31 March 2022
Donation to Leslie Sawhny Endowment	-	10.00
Rural Development water rejuvenation project at Karjat district	-	45.38
Contribution to Center for Excellence in Teacher Education, TISS	-	8.15
Contribution to All India Institute of Local Self-Governance ("AIIILSG")	5.00	20.00
Forest First Samithi, NGO: Sustainable livelihood through conservation and restoration of degraded forest lands	15.00	43.00
Contribution to Public Health Foundation of India	-	50.00
Contribution to Prime Education Health Learning Services ("PEHL"): Undertaking preventive, promotive and curative healthcare services	-	18.77
	<b>20.00</b>	<b>195.30</b>
Excess spend carried forward from previous year	3.50	1.93
Amount to be spent	-	193.72
Additional spend carried forward for the next 3 years.	20.00	3.50

The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.

# Tata Industries Limited

## Notes to standalone financial statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 50 Maturity analysis of assets and liabilities

A. The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Rs. in Lakhs

Particulars	31 March 2023			31 March 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial assets</b>						
Cash and cash equivalents	1,183.42	-	1,183.42	1,470.70	-	1,470.70
Bank balances other than cash and cash equivalents	31.22	-	31.22	6.11	40.06	46.17
Derivative financial instruments	-	-	-	-	-	-
Trade Receivables	2,134.65	-	2,134.65	3,054.28	-	3,054.28
Other Receivables	81.54	-	81.54	3,210.83	-	3,210.83
Loans	-	-	-	108,955.79	-	108,955.79
Investments	18,079.88	549,989.37	568,069.25	27,621.04	593,260.99	620,882.03
Other financial assets	3.94	996.62	1,000.56	134.58	1,046.25	1,180.83
<b>Non-financial assets</b>						
Inventories	-	-	-	308.17	0.53	308.70
Non-Current tax assets (net)	-	10,662.09	10,662.09	60.03	12,417.09	12,477.12
Deferred tax assets (net)	-	-	-	-	-	-
Property, plant and equipment	-	2,470.88	2,470.88	-	2,882.95	2,882.95
Capital work-in-progress	1.24	108.60	109.84	11.20	354.21	365.41
Right of Use assets	89.50	100.89	190.39	-	2,492.16	2,492.16
Intangible assets under development	-	-	-	-	5.00	5.00
Intangible assets	-	3.80	3.80	-	7,409.04	7,409.04
Other non-financial assets	1,361.83	937.56	2,299.39	2,331.96	15.00	2,346.96
<b>Assets classified as held for sale and discontinued operations</b>	-	-	-	1.00	-	1.00
<b>Total Assets</b>	<b>22,967.22</b>	<b>565,269.81</b>	<b>588,237.03</b>	<b>147,165.69</b>	<b>619,923.28</b>	<b>767,088.97</b>
<b>Financial liabilities</b>						
Trade payables	679.22	-	679.22	4,169.52	46.81	4,216.33
Other Payables	1,031.58	-	1,031.58	45.65	-	45.65
Debt Securities	-	101,896.54	101,896.54	-	-	-
Borrowings (Other than Debt Securities)*	60,000.00	-	60,000.00	35,000.00	-	35,000.00
Other financial liabilities	2,460.92	277.12	2,738.04	3,074.10	156.55	3,230.64
Lease liability	92.14	67.99	160.13	1,572.04	1,673.38	3,245.42
<b>Non-financial liabilities</b>						
Current tax liabilities (net)	9.46	-	9.46	9.46	-	9.46
Provisions	591.27	3,156.19	3,747.46	995.26	3,529.35	4,524.61
Other non-financial liabilities	696.67	-	696.67	3,394.31	-	3,394.31
<b>Liabilities directly associated with discontinued operations</b>	-	-	-	-	-	-
<b>Total liabilities</b>	<b>65,561.26</b>	<b>105,397.84</b>	<b>170,959.10</b>	<b>48,260.34</b>	<b>5,406.08</b>	<b>53,666.42</b>
<b>Net assets</b>	<b>(42,594.04)</b>	<b>459,871.97</b>	<b>417,277.93</b>	<b>98,905.35</b>	<b>614,517.20</b>	<b>713,422.54</b>

\* Borrowings can be rollovered to 12 months on due date as per the terms of facility agreement.

### 51 Relationship with struck companies

Transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956:

Rs. in Lakhs

Name of Struck off company	Nature of transaction with struck off companies	Balance outstanding	Relationship with struck off company, if any, to be disclosed
There are no transactions & balance outstanding with Struck off Company during the year.			

As per our report of even date attached

For Singh & Co.

Chartered Accountants

Firm's Registration No: 302049E

For and on behalf of the Board of Directors of

Tata Industries Limited

CIN: U44003MH1945PLC004403

Sd/-

Sd/-

Sd/-

Nikhil Singhi

Partner

Membership No: 061567

K.R.S Jamwal

Executive Director

DIN: 03129908

F.N. Subedar

Director

DIN: 00028428

Mumbai

Date: 27 April 2023

Sd/-

S. Sriram

Chief Financial Officer

& Company Secretary

CS Membership Number: A10083

Mumbai

## **Independent Auditor's Report**

To  
The Members of  
**Tata Industries Limited**

### **REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

#### **Opinion**

We have audited the accompanying consolidated financial statements of Tata Industries Limited (the "Holding Company") and its subsidiaries, (Holding Company and its subsidiaries together referred to as the "Group"), its associates and its joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, associates and joint ventures referred to in the Other Matters section below, the aforesaid consolidated 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2023, and their consolidated loss and other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with these ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work/audit report of others auditors, 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.

### **Managements and Board of Directors' Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates and joint ventures in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act and other accounting principles generally accepted in India. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 financial 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 internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of 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 ability of the Group and its associates and joint ventures 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 consolidated 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 Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditor's. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.



We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditor's 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.

## **Other Matters**

- a) We did not audit the financial statements of two (2) subsidiaries whose financial statements reflect total assets (before consolidation adjustments) of Rs. 2,08,553 lakhs as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 10,614 lakhs and net cash outflows (before consolidation adjustments) amounting to Rs. 35 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (before consolidation adjustments) (and other comprehensive income) of Rs. 24,256 lakhs for the year ended 31 March 2023, in respect of (1) Joint venture and (2) associates whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associates is based solely on the audit reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- b) The financial statements of three (3) step-down subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 96,898 lakhs as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 2,024 lakhs and net cash inflows amounting (before consolidation adjustments) to Rs. 1,426 lakhs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. This unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these step-down subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid step-down subsidiaries, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.
- c) The financial statements / financial information of four (4) associates valued at Rs. Nil in the consolidated financial statements, have not been considered in the consolidated financial

statements. In our opinion and according to the information and explanations given to us by the management, the financial information of these associates is not material to the Group.

- d) The financial statements of one (1) associate valued at Rs Nil in the consolidated financial statements, are not available for past several years and no adjustment is made for the same in the consolidated financial statements. In our opinion and according to the information and explanations given to us by the management, the financial information of this associate is not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors referred to in sub paragraphs (a) above and the financial statements/financial information certified by the Management of Holding Company referred to in sub paragraph (b), (c) and (d).

### **Report on Other Legal and Regulatory Requirements**

- 1) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates, joint ventures as were audited by other auditors, as noted in the other 'other matters' paragraph, 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 Holding Company so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid consolidated 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 of the holding company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies, associate companies and joint venture incorporated in India, none of the directors of the Holding Company and its joint venture is disqualified as on 31 March 2023 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 over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, as noted in 'other matters' paragraph:

- i) The Group has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its consolidated financial statements – Refer Note 49 to the consolidated financial statements.
- ii) As per information and explanations provided to us, the Group, its associates and joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2023.
- iv) (i) The management has represented that, to the best of its knowledge and belief, 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 Holding 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 Holding 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, no funds have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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
  - 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.
- v) The Holding Company has neither declared nor paid any dividend during the year.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- vii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the 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.

- 2) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports for the companies included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Singhi & Co.**  
Chartered Accountants  
Firm's Registration No.: 302049E

Sd/-

**Nikhil Singhi**  
Partner

Place: Mumbai  
Date: 27 April 2023

Membership No.061567  
UDIN:23061567BGYHLR7645

## **Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph (A) (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### **Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the internal financial controls over financial reporting of Tata Industries Limited (the “Company”) as of 31 March 2023 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Holding Company’s management and the Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Holding 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 Holding 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”).

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 consolidated financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

## **Meaning of Internal Financial Controls over financial reporting with reference to consolidated financial statements**

A Holding Company's internal financial control with reference to consolidated 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 Holding company's internal financial control with reference to consolidated financial statements includes 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 Holding 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 Holding company are being made only in accordance with authorisations of management and directors of the Holding company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Holding company's assets that could have a material effect on the consolidated financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated 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 over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of Tata Industries Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint venture companies, as of that date.

In our opinion, the Holding company and such companies incorporated in India which are its subsidiary, its associate and joint venture companies, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal consolidated financial controls over financial reporting with reference to consolidated financial statements criteria established by such Companies 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").

## Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to subsidiary companies, its associate companies and its joint venture companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

For **Singhi & Co.**  
Chartered Accountants  
Firm's Registration No.: 302049E

Sd/-

**Nikhil Singhi**  
Partner  
Membership No. 061567  
UDIN: 23061567BGYHLR7645

Place: Mumbai  
Date : 27 April 2023

# Tata Industries Limited

## Consolidated Balance Sheet

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	Note	31 March 2023	31 March 2022
<b>Assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	4	1,644.24	1,859.03
Bank balances other than cash and cash equivalents	5	1,270.05	2,710.41
Receivables	6		
(i) Trade Receivables		4,012.06	3,159.68
(ii) Other Receivables		132.88	3,210.83
Loans	7	53,581.82	158,449.21
Investments	8	480,195.69	420,044.92
Other financial assets	9	7,840.67	6,390.45
		<u>548,677.40</u>	<u>595,824.53</u>
<b>Non-financial assets</b>			
Equity accounted investees	10	71,544.35	48,950.34
Inventories	11	454.93	308.70
Current tax assets (net)	12	10,662.26	12,477.12
Deferred tax assets (net)		1,154.64	766.69
Property, plant and equipment	13	2,790.27	2,894.49
Capital work-in-progress	13	112.53	365.41
Right of Use assets	47	869.96	2,492.16
Intangible assets under development	13	745.69	2,393.76
Intangible assets	14	10,262.46	7,409.04
Goodwill	51	8,618.90	8,592.46
Other non-financial assets	15	2,440.43	4,190.85
		<u>109,656.41</u>	<u>90,841.02</u>
<b>Assets classified as held for sale and discontinued operations</b>	37	<u>39,368.20</u>	<u>41,288.08</u>
		<u>39,368.20</u>	<u>41,288.08</u>
<b>Total Assets</b>		<u><u>697,702.01</u></u>	<u><u>727,953.63</u></u>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Lease Liabilities		1,926.27	3,245.42
Trade payables	16		-
- total outstanding dues of micro and small enterprises		89.96	314.74
- total outstanding dues of creditors other than micro and small enterprises		2,108.59	4,328.77
Other payables	16		-
- total outstanding dues of micro and small enterprises		-	-
- total outstanding dues of creditors other than micro and small enterprises		244.35	352.57
Debt Securities	17	101,896.54	79,148.01
Borrowings (Other than Debt Securities)	18	60,000.00	35,000.00
Other financial liabilities	19	3,635.30	3,458.67
		<u>169,901.00</u>	<u>125,848.18</u>
<b>Non-financial liabilities</b>			
Current tax liabilities (net)	20	147.09	161.01
Provisions	21	4,227.17	4,524.61
Other non-financial liabilities	22	2,953.05	3,394.31
		<u>7,327.31</u>	<u>8,079.93</u>
<b>Liabilities directly associated with discontinued operations</b>	37	<u>52,761.29</u>	<u>39,768.87</u>
<b>Total liabilities</b>		<u><u>229,989.60</u></u>	<u><u>173,696.98</u></u>
<b>Equity</b>			
Equity share capital	23	107,954.60	107,954.60
Other equity	24	367,236.60	451,258.57
<b>Total equity attributable to owners of the parent</b>		<u>475,191.21</u>	<u>559,213.17</u>
Non Controlling Interest	52	(7,478.83)	(4,956.52)
<b>Total liabilities and equity</b>		<u><u>697,702.01</u></u>	<u><u>727,953.63</u></u>

Note

Significant accounting policies

Notes to the Ind AS Consolidated financial statements

The attached notes are an integral part of these consolidated financial statements.

As per our report of even date attached

For **Singhi & Co.**

Chartered Accountants

Firm's Registration No: 302049E

For and on behalf of the Board of Directors of

**Tata Industries Limited**

CIN: U44003MH1945PLC004403

Sd/-

**Nikhil Singhi**

Partner

Membership No: 061567

Mumbai

Date: 27 April 2023

Sd/-

**K.R.S Jamwal**

Executive Director

DIN: 03129908

Sd/-

**F.N. Subedar**

Director

DIN: 00028428

Sd/-

**S. Sriram**

Chief Financial Officer

& Company Secretary

CS Membership Number: A10083

Mumbai



# Tata Industries Limited

## Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

	<i>Note</i>	<b>For the year ended March 31, 2023</b>	For the year ended March 31, 2022
<b>A. Continuing operations</b>			
<b>Revenue from operations</b>			
Interest income	25	11,690.08	5,091.04
Dividend income	26	978.81	1,591.73
Net gain on fair value changes	27	248.57	3,697.23
Sale of goods	28	5,457.60	2,528.55
Sale of services	29	12,646.49	10,140.71
<b>Other income</b>	30	2,750.83	2,288.33
<b>Total income</b>		<b>33,772.38</b>	25,337.59
<b>Expenses</b>			
Finance costs	31	10,612.16	6,887.29
Cost of material consumed	32	1.24	-
Purchases of stock-in-trade	33	4,536.11	2,010.34
Changes in inventories of stock-in-trade	34	(187.18)	(24.96)
Employee benefits expenses	35	13,486.37	11,729.52
Depreciation, impairment and amortisation	13, 14 & 47	2,973.35	3,452.48
Other expenses	36	6,232.28	11,237.81
<b>Total expenses</b>		<b>37,654.32</b>	35,292.48
<b>Loss before exceptional items and tax</b>		<b>(3,881.95)</b>	(9,954.89)
<b>Exceptional items:</b>			
Provision for impairment of investment in subsidiaries	59	-	(49,942.93)
<b>Total exceptional items</b>		<b>-</b>	(49,942.93)
<b>Loss for the year from continuing operations before share of loss of equity accounted investees and income tax</b>		<b>(3,881.95)</b>	(59,897.82)
Share of loss of equity accounted investees (net of income tax)		(73,988.90)	(26,331.76)
Gain on disposal of equity accounted investees		10,557.25	-
<b>Loss for the year from continuing operations before income tax</b>		<b>(67,313.59)</b>	(86,349.30)
Tax expense of continuing operations			-
- Current tax expense		129.55	165.41
- Deferred tax expense/(income)		(317.26)	(160.19)
<b>Loss for the year from continuing operations after tax</b>		<b>(67,125.88)</b>	(86,354.52)
<b>B. Discontinued operations</b>			
Loss for the year from discontinued operations before tax	37	(19,219.99)	(34,847.00)
Gain on disposal		-	16,182.50
Tax expense of discontinued operations			
- Current tax expense/(income)		-	-
- Deferred tax		-	-
<b>Loss for the year from discontinued operations after tax</b>		<b>(19,219.99)</b>	(18,664.50)
<b>C. Loss for the year (A + B)</b>		<b>(86,345.87)</b>	<b>(105,019.03)</b>

# Tata Industries Limited

## Consolidated Statement of Profit and Loss (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>D. Other comprehensive income ('OCI')</b>			
(I) Items that will not be reclassified to profit or loss:			
- Changes in fair value of investments in equities carried at fair value through OCI		(7528.94)	119,986.32
- Remeasurement of defined employee benefit plans		(253.34)	(312.82)
- Share of Joint Venture/Associate's OCI items		273.39	(17.74)
(II) Items that will be reclassified to profit or loss:			
- Foreign currency translation gain/(loss)		7,310.47	4,259.13
- Share of Joint Venture/Associate's OCI items		-	903.91
<b>Total other comprehensive income</b>		<b>(198.43)</b>	<b>124,818.80</b>
<b>E. Total comprehensive income for the Year (C + D)</b>		<b>(86,544.30)</b>	<b>19,799.77</b>
<b>Loss attributable to</b>			
Owners of the Parent Company		(83,823.55)	(100,537.98)
Non-controlling interest		(2,522.32)	(4,481.05)
<b>Other comprehensive income attributable to</b>			
Owners of the Parent Company		(198.43)	124,818.80
Non-controlling interest		-	-
<b>Total comprehensive income / (loss) attributable to:</b>			
Owners of the Parent Company		(84,021.98)	24,280.82
Non-controlling interest		(2,522.32)	(4,481.05)
		<b>(86,544.30)</b>	<b>19,799.77</b>
<b>F. Earnings per equity share from continuing operations (face value of Rs. 100 each) (See note 46)</b>			
Basic and diluted (in Rs.)		(62.18)	(79.99)
<b>G. Earnings per equity share from discontinued operations (face value of Rs. 100 each) (See note 46)</b>			
Basic and diluted (in Rs.)		(15.47)	(17.29)
<b>H. Earnings per equity share from continuing and discontinued operations (face value of Rs. 100 each) (See note 46)</b>			
Basic and diluted (in Rs.)		<b>(77.65)</b>	<b>(97.28)</b>
Significant accounting policies	1-3		
Notes to the Ind AS Consolidated financial statements	4-59		
The attached notes are an integral part of these consolidated financial statements.			

As per our report of even date attached

**For Singhi & Co.**

Chartered Accountants

Firm's Registration No: 302049E

**For and on behalf of the Board of Directors of**

**Tata Industries Limited**

**CIN: U44003MH1945PLC004403**

Sd/-

Sd/-

Sd/-

**Nikhil Singhi**

Partner

Membership No: 061567

**K.R.S Jamwal**

Executive Director

DIN: 03129908

**F.N. Subedar**

Director

DIN: 00028428

Mumbai

Date: 27 April 2023

Sd/-

**S. Sriram**

Chief Financial Officer

& Company Secretary

CS Membership Number: A10083

Mumbai

# Tata Industries Limited

## Consolidated Cash Flow Statement

for financial year ended 31 March 2023

(Currency: Indian rupees in lakhs)

Particulars	31 March 2023	31 March 2022
<b>A. Cash Flow From Operating Activities</b>		
Loss before tax from continuing operations	(67,313.59)	(86,349.30)
Loss before tax from discontinuing operations	(19,219.99)	(18,664.50)
	(86,533.58)	(105,013.80)
Adjustments for:		
Depreciation and amortisation expense (including discontinued operations)	10,119.05	14,537.08
(Profit) / Loss on sale/write off of fixed assets (net)	63.87	(0.67)
Provision for unbilled revenue	-	231.39
Foreign exchange (gain)/ loss	-	301.02
Provision for warranty (net)	163.99	-
Provision for doubtful debts and advances made / (written back) during the year (net)	(279.13)	370.84
Bad debts / advances written off (including discontinued operations)	68.39	-
Impairment allowance on ROU	121.64	-
Provision for Impairment of investment in subsidiaries	-	49,942.93
Inventories written off	127.87	26.57
Provision for Employee benefits	466.58	497.67
Provision for standard assets made / (written back) during the year (net)	(435.22)	293.69
Finance cost	12,529.09	7,295.75
Interest on Income-tax refund	(399.51)	(204.64)
Profit on sale of current investments (net)	(687.53)	(1,545.86)
(Profit)/Loss on sale of long term investments (net)	(2,031.02)	(16,182.50)
Gain on disposal of equity accounted investees	(10,557.25)	-
Fair value loss/(gain) on investments in preference shares (net)	37.94	66.49
Fair value (gain)/loss on investment in mutual funds and convertible loans	-	(51.41)
Lease Payments	(2,377.82)	(3,530.45)
(Gain)/Loss on investments measured at fair value through P&L	401.02	(2,156.08)
Share of (profit)/loss of equity accounted investees	73,988.90	26,331.77
Sundry balances written back	(179.91)	(0.33)
Provision for CWIP & Intangibles under development	47.01	-
Interest income on unwinding of financial assets at amortised cost	(4,232.44)	1,501.73
Exchange loss (unrealised) (net) (including discontinued operations)	2,327.63	-
	79,283.15	77,724.99
<b>Operating Cash Flow Before Working Capital Changes</b>	(7,250.43)	(27,288.81)
Adjustments for:		
(Increase) / decrease in Inventories	388.10	1,012.44
(Increase) / decrease in Trade and other receivables	(199.73)	815.59
(Increase) / decrease in Loans and advances and other assets	819.93	(2,674.26)
Increase / (decrease) in Trade payables, other liabilities and provisions	(243.90)	764.40
	(6,486.03)	(24,412.42)
Direct taxes (paid) / received - Net	2,070.91	(1,058.92)
<b>Net Cash (Used in) / Generated From Operating Activities</b>	(4,415.12)	(25,471.34)
<b>B. Cash Flow From Investing Activities</b>		
Purchase of fixed assets	(5,387.36)	(9,055.60)
Sale of fixed assets	37.06	10.09
Investment in Joint ventures	(161,107.69)	(10,238.33)
Sale of investments in joint ventures	72,585.63	-
Net (Purchase)/sale of investments in other companies /funds	(71,661.43)	1,193.62
Sale of investments in others	3,093.04	-
Sale / (Purchase) of current investments (net)	8,732.73	4,760.24
Dividend received from associates	2,769.81	-
Sale of investments in subsidiaries	-	39,500.00
Cash and bank balances of a company ceased to be a subsidiary	-	(92.32)
Inter Corporate Deposits to Joint Venture	-	(72,250.00)
Loan given / repayment	108,954.19	-
Sale of Assets held for sale	129.28	0.28
Bank deposits (having original maturity of more than three months)	1,222.65	3,531.06
<b>Net Cash (Used in) / Generated From Investing Activities</b>	(40,632.09)	(42,640.96)

# Tata Industries Limited

## Consolidated Cash Flow Statement (*Continued*)

for financial year ended 31 March 2021

(Currency: Indian rupees in lakhs)

Particulars	31 March 2023	31 March 2022
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from borrowings (net)	58,285.09	65,190.96
Repayment of Interest cost	(12,205.38)	(3,183.73)
<b>Net Cash (Used in) / Generated From Financing Activities</b>	<b>46,079.71</b>	<b>62,007.23</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,032.50</b>	<b>(6,105.07)</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>2,274.43</b>	<b>8,380.54</b>
<b>Add: Cash and bank balances of a company ceasing to be Associates and becoming subsidiary</b>		
Add: Translation adjustments on opening cash & bank balance of foreign subsidiaries	71.06	(1.04)
<b>Cash and cash equivalents as at end of the year</b>	<b>3,377.99</b>	<b>2,274.43</b>

### Notes to cash flow statement

- Interest earned / paid and dividend earned from investment Financing and Business Promotion (IFP) segment have been considered as part of "Cash flow from operating activities" since the major activities relates to investment and financing.
- Direct taxes paid is treated as operating expenses and is not bifurcated between investing and financing activities.
- The bank balances in earmarked accounts and fixed deposit placed as security deposits are not available for use and hence, not considered as cash and cash equivalents.
- Debt reconciliation statement in accordance with Ind AS 7  
This section sets out an analysis of the movements in net debts for each period presented

	31 March 2023	31 March 2022
Opening balance	136,651.59	71,460.63
Movement	58,285.09	65,190.96
Closing	194,936.68	136,651.59

Significant accounting policies 1-3  
Notes to the consolidated financial statements 4-59  
The notes are an integral part of these consolidated financial statements  
As per our report of even date attached

**For Singhi & Co.**  
Chartered Accountants  
Firm's Registration No: 302049E

**For and on behalf of the Board of Directors of  
Tata Industries Limited**  
CIN: U44003MH1945PLC004403

Sd/-

Sd/-

Sd/-

**Nikhil Singhi**  
Partner  
Membership No: 061567

**K.R.S Jamwal**  
Executive Director  
DIN: 03129908

**F.N. Subedar**  
Director  
DIN: 00028428

Mumbai  
Date: 27 April 2023

Sd/-

Mumbai

**S. Sriram**  
Chief Financial Officer  
& Company Secretary  
CS Membership Number: A10083

# Tata Industries Limited

## Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### (a) Equity share capital

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	107,954.60	107,954.60
Changes in the equity share capital during the year	-	-
Balance at the end of the year	107,954.60	107,954.60

### (b) Other equity

Particulars	Attributable to Owners of the Company								Total attributable to Owners of the Company	Attributable to NCI	Total	
	Reserves and surplus							Items of Other comprehensive income ('OCI')				
	Capital reserves	Impairment allowance reserve	Securities premium	Amalgamation reserve	Reserve fund	General reserve	Retained earnings*	Equity instruments through OCI				Foreign currency translation reserve
Balance as at 1 April 2022	10.32	887.12	60,480.01	2,498.76	50,199.21	17,040.37	(40,332.99)	299,392.43	61,083.34	451,258.57	(4,956.52)	446,302.05
Loss for the year	-	-	-	-	-	-	(83,823.55)	-	-	(83,823.55)	(2,522.32)	(86,345.87)
Other comprehensive income / (loss) (net of tax)	-	-	-	-	-	-	20.05	(7,528.94)	7,310.47	(198.43)	-	(198.43)
Total comprehensive income/ (loss)	-	-	-	-	-	-	(83,803.50)	(7,528.94)	7,310.47	(84,021.98)	(2,522.32)	(86,544.30)
Impairment reserve recognised as per RBI guidelines	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Equity instruments through OCI	-	-	-	-	-	-	765.33	(765.33)	-	-	-	-
Balance as at 31 March 2023	10.32	887.12	60,480.01	2,498.76	50,199.21	17,040.37	(123,371.17)	291,098.16	68,393.81	367,236.60	(7,478.83)	359,757.77

Particulars	Attributable to Owners of the Company								Total attributable to Owners of the Company	Attributable to NCI	Total	
	Reserves and surplus							Items of Other comprehensive income ('OCI')				
	Capital reserves	Impairment allowance reserve	Securities premium	Amalgamation reserve	Reserve fund	General reserve	Retained earnings*	Equity instruments through OCI	Foreign currency translation reserve			
Balance as at 1 April 2021	10.32	887.12	60,480.01	2,498.76	50,199.21	17,040.37	59,631.64	179,406.11	56,824.21	426,977.75	(475.47)	426,502.28
Remeasurement of NCI	-	-	-	-	-	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	-	-	-	(100,537.98)	-	-	(100,537.98)	(4,481.05)	(105,019.03)
Other comprehensive income / (loss) (net of tax)	-	-	-	-	-	-	573.35	119,986.32	4,259.13	124,818.80	-	124,818.80
Total comprehensive income/ (loss)	-	-	-	-	-	-	(99,964.63)	119,986.32	4,259.13	24,280.82	(4,481.05)	19,799.77
Impairment reserve recognised as per RBI guidelines	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	10.32	887.12	60,480.01	2,498.76	50,199.21	17,040.37	(40,332.99)	299,392.43	61,083.34	451,258.57	(4,956.52)	446,302.05

\* including remeasurement of net defined benefit plans

# Tata Industries Limited

## Consolidated Statement of Changes in Equity (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### Notes:

**1. Capital reserve**

Capital reserve is not available for distribution as dividend to the shareholders.

**2. Securities premium**

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013 ('the Act').

**3. Amalgamation reserve**

Amalgamation reserve is created on account of amalgamation of Tata Televentures (Holdings) Limited with the Company.

**4. Reserve fund**

Reserve fund is created under section 45IC of the Reserve Bank of India Act, 1934

**5. General reserve**

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

**6. Retained earnings**

Retained earnings are the profits / (losses) that the Company has earned till date, less any transfer to general reserve, dividends or other distribution paid to shareholders.

**7. Equity instruments through OCI**

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within 'Equity instruments through OCI'. The Company transfers amounts therefrom to retained earnings when the relevant equity securities are derecognised.

**8. Impairment reserve**

Where impairment allowance (Expected credit loss) under Ind AS is lower than the provisioning required under IRACP guidelines, Company shall appropriate the difference from their net profit or loss after tax to a separate impairment reserve.

**9. Foreign currency translation reserve**

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

Significant accounting policies

1-3

Notes to the consolidated financial statements

4-59

The notes are an integral part of these consolidated financial statements

As per our report of even date attached

**For Singhi & Co.**

Chartered Accountants

Firm's Registration No: 302049E

Sd/-

**Nikhil Singhi**

Partner

Membership No: 061567

Mumbai

Date: 27 April 2023

**For and on behalf of the Board of Directors of  
Tata Industries Limited**

Sd/-

Sd/-

**K.R.S Jamwal**

Executive Director

DIN: 03129908

**F.N. Subedar**

Director

DIN: 00028428

Sd/-

**S. Sriram**

Chief Financial Officer & Company Secretary

Mumbai

CS Membership Number: A10083

# Tata Industries Limited

## Notes to the Consolidated financial statements

*for the year ended 31 March 2023*

(Currency: Indian rupees in lakhs)

### 1. Background

Tata Industries Limited ('TIL') was incorporated on April 7, 1945 at Mumbai under the Companies Act, VII of 1913 and has been carrying on the business of an investment holding company engaged in the incubation / promotion of new business ventures.

From April 2012 onwards, TIL is categorised as a Core Investment Company ('CIC') by the Reserve Bank of India ('RBI') on account of its investments being made prominently in other Tata companies. Earlier, it was registered with RBI as a Non-Banking Financial Company.

Besides carrying out investment activities from Head office, TIL has four operating divisions engaged into management consultancy, digital classroom solutions, digital health business and analytic business.

These are the consolidated financial statements of TIL and its subsidiaries (collectively "the Group") and joint ventures and associate companies are mentioned in Note 56 of the financials.

The Board of Directors approved the consolidated financial statements for the year ended 31 March 2023 and authorised for issue on 27 April 2023.

### 2. Summary of statement of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and basis of consolidation

#### A. Statement of compliance

The Consolidated Financial Statements ('CFS') comply, in all material aspects, with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

#### B. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also TIL's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

#### C. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Summary of statement of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and basis of consolidation (*Continued*)

#### D. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and the Group's interest in joint ventures and associates as at the reporting date.

##### Subsidiaries

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. Subsidiaries are consolidated from the date control commences until the date control ceases.

Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind-AS 109 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.



# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### **2. Summary of statement of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and basis of consolidation (*Continued*)**

#### **D. Basis of consolidation (*Continued*)**

##### **Joint ventures**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results assets and liabilities of a joint venture are incorporated in these financial statements using the equity method of accounting.

A Joint arrangement is an arrangement of which two or more parties have joint control. Joint control is considered when there is contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint venture. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

##### **Associates**

Associates are those entities in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control those policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting.

##### **Equity method of accounting (equity accounted investees)**

An interest in an associate or joint venture is accounted for using the equity method from the date in which the investee becomes an associate or a joint venture and are recognised initially at cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of profits or losses and equity movements of equity accounted investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Dividend received or receivable from associates and joint-ventures are recognised as a reduction in carrying amount of the investment.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in Note 2E below.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Summary of statement of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and basis of consolidation (*Continued*)

#### D. Basis of consolidation (*Continued*)

##### Changes in the proportion held by NCI

Changes in the proportion of the equity held by NCI are accounted for as equity transactions. The carrying amount of the controlling interests and NCI are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the NCI are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

#### E. Use of estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these Ind AS consolidated financial statements and the reported amounts of revenues and expenses for the periods presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below:

##### (i) Useful lives of property, plant and equipment and intangible assets

Determination is done to evaluate the estimated useful lives of tangible assets and also assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, considering the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

##### (ii) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan and other long-term employment benefits is determined based on actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### **2. Summary of statement of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and basis of consolidation (*Continued*)**

#### **E. Use of estimates and judgements (*Continued*)**

##### **(iii) Recognition of deferred tax assets**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

##### **(iv) Revenue recognition**

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Group 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.

##### **(v) Impairment of trade receivables**

The Group reviews its trade receivables to assess impairment at regular intervals. The Group's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be reported in the statement of profit and loss, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

##### **(vi) Impairment losses on investments**

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Summary of statement of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and basis of consolidation (*Continued*)

#### F. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurement, including level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 2. Significant accounting policies

#### A. Foreign currency translation

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

#### B. Financial instruments

##### (i) Investments and other financial assets

###### Classification

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

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

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### B. Financial instruments (*Continued*)

##### (ii) Investments and other financial assets (*Continued*)

###### Classification (*Continued*)

###### ii) those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

###### Debt instruments

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

###### *Amortised cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

###### *Fair value through other comprehensive income ('FVTOCI')*

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income ('FVTOCI'). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised as gains/ (losses) within other income or other expense. Interest income from these financial assets is included in other income using the effective interest rate method.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### B. Financial instruments (*Continued*)

##### (i) Investments and other financial assets (*Continued*)

###### *Fair value through profit or loss ('FVTPL')*

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss as gains/(losses) within other income or other expense in the period in which it arises. Interest income from these financial assets is included in other income.

###### **Equity instruments**

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as Other Income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised as gains/(losses) within other income or other expense in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

###### **Cash and cash equivalents**

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

###### **De-recognition of financial assets**

A financial asset is derecognised only when the Group

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Group has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Group 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 Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### B. Financial instruments (*Continued*)

##### (i) Debt and equity instruments (liabilities)

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

##### (ii) Financial liabilities

The Group's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the Statement of Profit and Loss.

##### De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

##### (iii) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency exposures. Derivative instruments are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit and loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between hedged item and hedging instrument, including whether the changes in cash flows of the hedged item and the hedging instrument are expected to offset each other.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### B. Financial instruments (*Continued*)

##### Cash Flow Hedge

When a derivative is designated as a cash flow hedging instrument, the effective portion of the changes in the fair value of the derivatives is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of the changes in the fair value of the derivative that is recognised in the OCI is limited to the cumulative change in fair value of the hedge item, determined on a present value basis, from the inception of the hedge. Any ineffective portion of the changes in the fair value of the derivative is recognised immediately in profit and loss.

The amount accumulated in other equity is reclassified to profit and loss in the same period or periods during which the hedged expected future cash flows affect profit and loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then the hedge accounting is discontinued prospectively. When the hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity is reclassified to profit and loss in the same period or periods as the hedged expected future cash flows affect profit and loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in profit and loss.

##### (iv) Financial guarantee contracts

The Group on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Group has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognized in profit or loss.

##### (v) Offsetting of financial instruments

Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Group intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### C. Property, plant and equipment

##### Recognition and measurement

All items of property, plant and equipment are stated at their historical cost of acquisition or construction less accumulated depreciation and accumulated impairment losses if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.



# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### C. Property, plant and equipment (*Continued*)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group 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 replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

Depreciation on tangible fixed assets of the Company and its Indian subsidiaries and associates has been provided on Straight Line Method (SLM), considering the useful lives and residual value prescribed in Schedule II of the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support:

Assets	Useful life
Leasehold improvements	Period of lease / 6 years
Leasehold land & Infrastructure facilities	99 years
Mobile phones	2 / 3 years
Medical demo devices	3 years
ClassEdge implementation and installation expenses and assets deployed at schools	Over the period of licensing contract
Buildings and Roads	30 to 70 years and 10 years
Plant and Machinery	2 to 35 years
Furniture & Fixtures	2 to 10 years
Computers	3 / 4 years
Vehicles	4 to 5 years

#### D. Intangible assets

##### Recognition and measurement

Intangible assets are measured at historical cost. All the intangible assets have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### D. Intangible assets (*Continued*)

##### Amortisation

Intangible assets are amortised over their estimated useful life on straight line basis as follows:

Assets	Amortization
SAP Software	4 years
Computer Software	10 years
ClassEdge Content (Internally generated)	10 years
ClassEdge Content – Technological upgrades / Value Education Content (Internally generated)	5 years
Digital Content Videos (Internally generated)	Over the expected pattern of consumption of economic benefit over a period of five years
Licensed Content	Over the licencing contract period
PlanEdge and TestEdge platforms	Over the balance period to expiry of ClassEdge content amortisation.
Digital Health Platform and Analytics Software	3 years
Licenses, software (other than SAP) and right to use third party systems etc.	1 - 10 years
Product Development	5 years
Licenses, Patents and Other Rights	10 -15 years
Technology Fee	Over the period of contract

##### Research and development expenses

Revenue expenses pertaining to research is charged to the consolidated statement of profit and loss. Development cost of products are also charged to consolidated statement of profit and loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. The amount capitalized comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for the property, plant and equipment.

#### E. Inventories

Stock-in-trade is valued at cost and net realisable value whichever is lower. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of traded goods is determined on First-in-First out (FIFO) basis and includes the cost of purchases and other costs incurred in bringing the inventories to their present location and condition. The comparison of cost and net realizable value is made on an item by item basis. Provision is made for the cost of obsolescence and other anticipated losses, whenever considered necessary.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### F. Impairment

##### **Impairment of financial instruments (other than at fair value)**

The Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

##### **Impairment of non-financial assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

#### G. Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated.

#### H. Employee benefits

##### **Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the year.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### H. Employee benefits (*Continued*)

##### Defined Contribution plans

The Group makes monthly contributions to the Superannuation fund and National pension scheme for all qualifying employees, until retirement or resignation of the employee. The Group recognizes such contributions as an expense when incurred. The Group has no further obligation beyond its monthly contribution.

##### Defined benefit plans

The Group operates the post-employment schemes such as Gratuity, Provident fund and Post-retirement medical benefits (PRMB) and Pension to an ex-director which are defined benefit plans.

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The actuarial valuation method, carried out by an independent actuary, used for measuring the liability for provident Fund is Projected Accrued Benefit method. This approach determines the present value of the interest rate guarantee to employees. Provident fund trusts are treated as Defined Benefit Plans, since the Group is obliged to meet interest shortfall, if any, with respect to covered employees.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in the other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or enhancements are recognised in profit and loss as past service cost.

##### Other long-term employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly after the end of the period in which the employees render the related services. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### H. Employee benefits (*Continued*)

##### Other long-term employee benefits (*Continued*)

The obligations are presented as liabilities in the balance sheet after the reporting period, regardless of when the actual settlement is expected to occur.

#### I. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

#### J. Revenue recognition

The Group has applied Ind AS 115 *Revenue from Contracts with Customers* which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

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

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### J. Revenue recognition (*Continued*)

##### Rendering of services

In respect of contracts, other than ClassEdge license and support fees, revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. Efforts or costs expended have been used to measure progress towards completion. Projected losses, if any, are provided in entirety as per Ind AS based on management's current estimates of cost to completion arrived at on the basis of technical assessment of time and effort required and estimates of future expenditure.

Revenue from licensing of ClassEdge content to schools is recognized, on a pro-rata basis over the contract period, commensurate with the services rendered / cost incurred for the same. The Group has applied the guidance in Ind AS 115 by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering equipment, software licenses and support services as distinct performance obligations. The performance obligations are satisfied as and when the services are rendered since the customer consumes the services as time progresses.

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.

Revenues in excess of invoicing are classified as contract assets (which are referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which are referred to as unearned revenues).

Contract assets are recognised 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 recognised when there are billings in excess of revenues.

Revenue from After School (AFS) License subscription consist of subscription fees charged for subscription-based online educational content.

Content subscription fee is received in advance and is record as deferred revenue. Revenue is recognized uniformly over the contract period as the subscription services represent a obligation to provide the services while the customer simultaneously receives and consumes the benefits of such services throughout the contract period.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### Sale of goods

Revenue from sale of goods is recognised on transfer of control over to the goods to the customer. Sales are recorded net of returns (if any), trade discounts, rebates, and goods and service tax.

Deferred contract costs are incremental costs of obtaining a customer contract. Deferred contract costs are recognised as assets and amortized over the term of the customer contract, except in case where the amortisation period is one year or less, in which case the costs are expensed as and when incurred.

#### Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension) but does not consider the expected credit loss.

#### Dividend income

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

### K. 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.

#### Group as a lessee

The Group 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.

The Group 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.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

The Group 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 Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. 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 Group has elected not to apply the requirements of Ind AS 116 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.

#### Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group 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 Group 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 Group 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 Group applies Ind AS 115 Revenue to allocate the consideration in the contract.

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

The Group has applied the Covid -19 related concession – amendment to Ind AS 116. The amendment did not have any impact on the amounts recognized in prior periods and will affect the current & future periods only.



# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### L. Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

##### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

##### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets- unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### L. Income Tax (*Continued*)

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

#### M. Discontinued Operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business or geographical area of operations and

- is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

#### N. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### O. Operating Segments

An operating Segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of Group's other components, and for which discrete financial information is available. All operating segments operating results are reviewed regularly by the Group's Board to make decisions about resources to be allocated to the segment and assess their performance.

#### P. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### Q. Business combinations

##### *Business combinations under common control*

Business combinations arising from transfers of interests in entities that are under the common control are accounted in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103) *Business combinations of entities under common control*, notified under the Companies Act, 2013.

All assets, liabilities and reserves of the combining entity are recorded in the books of account of the Group at their existing carrying amounts. Inter-company balances are eliminated. The difference, between the investments held by the Group and all assets, liabilities and reserves of the combining entity are recognised in capital reserve and presented separately from other capital reserves. Comparative accounting period presented in the financial statements of the Group has been restated for the accounting impact of the merger, as stated above, as if the merger had occurred from the beginning of the comparative period in the financial statements.

Any non-controlling interest in an acquiree is measured at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets. This accounting choice is made on a transaction by transaction basis.

##### *Business combinations not under common control*

Business combinations except under common control are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### Q. Business combinations (*Continued*)

##### *Business combinations not under common control (Continued)*

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 2. Significant accounting policies (*Continued*)

#### Q. Business combinations (*Continued*)

##### *Business combinations not under common control (Continued)*

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

The excess of the consideration transferred, amount of the non-controlling interest, and acquisition date fair value of any previous equity interest is the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill.

#### R. Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognized as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current estimate.

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 Group 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 or a reliable estimate of the amount cannot be made.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

# Tata Industries Limited

## Notes to the Consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### S. Ind AS modified but not effective as at Balance Sheet date

The following standards modified by MCA become effective w.e.f. 1st April 2023.

Particulars	Effective date
Modification to existing Ind Accounting Standard	
Ind AS 101 - First-time Adoption of Indian Accounting Standards	1st April, 2023
Ind AS 103 - Business Combinations	1st April, 2023
Ind AS 107 - Financial Instruments: Disclosures	1st April, 2023
Ind AS 109 - Financial Instruments	1st April, 2023
Ind AS 115 - Revenue from Contracts with Customers	1st April, 2023
Ind AS 1 - Presentation of Financial Statements	1st April, 2023
Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors	1st April, 2023
Ind AS 12 - Income Taxes	1st April, 2023

The company is assessing the potential impact of above amendments on the financial statements. The management presently is of the view that it would not have a material impact on the financial statements.

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

31 March 2023

31 March 2022

### 4 Cash and cash equivalents

Cash on hand	-	0.14
Balances with banks	290.42	-
- In current accounts	1,353.82	1,858.89
	<u>1,644.24</u>	<u>1,859.03</u>

Balances with banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

### 5 Bank balance other than cash and cash equivalents

Bank deposits	1,270.05	2,710.41
	<u>1,270.05</u>	<u>2,710.41</u>

Fixed deposit and other balances with banks earns interest at fixed rates.

## Tata Industries Limited

### Notes to Consolidated Financial Statements (Continued)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>6 Receivables</b>		
<b>Trade receivables</b>		
(a) Considered good- Secured	-	-
(b) Considered good- Unsecured	4,012.06	3,159.68
(c) Receivables which have significant increase in Credit Risk;	3.71	3,167.25
Less: Allowance for impairment loss	(3.71)	(3167.25)
(d) Receivables - credit impaired	2,991.25	-
Less: Allowance for impairment loss	(2991.25)	-
	<b>4,012.06</b>	<b>3,159.68</b>

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	1,515.31	2,124.97	194.76	44.12	36.40	4.21	3,919.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	3.71	-	-	-	3.71
(iii) Undisputed Trade Receivables – credit impaired	47.19	266.88	311.71	489.10	311.23	454.25	1,833.17
(iv) Disputed Trade Receivables– considered good	-	0.29	2.80	2.81	2.52	83.89	92.30
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	0.08	4.68	34.81	31.21	1,040.11	1,110.88
Less: Allowance for impairment loss	-	(266.96)	(320.10)	(523.91)	(342.44)	(1,494.36)	(2,947.77)
<b>Total</b>	<b>1,562.50</b>	<b>2,125.26</b>	<b>197.56</b>	<b>46.93</b>	<b>38.92</b>	<b>88.11</b>	<b>4,012.07</b>

#### As at 31 March 2022

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	1,240.55	1,283.02	248.56	127.83	48.87	48.08	2,996.91
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	66.63	237.77	422.69	806.70	307.39	302.42	2,143.60
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	0.06	2.03	11.94	148.75	162.77
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.10	12.74	75.13	935.68	1,023.65
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for impairment loss	(66.63)	(237.77)	(422.79)	(819.44)	(382.52)	(1,238.10)	(3,167.24)
<b>Total</b>	<b>1,240.55</b>	<b>1,283.02</b>	<b>248.62</b>	<b>129.85</b>	<b>60.81</b>	<b>196.82</b>	<b>3,159.68</b>

	31 March 2023	31 March 2022
<b>6 Other receivables</b>		
(a) Considered good- Secured	-	-
(b) Considered good- Unsecured	132.88	3,210.83
(c) Receivables which have significant increase in Credit Risk;	-	-
Less: Allowance for impairment loss	-	-
(d) Receivables - credit impaired	-	-
Less: Allowance for impairment loss	-	-
	<b>132.88</b>	<b>3,210.83</b>



# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>7 Loans</b>		
Loans to employees	-	5.78
Loan given to other than related parties *	53,581.82	49,493.43
Loan to related parties	-	108,950.00
- Inter Corporate Deposits to related party		
	<b>53,581.82</b>	<b>158,449.21</b>
* The loan is secured against the third party's rights and interests in a purchased aircraft. The borrower has also granted the company the first charge on all its rights, title, interests in the aircraft and other benefits as specified in the purchase agreement with the third-party supplier.		
<b>8 Investments (Refer note 42)</b>		
Investments in money market instruments - mutual funds (at fair value through profit and loss)	19,114.35	27,159.50
Investments in preference shares		
Unquoted		
- Joint Ventures (at fair value through profit and loss)	1,096.68	1,134.62
- Others (at amortised cost)	76,835.69	941.82
Investments in equity instruments		
Unquoted		
- Others (at fair value through other comprehensive income)	44,709.93	38,122.86
Quoted		
- Others (at fair value through other comprehensive income)	332,554.89	346,803.07
Investments in venture/investments funds - Unquoted (at fair value through profit and loss)	5,884.15	5,883.05
	<b>480,195.69</b>	<b>420,044.92</b>
<b>9 Other financial assets</b>		
Security deposits	881.70	978.87
Less: Impairment loss allowance	(5.45)	-
	<b>876.25</b>	<b>978.87</b>
Interest accrued on fixed deposits	17.47	6.43
Interest accrued on loan given	6,748.99	5,198.99
Other receivables	197.96	206.16
	<b>7,840.67</b>	<b>6,390.45</b>
<b>10 Equity Accounted Investees</b>		
Investment in Joint venture (Refer note 40)	-	-
Investment in Associate companies (Refer note 39)	71,544.35	48,950.34
	<b>71,544.35</b>	<b>48,950.34</b>
<b>11 Inventories</b> (At lower of cost and net realisable value)		
- Medicines, food and nutritional items	-	0.50
- Equipments (includes goods in transit Rs. 188.04 lakhs & Rs.100.63 lakhs in FY 23 & FY 22 respectively)	454.93	308.20
	<b>454.93</b>	<b>308.70</b>
<b>12 Current tax assets (net)</b>		
Taxes paid [net of provision]	10,662.26	12,477.12
	<b>10,662.26</b>	<b>12,477.12</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

### 13 Property, plant and equipment

	Office premises / ownership flats	Plant & machinery	Vehicles	Furniture at schools for class edge	Furniture for offices	Leasehold improvements	Office equipment (including medical demo devices)	Computers	ClassEdge implementation and installation	Total
Balance at 31 March 2022	2,237.03	24.17	177.53	776.40	57.35	194.14	839.25	331.57	1,103.46	5,740.90
Additions	-	-	24.83	-	157.48	-	195.63	161.04	1.00	539.98
Deletions	-	-	(85.51)	-	(13.73)	(47.55)	(125.14)	(248.75)	-	(520.68)
Foreign exchange	-	1.02	-	-	-	-	-	-	-	1.02
<b>Balance at 31 March 2023</b>	<b>2,237.03</b>	<b>25.19</b>	<b>116.85</b>	<b>776.40</b>	<b>201.10</b>	<b>146.59</b>	<b>909.74</b>	<b>243.86</b>	<b>1,104.46</b>	<b>5,761.22</b>
Balance at 31 March 2022	203.94	12.63	73.97	673.20	35.05	136.49	548.74	207.69	954.70	2,846.41
Depreciation	33.82	5.12	71.43	66.08	17.60	34.64	156.61	66.68	80.84	532.82
Deletion	-	-	(55.22)	-	(6.95)	(45.17)	(107.85)	(193.09)	-	(408.28)
<b>Balance at 31 March 2023</b>	<b>237.76</b>	<b>17.74</b>	<b>90.18</b>	<b>739.28</b>	<b>45.70</b>	<b>125.96</b>	<b>597.50</b>	<b>81.28</b>	<b>1,035.54</b>	<b>2,970.95</b>
<b>Net block</b>										
At 31 March 2022	<b>2,033.09</b>	<b>11.54</b>	<b>103.56</b>	<b>103.20</b>	<b>22.30</b>	<b>57.65</b>	<b>290.51</b>	<b>123.89</b>	<b>148.76</b>	<b>2,894.49</b>
At 31 March 2023	<b>1,999.27</b>	<b>7.45</b>	<b>26.67</b>	<b>37.12</b>	<b>155.40</b>	<b>20.63</b>	<b>312.24</b>	<b>162.58</b>	<b>68.92</b>	<b>2,790.27</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

as at 31 March 2022

(Currency: Indian rupees in lakhs)

### 13 Property, plant and equipment

	Office premises / ownership flats	Building	Plant & machinery	Laboratory equipments	Vehicles	Furniture at schools for class edge	Furniture for offices	Leasehold improvements	Office equipment (including medical demo devices)	Moulds Dies and Patterns	Computers	ClassEdge implementation and installation	Electrical Installations & Equipment	Leasehold Land	Workshop facility, tools and devices	Storage equipment	Total
Balance at 31 March 2021	2,237.03	7,491.50	25,814.57	254.16	204.99	771.37	514.84	5,304.48	1,027.12	-	552.58	1,077.62	757.67	4.33	4,752.39	-	50,768.13
Assets acquired in Business combination	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	5.03	0.92	-	157.43	-	75.94	25.84	-	-	-	-	265.16
Deletions	-	-	-	-	-	-	(7.72)	(3.83)	(73.93)	-	(70.34)	-	-	-	-	-	(155.82)
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asset classified as held for sale	-	-	(15,129.53)	-	(23.44)	-	(115.45)	(4,992.56)	(70.34)	-	(114.69)	-	-	-	(4,752.39)	-	(25,201.88)
Disposal of Subsidiary	-	(7,491.50)	(10,663.00)	(254.16)	(4.02)	-	(335.24)	(113.95)	(201.04)	-	(111.92)	-	(757.67)	(4.33)	-	-	(19,936.83)
Foreign exchange	-	-	2.13	-	-	-	-	-	-	-	-	-	-	-	-	-	2.13
<b>Balance at 31 March 2022</b>	<b>2,237.03</b>	<b>-</b>	<b>24.17</b>	<b>-</b>	<b>177.53</b>	<b>776.40</b>	<b>57.35</b>	<b>194.14</b>	<b>839.24</b>	<b>-</b>	<b>331.57</b>	<b>1,103.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,740.89</b>
Balance at 31 March 2021	170.11	374.96	8,841.20	32.51	71.19	580.21	175.79	4,084.26	587.40	-	342.47	853.05	95.45	4.33	72.66	-	16,286.07
Assets acquired in Business combination	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	33.82	-	4.76	-	21.98	92.99	6.33	42.48	137.86	-	69.47	101.64	-	-	-	-	511.33
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletion	-	-	-	-	-	-	(3.69)	(3.90)	(70.35)	-	(68.46)	-	-	-	-	-	(146.40)
Asset classified as held for sale	-	-	(8,002.03)	-	(19.14)	-	(65.94)	(3,932.53)	(23.48)	-	(81.42)	-	-	-	(72.66)	-	(12,197.68)
Disposal of Subsidiary	-	(374.96)	(832.96)	(32.51)	(0.06)	-	(76.03)	(53.82)	(84.09)	-	(54.32)	-	(95.45)	(4.33)	-	-	(1,608.53)
Reclassification	-	-	-	-	-	-	(0.53)	1.93	(1.40)	-	-	-	-	-	-	-	-
Foreign exchange	-	-	1.62	-	-	-	-	-	-	-	-	-	-	-	-	-	1.62
<b>Balance at 31 March 2022</b>	<b>203.93</b>	<b>-</b>	<b>12.59</b>	<b>-</b>	<b>73.97</b>	<b>673.20</b>	<b>35.93</b>	<b>138.42</b>	<b>545.94</b>	<b>-</b>	<b>207.74</b>	<b>954.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,846.40</b>
<b>Net block</b>																	
<b>At 31 March 2021</b>	<b>2,066.92</b>	<b>7,116.54</b>	<b>16,973.37</b>	<b>221.65</b>	<b>133.80</b>	<b>191.16</b>	<b>339.05</b>	<b>1,220.22</b>	<b>439.72</b>	<b>-</b>	<b>210.11</b>	<b>224.57</b>	<b>662.22</b>	<b>-</b>	<b>4,679.73</b>	<b>-</b>	<b>34,482.06</b>
<b>At 31 March 2022</b>	<b>2,033.10</b>	<b>-</b>	<b>11.58</b>	<b>-</b>	<b>103.56</b>	<b>103.20</b>	<b>21.42</b>	<b>55.72</b>	<b>293.30</b>	<b>-</b>	<b>123.83</b>	<b>148.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,894.49</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 13 Capital work-in-progress & Intangible assets under development

#### Ageing Schedule:

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				31 March 2023
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year	
Projects in progress	674.12	67.01	2.48	108.60	852.21
Projects temporarily suspended	6.01	-	-	-	6.01
					<u>858.21</u>

Capital-work-in progress / Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year
Project 1	-	-	-	-
Project 2	-	-	-	-
Project 3	-	-	-	-
Project 4	-	-	-	-

#### Year ended 31 March 2022

#### Ageing Schedule:

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				31 March 2022
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year	
Projects in progress	2,256.79	373.65	3.29	108.60	2,742.33
Projects temporarily suspended	-	16.84	-	-	16.84
					<u>2,759.17</u>

Capital-work-in progress / Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year
Project 1	-	-	-	-
Project 2	-	-	-	-
Project 3	-	-	-	-
Project 4	-	-	-	-

## Tata Industries Limited

### Notes to Consolidated Financial Statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

#### 14 Intangible assets

	Software	Digital health platform software	Consumer analytics software	ClassEdge content, PlanEdge and TestEdge platform (internally generated)	Capitalised Developmen t cost	Licensed content	Value education and videos	Digital content videos	Total
Balance at 31 March 2022	468.40	779.45	6.43	11,839.18	-	685.43	139.54	459.26	14,377.69
Additions	16.26	-	-	5,692.97	-	-	-	-	5,709.23
Deletions	(38.02)	(779.45)	-	-	-	-	-	-	(817.47)
Reclassification	-	-	-	1,284.23	-	(685.43)	(139.54)	(459.26)	-
<b>Balance at 31 March 2023</b>	<b>446.65</b>	<b>-</b>	<b>6.43</b>	<b>18,816.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,269.45</b>
Balance at 31 March 2022	383.01	717.77	6.43	4,874.76	-	400.65	126.77	459.26	6,968.65
Depreciation	70.02	63.27	-	2,724.11	-	-	-	-	2,857.40
Deletion	(38.02)	(781.04)	-	-	-	-	-	-	(819.06)
Reclassification	-	-	-	986.68	-	(400.65)	(126.77)	(459.26)	-
<b>Balance at 31 March 2023</b>	<b>415.01</b>	<b>-</b>	<b>6.43</b>	<b>8,585.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,006.99</b>
<b>Net block</b>									
<b>At 31 March 2022</b>	<b>85.40</b>	<b>61.68</b>	<b>-</b>	<b>6,964.42</b>	<b>-</b>	<b>284.78</b>	<b>12.77</b>	<b>-</b>	<b>7,409.04</b>
<b>At 31 March 2023</b>	<b>31.64</b>	<b>-</b>	<b>-</b>	<b>10,230.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,262.46</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

as at 31 March 2022

(Currency: Indian rupees in lakhs)

### 14 Intangible assets

	Software	Digital health platform software	Consumer analytics software	ClassEdge content, PlanEdge and TestEdge platform (internally generated)	Capitalised Development cost	Licensed content	Value education and videos	Digital content videos	Property rights	Patent (Refer note 46)	Total
Balance at 31 March 2021	937.62	779.45	6.44	9,117.95	6,144.92	787.14	139.53	459.26	40.41	46,667.29	65,080.01
Additions	24.06	-	-	2,721.23	-	-	-	-	-	-	2,745.29
Deletions	-	-	-	-	-	-	-	-	-	-	-
Disposal of Subsidiary	(226.20)	-	-	-	-	-	-	-	-	-	(226.20)
Asset classified as held for sale	(267.07)	-	-	-	(6,144.92)	(101.71)	-	-	(40.41)	-	(6,554.11)
Impairment	-	-	-	-	-	-	-	-	-	(46,667.29)	(46,667.29)
Foreign Exchange	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2022</b>	<b>468.41</b>	<b>779.45</b>	<b>6.44</b>	<b>11,839.18</b>	<b>-</b>	<b>685.43</b>	<b>139.53</b>	<b>459.26</b>	<b>-</b>	<b>-</b>	<b>14,377.70</b>
Balance at 31 March 2021	617.86	569.10	6.43	3,716.79	1,273.22	336.67	121.16	418.25	4.00	3,111.15	10,174.64
Depreciation	76.66	148.68	-	1,157.97	-	84.24	5.61	41.01	-	-	1,514.17
Impairment	-	-	-	-	-	-	-	-	-	(3,111.15)	(3,111.15)
Deletion	-	-	-	-	-	-	-	-	-	-	-
Assets acquired in Business combination	(80.59)	-	-	-	-	-	-	-	-	-	(80.59)
Asset classified as held for sale	(230.92)	-	-	-	(1,273.22)	(20.25)	-	-	(4.00)	-	(1,528.40)
Foreign Exchange	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2022</b>	<b>383.01</b>	<b>717.78</b>	<b>6.43</b>	<b>4,874.76</b>	<b>-</b>	<b>400.66</b>	<b>126.77</b>	<b>459.26</b>	<b>-</b>	<b>-</b>	<b>6,968.67</b>
<b>Net block</b>											
<b>At 31 March 2021</b>	<b>319.76</b>	<b>210.35</b>	<b>0.01</b>	<b>5,401.16</b>	<b>4,871.70</b>	<b>450.47</b>	<b>18.37</b>	<b>41.01</b>	<b>36.41</b>	<b>43,556.14</b>	<b>54,905.37</b>
<b>At 31 March 2022</b>	<b>85.40</b>	<b>61.67</b>	<b>0.01</b>	<b>6,964.42</b>	<b>-</b>	<b>284.77</b>	<b>12.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,409.04</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>15 Other non-financial assets</b>		
Capital advances	<b>0.22</b>	-
Trade advance	-	643.74
Other advance	<b>81.59</b>	110.45
Less: Provision for doubtful advances	<b>(1.23)</b>	(1.23)
Unbilled revenue (work done not billed)	<b>564.45</b>	928.47
Less: Provision for unbilled revenue	<b>0.00</b>	(14.75)
Balances with statutory authorities	<b>1,440.87</b>	1,965.70
Less: Provision for doubtful receivables	-	-
Prepaid expenses	<b>265.67</b>	546.17
Other	<b>88.85</b>	12.30
	<b>2,440.43</b>	4,190.85

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>16 Payables</b>		
Trade Payables		-
- Payable to micro and small enterprises	89.96	314.74
- Payable to others	2,108.59	4,328.77
		-
	<b>2,198.56</b>	<b>4,643.51</b>

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 years	1-2 Years	2-3 Years	More than 3 years	
i) MSME	87.85	2.11	-	-	-	89.96
(ii) Other	805.62	1,026.82	221.44	9.02	45.70	2,108.60
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	0.01	-	-	-	-	-

### As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 years	1-2 Years	2-3 Years	More than 3 years	
i) MSME	302.10	12.63	-	-	-	314.74
(ii) Other	2,714.11	1,395.61	155.60	52.79	10.66	4,328.77
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

	31 March 2023	31 March 2022
<b>Other Payables</b>		
- Payable to micro and small enterprises	-	-
- Payable to others	244.35	352.57
	<b>244.35</b>	<b>352.57</b>



# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>17 Debt Securities</b>		
<i>(Unsecured, at amortised cost)</i>		
Loans and advances (in India)		
- Non-Convertible Debentures		
7.15% coupon, Rated, Unlisted, Taxable, Redeemable, Non- Convertible Debentures of face value of Rs. 500 crs, issued on 26 July 2021, with the maturity of 3 years i.e. 26 July 2024	73,111.54	52,180.59
8.65% coupon, Rated, Unlisted, Taxable, Redeemable, Non- Convertible Debentures of face value of Rs. 200 crs, issued on 6 Sept 2022, with the maturity of 3 years i.e. 8 Sept 2025		
Zero coupon, Rated, Unlisted, Taxable, Redeemable, Non- Convertible Debentures of face value of Rs. 250 crs, issued on 18 January 2021, Annualised yield of 6.69% with the maturity of 4 years and 363 days i.e. 16 January 2026	28,785.00	26,967.42
	<b>101,896.54</b>	<b>79,148.01</b>
<b>18 Borrowings (Other than Debt Securities)</b>		
<i>(Unsecured, at amortised cost)</i>		
<b>Term loans</b>		
- From Others		
- Short term revolving loan facility	50,000.00	25,000.00
- Term loan facility	10,000.00	10,000.00
(12 months annual renewable facility of 6.95% - 8.75%)		
	<b>60,000.00</b>	<b>35,000.00</b>
<b>19 Other financial liabilities</b>		
Mark to market loss on a forward contract for damages	-	-
Accrued Royalty - WSU - MAPS	49.31	-
Interest accrued and due on borrowings	-	135.49
Accrued Royalty - MMT	-	-
Accrued Royalty	197.23	227.72
Capital creditors	99.24	393.79
Employee benefit payables	3,001.36	2,546.67
Security deposits	277.13	155.00
Other payables	11.03	-
	<b>3,635.30</b>	<b>3,458.67</b>
<b>20 Current tax liabilities (net)</b>		
Provision for taxation [net of advance tax]	147.09	161.01
	<b>147.09</b>	<b>161.01</b>
<b>21 Provisions</b>		
Provision for employee benefits		
- Compensated absences (Refer note 43)	1,483.81	1,728.25
- Post retirement medical benefits (Refer note 43)	645.32	253.61
- Pension benefits to an ex-director (Refer note 43)	1,786.48	1,894.55
- Gratuity Benefit (Refer note 43)	147.56	187.98
Other provisions		
- Contingency provision for standard assets (Refer note 48)	17.33	460.22
- Provision for warranty (Refer note 48)	146.67	-
	<b>4,227.17</b>	<b>4,524.61</b>
<b>22 Other non-financial liabilities</b>		
Income received in advance	834.11	877.39
Advance received from customers	1,377.90	1,751.58
Statutory dues payable	741.04	765.34
	<b>2,953.05</b>	<b>3,394.31</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

31 March 2023

31 March 2022

### 23 Share Capital

#### Authorised

11,10,00,000 (31 March 2022: 11,10,00,000) Equity shares of Rs. 100 each	111,000.00	111,000.00
50,00,000 (31 March 2022: 50,00,000) Redeemable preference shares of Rs. 100 each	5,000.00	5,000.00
	<b>116,000.00</b>	<b>116,000.00</b>

#### Issued, subscribed and fully paid-up

10,79,54,602 (31 March 2022: 10,79,54,602) Equity shares of Rs 100 each, fully paid-up	107,954.60	107,954.60
	<b>107,954.60</b>	<b>107,954.60</b>

#### (a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

	31 March 2023		31 March 2022	
	No. of Shares	Rs. Lakhs	No. of Shares	Rs. Lakhs
At the beginning and at the end of the year	107,954,602	107,954.60	107,954,602	107,954.60

#### (b) Terms/rights attached to equity shares:

In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

#### (c) Shareholders holding more than 5% shares in the Company:

Name of the Shareholder	31 March 2023		31 March 2022	
	No. of shares	% holding	No. of shares	% holding
Tata Sons Pvt Ltd. *	53,521,229	49.58%	53,521,229	49.58%
Tata Motors Ltd.	10,310,242	9.55%	10,310,242	9.55%
Tata Steel Ltd.	9,980,436	9.24%	9,980,436	9.24%
Tata Chemicals Ltd.	9,861,303	9.13%	9,861,303	9.13%
Tata Consumer Products Limited (formerly Tata Global Beverages Ltd.)	6,519,441	6.04%	6,519,441	6.04%
The Tata Power Company Ltd.	6,828,669	6.33%	6,828,669	6.33%

\* Promoter company

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

as at 31 March 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>24 Other equity</b>		
(a) Capital reserve		
At the end of the year	<b>10.32</b>	10.32
(b) Securities premium account		
At the end of the year	<b>60,480.01</b>	60,480.01
(c) Amalgamation reserve		
At the end of the year	<b>2,498.76</b>	2,498.76
(d) Impairment allowance reserve		
At the end of the year	<b>887.12</b>	887.12
(e) Foreign currency translation reserve (arising on consolidation)		
As per last balance sheet	<b>61,083.34</b>	56,824.20
Add: Effect of foreign exchange rate variations during the year	<b>7,310.47</b>	4,259.12
At the end of the year	<b>68,393.81</b>	61,083.34
(f) Reserve fund - under section 45IC of the Reserve Bank of India Act, 1934		
At the end of the year	<b>50,199.21</b>	50,199.21
(g) General reserve		
At the end of the year	<b>17,040.37</b>	17,040.37
(h) Retained earnings		
At the commencement of the year	<b>(40,333.00)</b>	59,631.64
Add: Profit / (loss) for the year	<b>(83,823.54)</b>	(100,537.98)
Add: Other comprehensive income for the year	<b>20.04</b>	573.34
Transfer from Equity instruments through OCI	<b>765.33</b>	-
At the end of the year	<b>(123,371.17)</b>	(40,333.00)
(i) Fair Value through OCI Reserve - Equity Investments		
At the commencement of the period / year	<b>299,392.43</b>	179,406.11
Add/(less): Addition/(deduction) during the year	<b>(7,528.94)</b>	119,986.32
Add/(less): Realised gains/ (losses) transferred to Retained Earnings	<b>(765.33)</b>	-
At the end of the year	<b>291,098.16</b>	299,392.43
	<b>367,236.60</b>	451,258.57

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*) for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>25 Interest income</b> <i>(on financial assets measured at amortised cost)</i>		
Interest on deposits with banks	26.65	6.05
Interest on loans	1,091.11	1,019.93
Interest on Investment	49.83	-
Interest on unwinding of financial assets	4232.44	(898.37)
Interest on Inter corporate deposits / loans	6,290.05	4,963.43
	<b>11,690.08</b>	<b>5,091.04</b>
<b>26 Dividend income</b>		
Dividends from long-term investments	978.81	1,591.73
	<b>978.81</b>	<b>1,591.73</b>
<b>27 Net gain on fair value changes</b> <i>(on financial instruments at fair value through profit or loss)</i>		
Net gain /(loss) on financial instruments at fair value through profit or loss:		
- Fair value gain/(loss) on investments	(401.02)	2,156.07
- Fair value gain/(loss) on investments in preference shares (net)	(37.94)	(66.49)
- Fair value gain on investments in mutual funds	687.53	1,607.65
	<b>248.57</b>	<b>3,697.23</b>
<b>28 Sale of Products</b>		
Traded goods		
- Equipments	5,457.60	2,402.32
- Machines	-	111.76
- Others	-	14.47
	<b>5,457.60</b>	<b>2,528.55</b>
<b>29 Sale of services</b>		
ClassEdge licence and support fee	4,303.20	4,289.17
Management consultancy services	6,701.73	3,975.58
Data analytics fees	1,620.50	1,786.33
E-learning and simulation	17.93	-
Others	1.29	89.63
Installation Services	1.84	-
	<b>12,646.49</b>	<b>10,140.71</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*) for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>30 Other income</b>		
Profit on sale of long term investments	1,902.74	-
Profit on sale of Property, plant and equipment	0.72	0.27
Secondment charges recovered	64.03	1,334.74
Royalty revenue	-	745.08
Interest on Income tax refund	399.51	204.64
Credit / sundry balances written back	179.91	-
Revenues: Exclusivity Agreements	160.64	3.55
Miscellaneous income	43.28	0.05
	<b>2,750.83</b>	<b>2,288.33</b>
<b>31 Finance costs</b> (on financial liabilities measured at amortised cost)		
<i>Interest expense</i>		
On borrowings	3,871.51	2,361.90
On debt securities	6,383.35	4,125.07
Unwinding interest	193.26	324.31
Other borrowing costs	164.03	76.01
	<b>10,612.16</b>	<b>6,887.29</b>
<b>32 Cost of raw materials consumed</b>		
Opening stock	-	-
Add: Purchases	-	-
Service parts	1.24	119.59
Less: Closing stock	-	-
	<b>1.24</b>	<b>-</b>
<b>33 Purchases of stock-in-trade</b>		
Equipments	4,536.11	2,010.34
	<b>4,536.11</b>	<b>2,010.34</b>
<b>34 Changes in inventories of finished goods, work-in-progress and stock in trade</b>		
<b>Opening stock</b>		
Stock in trade	763.19	282.71
	<b>763.19</b>	<b>282.71</b>
Less:		
<b>Closing stock:</b>		
Stock in trade	950.37	307.67
	<b>(187.18)</b>	<b>(24.96)</b>
	-	-

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*) for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>35 Employee benefits expenses</b>		
Salaries, wages and incentives	12,455.88	10,899.27
Contribution to		
(i) Provident and other funds	427.91	414.19
(ii) Gratuity fund	199.58	111.67
Staff welfare expenses	403.00	304.39
	<b>13,486.37</b>	<b>11,729.52</b>
<b>36 Other expenses</b>		
Gas, electricity, power and fuel	30.38	21.54
Rent	329.86	138.44
Repairs and maintenance - Others	1,031.11	544.14
Administrative expense	19.14	2.00
Insurance	58.33	70.63
Rates and taxes	230.14	214.69
Foreign tax expense	33.36	-
Carriage outwards	0.89	-
Provision for Warranty	146.68	-
Conference courses and training expenses	132.83	31.75
Recruitment expenses	186.33	183.04
Legal and professional fees	1,076.18	797.39
Equipment hire charges	5.88	35.66
Outsourcing charges	266.91	229.32
Travelling, conveyance and transportation	504.79	270.77
Telephone and communication expenses	42.62	55.93
Advertisement, publicity and marketing	284.05	5,248.82
Corporate Social Responsibility contribution	20.00	195.30
Class Edge support and maintenance expenses	535.00	403.28
Data centre hosting charges	391.08	307.42
Conveyance and transportation	4.09	3.04
Printing and Stationery	14.31	7.59
Bank charges	6.01	7.25
Exchange loss (net)	23.69	319.18
Content Licence Charges	20.36	20.56
Bad debts / advances written off	68.40	43.53
Commission	0.96	-
Provision for standard assets	(435.22)	294.93
Provision for sub-standard and doubtful debts / advances / deposits (net)	(163.12)	322.51
Provision / written off Inventories	127.87	26.07
Provision for CWIP & Intangibles under development	47.02	-
Loss on sale / write off of fixed assets (net)	64.60	-
Provision for unbilled revenue	-	231.39
Director's sitting fees	11.20	10.80
Subscription fee	21.53	35.44
Auditors' remuneration		
- As auditors	14.91	26.40
- For tax audit and tax services	0.95	2.65
- For other services	3.50	3.00
- For reimbursement of out-of-pocket expenses	1.31	1.48
Postage/Courier Expenses	15.56	15.11

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*) for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>36 Other expenses (<i>Continued</i>)</b>		
Intellectual Property Expenses	<b>226.56</b>	298.10
Research and Development Expense - Product	-	13.54
Facility charges for premises	<b>36.98</b>	-
Impairment loss allowance on ROU	<b>121.64</b>	-
Royalty - MPAC & MMT	<b>160.64</b>	-
WSU Royalty - MAPS - Minimum Payment	<b>48.19</b>	-
WSU Royalty - MATS - Minimum Payment	<b>240.95</b>	-
Royalty Expenses	-	596.06
Facility charges for premises	-	31.13
Motor Car expenses	<b>62.71</b>	43.35
Housekeeping and Security Charges	<b>63.16</b>	65.47
Membership and Subscriptions	<b>30.08</b>	29.97
Miscellaneous expenses	<b>67.88</b>	39.14
	<b>6,232.28</b>	11,237.81

## Tata Industries Limited

### Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

#### 37 Held for sale and discontinued operation

Particulars	Rs. in Lakhs	
	31 March 2023	31 March 2022
<b>(a) Assets classified as held for sale and discontinued operation</b>		
Investment held for sale	-	1.00
Discontinued operations	39,368.20	41,287.08
	<b>39,368.20</b>	<b>41,288.08</b>
<b>(b) Liabilities directly associated with discontinued operation</b>		
Discontinued operations	52,761.29	39,768.88
	<b>52,761.29</b>	<b>39,768.88</b>

#### Investment held for sale

During the current year, the Company divested the entire stake.

During the previous year, the Company had decided to divest the entire investment in 9.36% Sintex BAPL Limited NCDs 2026. Accordingly, the said investments were classified as "Held for Sale".

#### Discontinued operations

##### DHP (Division):

During the current year, the Board of Directors (BOD) of the Company decided to cease operations at Tata Health, a Division of the Company after integration of the operations with Tata 1mg Healthcare Solutions Private Limited (Tata 1mg).

During the previous year, the BOD of the Company had approved sale/transfer of certain assets of the Pharmacy business of Tata Health, a Division of the Company, based at Jamshedpur, as a going concern, to Tata 1mg. The business was transferred with effect from January 31, 2022.

##### Tata SmartFoodz Limited (TSFL):

During the previous year, the Board of Directors decided to divest the stake in the subsidiary - Tata SmartFoodz Limited (TSFL), which was promoted by the Company and held as strategic investment. A Share Purchase Agreement was entered into with Tata Consumer Products Limited for selling the entire stake in TSFL and completed the transaction on November 16, 2021.

##### Flisom AG and Flisom kft (Flisom):

In the current year, Qubit Investments Pte. Ltd. has signed a Share Purchase Agreement (SPA) with a third party on August 25, 2022, to divest its stake in the subsidiary – Flisom AG along with the settlement of shareholders loans against the repayment of Flisom loans in installments. The SPA signed with party in March 2022 was not consummated.

Accordingly, the operations of the said subsidiary have been classified as discontinued operations.

Accordingly, the disclosures in relation to the said discontinued operations as per IND AS 105- Non-current Assets Held for Sale and Discontinued Operations are stated below:

#### (i) Results of discontinued operations:

Particulars	Tata Health Division		Smartfoodz		Flisom AG		Flisom KFT		Total Discontinuing Operations	
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Revenue</b>										
Interest income	6.28	-	-	7.36	5.28	4.95	4.16	4.17	15.73	16.48
Net gain on fair value changes	-	-	-	10.38	-	-	-	-	-	10.38
Sale of goods	3.09	6,034.07	-	876.64	1,005.31	920.49	890.35	655.75	1,898.75	8,486.95
Sale of services	215.38	95.89	-	12.95	117.11	158.34	-	-	332.49	267.18
Other income	4.23	-	-	2.22	2,146.20	(118.27)	632.05	(83.13)	2,782.48	(199.18)
<b>Total (A)</b>	<b>228.99</b>	<b>6,129.96</b>	<b>-</b>	<b>909.55</b>	<b>3,273.90</b>	<b>965.51</b>	<b>1,526.57</b>	<b>576.79</b>	<b>5,029.45</b>	<b>8,581.81</b>
<b>Expenditure</b>										
Finance Costs	-	-	-	414.14	1,033.91	132.92	876.61	1,235.47	1,910.52	1,782.53
Cost of material consumed	13.74	-	-	579.40	397.61	643.82	1,015.28	1,674.36	1,426.64	2,897.57
Purchases of stock-in-trade	(3.29)	5,816.38	-	-	-	-	-	-	(3.29)	5,816.38
Changes in inventories of stock-in-trade	1.03	73.31	-	754.42	(88.89)	34.52	77.18	(54.12)	(10.69)	808.13
Employee benefits expenses	1,788.37	76.21	-	1,533.87	3,906.55	4,934.68	808.61	1,012.67	6,503.54	7,557.43
Depreciation, impairment and amortisation	277.57	2.10	-	1,010.23	3,581.17	7,256.34	3,286.96	2,412.22	7,145.70	10,680.89
Other expenses	1,620.56	32.80	-	2,700.78	3,951.86	1,457.04	1,832.89	2,068.33	7,405.31	6,258.95
<b>Total (B)</b>	<b>3,697.98</b>	<b>6,000.80</b>	<b>-</b>	<b>6,992.84</b>	<b>12,782.21</b>	<b>14,459.32</b>	<b>7,897.54</b>	<b>8,348.92</b>	<b>24,377.73</b>	<b>35,801.88</b>
<b>Profit/(loss) before tax (A-B)</b>	<b>(3,468.99)</b>	<b>129.16</b>	<b>-</b>	<b>(6,083.29)</b>	<b>(9,508.31)</b>	<b>(13,493.81)</b>	<b>(6,370.97)</b>	<b>(7,772.13)</b>	<b>(19,348.28)</b>	<b>(27,220.07)</b>
Less: Tax (expense) / credit	-	-	-	-	-	-	-	-	-	-
<b>Profit/(loss) after tax</b>	<b>(3,468.99)</b>	<b>129.16</b>	<b>-</b>	<b>(6,083.29)</b>	<b>(9,508.31)</b>	<b>(13,493.81)</b>	<b>(6,370.97)</b>	<b>(7,772.13)</b>	<b>(19,348.28)</b>	<b>(27,220.07)</b>



## Tata Industries Limited

### Notes to Consolidated Financial Statements (Continued) for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

#### 37 Held for sale and discontinued operation (Continued)

##### (i) Results of discontinued operations: (Continued)

Particulars	Tata Health Division		Smartfoodz		Flisom AG		Flisom KFT		Total Discontinuing Operations	
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Other comprehensive income:</b>										
Remeasurement gain/ (loss) on defined benefit plans	-	-	-	-	-	-	-	-	-	-
<b>Total other comprehensive income</b>	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income/ (losses)</b>	<b>(3,468.99)</b>	<b>129.16</b>	-	<b>(6,083.29)</b>	<b>(9,508.31)</b>	<b>(13,493.81)</b>	<b>(6,370.97)</b>	<b>(7,772.13)</b>	<b>(19,348.28)</b>	<b>(27,220.07)</b>
Profit/(loss) from discontinued operations during the year									(19,348.28)	(27,220.07)
Gain on disposal of discontinued operations - Tata SmartFoodz Limited									-	16,182.51
Gain on disposal of assets held for sale									128.29	-
<b>Total Profit from Discontinued operations</b>									<b>(19,219.99)</b>	<b>(11,037.56)</b>

##### (ii) Assets and liabilities of discontinued operations:

Particulars	Tata Health Division		Smartfoodz		Flisom AG		Flisom KFT		Total Discontinuing Operations	
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Assets</b>										
<b>Financial assets</b>										
Cash and cash equivalents	-	-	-	-	1,719.46	203.25	14.29	212.13	1,733.75	415.38
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	597.24	258.65	9.14	39.33	606.38	297.98
Loans	-	-	-	-	1.19	-	0.41	0.01	1.60	0.01
Investments	-	-	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	214.66	191.39	187.46	185.38	402.12	376.77
<b>Non-financial assets</b>										
Equity accounted investees	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	560.22	515.58	1,239.29	1,946.12	1,799.51	2,461.70
Non-current tax assets (net)	-	-	-	-	-	-	-	-	-	-
Deferred tax assets (net)	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	-	-	-	-	1,946.54	4,312.02	20,602.18	15,543.60	22,548.72	19,855.62
Right of Use assets	-	-	-	-	0.36	3,416.78	4,791.67	5,062.53	4,792.03	8,479.31
Capital work-in-progress	-	-	-	-	-	-	7,269.99	9,216.06	7,269.99	9,216.06
Intangibles under development	-	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	0.10	-	58.27	-	58.37	-
Goodwill	-	-	-	-	-	-	-	-	-	-
Other non-financial assets	-	-	-	-	53.80	74.88	101.94	109.37	155.74	184.25
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,093.56</b>	<b>8,972.55</b>	<b>34,274.64</b>	<b>32,314.54</b>	<b>39,368.20</b>	<b>41,287.08</b>
<b>Liabilities</b>										
<b>Financial liabilities</b>										
Lease Liabilities	-	-	-	-	3,806.73	3,861.29	4,959.58	5,158.34	8,766.31	9,019.63
Trade payables	-	-	-	-	2,065.43	1,510.38	3,299.17	0.00	5,364.60	1,510.38
Borrowings	-	-	-	-	35,263.90	5,255.43	1,847.33	21,367.02	37,111.23	26,622.45
Other financial liabilities	-	-	-	-	-	-	1,393.81	2,319.38	1,393.81	2,319.38
<b>Non-financial liabilities</b>										
Current tax liabilities (net)	-	-	-	-	-	-	(0.71)	-	(0.71)	-
Provisions	-	-	-	-	61.29	39.20	-	49.68	61.29	88.88
Other non-financial liabilities	-	-	-	-	49.87	179.41	14.88	28.75	64.75	208.16
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,247.23</b>	<b>10,845.71</b>	<b>11,514.06</b>	<b>28,923.17</b>	<b>52,761.29</b>	<b>39,768.88</b>
<b>Assets net of liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(36,153.66)</b>	<b>(1,873.16)</b>	<b>22,760.57</b>	<b>3,391.36</b>	<b>(13,393.09)</b>	<b>1,518.20</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 38 Income tax

#### A. Amounts recognised in profit and loss

	31 March 2023	31 March 2022
Current tax expense / (credit)	129.55	165.41
Deferred tax (refer note D below)	(317.26)	(160.19)
Short/(Excess) provision of tax for earlier years	-	-
<b>Tax expense of continuing operations</b>	<b>(187.71)</b>	<b>5.22</b>

**Tax expense of continuing operations does not include the following:**

	31 March 2023	31 March 2022
Current tax expense / (credit) of discontinuing operations	-	-
Deferred tax expense / (credit) of discontinuing operations	-	-

#### B. Reconciliation of effective tax rate

The reconciliation between the statutory income tax rate applicable to the Company and the effective Income tax rate of the Company is as follows:

	31 March 2023	31 March 2022
Profit before tax from continuing operations	(3,881.95)	(67,644.46)
Company's domestic tax rate	25.17%	25.17%
Current tax using Company's domestic tax rates	(977.01)	(17,024.76)
<b>Add / (Less): Difference due to</b>		
Non-deductible tax expenses	(2,276.38)	1,362.71
Effect of earlier years tax	0.58	-
Utilisation/ Carried forward of unrecognised losses	2,555.01	4,734.10
Consolidation adjustments not (taxed)/deducted for tax purpose	1,480.56	12,682.49
Tax free income	(933.26)	(1,554.16)
Unrecognised deferred tax assets / (liabilities)	-	74.39
Effect of differences in tax rates	(37.21)	(272.76)
Amount taxable on realised gains	-	3.78
Others	-	(0.57)
	<b>(187.70)</b>	<b>5.22</b>

The Company has decided to exercise the option for lower tax rate permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance dated 20 September 2019.

#### C. Tax asset and liability

	As at 31 March 2023	As at 31 March 2022
Non-current tax asset (net)	10,662.26	12,477.12
Current tax liability (net)	147.09	161.01

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 38 Income tax (*Continued*)

#### D. Deferred tax asset/(liability)

	31 March 2023	31 March 2022
<b>Deferred tax assets</b>		
Property, plant and equipment and Intangible assets	218.93	92.36
Provision for doubtful debts	0.93	-
Provision for employee benefits and other provisions	294.65	550.79
Provision for advances	0.31	4.02
Investments in mutual fund	-	-
Carried Forward losses	1,154.64	759.10
Provision for Warranty Claim	-	39.47
Lease deposits	40.30	819.21
	<b>1,709.76</b>	<b>2,264.95</b>
<b>Deferred tax liabilities</b>		
Investments in mutual/venture fund	19.18	(389.06)
Goodwill	-	31.88
Right of use assets	47.92	627.23
	<b>67.10</b>	<b>270.05</b>
<b>Net deferred tax assets</b>	<b>1,642.66</b>	<b>1,994.90</b>
<b>Net deferred tax assets/(liabilities) recognised</b>	<b>1,154.64</b>	<b>766.70</b>

Note: The Company does not expect to generate sufficient taxable income against which deferred tax asset could be realised. Accordingly, the net deferred tax assets has not been recognised in the absence of convincing evidence for utilising the deferred tax assets in the foreseeable future.

#### E. Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

	Expiry date	31 March 2023	31 March 2022
Unabsorbed depreciation	Never expire	12,424.67	9,155.34
		<b>12,424.67</b>	<b>9,155.34</b>
Carried forward business loss	31-Mar-26	178.28	178.28
	31-Mar-27	63,216.77	63,216.77
	31-Mar-29	2,679.75	2,679.75
	31-Mar-30	2,287.75	2,287.75
	31-Mar-31	20,207.65	16,903.24
	31-Mar-32	9,624.12	759.10
		<b>98,194.32</b>	<b>86,024.89</b>
Long term capital loss	31-Mar-25	5,040.08	5,040.08
	31-Mar-26	724.11	724.11
	31-Mar-27	3,715.58	3,715.58
	31-Mar-29	64.06	64.06
	31-Mar-30	167,212.33	167,212.33
	31-Mar-31	2,911.09	2,911.09
		<b>179,667.25</b>	<b>179,667.25</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 38 Income tax (*Continued*)

#### E. Tax losses carried forward (*Continued*)

	Expiry date	31 March 2023	31 March 2022
Temporary deductible difference on account of indexation on investments	Never expire	53,606.03	53,606.03
		<b>233,273.28</b>	233,273.28
Short term capital loss	31-Mar-30	3,673.98	3,746.70
		<b>3,673.98</b>	3,746.70
Note: The amounts reflecting in previous year (i.e. 31 March 2022) are as per the financial statements of the said year. However, tax losses reflecting in current year (i.e. 31 March 2023) is based on income-tax return filed for FY 2021-22 and draft tax computation for FY 2022-23.			

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 39 Investment in Associates

The Group has following investments in associates.

Name and Country of incorporation	As at	Ownership Interest	Original Cost of Investment	Amount of Goodwill/(Capital Reserve) in Original Cost	Share of post acquisition Reserves and Surplus	Carrying cost of investment
<b>Material Associates</b>						
Tata Autocomp Systems Limited, India	31-Mar-23	34.40%	10,251.04	-	60,418.00	70,669.03
	31-Mar-22	34.40%	10,251.04	-	38,008.91	48,259.95
Impetis Biosciences Limited, India	31-Mar-23	34.37%	762.22	156.78	113.10	875.32
	31-Mar-22	34.37%	762.22	156.78	(71.82)	690.40
<b>Immaterial Associates</b>						
Indigene Pharmaceuticals Limited, USA	31-Mar-23	32.96%	-	-	-	-
	31-Mar-22	32.96%	-	-	-	-
Oriental Floratech (India) Limited, India	31-Mar-23	24.19%	-	-	-	-
	31-Mar-22	24.19%	-	-	-	-
Oriental Seritech Limited, India	31-Mar-23	28.21%	-	-	-	-
	31-Mar-22	28.21%	-	-	-	-
ITeL Industries Limited, India	31-Mar-23	20.00%	-	-	-	-
	31-Mar-22	20.00%	-	-	-	-
Niskalp Infrastructure Limited, India <sup>@</sup>	31-Mar-23	50.00%	-	-	-	-
	31-Mar-22	50.00%	-	-	-	-
<b>Total Investment in Associates</b>	31-Mar-23		<b>11,013.26</b>	<b>156.78</b>	<b>60,531.09</b>	<b>71,544.36</b>
	31-Mar-22		<b>11,013.26</b>	<b>156.78</b>	<b>37,937.09</b>	<b>48,950.35</b>

@ The Investments in Niskalp Infrastructure Limited has been written off under previous GAAP.

Tata Autocomp Systems Limited	Tata Autocomp Systems Limited is an unlisted company domiciled in India. It provides products and services in the automotive industry to Indian and Global customers, along with its subsidiaries and joint ventures.
Impetis BioSciences Limited	Impetis BioSciences Limited is an unlisted company domiciled in India with an objective of carrying on business to acquire/develop intellectual property assets and sell the rights to use for which the Company may get one time lump sum or milestone and royalty payments thereafter.

The following table provides the summarised financial information of the Group's investment in material associates.

	Tata Autocomp Systems Limited		Impetis BioSciences Limited	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Current assets	454,773.84	263,403.84	1,947.56	1,134.56
Non-current assets	343,120.42	302,930.70	678.68	897.18
Current liabilities	437,398.11	251,060.42	29.02	17.81
Non-current liabilities	120,773.62	145,602.46	45.27	
<b>Total Equity</b>	<b>239,722.53</b>	<b>169,671.66</b>	<b>2,551.95</b>	<b>2,013.93</b>
Equity attributed to Non-Controlling Interest	34,289.30	29,381.12		
<b>Equity attributed to Owners of the Associate</b>	<b>205,433.23</b>	<b>140,290.54</b>	<b>2,551.95</b>	<b>2,013.93</b>
<b>Proportion of the Group's ownership</b>	<b>70,669.03</b>	<b>48,259.95</b>	<b>877.11</b>	<b>692.19</b>
Goodwill included in investment	-	-	-	-
Other adjustment	-	-	(1.79)	(1.79)
<b>Carrying amount of the investment</b>	<b>70,669.03</b>	<b>48,259.95</b>	<b>875.32</b>	<b>690.40</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 39 Investment in Associates (*Continued*)

Particulars	Tata AutoComp Systems Limited		Impetis BioSciences Limited	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Income	1,117,016.91	713,362.89	905.08	42.47
Cost of goods sold, Purchases of stock-in-trade & Changes in inventories of stock-in-trade	779,518.81	465,176.19	-	-
Depreciation	27,667.26	29,582.59	126.50	182.11
Finance cost	12,028.10	11,373.56	-	-
Employee benefit cost	102,089.95	83,970.76	-	-
Other expense	104,033.39	81,086.82	63.00	56.96
Extra- Ordinary (Income) / Costs	-	(11,719.91)		
<b>Profit / (loss) before tax</b>	<b>91,679.47</b>	<b>53,892.88</b>	<b>715.58</b>	<b>(196.60)</b>
Share of profit of joint venture and associates	8,728.77	5,024.91		
Tax expenses	22,072.57	12,218.53	177.56	(49.47)
<b>Profit / (loss) after tax</b>	<b>78,335.67</b>	<b>46,699.25</b>	<b>538.02</b>	<b>(147.13)</b>
Other comprehensive income	893.06	2,627.65	-	
<b>Total comprehensive income</b>	<b>79,228.73</b>	<b>49,326.90</b>	<b>538.02</b>	<b>(147.13)</b>
Total comprehensive income attributed to Non-Controlling Interest	6,028.40	5,887.14	-	-
<b>Total comprehensive income attributed to Owners of the Associate</b>	<b>73,200.33</b>	<b>43,439.76</b>	<b>538.02</b>	<b>(147.13)</b>
<b>Group's share of profit/(loss)</b>	<b>24,873.70</b>	<b>14,039.37</b>	<b>184.92</b>	<b>(50.57)</b>
<b>Group's share of Other Comprehensive Income</b>	<b>907.39</b>	<b>903.91</b>	<b>-</b>	<b>-</b>
<b>Group's share of Total Comprehensive Income</b>	<b>25,781.09</b>	<b>14,943.28</b>	<b>184.92</b>	<b>(50.57)</b>

The Group has received dividend from associate amounting to Rs. 2,769.81 lakhs

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 40 Investment in Joint Ventures

The Group has following investments in joint ventures.

Tata UniStore Limited	<p>Tata UniStore Limited is in the business of providing e-commerce services, operating also in a marketplace model, wherein individual customers can purchase products and services from sellers and retailers across multiple categories. The Company has its ecommerce portal under the brand name of "TATA CLiQ". Tata Unistore Limited ceased to be a subsidiary wef March 29,2018 and has become a joint venture consequent to the Company entering into a joint venture arrangement with the minority partner, Trent Limited.</p> <p>During the year, the entire stake in Tata Unistore Limited was sold to Tata Digital Private Limited (TDPL) for a consideration of Rs 725 crs, settled by issue of 3% Non-participating, Non-cumulative Compulsory Convertible Preference Shares of TDPL with a daily cumulative coupon of 8%. p.a.</p>
Inzpera HealthSciences Limited	<p>Inzpera Healthsciences Limited is carrying of the business of conceptualising, manufacturing and marketing unique and innovative health formulations and medicines along with delivery mechanism.</p>

The following table provides the summarised financial information of the Group's investment in joint ventures.

	Tata UniStore Limited		Inzpera Healthsciences Limited		Total	
	As at 8 December 2022	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
<b>Percentage ownership interest</b>	<b>96.78%</b>	92.83%	<b>76.92%</b>	76.92%		
<b>Financial Assets</b>						
Cash and cash equivalents	3,532.00	5,481.30	0.13	8.04	3,532.13	5,489.34
Bank balances other than cash and cash equivalents	5.00	3.85	-	-	5.00	3.85
Receivables						
(i) Trade Receivables	1,008.00	1,051.39	449.86	224.24	1,457.86	1,275.63
(ii) Other Receivables	-	-	-	-	-	-
Loans	15.00	11.29	-	0.52	15.00	11.81
Investments	75.00	1,020.31	-	3.07	75.00	1,023.38
Other financial assets	7,246.00	5,895.11	13.97	13.61	7,259.97	5,908.72
<b>Total Financial Assets</b>	<b>11,881.00</b>	13,463.25	<b>463.96</b>	249.48	<b>12,344.96</b>	13,712.73
<b>Non-financial assets</b>						
Inventories	2,748.00	13,637.09	319.60	288.12	3,067.60	13,925.21
Non-current tax assets (net)	1,341.00	937.72			1,341.00	937.72
Property, plant and equipment	498.00	621.89	11.58	9.25	509.58	631.14
Capital work-in-progress	101.00	-		-	101.00	-
Intangible assets under development	-	1,124.23	29.26	19.04	29.26	1,143.27
Intangible assets	-	18,654.81	54.79	65.27	54.79	18,720.08
Goodwill	-	1,105.23	-	-	-	1,105.23
Right-of-use assets	16.00	88.79	77.82	97.17	93.82	185.96
Other non-financial assets	30,080.00	27,544.53	266.72	289.77	30,346.72	27,834.30
<b>Total Non-Financial Assets</b>	<b>34,784.00</b>	63,714.29	<b>759.77</b>	768.62	<b>35,543.77</b>	64,482.91
<b>Total Assets</b>	<b>46,665.00</b>	77,177.54	<b>1,223.73</b>	1,018.10	<b>47,888.74</b>	78,195.63

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 40 Investment in Joint Ventures (Continued)

The following table provides the summarised financial information of the Group's investment in joint ventures.

	Tata UniStore Limited		Inzpera Healthsciences Limited		Total	
	As at 8 December 2022	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
<b>Liabilities</b>						
<b>Financial liabilities</b>						
Trade payables				-		
- total outstanding dues of micro and small enterprises	25.00	33.12	43.76	15.69	68.76	48.81
- total outstanding dues of creditors other than micro and small enterprises	20,330.00	20,953.74	446.66	362.82	20,776.66	21,316.56
Debt securities				-	-	-
Borrowings	10,745.00	129,276.56	2,542.48	519.32	13,287.48	129,795.88
Lease Liabilities	14.00	10,061.95	86.40	99.80	100.40	10,161.75
Other financial liabilities	1,982.00	4,509.80	70.15	1,048.00	2,052.15	5,557.80
<b>Total Financial liabilities</b>	<b>33,096.00</b>	<b>164,835.17</b>	<b>3,189.45</b>	<b>2,045.63</b>	<b>36,285.45</b>	<b>166,880.80</b>
<b>Non-financial liabilities</b>						
Provisions	925.00	47.00	44.94	20.78	969.94	67.78
Other non-financial liabilities	1,790.00	1,441.49	19.36	24.36	1,809.36	1,465.85
<b>Total Non-financial liabilities</b>	<b>2,715.00</b>	<b>1,488.49</b>	<b>64.30</b>	<b>45.14</b>	<b>2,779.30</b>	<b>1,533.63</b>
<b>Total Liabilities</b>	<b>35,811.00</b>	<b>166,323.66</b>	<b>3,253.75</b>	<b>2,090.77</b>	<b>39,064.75</b>	<b>168,414.43</b>
<b>Net Assets</b>	<b>10,854.00</b>	<b>(89,146.12)</b>	<b>(2,030.02)</b>	<b>(1,072.67)</b>	<b>8,823.98</b>	<b>(90,218.79)</b>
<b>Group's share of net assets</b>	<b>10,504.50</b>	<b>(82,754.34)</b>	<b>(1,561.49)</b>	<b>(825.10)</b>	<b>8,943.01</b>	<b>(83,579.44)</b>
Gain on Fair Valuation of the retained interest at the date of loss of control in FY 2017-18	43,234.45	43,234.45	-	-	43,234.45	43,234.45
Impact of capping of interest in joint venture to NIL under Ind AS 28	-	39,519.89	1,561.49	825.10	1,561.49	40,344.99
Carrying Value of net investments in Joint Venture	-	(0.00)	-	-	53,738.95	(0.00)
Carrying Value of net investments in Joint Venture	-	-	-	-	-	-



	Tata UniStore Limited		Inzpera Healthsciences Limited		Total	
	As at 8 December 2022	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Revenue from operations					-	-
Sale of goods	21,315.00	72,054.71	2,075.93	1,531.89	23,390.93	73,586.60
Sale of services	11,562.00	12,404.30	-	-	11,562.00	12,404.30
Other income	224.00	466.75	21.26	4.89	245.26	471.64
Total income	33,101.00	84,925.76	2,097.18	1,536.78	35,198.18	86,462.55
Expenses						
Finance costs	6,317.00	6,083.00	181.50	106.04	6,498.50	6,189.04
Purchases of stock-in-trade	11,675.00	77,180.00	982.75	1,047.28	12,657.75	78,227.28
Changes in inventories of stock-in-trade	10,889.00	(8,471.96)	(16.12)	(116.11)	10,872.88	(8,588.07)
Employee benefits expenses	11,216.00	12,440.17	1,171.23	924.30	12,387.23	13,364.47
Depreciation, impairment and amortisation	1,432.00	4,035.28	46.79	56.99	1,478.79	4,092.27
Other expenses	40,727.00	68,721.97	1,131.78	838.83	41,858.78	69,560.80
Total expenses	82,256.00	159,988.46	3,497.93	2,857.33	85,753.93	162,845.79
Profit / (loss) before exceptional items and tax	(49,155.00)	(75,062.70)	(1,400.74)	(1,320.55)	(50,555.74)	(76,383.25)
Exceptional item	(20,765.00)	-	-	-	-	-
Profit / (loss) for the year from continuing operations before income tax	(69,920.00)	(75,062.70)	(1,400.74)	(1,320.55)	(50,555.74)	(76,383.25)
Tax expense of continuing operations						
- Current tax	-	-	-	-	-	-
- Deferred tax	-	-	-	-	-	-
Net tax expense	-	-	-	-	-	-
Profit / (loss) for the year	(69,920.00)	(75,062.70)	(1,400.74)	(1,320.55)	(50,555.74)	(76,383.25)
Profit / (loss) for the year	(69,920.00)	(75,062.70)	(1,400.74)	(1,320.55)	(50,555.74)	(76,383.25)
Discontinued operations						
Profit / (loss) for the year from discontinued operations before tax	-	-	-	-	-	-
Profit / (loss) for the year from discontinued operations after tax	(69,920.00)	(75,062.70)	(1,400.74)	(1,320.55)	(50,555.74)	(76,383.25)
Other comprehensive income ('OCI')						
(i). Items that will not be reclassified to profit or loss:		-	-	-		
- Remeasurement of defined employee benefit plans	(32.00)	(169.60)	(10.12)	0.86	(42.12)	(170.46)
Total other comprehensive income	(32.00)	(169.60)	10.12	0.86	42.12	(170.46)
Total comprehensive income for the year	(69,952.00)	(75,232.30)	(1,410.86)	(1,321.41)	(50,597.86)	(76,553.71)
Group's Share in Total Comprehensive income of the Joint Venture	(67,699.55)	(69,838.14)	(1,085.23)	(1,016.43)	(68,784.78)	(70,854.58)
Group's Share in Total Comprehensive income of the Joint Venture due to capping upto carrying amount of net investments	-	(39,566.06)	(1,092.12)	(769.23)	(1,092.12)	(40,335.29)
The Group has not received any dividends from the joint ventures.						
Group share in Total Comprehensive Income of Inzpera Healthsciences Limited amounting to Rs. (191.21) has not been recognised due to capping upto carrying amount of net investment.						
The joint ventures have contingent liabilities of Rs.Nil (31 March 2022: Rs.981.35 Lakhs ) and capital commitments of Rs. Nil lakhs (31 March 2022: Rs.54.69).						

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 41 Segment reporting

A. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. Operating results of all operating segments are reviewed regularly by the management to make decisions about resources to be allocated to the segments and assess their performance.

The Company has seven reportable segments and two reported segments, as described below, which are the Company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Company's management reviews internal management reports on at least a monthly basis.

The following summary describes the operations in each of the Group's reportable / reported segments:

Reportable / Reported segments	Operations
Investment, Finance & Business Promotion (IFP)	Incubation, Investment, financing and promotion of new / existing ventures.
Tata Class Edge (TCE)	Providing digital classrooms and related tools, to schools & educational institutions across India and subscription-based online educational content.
Tata Strategic Management Group (TSMG)	Providing management / strategic consultancy services and deploying resources to various clients within the Tata Group
Tata Digital Health (DHP)	Providing health services by using digital technology.
Tata Insights & Quants (TIQ)	Providing data analytics services for various Tata Group companies, across industries.
RTE - 915 Labs LLC	Manufacturing Ready-to-Eat food products using MATS (Microwave Assisted Thermal sterilization) technology and also maintaining the intellectual property of MATS and MAPS (Microwave Assisted Pasteurization system) technologies.
Flisom	Manufacture flexible solar modules based on CIGS photovoltaic technologies.

### B. Information about reportable / reported segments

Information regarding the results of each reportable / reported segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

### Year ended 31 March 2023

Rs. In Lakhs

Particulars	Continuing Operations						Discontinued Operations					Total
	IFP	TSMG	TCE	DHP	RTE - 915 Labs LLC	TIQ	Total	Smart foodz	Flisom	DHP	Unallocated	
<b>Segment Revenue</b>												
External revenues	15,779.87	6,671.13	9,792.07	-	1.84	1,620.50	33,865.41	-	2,022.22	224.74	-	36,112.37
Inter-segment revenues	4,623.52	-	-	-	-	3.30	4,626.82	-	-	-	-	4,626.82
<b>Total Segment revenue</b>	<b>20,403.39</b>	<b>6,671.13</b>	<b>9,792.07</b>	<b>-</b>	<b>1.84</b>	<b>1,623.80</b>	<b>38,492.23</b>	<b>-</b>	<b>2,022.22</b>	<b>224.74</b>	<b>-</b>	<b>40,739.19</b>
<b>Segment result</b>												
Segment profit/(loss) before tax	17,453.56	293.71	3,935.03	-	(1,183.03)	(1,217.76)	11,411.45	-	(15,863.80)	(3,469.01)	(4,623.52)	(12,544.87)
Add/(Less): Share of profit/(loss) of equity accounted investees	-	-	-	-	-	-	-	-	-	-	-	(73,988.90)
Add/(Less): Tax (expenses)/income	(129.55)	-	-	-	317.26	-	187.71	-	-	-	-	187.71
Profit/(loss) after tax	-	-	-	-	-	-	-	-	-	-	-	(86,345.87)
<b>Segment assets</b>	<b>615,433.66</b>	<b>3,064.81</b>	<b>16,649.88</b>	<b>-</b>	<b>9,345.96</b>	<b>2,022.61</b>	<b>646,516.91</b>	<b>-</b>	<b>39,368.20</b>	<b>-</b>	<b>11,816.89</b>	<b>697,702.01</b>
<b>Segment liabilities</b>	<b>169,740.57</b>	<b>604.32</b>	<b>5,103.97</b>	<b>-</b>	<b>928.25</b>	<b>704.11</b>	<b>177,081.22</b>	<b>-</b>	<b>52,761.29</b>	<b>-</b>	<b>147.09</b>	<b>229,989.60</b>
<b>Other Information</b>												
Capital expenditure during the year	24.29	197.96	4,017.85	-	-	188.25	4,428.35	-	4,791.67	3.65	-	9,223.66
Depreciation and amortisation	185.36	40.32	2,635.69	-	5.12	106.87	2,973.35	-	6,868.13	277.57	-	10,119.05
Other non-cash items	1,596.40	2.41	731.10	-	5.12	9.23	2,344.25	86,976.32	6,868.13	(7.84)	-	77,771.77

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 41 Segment reporting (Continued)

#### B. Information about reportable segments (Continued)

Year ended 31 March 2022

Rs. In Lakhs

Particulars	Continuing Operations						Discontinued Operations					Total
	IFP	TSMG	TCE	DHP	RTE - 915 Labs LLC	TIQ	Total	Smart foodz	Flisom	DHP - Pharma	Unallocated	
<b>Segment Revenue</b>												
External revenues	33,310.28	3,975.58	6,697.15	432.70	215.28	1,787.50	46,418.49	907.33	1,743.69	6,129.96	-	55,199.47
Inter-segment revenues	2,761.57	-	-	-	-	13.99	2,775.56	-	-	-	-	2,775.56
<b>Total Segment revenue</b>	<b>36,071.85</b>	<b>3,975.58</b>	<b>6,697.15</b>	<b>432.70</b>	<b>215.28</b>	<b>1,801.49</b>	<b>49,194.04</b>	<b>907.33</b>	<b>1,743.69</b>	<b>6,129.96</b>	<b>-</b>	<b>57,975.03</b>
<b>Segment result</b>												
Segment profit/(loss) before tax	2,633.52	804.76	(11,927.52)	(7,626.95)	(859.50)	(722.57)	(17,698.26)	10,099.21	(21,265.95)	129.16	(3.30)	(28739.14)
Add/(Less): Share of profit/(loss) of equity accounted investees	-	-	-	-	-	-	-	-	-	-	-	(26331.76)
Add/(Less): Tax (expenses)/income	(149.14)	-	-	-	143.92	-	(5.22)	-	-	-	-	(5.22)
Less: Provision for Impairment	-	-	-	-	-	-	-	-	(49942.93)	-	-	(49942.93)
Profit/(loss) after tax	-	-	-	-	-	-	-	-	-	-	-	(105019.05)
<b>Segment assets</b>	<b>639,673.97</b>	<b>3,796.26</b>	<b>17,965.53</b>	<b>1,906.90</b>	<b>10,038.84</b>	<b>807.94</b>	<b>674,189.43</b>	<b>-</b>	<b>41,287.08</b>	<b>-</b>	<b>12,477.12</b>	<b>727,953.63</b>
<b>Segment liabilities</b>	<b>69,209.17</b>	<b>2,120.58</b>	<b>61,257.65</b>	<b>281.20</b>	<b>814.62</b>	<b>83.88</b>	<b>133,767.08</b>	<b>-</b>	<b>39,768.87</b>	<b>-</b>	<b>161.02</b>	<b>173,696.98</b>
<b>Other Information</b>												
Capital expenditure during the year	9.77	14.46	3,800.65	58.40	-	55.83	3,939.11	(277.03)	(12742.27)	-	-	(9080.19)
Depreciation and amortisation	118.54	48.88	3,229.37	403.62	4.75	50.94	3,856.10	1010.23	9668.55	2.10	-	14,536.99
Other non-cash items	1267.63	(9.62)	687.27	1.17	31.40	(30.33)	1,947.52	1020.62	9668.55	-	-	12,636.69

#### C. Geographical Information

The geographical information analyses the Company's revenues and non current assets held by the company's country of domicile (i.e. India) and other countries. In presenting geographical information, segment revenue has been based on geographic location of the customers and segment assets which have been based on geographic location of assets.

Year ended 31 March 2023

Rs. In Lakhs

Particulars	Continuing operations			Discontinuing operations		
	Within India	Outside	Total	Within India	Outside	Total
Segment Revenue	32963.77	901.64	33865.41	224.74	2,022.22	2,246.96
Non current assets*	15,620.29	7.45	15,627.73	-	42,397.91	42,397.91

Year ended 31 March 2022

Rs. In Lakhs

Particulars	Continuing operations			Discontinuing operations		
	Within India	Outside	Total	Within India	Outside	Total
Segment Revenue	42,070.74	4,347.75	46,418.49	7,037.29	1,743.69	8,780.98
Non current assets*	16,997.77	11.54	17,009.31	-	53,219.48	53,219.48

\*Non-current assets exclude investment in joint ventures, financial assets, income tax assets, goodwill and post-employment benefit assets.

#### D. Major customer

No single customers contributed 10% or more to the Company's revenue for the Year ended 31 March 2023 and 31 March 2022 except Tata Steel Limited of Rs.1,202.40 lakhs and Rs. 6,583.11 lakhs respectively.

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 42 Investments

Rs. Lakhs

31 March 2023						
Investments	At Fair Value			Sub-Total	Others	Total
	Amortised cost	Through OCI	Through profit or loss			
	(1)	(2)	(3)			
Mutual funds	-	-	19,114.35	19,114.35	-	19,114.35
Debt securities						
Joint Ventures	-	-	1,096.68	1,096.68	-	1,096.68
Others	76,835.69	-	5,884.15	5,884.15	-	82,719.84
Equity instruments						
Others (unquoted)	-	44,709.91	-	44,709.91	-	44,709.91
Others (quoted)	-	332,554.89	-	332,554.89	-	332,554.90
Deemed Investments	-	-	-	-	-	-
Total – Gross (A)	76,835.69	377,264.80	26,095.18	403,359.98	-	480,195.69
(i) Investments outside India	-	18,038.66	5,884.15	23,922.81	-	23,922.81
(ii) Investments in India	76,835.69	359,226.14	20,211.03	379,437.17	-	456,272.86
Total (B)	76,835.69	377,264.80	26,095.18	403,359.98		480,195.69
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-
Total – Net D= (A)-(C)	76,835.69	377,264.80	26,095.18	403,359.98	-	480,195.69

Rs. Lakhs

	31 March 2022					
Investments	Amortised cost	At Fair Value		Sub-Total	Others	Total
		Through OCI	Through profit or loss			
	(1)	(2)	(3)	(4)=(2)+(3)	(5)	(6)=(1)+(4)+(5)
Mutual funds	-	-	27,159.50	27,159.50	-	27,159.50
Debt securities						
Joint Ventures	-	-	1,134.62	1,134.62	-	1,134.62
Others	941.82	-	5,883.06	5,883.06	-	6,824.88
Equity instruments						
Others (unquoted)	-	38,122.85	-	38,122.85	-	38,122.85
Others (quoted)	-	346,803.07	-	346,803.07	-	346,803.07
Deemed Investments	-	-	-	-	-	-
Total – Gross (A)	941.82	384,925.92	34,177.18	419,103.10	-	420,044.92
(i) Investments outside India	-	11,181.59	5,883.06	17,064.65	-	17,064.65
(ii) Investments in India	941.82	373,744.33	28,294.12	402,038.45	-	402,980.27
Total (B)	941.82	384,925.92	34,177.18	419,103.10	-	420,044.92
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-
Total – Net D= (A)-(C)	941.82	384,925.92	34,177.18	419,103.10	-	420,044.92

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 43 Retirement benefits plans

#### a) Defined Contribution plans

The Company makes monthly contributions to Superannuation fund and National pension scheme as defined contribution retirement benefit plans for qualifying employees.

The Group recognised Rs. 27.74 lakhs; (31 March 2022: Rs.30.33 lakhs) for superannuation contribution and Rs.25.95 lakhs; (31 March 2022: Rs. 22.87 lakhs) for National pension scheme in the Statement of profit and loss for the year ended 31 March 2023. These amounts are included in "Employee benefits expense" (See note 35) under "Contribution to Provident and other funds" head. The contributions payable to these plans by the Group are at the rates specified in the rules of the schemes.

The Indian subsidiaries of the Group also make monthly contributions to provident fund plan in which both the employee and employer (at a determined rate) contribute to the Government administered provident fund plan. A part of the Group's contribution is transferred to Government administered pension fund.

#### b) Defined benefit plans

##### *Provident Fund*

##### **FY 2022-23**

The Company has continued contributing to the EPFO, both the employer & employee contributions apart from pension contribution.

##### **FY 2021-22**

All eligible employees of the Group are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to a Trust set up by the Group to manage the investments and distribute the amounts entitled to employees. This plan is a defined benefit plan as the Group is obligated to provide its employees a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Group's contribution is transferred to Government administered pension fund. The contributions made by the Group and the shortfall of interest, if any, are recognized as an expense in the statement of profit and loss under employee benefits expense. In accordance with an actuarial valuation of provident fund liabilities on the basis of guidance issued by Actuarial Society of India, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

All the accumulations of employees in the trust setup by the Company till 30th September 2021 have been transferred to Employees Provident Fund Organisation of Government of India (EPFO). From 1st October 2021, the Company had started contributing the employee and employer contributions to EPFO.

The Group recognised Rs. 338.43 lakhs; (31 March 2022: Rs. 386.44 lakhs) for provident fund contributions and Rs.35.28 lakhs; (31 March 2022: Rs. 45.40 lakhs) for Employee pension scheme in the Statement of profit and loss for the year ended 31 March 2023. These amounts are included in "Employee benefits expense" (See note 35) under "Contribution to Provident and other funds" head. The contributions payable to these plans by the Group are at the rates specified in the rules of the schemes.

##### *Gratuity*

The Group makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Tata AIA Life Insurance Group Limited, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for service less than 15 years, three-fourth month's salary for service of 15 years to 19 years, one month salary for service of 20 years and one and half month salary for service over 20 years, payable for each completed years of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service and is restricted to a maximum of 30 months' salary.

##### *Post retirement medical benefits (PRMB) and pension to an ex-director*

The Group is providing post retirement medical benefits to qualifying employees based on the premium limit applicable to them at the time of retirement. Upon death of an employee while in service or retirement, the benefit payable to the spouse will be restricted only to the extent of 50% of the relevant premium limit. No benefit will be payable in case of resignation. The Parent Company has procured a Group Medclaim policy from an insurance Group for providing these benefits to the beneficiaries.

The Group is providing pension and medical benefit to two ex-directors. Upon death of the directors, the benefit payable to the spouse will be restricted to the extent of 50% of the benefit.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan:

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued) for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 43 Retirement benefits plans (Continued)

#### b) Defined benefit plans (Continued)

##### Reconciliation of present value of defined benefit obligation:

Particulars	31-Mar-23				31-Mar-22			
	Funded	Unfunded	Unfunded	Unfunded	Funded	Unfunded	Unfunded	Unfunded
	Gratuity	Gratuity	Pension	PMRB	Gratuity	Gratuity	Pension	PMRB
Present Value of Benefit Obligations at the Beginning of the year	1622.23	-	1894.55	253.60	1,458.00	50.11	1,883.85	236.10
Pertaining to discontinuing Operation / Pursuant to	-	-	-	-	-	(50.11)	-	-
Interest Cost	92.68	-	137.35	18.77	94.18	-	130.93	16.58
Current Service cost	126.53	-	-	9.19	137.94	-	-	8.71
Past Service cost	0.00	-	-	-	-	-	(146.39)	-
Liabilities transferred in/ acquisitions	3.46	-	-	-	-	-	-	-
Liabilities transferred out/ divestments	0.00	-	-	-	(29.65)	-	-	-
Benefits paid directly by the employer	(13.61)	-	(162.91)	(17.08)	(1.91)	-	(157.14)	(5.87)
Benefits paid from the funds	(321.05)	-	-	-	(179.71)	-	-	-
Actuarial (Gains)/ Losses on Obligations - Due to changes in demographic assumptions	9.88	-	-	-	(10.56)	-	91.76	21.45
Actuarial (Gains)/ Losses on Obligations - Due to changes in financial assumptions	(121.14)	-	(41.87)	(13.39)	25.78	-	(42.79)	(13.34)
Actuarial (Gains)/ Losses on Obligations - Due to experience	80.59	-	(37.89)	394.23	128.16	-	134.33	(10.02)
Transferred to divisions / subsidiaries	(183.13)	-	-	-	-	-	-	-
Present Value of Benefit Obligations at the End of the year	1,296.46	-	1,789.23	645.32	1,622.23	-	1,894.55	253.61

##### Change in the fair value of plan assets:

Particulars	31-Mar-23				31-Mar-22			
	Funded	Unfunded	Unfunded	Unfunded	Funded	Unfunded	Unfunded	Unfunded
	Gratuity	Gratuity	Pension	PMRB	Gratuity	Gratuity	Pension	PMRB
Fair Value of Plan Assets at the Beginning of the year	1,434.25	-	-	-	1,446.05	-	-	-
Interest income	83.34	-	-	-	93.41	-	-	-
Contributions by the employer	162.79	-	-	-	82.02	-	-	-
Assets transferred in/ acquisitions	3.45	-	-	-	-	-	-	-
Assets transferred out/ divestments	(167.26)	-	-	-	(19.47)	-	-	-
Benefits paid from the funds	(321.05)	-	-	-	(179.71)	-	-	-
Return on Plan Assets, excluding interest income	(46.65)	-	-	-	11.95	-	-	-
Fair Value of Plan Assets at the End of the year	1,148.88	-	-	-	1,434.25	-	-	-

##### Amount recognised in Balance Sheet:

Particulars	31-Mar-23				31-Mar-22			
	Funded	Unfunded	Unfunded	Unfunded	Funded	Unfunded	Unfunded	Unfunded
	Gratuity	Gratuity	Pension	PMRB	Gratuity	Gratuity	Pension	PMRB
Present Value of Benefit Obligations at the End of the year	1,296.46	-	1,789.23	645.32	1,622.23	-	1,894.55	253.61
Fair Value of Plan Assets at the End of the year	(1148.88)	-	-	-	(1434.25)	-	-	-
Net (Liability)/Asset recognised in Balance Sheet	147.59	-	1,789.23	645.32	187.98	-	1,894.55	253.61

##### Net interest cost for current year:

Particulars	31-Mar-23				31-Mar-22			
	Funded	Unfunded	Unfunded	Unfunded	Funded	Unfunded	Unfunded	Unfunded
	Gratuity	Gratuity	Pension	PMRB	Gratuity	Gratuity	Pension	PMRB
Interest cost	92.68	-	137.35	18.77	94.18	-	130.93	16.58
Interest income	(83.34)	-	-	-	(93.41)	-	-	-
Net interest cost for current year:	9.34	-	137.35	18.77	0.76	-	130.93	16.58

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 43 Retirement benefits plans (*Continued*)

#### b) Defined benefit plans (*Continued*)

##### Expenses recognised in the Statement of profit and loss:

Particulars	31-Mar-23				31-Mar-22			
	Funded	Unfunded	Unfunded	Unfunded	Funded	Unfunded	Unfunded	Unfunded
	Gratuity	Gratuity	Pension	PMRB	Gratuity	Gratuity	Pension	PMRB
Current service cost	190.24	-	0.00	9.19	137.94	-	(146.39)	8.71
Interest (income)/ expense	9.34	-	137.36	18.77	0.77	-	130.93	16.57
Expenses recognised in the Statement of profit and loss:	199.58	-	137.36	27.96	138.71	-	(15.46)	25.28

Rs. In Lakhs

##### Expenses recognised in the Other comprehensive income:

Particulars	31-Mar-23				31-Mar-22			
	Funded	Unfunded	Unfunded	Unfunded	Funded	Unfunded	Unfunded	Unfunded
	Gratuity	Gratuity	Pension	PMRB	Gratuity	Gratuity	Pension	PMRB
Actuarial (gains)/losses on obligations for the year	(94.38)	-	(79.76)	380.84	143.38	0.00	183.30	(1.91)
Return on Plan Assets, excluding interest income	46.65	-	-	-	(11.95)	-	-	-
Net (income)/expense for the year recognised in OCI	(47.73)	0.00	(79.76)	380.84	131.43	0.00	183.30	(1.91)

Rs. In Lakhs

##### Categories of assets

Particulars	31-Mar-23				31-Mar-22			
	Funded	Unfunded	Unfunded	Unfunded	Funded	Unfunded	Unfunded	Unfunded
	Gratuity	Gratuity	Pension	PMRB	Gratuity	Gratuity	Pension	PMRB
Insurance fund	1,148.88	-	-	-	1,434.25	-	-	-

Rs. In Lakhs

##### Maturity Analysis of Projected Benefit Obligation

Particulars	31-Mar-23				31-Mar-22			
	Funded	Unfunded	Unfunded	Unfunded	Funded	Unfunded	Unfunded	Unfunded
	Gratuity	Gratuity	Pension	PMRB	Gratuity	Gratuity	Pension	PMRB
Projected benefits payable in future years from the date of reporting								
1st Following Year	221.70	-	157.95	19.48	294.01	-	158.22	6.80
2nd Following Year	141.24	-	156.42	23.47	214.62	-	156.98	8.13
3rd Following Year	400.84	-	159.29	28.26	195.38	-	160.21	9.68
4th Following Year	81.06	-	161.80	30.70	381.63	-	163.14	11.53
5th Following Year	162.03	-	163.87	36.21	117.09	-	165.69	13.63
Sum of Years 6 to 10	326.77	-	829.23	219.10	518.00	-	848.05	83.20
Sum of years 11 and above	519.47	-	1,822.98	1,919.40	480.37	-	2,035.49	783.57

Rs. In Lakhs

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 43 Retirement benefits plans (Continued)

Actuarial assumptions:					Rs. In Lakhs			
Particulars	31-Mar-23				31-Mar-22			
	Funded Gratuity	Unfunded Gratuity	Unfunded Pension	Unfunded PMRB	Funded Gratuity	Unfunded Gratuity	Unfunded Pension	Unfunded PMRB
Discount Rate	7.20% - 7.39%	-	7.58%	7.56%	6.44%	0.00%	7.25%	7.40%
Rate of Salary Increase	4.50% & 10.00%	-	-	-	8.00% & 10.00%	0%	-	-
Rate of Employee turnover	Age Related and Service Related to respective companies	-	-	4.5% for service group	Age Related and Service Related to respective companies	-	-	4.5% for service group
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	-	Indian Individual AMT (2012- 15)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	0.00	Indian Individual AMT (2012- 15)	Indian Assured Lives Mortality 2012-14 (Urban)
Rate of Pension Escalation (basic)	-	-	4%	-	-	-	4%	-
Chance of Claim (Medical)	-	-	5.0%	-	-	-	2.50%	-
Medical Cost Inflation	-	-	-	6%	-	-	-	6%

#### Notes:

(a) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

(b) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

#### Sensitivity analysis

					Rs. In Lakhs			
Particulars	31-Mar-23				31-Mar-22			
	Funded Gratuity	Unfunded Gratuity	Unfunded Pension	Unfunded PMRB	Funded Gratuity	Unfunded Gratuity	Unfunded Pension	Unfunded PMRB
Projected benefits obligations on current accounting	453.66	-	-	-	-	-	-	-
Delta effect of +1% Change in Rate of Discounting	(48.75)	-	(116.83)	(74.94)	(60.95)	-	(131.11)	(30.63)
Delta effect of -1% Change in Rate of Discounting	53.48	-	132.54	91.14	66.79	-	149.57	37.48
Delta effect of +1% Change in Rate of Salary Escalation	53.06	-	-	-	64.99	-	-	-
Delta effect of -1% Change in Rate of Salary Escalation	(49.26)	-	-	-	(60.52)	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	(4.15)	-	-	-	(9.34)	-	-	-
Delta effect of -1% Change in Rate of Employee Turnover	(2.42)	-	-	-	9.93	-	-	-
Delta effect of +1% Change in Rate of Pension Escalation	-	-	136.02	-	-	-	153.00	-
Delta effect of -1% Change in Rate of Pension Escalation	-	-	(121.70)	-	-	-	(136.17)	-
Delta effect of +1% Change in Medical Cost Inflation	-	-	-	91.66	-	-	-	37.63
Delta effect of -1% Change in in Medical Cost Inflation	-	-	-	(76.59)	-	-	-	(31.26)



# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 44 Financial instruments

#### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Rs. In Lakhs								
31 March 2023	Carrying amount			Total	Fair value			Total
	FVTPL	FVOCI	Amortised Cost		Level 1	Level 2	Level 3	
<b>Financial assets</b>								
Cash and cash equivalents	-	-	1,644.24	<b>1,644.24</b>	-	-	-	-
Bank balances other than above	-	-	1,270.05	<b>1,270.05</b>	-	-	-	-
Trade receivables	-	-	4,012.06	<b>4,012.06</b>	-	-	-	-
Other receivables	-	-	132.88	<b>132.88</b>	-	-	-	-
Loans	-	-	53,581.82	<b>53,581.82</b>	-	-	-	-
Investments	26,095.18	377,264.80	76,835.69	<b>480,195.67</b>	332,554.90	19,114.35	51,690.73	<b>403,359.98</b>
Other financial assets	-	-	7,840.67	<b>7,840.67</b>	-	-	-	-
	<b>26,095.18</b>	<b>377,264.80</b>	<b>145,317.41</b>	<b>548,677.40</b>	<b>332,554.90</b>	<b>19,114.35</b>	<b>51,690.73</b>	<b>403,359.98</b>
<b>Financial liabilities</b>								
Trade payables	-	-	2,198.56	<b>2,198.56</b>	-	-	-	-
Other payables	-	-	244.35	<b>244.35</b>	-	-	-	-
Lease liabilities	-	-	1,926.27	<b>1,926.27</b>	-	-	-	-
Debt Securities	-	-	101,896.54	<b>101,896.54</b>	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	60,000.00	<b>60,000.00</b>	-	-	-	-
Other financial liabilities	-	-	3,635.30	<b>3,635.30</b>	-	-	-	-
	<b>-</b>	<b>-</b>	<b>169,901.02</b>	<b>169,901.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Rs. In Lakhs								
31 March 2022	Carrying amount			Total	Fair value			Total
	FVTPL	FVOCI	Amortised Cost		Level 1	Level 2	Level 3	
<b>Financial assets</b>								
Cash and cash equivalents	-	-	1,859.03	<b>1,859.03</b>	-	-	-	-
Bank balances other than above	-	-	2,710.41	<b>2,710.41</b>	-	-	-	-
Trade receivables	-	-	3,159.68	<b>3,159.68</b>	-	-	-	-
Other receivables	-	-	3,210.83	<b>3,210.83</b>	-	-	-	-
Loans	-	-	158,449.21	<b>158,449.21</b>	-	-	-	-
Investments	34,177.18	384,925.92	941.82	<b>420,044.92</b>	346,803.07	27,159.50	45,140.53	<b>419,103.10</b>
Other financial assets	-	-	6,390.45	<b>6,390.45</b>	-	-	-	-
	<b>34,177.18</b>	<b>384,925.92</b>	<b>176,721.43</b>	<b>595,824.53</b>	<b>346,803.07</b>	<b>27,159.50</b>	<b>45,140.53</b>	<b>419,103.10</b>
<b>Financial liabilities</b>								
Trade payables	-	-	4,643.51	<b>4,643.51</b>	-	-	-	-
Other payables	-	-	352.57	<b>352.57</b>	-	-	-	-
Lease liabilities	-	-	3,245.42	<b>3,245.42</b>	-	-	-	-
Debt Securities	-	-	79,148.01	<b>79,148.01</b>	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	35,000.00	<b>35,000.00</b>	-	-	-	-
Other financial liabilities	-	-	3,458.67	<b>3,458.67</b>	-	-	-	-
	<b>-</b>	<b>-</b>	<b>125,848.18</b>	<b>125,848.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 44 Financial instruments (*Continued*)

#### B. Measurement of fair values

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

##### **Quoted prices in an active market (Level 1):**

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

##### **Valuation techniques with observable inputs (Level 2):**

This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level of hierarchy includes derivative contracts.

##### **Valuation techniques with significant unobservable inputs (Level 3):**

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes investments in unquoted equity shares and preference shares.

#### C. Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

- (i) Financial assets and liabilities such as cash and cash equivalents, trade and other receivables, loans (measured at amortised cost), trade and other payables, borrowings, other financial assets and other financial liabilities are stated at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their predominant short term nature.
- (ii) Investments in quoted equity shares carried at fair value are based on market price quotations as on 31 March. Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments at FVOCI as the directors believes this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.
- (iii) Investments in unquoted shares carried at fair value are based on discounted cash flow approach. The valuation model considers the present value of expected cash inflows, discounted using a risk adjusted discount rate.
- (iv) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique.
- (v) There have been no transfers between Level 1 and Level 2 for the year ended March 31, 2023 and March 31, 2022.

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 45 Financial Risk Management

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- market risk; and
- liquidity risk

#### Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Company's management is responsible for developing and monitoring the risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board of Directors is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

The Board has setup a Risk Management Committee comprising of Directors, Key Managerial Personnel, CEOs of the business divisions apart from Chief Risk Officer.

Risk Management Committee oversees the Company's risk management process and controls, reviews strategic plans and objectives for risk management, risk philosophy and risk optimisation, reviews compliance with risk management policies implemented by the Company and procedures used to implement the same, oversees various risks including credit risk, financial & operational risks, technology risk, market risk, liquidity risk, investment risk, cyber security risk, forex risk, commodity risk, Company's risk tolerance, capital liquidity and funding.

The Board has setup a Asset Liability Management Committee comprising of Directors, Key Managerial Personnel, Chief Risk Officer and Senior Personnel at Head Office.

Asset Liability Management Committee reviews asset liability mismatch, if any, debt composition and plan of the Company for fund raising of the Company.

#### i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments in debt securities.

The carrying amounts of financial assets represent the maximum credit risk exposure.

#### Trade receivables

Trade receivables of the Company are typically unsecured and derived from sales made to a large number of independent customers. Customer credit risk is managed by each business unit subject to established policies, procedures and control relating to customer credit risk management. Before accepting any new customer, the Company has appropriate level of control procedures to assess the potential customer's credit quality. The credit-worthiness of its customers are reviewed based on their financial position, past experience and other relevant factors. Outstanding customer receivables are reviewed periodically.

The credit risk related to the Trade receivables is mitigated by taking security deposits / bank guarantee / letter of credit / post dated negotiable instruments - as and where considered necessary, setting appropriate credit terms and by setting and monitoring internal limits on exposure to individual customers.

The Company recognises a loss allowance for expected credit losses on Trade Receivables that is at amortised cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

There is no substantial concentration of credit risk as the Revenue / Trade receivables pertaining to any single external customer does not exceed 10% of Group's revenue.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	2022-23	2021-22
Opening balance	3,167.25	3,065.93
Add : Impairment loss recognised during the year	(234.78)	298.99
Less : Bad debts / advances written off / written back	68.40	(144.24)
Less: Provision pertaining to discontinued operation	(5.90)	(53.43)
<b>Closing balance</b>	<b>2,994.96</b>	<b>3,167.25</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 45 Financial Risk Management (*Continued*)

#### i) Credit risk (*Continued*)

Trade Receivables	As at 31 March 2023			As at 31 March 2022		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Period (in Months)						
(a) Not Due	1,515.32	3%	47.19	1,307.18	5%	66.63
(b) Less than 6 months	2,024.37	6%	119.89	1,520.79	16%	237.77
(c) 6 months - 1 year	442.64	34%	150.79	671.41	63%	422.79
(d) 1 - 2 years	506.05	63%	316.39	949.29	86%	819.44
(e) 2 - 3 years	2,518.65	94%	2,360.71	443.33	86%	382.52
(f) More than 3 years	-	0%	-	1,434.93	86%	1,238.10
Total	7,007.02	43%	2,994.96	6,326.93	50%	3,167.25

#### Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### Financial guarantees

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

#### ii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. 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. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

#### (a) Currency risk

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Group. The Group's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken.

The Group's foreign currency exposure arises mainly from foreign exchange imports and exports, primarily with respect to USD, EURO, SGD, AED, CHF, HUF, JPY and GBP.

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 45 Financial Risk Management (*Continued*)

#### ii) Market risk (*Continued*)

##### (a) Currency risk (*Continued*)

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated monetary financial assets and financial liabilities in respect of the foreign currencies are as follows:

Particulars	31 March 2023		31 March 2022	
	Amount in FC	Amount in Rs. Lakhs	Amount in FC	Amount in Rs. Lakhs
<b>Financial assets</b>				
USD	13,594	11.14	-	-
HUF	-	-	-	-
AED	-	-	-	-
EURO	-	-	-	-
CHF	-	-	-	-
SGD	43,201	26.73	135,770	75.89
JPY	-	-	71,005	0.61
<b>Financial liabilities</b>				
USD	-	-	7,965	6.34
HUF	-	-	-	-
AED	-	-	110,700	22.94
EURO	-	-	10,000	8.38
CHF	26,265	23.57	80,000	64.41
SGD	268,772	165.80	160,827	89.95
JPY	-	-	-	-

#### Foreign currency sensitivity analysis

A reasonably possible strengthening or (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

If INR strengthens / weakens against foreign currency by 5%:

Particular (Decrease) / increase in profit for the year	31 March 2023		31 March 2022	
	Strengthening	Weakening	Strengthening	Weakening
USD	(0.56)	0.56	0.32	(0.32)
HUF	-	-	-	-
AED	-	-	1.15	(1.15)
EURO	-	-	0.42	(0.42)
CHF	1.18	(1.18)	3.22	(3.22)
SGD	6.95	(6.95)	0.70	(0.70)
JPY	-	-	(0.03)	0.03

#### (b) Equity price risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments measured at fair value through other comprehensive income exposes the Company to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Company's investment in quoted equity securities as at 31 March 2022 and 31 March 2021 was Rs. 346,803.08 lakhs and Rs. 237,847.44 lakhs respectively. A 10% change in equity price as at 31 March 2022 and 31 March 2021 would result in an impact of Rs. 34,680.31 lakhs and Rs.23,784.74 lakhs, respectively. The impact is indicated on equity before consequential tax impact, if any.

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 45 Financial Risk Management (*Continued*)

#### ii) Market risk (*Continued*)

#### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates.

As the Group does not have exposure to any floating-interest bearing assets or liabilities, or any significant long-term fixed-interest bearing assets, its interest income / expenses and related cash inflows / outflows are not affected by changes in market interest rates.

The Group has investments in redeemable preference shares of joint ventures, associates and other companies. Future cash flows from these investments in the form of dividends have fixed coupon rate and will not fluctuate due to changes in market interest rates. However, the dividend distribution will be subject to availability of adequate profits in the books of respective companies.

#### iii) Liquidity risk

Liquidity risk refers to the risk that the Group 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 following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments, if any:

#### Contractual maturities of Non-derivative financial liabilities

Rs. In Lakhs

As at 31 March 2023	Upto 1 year	1 to 5 year	Above 5 year	Total
Trade payables	2,198.56	-	-	2,198.56
Other payables	244.35			244.35
Lease liabilities	1,188.91	745.20	-	1,934.11
Debt Securities	-	101,896.54	-	101,896.54
Borrowings (Other than Debt Securities)	-	60,000.00	-	60,000.00
Other financial liabilities	3,358.17	277.12	-	3,635.27
<b>Total</b>	<b>6,989.98</b>	<b>162,918.86</b>	<b>-</b>	<b>169,908.83</b>

  

As at 31 March 2022	Upto 1 year	1 to 5 year	Above 5 year	Total
Trade payables	4,643.51	-	-	4,643.51
Other payables	352.57			352.57
Lease liabilities	1,577.28	1,677.70	-	3,254.99
Debt Securities	-	79,148.01	-	79,148.01
Borrowings (Other than Debt Securities)	-	35,000.00	-	35,000.00
Other financial liabilities	3,302.13	156.56	-	3,458.69
<b>Total</b>	<b>9,875.49</b>	<b>115,982.27</b>	<b>-</b>	<b>125,857.76</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 46 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Group by the weighted average number of equity shares outstanding during the year.

Basic and diluted earnings per share

Particulars	31 March 2023			31 March 2022		
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
Profit / (loss) attributable to equity shareholders (A) (Rs.in Lakhs)	<b>(67,125.88)</b>	<b>(16,697.67)</b>	<b>(83,823.55)</b>	<b>(86,354.52)</b>	<b>(18,664.50)</b>	<b>(105,019.02)</b>
Weighted average number of equity shares (B) (Nos)	107,954,602	107,954,602	107,954,602	107,954,602	107,954,602	107,954,602
Face value of equity shares (Rs.)	<b>100</b>	<b>100</b>	<b>100</b>	100	100	100
Basic and diluted earnings per share (A/B) (Rs.)	<b>(62.18)</b>	<b>(15.47)</b>	<b>(77.65)</b>	<b>(79.99)</b>	<b>(17.29)</b>	<b>(97.28)</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 47 Disclosure of assets taken on Lease

#### Right-of-use assets

Particulars	Vehicles	IT assets	Premises on lease	Leasehold land	Total
	INR' Lakhs	INR' Lakhs	INR' Lakhs	INR' Lakhs	INR' Lakhs
<b>Cost</b>					
As at 1 April 2022	47.96	6,479.55	1,618.06	-	8,145.57
Additions	-	-	149.16	-	149.16
Disposals	-	(183.89)	(569.16)	-	(753.05)
Less : ROU pertaining to discontinued operation	-	-	-	-	-
<b>Balance at 31 March 2023</b>	<b>47.96</b>	<b>6,295.66</b>	<b>1,198.07</b>	<b>-</b>	<b>7,541.69</b>
<b>Accumulated depreciation and impairment</b>					
As at 1 April 2022	45.37	4,527.94	1,080.10	-	5,653.41
Depreciation	2.59	1,002.61	357.87	-	1,363.07
Disposals	-	(36.12)	(430.31)	-	(466.43)
Allowance for Impairment loss on disposal	-	121.64	-	-	121.64
<b>Balance at 31 March 2023</b>	<b>47.96</b>	<b>5,616.07</b>	<b>1,007.68</b>	<b>-</b>	<b>6,671.70</b>
		121.64			
<b>Carrying amounts</b>					
As at 1 April 2022	2.59	1,951.61	537.95	-	2,492.16
Balance at 31 March 2023	(0.00)	679.59	190.40	-	869.96

#### Breakdown of lease expenses (other than depreciation)

Particulars	Year ended 31/03/23	Year ended 31/03/22
	INR Lakhs	INR Lakhs
Short-term lease expense	329.86	186.19
Variable lease cost	-	3.52
Interest cost	193.26	356.70
<b>Total lease expense</b>	<b>523.13</b>	<b>546.41</b>

#### Cash outflow on leases

Particulars	Year ended 31/03/23	Year ended 31/03/22
	INR Lakhs	INR Lakhs
Cash outflow for leases	2,377.82	2,377.10

#### Maturity analysis

Particulars	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
	INR'Lakhs	INR'Lakhs	INR'Lakhs	INR'Lakhs
Lease liabilities	1,181.95	744.32	-	1,926.27
	<b>1,181.95</b>	<b>744.32</b>	<b>-</b>	<b>1,926.27</b>

#### Year ended 31 March 2022

#### Maturity analysis

Particulars	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
	INR'Lakhs	INR'Lakhs	INR'Lakhs	INR'Lakhs
Lease liabilities	1,577.28	1,677.70	-	3,254.99
	<b>1,577.28</b>	<b>1,677.70</b>	<b>-</b>	<b>3,254.99</b>



# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 48 Provisions

- I) A brief description of the nature of the provisions made and the expected timing of any resulting outflows of
- a) Contingency provision for standard assets is a statutory provision made in accordance with the Reserve Bank of India guidelines for NBFCs. No outflow of economic benefits is expected for the same.
- b) A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of technical evaluation and past experience regarding failure trends of products and costs of rectification or replacement. It is expected that most of this cost will be incurred beyond 12 months as per the warranty claims.
- II) The movement in the above provisions is as follows:

#### As at 31 March 2023

*Rs. In Lakhs*

Particulars	Contingency provision for standard assets	Provision for Warranties	Total
Balance at the beginning of the year	460.22	0.00	460.22
Add: Provision made / write back during the year	(435.22)	146.67	(288.55)
Less: Payments / written back during the year	-	-	-
Less: Provision pertaining to discontinued operation	(7.68)	-	(7.68)
Balance at the year end	17.33	146.67	164.00

#### As at 31 March 2022

*Rs. In Lakhs*

Particulars	Contingency provision for standard assets	Provision for Warranties	Total
Balance at the beginning of the year	166.53	48.73	215.26
Add: Provision made during the year	293.69		293.69
Less: Payments / written back during the year	-	-	-
Less: Provision pertaining to discontinued operation	-	(48.73)	(48.73)
Balance at the year end	460.22	0.00	460.22

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 49 Contingent liabilities and commitments

		<i>Rs. In Lakhs</i>	
		31 March 2023	31 March 2022
<b>Commitments</b>			
a.	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3.92	3,838.22
b.	Commitment for investments in Technology innovation momentum fund, Pereg Venture Fund and MIT Sandbox.	946.07	938.53
<b>Contingent liabilities</b>			
c.	Income tax matters in appeal	8,188.63	9,377.09
d.	Show cause notices in relation to Goods and Services Tax matters	5.06	5.06
e.	Demand orders in relation Value added tax (VAT) matters	3.12	3.12
f.	Other contingent liabilities and claims not acknowledged as debt by the Company	153.75	136.35
g.	In Flisom AG, contingent liability exists in connection to project grants received from the European Commission in the period 2012-2015. This potential claim of up to 1'348'627 EUR is due to a dispute over the maintenance of project timesheets. However as all Technical Milestones were signed off by the European Commission and that Flisom holds Certificates on the Financial Statements of the Projects Flisom has disputed this claim and thus disagrees with the European Commission's assessment of the projects. Current status is "on hold".	1,133.68	1,133.68
h.	<p>During the financial Year 2015-16, as per the Share Purchase Agreement ("SPA") dated May 22, 2015 entered into between Tata Industries Limited ("TIL") and Tata International Limited (the "Selling Shareholders"), Drive India Enterprise Solutions Limited ("DIESL") and TVS Logistics Services Limited ("TSL"), the Selling Shareholders have jointly sold their entire shareholding in DIESL to TSL for a total consideration of Rs. 8,581.00 lakhs (TIL share Rs. 4,290.00 lakhs).</p> <p>As per the SPA, the Selling Shareholders have severally provided certain general and specific indemnities to TSL. General indemnities up to 100% of total consideration received for breach of Representations and Warranties (R&amp;W) relating to title of sale shares and demand, if any, raised on TSL/DIESL under Section 281 of the Income Tax Act, 1961. Specific indemnity up to Rs. 3,003.00 lakhs on account of liabilities in respect of demands from statutory authorities presently pending against DIESL and claims that may arise in future in respect of certain matters identified in SPA. Specific indemnities up to 20% of total consideration received in respect of claims arising from breaches of R&amp;W relating to tax compliances, no pending investigations and inquiries (10%) and other general representations (10%).</p> <p>However, within the sub limits applicable to general and specific indemnities as specified above, the maximum aggregate liability of each Selling Shareholder under this agreement shall not exceed the aggregate amounts received by it from TSL under the SPA and/or DIESL under the Preference Share Agreement entered into on May 19, 2015 and the liability of each Selling Shareholder to indemnify TSL/DIESL shall be proportionate to their respective pre-closing equity shareholding percentage. The claims can be made before expiration of eight years from the closing date which is August 31, 2015.</p> <p>The Selling Shareholders are also liable to indemnify, without limit, TSL/DIESL in respect of one legal proceeding identified in the SPA for which there are no claims on DIESL presently. The potential future impact of such indemnities provided, if any, cannot be ascertained presently.</p>		
i.	<p><b>FY 2022-23</b></p> <p>The Company has filed cases against some debtors for the recovery of debts aggregating to Rs. 4,921.11 Lakhs. Against the said claims by the Company, some of the customers have filed counter claims for amount aggregating to Rs. 115.42 lakhs which are not acknowledged by the company as debt. Additionally, 2 customers have filed claims against the company for an amount aggregating to Rs. 38.33 Lakhs towards the non performance of the contractual obligations.</p> <p><b>FY 2021-22</b></p> <p>The Company has terminated ClassEdge licensing contracts with 196 schools in 2021-22 which were not paying the amounts due as per such licensing contracts and pursuant to such termination were resisting to hand over the possession of the assets deployed at schools for display of ClassEdge content. The Company has filed legal suits for receivables from such schools amounting to Rs. 1134.83 lakhs against such schools in City Civil Court at Mumbai for recovery of assets deployed and amounts due under the licensing contract along with damages. The Company has taken appropriate provision in its books of account for above.</p>		
j.	<p>During the financial Year 2021-22, as per the Share Purchase Agreement ("SPA") dated November 12, 2021 entered into between Tata Industries Limited ("TIL" or "TSFL Promoter") and Tata Consumer Products Limited ("TCPL"), for selling their entire shareholding in Tata SmartFoodz Limited ("TSFL").</p> <p>As per the SPA, TIL has severally provided below mentioned specific indemnities to TCPL.</p> <p>At any time prior to the expiry of 3 (three) years from the Closing Date (16 November 2021), any breach or inaccuracy of any MATS representation set out in SPA, in which case the liability of the TSFL Promoter in respect of any MATS Machine shall be limited to 50% of the cost of purchase of such MATS Machine.</p> <p>Reference of the MATS machine is given below:</p> <p>Each MATS Machine is in such state of maintenance and operating condition as would not require additional repair or replacement entailing costs (including ordinary course repairs and maintenance) aggregating to more than Rs. 100 lakhs per annum per MATS Machine, prior to the expiry of 3 (three) years from the Closing Date, subject to such MATS Machine being operated by TSFL.</p> <p>Cost price of each MATS machine is :</p> <ul style="list-style-type: none"> <li>- MATS 1: USD 4.15 million</li> <li>- MATS 2: -USD 3.8 million</li> <li>- MATS 3: -USD 4 million</li> </ul> <p>At any time prior to the expiry of 6 (six) years from the Closing Date, any liability pertaining to TSFL's non-compliance with the requirements of the Export Promotion Capital Goods (EPCG) Scheme of the Government of India, in which case the liability of the TSFL Promoter shall be limited to 50% of such Losses.</p> <p>TSFL has imported capital goods under the EPCG Scheme, wherein they have saved custom duty of an amount of Rs. 1,925/- lakhs of which Rs. 1,279.07 lakhs pertain to financial year 2018-19, Rs. 163.79 lakhs for the financial year 2019-20, Rs 309.50 lakhs for the financial year 2020-21 and Rs. 172.64 Lakhs for the financial year 2021-22.</p> <p>TSFL has to fulfil export obligation to the extent of 6 times of duty saved amount within a period of 6 years from the date of Import which amounts to obligation of Rs.115.50 lakhs.</p>		

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 50 Disclosures under Ind AS 115 - Revenue from Contracts with Customers

- A. In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition:

Year ended 31 March 2023									Rs. In Lakhs
Particulars	Continuing operation					Discontinuing Operations			Total
	Management consultancy	Digital classroom solutions	Digital health platform	Insights & quants	Ready-to-eat - 915	Solar modules	Digital health platform	Ready-to-eat - Smartfoodz	
<b>Primary geographical markets</b>									
Within India	6,701.72	9,780.02	-	1,620.49	-	-	218.46	-	18,320.69
Outside India	-	-	-	-	1.83	2,012.77	-	-	2,014.60
<b>Total revenue</b>	<b>6,701.72</b>	<b>9,780.02</b>	<b>-</b>	<b>1,620.49</b>	<b>1.83</b>	<b>2,012.77</b>	<b>218.46</b>	<b>-</b>	<b>20,335.28</b>
<b>Major Goods and Service lines</b>									
Sale of goods	-	5,457.60	-	-	-	1,895.66	3.08	-	7,356.34
Sale of services	6,701.72	4,322.42	-	1,620.49	1.83	117.11	215.38	-	12,978.94
<b>Total revenue</b>	<b>6,701.72</b>	<b>9,780.02</b>	<b>-</b>	<b>1,620.49</b>	<b>1.83</b>	<b>2,012.77</b>	<b>218.46</b>	<b>-</b>	<b>20,335.28</b>
<b>Timing of Revenue Recognition</b>									
Goods transferred at point in time	-	5,457.60	-	-	-	1,895.66	3.08	-	7,356.34
Service transferred over time	6,701.72	4,322.42	-	1,620.49	1.83	117.11	215.38	-	12,978.94
<b>Total revenue</b>	<b>6,701.72</b>	<b>9,780.02</b>	<b>-</b>	<b>1,620.49</b>	<b>1.83</b>	<b>2,012.77</b>	<b>218.46</b>	<b>-</b>	<b>20,335.28</b>

Year ended 31 March 2022									Rs. In Lakhs
Particulars	Continuing operation					Discontinuing Operations			Total
	Management consultancy	Digital classroom solutions	Digital health platform	Insights & quants	Ready-to-eat - 915	Solar modules	DHP - Pharma	Ready-to-eat - Smartfoodz	
<b>Primary geographical markets</b>									
Within India	3,975.57	6,688.44	426.29	1,773.14	-	-	6,129.96	889.59	19,882.99
Outside India	-	3.66	-	13.19	215.27	1,734.57	-	-	1,966.69
<b>Total revenue</b>	<b>3,975.57</b>	<b>6,692.10</b>	<b>426.29</b>	<b>1,786.33</b>	<b>215.27</b>	<b>1,734.57</b>	<b>6,129.96</b>	<b>889.59</b>	<b>21,849.68</b>
<b>Major Goods and Service lines</b>									
Sale of goods	-	2,402.33	0.88	-	126.24	1,576.23	6,034.07	876.64	11,016.39
Sale of services	3,975.57	4,289.77	425.41	1,786.33	89.03	158.34	95.89	12.95	10,833.29
<b>Total revenue</b>	<b>3,975.57</b>	<b>6,692.10</b>	<b>426.29</b>	<b>1,786.33</b>	<b>215.27</b>	<b>1,734.57</b>	<b>6,129.96</b>	<b>889.59</b>	<b>21,849.67</b>
<b>Timing of Revenue Recognition</b>									
Goods transferred at point in time	-	2,402.33	0.88	-	126.24	1,576.23	6,034.07	876.64	11,016.39
Service transferred over time	3,975.57	4,289.77	425.41	1,786.33	89.03	158.34	95.89	12.95	10,833.29
<b>Total revenue</b>	<b>3,975.57</b>	<b>6,692.10</b>	<b>426.29</b>	<b>1,786.33</b>	<b>215.27</b>	<b>1,734.57</b>	<b>6,129.96</b>	<b>889.59</b>	<b>21,849.68</b>

- B. The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	Rs. In Lakhs	
	Continuing operations	
	31 March 2023	31 March 2022
Trade receivables, net of provisions	4,012.06	3,159.68
Unbilled Revenue, net of provisions (contract assets)	564.45	913.72
Income received in advance (contract liabilities)	834.11	877.39
Advance received from customers (contract liabilities)	1,377.90	1,751.58

The unbilled revenue (contract assets) primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The amount of contract assets during the period ended 31 March 2023 and 31 March 2022 were impacted by impairment charges of Rs. Nil lakhs and Rs. 14.75 lakhs respectively. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

The advance from customers (contract liabilities) primarily relate to the advance consideration received from customers while invoicing in excess of revenues are classified as income received in advance, both of which constitute contract liabilities. These will be recognised as revenue when the Group fulfils the performance obligations.

The Group expects to fulfil the unsatisfied performance obligations over the contract term ranging from 1 to 5 years.

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 51 Goodwill

Goodwill has been allocated to following individual cash generating units, which are also reportable segments, for impairment testing, as follows:

Cash generating unit (CGU)	As at	As at
	31 March 2023	31 March 2022
	Rs. lakhs	Rs. lakhs
<b>Ready-to-Eat (RTE)</b>		
Opening balance	8,592.46	8,581.84
Add : Foreign Exchange fluctuation for the year	26.44	10.62
<b>Closing balances</b>	<b>8,618.90</b>	<b>8,592.46</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 52 Non-controlling interests ('NCI')

Subsidiaries that have material non-controlling interests share are listed below:

Name	Country of incorporation	As at 31 March 2023		As at 31 March 2022	
		Group % of holding	NCI % of holding	Group % of holding	NCI % of holding
Flisom AG	Switzerland	84.10%	15.90%	84.10%	15.90%
Flisom Kft	Hungary	84.10%	15.90%	84.10%	15.90%

Movement in non-controlling interests	Rs. In Lakhs	
	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	(4,956.52)	(475.47)
Add/(Less):		
Profit/(loss) for the year	(2,522.32)	(4,481.05)
Other comprehensive income for the year	-	-
Remeasurement of NCI	-	-
Closing balance	(7478.83)	(4956.52)

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 53 Capital Management:

The Group's objectives when managing capital are to:

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are constantly reviewed by the Board of Directors of the Company.

The Group's adjusted net debt to equity ratio at 31 March 2023 is as follows:

Particulars	Rs. In Lakhs	
	As at 31 March 2023	As at 31 March 2022
Total liabilities	229,989.60	173,696.98
Less: Cash and cash equivalents	1,644.24	1,859.03
Adjusted net liabilities	228,345.36	171,837.95
Total equity	475,191.21	559,213.17
Adjusted net liabilities to total equity ratio	0.48	0.31

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 54 Maturity analysis of assets and liabilities

Rs. In Lakhs

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	As at 31 March 2023			As at 31 March 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial assets</b>						
Cash and cash equivalents	1,644.23	-	1,644.23	1,859.03	-	1,859.03
Bank balances other than cash and cash	1,270.04	-	1,270.04	2,670.35	40.06	2,710.41
Receivables						
(i) Trade Receivables	4,012.06	-	4,012.06	3,159.68	-	3,159.68
(ii) Other Receivables	132.89	-	132.89	3,210.83	-	3,210.83
Loans	53,581.82	-	53,581.82	158,449.21	-	158,449.21
Investments	19,114.35	461,081.34	480,195.69	27,621.04	392,423.88	420,044.92
Other financial assets	6,770.40	1,070.25	7,840.65	5,344.21	1,046.24	6,390.45
	<b>86,525.79</b>	<b>462,151.59</b>	<b>548,677.38</b>	<b>202,314.36</b>	<b>393,510.18</b>	<b>595,824.53</b>
<b>Non-financial assets</b>						
Equity accounted investees	-	71,544.35	71,544.35	-	48,950.34	48,950.34
Inventories	454.92	-	454.92	308.17	0.53	308.70
Non-current tax assets (net)	0.16	10,662.09	10,662.25	60.03	12,417.09	12,477.12
Deferred tax assets (net)	-	1,154.64	1,154.64	-	766.69	766.69
Property, plant and equipment	-	2,790.26	2,790.26	-	2,894.49	2,894.49
Right of Use Asset	89.50	780.47	869.97	-	2,492.16	2,492.16
Capital work-in-progress	1.24	111.29	112.53	11.20	354.21	365.41
Intangible assets under development	-	745.69	745.69	-	2,393.76	2,393.76
Intangible assets	-	10,262.46	10,262.46	-	7,409.04	7,409.04
Goodwill	-	8,618.90	8,618.90	-	8,592.46	8,592.46
Other non-financial assets	1,502.86	937.56	2,440.41	2,725.20	1,465.65	4,190.85
	<b>2,048.68</b>	<b>107,607.70</b>	<b>109,656.38</b>	<b>3,104.60</b>	<b>87,736.43</b>	<b>90,841.02</b>
<b>Assets classified as held for sale and discontinued operations</b>	39,368.20	-	39,368.20	41,288.08	-	41,288.08
<b>Total Assets</b>	<b>127,942.67</b>	<b>569,759.29</b>	<b>697,701.96</b>	<b>246,707.03</b>	<b>481,246.61</b>	<b>727,953.63</b>
<b>Liabilities</b>						
<b>Financial liabilities</b>						
Trade payables	1,657.47	-	1,657.47	4,596.70	46.81	4,643.51
Other payables	103.72	-	103.72	352.57	-	352.57
Debt Securities	-	101,896.54	101,896.54	-	79,148.01	79,148.01
Borrowings (Other than Debt securities)	60,000.00	-	60,000.00	35,000.00	-	35,000.00
Other financial liabilities	3,358.17	277.12	3,635.28	3,302.13	156.54	3,458.67
Lease liability	1,146.67	779.60	1,926.28	1,572.04	1,673.38	3,245.42
	<b>66,266.02</b>	<b>102,953.26</b>	<b>169,219.29</b>	<b>44,823.44</b>	<b>81,024.75</b>	<b>125,848.18</b>
<b>Non-financial liabilities</b>						
Current tax liabilities (net)	147.09	-	147.09	161.01	-	161.01
Provisions	824.17	3,402.98	4,227.15	995.26	3,529.34	4,524.61
Other non-financial liabilities	2,953.04	-	2,953.04	3,394.31	-	3,394.31
	<b>3,924.30</b>	<b>3,402.98</b>	<b>7,327.28</b>	<b>4,550.58</b>	<b>3,529.34</b>	<b>8,079.93</b>
<b>Liabilities directly associated with discontinued operations</b>	52,761.29	-	52,761.29	39,768.87	-	39,768.87
<b>Total Liabilities</b>	<b>122,951.62</b>	<b>106,356.24</b>	<b>229,307.86</b>	<b>89,142.89</b>	<b>84,554.09</b>	<b>173,696.98</b>

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 55 Group Information

#### (a) Particulars of subsidiary companies

SN	Name	Country of incorporation	Group % of holding	
			As at 31 March 2023	As at 31 March 2022
1	Qubit Investments Pte. Limited	Singapore	100.00%	100.00%
2	Tata SmartFoodz Limited (ceased to be a wholly owned subsidiary w.e.f. 16.11.2021)	India	-	-
3	Tata ClassEdge Limited (wholly owned subsidiary w.e.f. 10.10.2022)	India	100.00%	-
4	915 Labs, Inc (subsidiary w.e.f. March 8, 2019)	USA	100.00%	100.00%
5	Flisom AG (subsidiary w.e.f. March 25, 2020)	Switzerland	84.10%	84.10%
6	Flisom Hungary Kft (Wholly owned subsidiary of Flisom AG)	Hungary	84.10%	84.10%

#### (b) Particulars of joint venture companies

SN	Name	Country of incorporation	Group % of holding	
			As at 31 March 2023	As at 31 March 2022
1	Tata UniStore Limited (ceased to be a joint venture w.e.f. 8.12.2022)	India	0.00%	92.83%
2	Inzpera Healthsciences Limited	India	76.92%	76.92%

#### (c) Particulars of associate companies

SN	Name	Country of incorporation	Group % of holding	
			As at 31 March 2023	As at 31 March 2022
1	Impetis Biosciences Limited	India	34.37%	34.37%
2	Indigene Pharmaceuticals Limited	USA	32.96%	32.96%
3	Tata Autocomp Systems Limited	India	34.40%	34.40%
4	Oriental Floratech (India) Limited	India	24.19%	24.19%
5	Oriental Seritech Limited	India	28.21%	28.21%
6	ITeL Industries Limited	India	20.00%	20.00%
7	Niskalp Infrastructure Limited	India	50.00%	50.00%



# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 56 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 for Year ended 31 March 2023:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit/(loss)		Share of other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount Rs. Lakhs	As % of consolidated profit / (loss)	Amount Rs. Lakhs	As % of consolidated other comprehensive income	Amount Rs. Lakhs	As % of consolidated total comprehensive income	Amount Rs. Lakhs
<b>Parent</b>		<b>467,712.41</b>		<b>(86,345.87)</b>		<b>(198.43)</b>		<b>(86,544.30)</b>
	64.77%	302,958.23	-9.40%	8,117.56	10303.08%	(20,444.40)	14.24%	(12,326.84)
<b>Subsidiaries</b>								
<b>Indian</b>								
Tata ClassEdge Limited	2.47%	11,545.91	4.56%	(3,935.04)	-74.96%	148.75	4.37%	(3,786.29)
Tata SmartFoodz Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Foreign</b>								
Qubit Investments Pte. Ltd.	18.28%	85,484.66	(0.15%)	127.25	(10126.31%)	20,093.64	(23.36%)	20,220.89
915 Labs, Inc	2.05%	9,572.35	0.91%	(787.47)	52.80%	(104.77)	1.03%	(892.24)
Flisom AG and Flisom KFT	(2.86%)	(13,393.09)	18.39%	(15,879.28)	383.15%	(760.28)	19.23%	(16,639.56)
<b>Joint Ventures</b>								
<b>(Investment as per the equity method)</b>								
<b>Indian</b>								
Tata UniStore Limited	0.00%	-	113.43%	(97,940.66)	15.61%	(30.97)	113.20%	(97,971.63)
Inzpera Healthsciences Limited	0.00%	-	1.27%	(1,099.91)	3.92%	(7.78)	1.28%	(1,107.69)
<b>Associates</b>								
<b>(Investment as per the equity method)</b>								
<b>Indian</b>								
Tata Autocomp Systems Limited	15.11%	70,669.03	(28.80%)	24,866.75	-457.28%	907.39	(29.78%)	25,774.14
Impetis BioSciences Limited	0.19%	875.32	(0.21%)	184.92	0.00%	-	(0.21%)	184.92
Oriental Seritech Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Oriental Floratech (India) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
ITeL Industries Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Niskalp Infrastructure Services Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Foreign</b>								
Indigene Pharmaceuticals Inc. USA	0.00%	-	0.00%	-	0.00%	-	0.00%	-

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 56 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 for Year ended 31 March 2022: (Continued)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit/(loss)		Share of other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount Rs. Lakhs	As % of consolidated profit / (loss)	Amount Rs. Lakhs	As % of consolidated other comprehensive income	Amount Rs. Lakhs	As % of consolidated total comprehensive income	Amount Rs. Lakhs
<b>Parent</b>	75.82%	554,256.66		(105,019.03)		124,818.80		19,799.77
		420,212.11	52.14%	(54,758.22)	89.89%	112,198.75	290.11%	57,440.53
<b>Subsidiaries</b>								
<b>Indian</b>								
Tata SmartFoodz Limited	0.00%	-	5.79%	(6,083.29)	0.00%	-	-30.72%	(6,083.29)
<b>Foreign</b>								
Qubit Investments Pte. Ltd.	13.41%	74,351.79	(3.08%)	3,231.86	8.61%	10,743.05	70.58%	13,974.91
915 Labs, Inc	1.66%	9,224.21	0.68%	(715.58)	(0.02%)	(18.82)	(3.71%)	(734.40)
Filsom AG (Subsidiary w.e.f. 25 March 2020)	-0.34%	1,873.16	12.85%	(13,493.81)	0.34%	429.07	(65.98%)	(13,064.74)
Filsom Hungary Kft (Subsidiary w.e.f. 25 March 2020)	0.61%	3,391.36	7.40%	(7,772.13)	0.47%	580.58	(36.32%)	(7,191.55)
<b>Joint Ventures</b>								
<b>(Investment as per the equity method)</b>								
<b>Indian</b>								
Tata UniStore Limited	0.00%	-	37.66%	(39,548.32)	-0.01%	(17.74)	(199.83%)	(39,566.06)
Inzpera Healthsciences Limited	0.00%	-	0.73%	(769.23)	0.00%	-	(3.89%)	(769.23)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit/(loss)		Share of other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount Rs. Lakhs	As % of consolidated profit / (loss)	Amount Rs. Lakhs	As % of consolidated other comprehensive income	Amount Rs. Lakhs	As % of consolidated total comprehensive income	Amount Rs. Lakhs
<b>Associates</b>								
<b>(Investment as per the equity method)</b>								
<b>Indian</b>								
Tata Autocomp Systems Limited	8.71%	48,259.95	(14.23%)	14,940.26	0.72%	903.91	80.02%	15,844.17
Impetis BioSciences Limited	0.12%	690.40	0.05%	(50.57)	0.00%	-	(0.26%)	(50.57)
Filsom (Subsidiary w.e.f. 25 March 2020)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Oriental Seritech Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Oriental Floratech (India) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
ITeL Industries Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Niskalp Infrastructure Services Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Foreign</b>								
Indigene Pharmaceuticals Inc. USA	0.00%	-	0.00%	-	0.00%	-	0.00%	-

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 57 Related Party and their Relationship

#### 1 Joint Venture Partners

Tata Sons Private Limited  
Tata Chemicals Limited

#### 2 Subsidiary Company

Tata SmartFoodz Limited (formerly SmartFoodz Limited) (ceased w.e.f. 16.11.2021)  
Qubit Investments Pte. Ltd  
#915 Labs, Inc  
#Flisom - AG  
#Flisom Hungary Kft  
Tata Classedge Limited (w.e.f. 10.10.2022)

#### 3 Associate Company

Indigene Pharmaceuticals Inc., USA.  
ITel Industries Ltd.  
Oriental Floratech India Ltd.  
Oriental Seritech Ltd.  
Tata Autocomp Systems Ltd.  
Niskalp Infrastructure Services Ltd. (formerly Niskalp Energy Ltd.)  
Impetis Biosciences Limited

#### 4 Joint Ventures

Inzpera Healthsciences Limited  
Tata Unistore Limited (ceased w.e.f. 08.12.2022)

#### 5 Post Employment Benefit Plans of Tata Industries Limited

Tata Industries Employees PF Trust  
Tata Industries Superannuation Fund Trust  
Tata Industries Employees Gratuity Fund Trust

#### 6 Associates of Joint Venture Partners with whom transactions have been made

The Indian Hotels Company Limited  
Voltas Limited  
Tata Steel Limited  
Tata Consumer Products Limited (formerly Tata Global Beverages Limited)  
Tata Motors Limited  
The Tata Power Company Limited  
Titan Company Limited  
Tata Elxsi Limited (ceased to be an associate and became a subsidiary of Tata Sons Ltd w.e.f. 01.12.2020)  
\*Tata Steel BSL Limited (formerly Bhushan Steel Limited) (ceased w.e.f. 11.11.2021)  
\*Tata Coffee Limited  
\*Piem Hotels Limited  
\*Roots Corpoartion Limited  
\*TML Business Services Limited (formerly Concorde Motors (India) Limited)  
\*The Tata Pigments Limited  
\*The Tinplate Company of India Limited  
\*Tata Steel Foundation  
\*Jamshedpur Football and Sporting Private Limited  
\*Noamundi Steel Limited (struck off w.e.f. 24.8.2021)  
\*Bamniral Steel Limited (ceased w.e.f. 11.11.2021)  
\*Tata Steel Long Products Limited (formerly Tata Sponge Iron Limited)  
\*Tata Steel Utilities and Infrastructure Services Limited (formerly Jamshedpur Utilities & Services Company Limited)  
Trent Limited

# Tata Industries Limited

## Notes to Consolidated Financial Statements (Continued)

for the Year ended 31 March 2023

(Currency: Indian rupees in lakhs)

**7 Joint Venture of Joint Venture Partner with whom transactions have been made**

Tata AIA Life Insurance Company Limited  
Tata Play Limited (formerly Tata Sky Limited)

**8 Subsidiaries of Associates with whom transactions have been made**

\*Tata SmartFoodz Limited (formerly SmartFoodz Limited) (subsidiary of associate w.e.f. 16.11.2021)

**9 Key Management Personnel of the company**

Mr. K.R.S. Jamwal (Executive Director)  
Mr. F. N. Subedar  
Mr. N. Srinath  
Ms. Aarthi Subramanian  
Mr. S. Sriram

# Subsidiaries of Qubit.

\*Associate and Joint-venture include its subsidiaries.

**Note:** Post Employment Benefit Plans of related parties has not been disclosed as there were no transactions with them during the year.

# Tata Industries Limited

## Notes to Ind AS consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in lakhs)

### 57 Related Party Disclosures for the year ended March 31, 2022 (Continued)

#### b) Transactions and balances with related parties

Transactions	Holding Company	Joint Venture Partners	Associates	Associates of Joint Venture Partner	Key Management Personnel	Joint Venture	JVs of Joint Venture Partner	Post Employment Benefit Trust	Total
Purchase of fixed assets	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	0.76	-	-	0.76
Rendering of services	-	1,937.27	-	2,831.18	-	-	-	-	4,768.45
	-	1,420.18	-	3,271.18	-	20.09	-	-	4,711.45
Dividend income	-	239.21	-	1,495.83	-	-	-	-	1,735.03
	-	237.26	-	366.79	-	-	-	-	604.05
Interest received	-	-	-	1,121.77	-	6,339.88	-	-	7,461.65
	-	-	-	1,036.18	-	4,958.29	-	-	5,994.46
Receiving of services	0.35	14.29	-	57.66	-	14.37	-	-	86.67
	-	2.66	-	11.01	-	0.00	19.99	-	33.66
Insurance expenses	-	-	-	-	-	-	120.45	-	120.45
	-	-	-	-	-	-	74.04	-	74.04
Equity / preference contribution by TIL	-	-	-	-	-	-	-	-	-
	-	-	-	110.88	-	769.23	-	-	880.11
ICD given to Related party	-	-	-	-	-	61,975.00	-	-	61,975.00
	-	-	-	-	-	108,950.00	-	-	108,950.00
Remuneration to KMP	-	-	-	-	648.09	-	-	-	648.09
	-	-	-	-	696.02	-	-	-	696.02
Sitting Fees to Directors	-	-	-	-	11.20	-	-	-	11.20
	-	-	-	-	10.80	-	-	-	10.80
Reimbursements of expenses made	-	25.15	-	-	-	-	-	-	25.15
	-	195.04	-	-	-	-	-	-	195.04
Reimbursement of out of pocket expense received	-	212.61	-	55.95	-	-	-	-	268.56
	-	33.90	-	16.22	-	-	-	-	50.12

# Tata Industries Limited

## Notes to Ind AS consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in lakhs)

### 57 Related Party Disclosures for the year ended March 31, 2022 (Continued)

#### b) Transactions and balances with related parties

Transactions	Holding Company	Joint Venture Partners	Associates	Associates of Joint Venture Partner	Key Management Personnel	Joint Venture	JVs of Joint Venture Partner	Post Employment Benefit Trust	Total
Repayment of ICD by Related party	-	-	-	-	-	170,925.00	-	-	170,925.00
	-	-	-	-	-	36,700.00	-	-	36,700.00
Investment in NCD/OCD	-	-	-	-	-	800.00	-	-	800.00
	-	-	-	-	-	9,469.10	-	-	9,469.10
Purchase of investment	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	1.00	1.00
Sale of investment	-	-	-	-	-	-	-	-	-
	-	-	-	39,500.00	-	-	-	-	39,500.00
Other Incomes / Claims received	-	-	-	-	-	-	-	-	-
	-	-	1.00	-	-	-	-	-	1.00
Other advances given	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	4.20	-	4.20
Transfer of liability towards Gratuity and Leave Encashment	-	-	-	-	-	-	-	-	-
	-	-	-	1.83	-	-	-	-	1.83
Transfers to Post employment benefit	-	-	-	-	-	-	-	240.63	240.63
	-	-	-	-	-	-	-	595.74	595.74
Purchase of Gift cards	-	-	-	-	-	0.30	-	-	0.30
	-	-	-	0.30	-	3.49	-	-	3.79
Sale of Product / Medicine	-	-	-	-	-	-	-	-	-
	-	-	-	5,002.44	-	-	-	-	5,002.44
<b>Debit Balances Outstanding as at March 31, 2023</b>									
Loans & advances	-	-	-	-	-	10.44	-	-	10.44
	-	-	-	4,934.17	-	108,950.00	-	-	113,884.17

# Tata Industries Limited

## Notes to Ind AS consolidated financial statements (*Continued*)

for the year ended 31 March 2022

(Currency: Indian rupees in lakhs)

### 57 Related Party Disclosures for the year ended March 31, 2022 (*Continued*)

#### b) Transactions and balances with related parties

Transactions	Holding Company	Joint Venture Partners	Associates	Associates of Joint Venture Partner	Key Management Personnel	Joint Venture	JVs of Joint Venture Partner	Post Employment Benefit Trust	Total
Interest accrued	-	-	-	-	-	49.21	-	-	49.21
	-	-	-	5,180.88	-	3,099.59	-	-	8,280.46
Receivables:	-	11.65	-	995.57	-	-	-	-	1,007.21
Trade receivables	-	200.63	-	243.18	-	-	-	-	443.82
Receivables:	-	11.18	-	8.25	-	-	-	-	19.42
Other receivables	-	8.85	-	-	-	-	-	-	8.85
Other non-financial assets:	-	-	-	122.13	-	-	1.35	-	123.48
Other Advances	-	-	-	0.27	-	ab	4.20	-	4.47
Other financial assets:	-	-	-	-	-	-	0.50	-	0.50
Deposit	-	-	-	-	-	-	0.50	-	0.50
<b>Credit Balances Outstanding as at March 31, 2023</b>									
Amounts payable	-	-	-	-	-	-	-	-	-
	-	-	-	1.36	-	0.09	-	-	1.45

Figures in *italics* are in respect of the previous year

# Tata Industries Limited

## Notes to Ind AS consolidated financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 57 Related Party Disclosures for the year ended March 31, 2023 (Continued)

#### c) Disclosure of material transactions with related parties –

Particulars	31 March 2023	31 March 2022
1 Purchase of fixed assets -		
Tata UniStore Ltd (formerly Tata Industrial Services Ltd)	-	0.76
Tata Elxsi Limited (ceased to be an associate and became a subsidiary of Tata Sons Ltd w.e.f. 01.12.2020)	-	-
2 Purchase of Gift cards -		
Tata UniStore Ltd (formerly Tata Industrial Services Ltd)	0.30	3.49
3 Sale of Goods / Medicines -		
Tata Steel Limited	-	4,828.43
4 Rendering of services -		
Tata Sons Private Limited	1,799.63	1,378.72
Tata Motors Ltd	1,338.23	1,240.81
Tata Steel Ltd	1,180.35	1,754.68
5 Receiving of services -		
Tata Sons Private Limited	0.35	-
The Indian Hotels Co.Ltd.	49.79	-
6 Dividend income -		
Tata Sons Private Limited	229.50	229.50
Tata Steel Ltd	531.70	260.64
The Tata Power Ltd	79.37	70.30
Tata Autocomp Systems Ltd	2,769.81	-
TML Business Services Limited (formerly Concorde Motors (India) Limited)	832.22	-
7 Interest received-		
BAHC 5 Pte. Ltd	1,121.77	1,036.18
Tata SmartFoodz Limited (formerly SmartFoodz Limited) (ceased w.e.f. 16.11.2021)	-	2,260.29
Tata UniStore Ltd (formerly Tata Industrial Services Ltd)	6,290.68	4,958.29
8 Insurance expenses -		
Tata AIA Life Insurance Company Ltd	88.11	74.04
9 Reimbursement of expenses made -		
Tata Sons Private Limited	24.62	194.91
10 Reimbursement of out of pocket expense received -		
Tata Sons Private Limited	211.80	33.90
Tata Steel Limited	-	11.55
11 Remuneration to Directors and Key Managerial Personnel		
-K.R.S. Jamwal (Executive Director)	410.89	495.65
Including:-		
-Short term employee benefits	387.30	419.14
-Other employment benefits	23.59	76.51
-S. Sriram (Chief Financial Officer & Company Secretary)	237.20	200.36
Including:-		
-Short term employee benefits	205.23	182.32
-Other employment benefits	31.97	18.04
12 Equity / preference contribution by the company and share application money -		
Inzpera Healthsciences Limited	307.69	769.23
The Indian Hotels Co.Ltd.	-	110.88



# Tata Industries Limited

## Notes to Ind AS consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

### 57 Related Party Disclosures for the year ended March 31, 2023 (*Continued*)

#### c) Disclosure of material transactions with related parties (*Continued*) –

Particulars	31 March 2023	31 March 2022
13 Sale of investment (in shares of other company) to -		
Tata Sons Private Limited	<b>3,093.03</b>	-
Tata Consumer Products Limited (formerly Tata Global Beverages Limited)	-	39,500.00
14 Investment in NCD/OCD -		
Tata UniStore Ltd (formerly Tata Industrial Services Ltd)	-	9,469.10
15 ICD given -		
Tata UniStore Ltd (formerly Tata Industrial Services Ltd)	<b>61,975.00</b>	108,950.00
16 Repayment of ICD by Related party		
Tata UniStore Ltd (formerly Tata Industrial Services Ltd)	<b>170,925.00</b>	36,700.00
17 Other Income / Claims received -		
Oriental Floratech India Ltd		1.00
18 Other Advances given -		
Tata AIA Life Insurance Company Ltd		4.20
19 Transfer of liability towards Gratuity and Leave Encashment -		
Tata Consumer Products Limited (formerly Tata Global Beverages Limited)		1.83
Tata Chemicals Ltd	-	-
20 Transfer to Post employment benefit trusts		
Tata Industries Superannuation Fund Trust (SAF liability)	<b>34.85</b>	35.70
Tata Industries Employees Gratuity Fund Trust (Gratuity liability)	<b>205.78</b>	82.02
Tata Industries Employees PF Trust (PF liability)	-	513.72

**Note:** Therefore company has disclosed material transactions in excess of 10% of the total related party transactions of the same type.

# Tata Industries Limited

## Notes to Consolidated Financial Statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in lakhs)

### 58 Going concern basis for certain components

The financial statements of four associates namely, Oriental Seritech Ltd, Oriental Floratech India Ltd, ITEL Industries Ltd and Niskalp Infrastructure Services Ltd., valued at Rs Nil in the CFS, have not been prepared on going concern basis. The financial statements of one associate Indigene Pharmaceuticals Inc. valued at Rs Nil in the CFS, are not available for past several years and no adjustment is made for the same in the CFS.

### 59 Exceptional items

#### Financial Year 2021-22:

The Company holds investments in Flisom AG and Flisom Kft (Flisom) through Qubit Investments Ptd. Ltd (a wholly owned subsidiary of the Company). Flisom had setup its pilot plant in 2015 and made its first sale of solar modules to 3rd party customers in 2016. The 50 mw large plant at Kecskemet, Hungary was commissioned in November-2020.

Flisom generated losses in the previous years as it continued to invest in the development of flexible solar modules. Both these companies constitute a single cash generating unit (CGU) and form part of same segment due to interdependency of cash flows.

The Company has performed the impairment assessment and determined the value in use based on the proposed offer, to divest its stake in the subsidiary – Flisom along with the settlement of shareholders loans. Provision for impairment loss has been recognised, as the carrying amount of the net assets of subsidiaries is higher than the value as per the proposed offer.

As per our report of even date attached

#### For Singhi & Co.

Chartered Accountants

Firm's Registration No: 302049E

#### For and on behalf of the Board of Directors of

**Tata Industries Limited**

CIN: U44003MH1945PLC004403

Sd/-

**Nikhil Singhi**

Partner

Membership No: 061567

Mumbai

Date: 27 April 2023

Sd/-

**K.R.S Jamwal**

Executive Director

DIN: 03129908

Sd/-

**F.N. Subedar**

Director

DIN: 00028428

Sd/-

**S. Sriram**

Chief Financial Officer

& Company Secretary

CS Membership Number: A10083

Mumbai

# **TATA INDUSTRIES LIMITED**

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