

Independent Auditor's Report

To the Members of Tata Motors Limited (formerly TML Commercial Vehicles Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Tata Motors Limited (formerly TML Commercial Vehicles Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates, its joint ventures and joint operation (including its subsidiary company), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material 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 the other auditors on separate/consolidated financial statements/financial information of such subsidiaries and step-down subsidiaries, as were audited by the other auditors, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates, joint ventures and joint operation (including its subsidiary company) as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates, joint ventures and joint operation (including its subsidiary company) in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate/consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Registered Office:

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

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

Independent Auditor's Report (Continued)

Tata Motors Limited (formerly TML Commercial Vehicles Limited)

Accounting for transfer of Commercial Vehicles Business pursuant to Composite Scheme of Arrangement

See Note 47 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
During the current year, Tata Motors Passenger Vehicles Limited (formerly Tata Motors Limited) ("TMPVL" or the "Demerged Company") transferred its Commercial Vehicles Business ("Demerged Undertaking") to Tata Motors Limited (formerly TML Commercial Vehicles Limited) ("TML" or the "Holding Company") pursuant to a Composite Scheme of Arrangement amongst TMPVL, the Holding Company and Tata Motors Passenger Vehicles Limited ('the Scheme'). The Scheme was approved by the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, vide its order dated 25 August 2025. The appointed date of the Scheme is 1 July 2025 and the effective date is 1 October 2025. In accordance with Appendix C to Ind AS 103 – Business Combinations and the accounting treatment prescribed in the Scheme, the Holding Company has recorded all assets and liabilities (including the related components of other equity) pertaining to the Demerged Undertaking at their respective carrying amounts as appearing in the books of account of the Demerged Company with effect from the appointed date. Consequently, the Holding Company has restated its previous period financial statements from 1 July 2024 to recognize the effect of the above business combination. The transfer of the Demerged Undertaking has a significant impact on the measurement and disclosures in the Holding Company's consolidated financial statements. The accounting involves identification and allocation of assets, liabilities and related equity balances transferred under the Scheme, which requires certain judgements and assumptions, and ensuring appropriate disclosures in accordance with the applicable Indian Accounting Standards (Ind AS). Given the unusual and non routine nature of the transaction and its significance to the consolidated financial statements of the Holding Company, we have identified the accounting for the transfer of the Demerged Undertaking as a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area : - Obtained an understanding of the key terms and conditions of the Scheme and the final order passed by the Hon'ble NCLT. - Evaluated the design and implementation and tested the operating effectiveness of controls relating to identification, recording and disclosures of assets, liabilities and related equity balances of Demerged Undertaking according to the accounting treatment mentioned in the Scheme. - Obtained and evaluated the Holding Company's assessment of the accounting, tax and disclosure requirements applicable to the transfer of the Demerged Undertaking, including the opinion obtained from the Holding Company's tax advisors, and assessed the competence and objectivity of management's expert. - Examined the appropriateness of the financial information relating to the Demerged Company, as extracted from the underlying financial statements of the Demerged Company, and agreed the assets, liabilities and related equity balances recorded in the Holding Company's books of account with such information. - Evaluated the reasonableness of the judgements and assumptions used by the Holding Company in the identification of assets, liabilities and related equity balances transferred under the Scheme. - Assessed that the accounting treatment applied to the transfer of the Demerged Undertaking is consistent with the accounting treatment specified in the Scheme. - Evaluated the adequacy of disclosures made in the consolidated financial statements with respect to accounting of Scheme in accordance with the

Independent Auditor's Report (Continued)**Tata Motors Limited (formerly TML Commercial Vehicles Limited)**

	requirements of the applicable Ind AS.
Provision for warranty	
See Note 27 to the consolidated financial statements	
The key audit matter	How the matter was addressed in our audit
The Holding Company incurs a liability for warranty contracts on new vehicle sales, in terms of which it is obligated to provide repair services for manufacturing defects over the contractual warranty period. As detailed in note 27 of the consolidated financial statements, as at 31 March 2026, the Holding Company has warranty provisions of Rs. 3,153 crores. The Holding Company records a warranty provision which involves complexity, judgement and significant level of uncertainty. The computation of the provision considers the historical actual claims data and the recent data trends to estimate the expected payments for vehicles sold in respective years. Such expected payments are adjusted for any cost savings expected from various ongoing quality initiatives. There is an inherent uncertainty related to future events which may not mirror past experience. The likelihood of risk of material misstatement has further increased due to increasing warranty spend in the year which has diverged from provision levels. We determined provision for product warranty as a key audit matter due to high estimation uncertainty and involvement of significant judgement.	In view of the significance of the matter we applied the following audit procedures in this area : - Evaluated the design and implementation and tested the operating effectiveness of controls related to computation and approval of the warranty provisions. This included evaluation of assumptions related to expected warranty cost per vehicle and future events related to expected cost savings underlying the warranty provision calculation. - Evaluated any changes made to the provision policy and computation model. - Assessed and challenged the assumptions and recomputed the inputs used in warranty provision computations. - Identified and tested the completeness and accuracy of underlying information used in computation of provision with the assistance of our Information technology specialists. - Tested actualization of estimated warranty provision using statistical sampling. - Performed retrospective assessment of provision by comparing estimated and actual payments against warranty claims. - Performed sensitivity analysis to assess the reasonableness of management's assumptions underlying the estimation of anticipated warranty payments; and - Evaluated the adequacy of disclosures relating to the estimation of Product warranty provisions.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's reports thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Independent Auditor's Report (Continued)

Tata Motors Limited (formerly TML Commercial Vehicles Limited)

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's 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 state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates, joint ventures and joint operation (including its subsidiary company) in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its associates, joint ventures and joint operation (including its subsidiary company) are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated 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 Management and Board of 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 the respective Management and Board of Directors of its associates, joint ventures and joint operation (including its subsidiary company) are responsible for assessing the ability of each company 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 to 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, joint ventures and joint operation (including its subsidiary company) are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities 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 judgment 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

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obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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, joint ventures and joint operation (including its subsidiary) 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 statements/financial information of such entities or business activities within the Group and its associates, joint ventures and joint operation (including its subsidiary) 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/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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 auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report (Continued)

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Other Matters

- a. We did not audit the financial statements / financial information of three subsidiaries and five step-down subsidiaries, whose financial statements/financial information reflects total assets (before consolidation adjustments) of Rs. 15,022 crores as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. 6,249 crores and net cash outflows (before consolidation adjustments)(net) amounting to Rs. 3,439 crores for the year ended on that date, as considered in the consolidated financial statements. 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 and step-down subsidiaries, 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 and step-down subsidiaries is based solely on the reports of the other auditors.

Two of these step-down subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements/financial information of such step-down subsidiaries located outside India from accounting principles generally accepted in its country 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 step-down subsidiaries located outside India is based on the reports of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Independent Auditor's Report (Continued)**Tata Motors Limited (formerly TML Commercial Vehicles Limited)**

- b. The financial statements/financial information of two subsidiaries and one step-down subsidiary, whose financial statements/financial information reflects total assets (before consolidation adjustments) of Rs. 178 crores as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. Nil and net cash inflows (before consolidation adjustments) amounting to Rs. 100 crores 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. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) (net) of Rs. 123 crores for the year ended 31 March 2026, as considered in the consolidated financial statements, in respect of four associates and one joint venture, whose financial statements/financial information have not been audited by us or by other auditors. These 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 subsidiaries, step-down subsidiary, 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, step-down subsidiary, joint venture and associates, 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.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements/financial information certified by the Management.

- c. Corresponding figures (which includes financial position and financial performance of commercial vehicles business transferred to the Company pursuant to the Scheme) as at and for the period ended 31 March 2025 included in these consolidated financial statements have not been audited. Our opinion is not modified in respect of this matter.

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 of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and step-down subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matter stated in paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors Rules), 2014.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - 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 on 1 April 2026 and 9 April 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, step-down

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subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary company) incorporated in India, none of the directors of the Group, its associate companies, joint venture companies and joint operation (including its subsidiary company) incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

- f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(B) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, step-down subsidiary companies, associate companies and joint venture companies and joint operation (including its subsidiary company) incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries and step-down subsidiaries as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group, its associates, joint ventures and joint operation (including its subsidiary). Refer Note 38 to the consolidated financial statements.
 - b. The Group, its associates, joint ventures and joint operation (including its subsidiary) did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding company or its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary company) its incorporated in India during the year ended 31 March 2026.
 - d (i) The respective management of the Holding Company and its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary) incorporated in India whose financial statements/financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies and step-down subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 46(d) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company of any such subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation company (including its subsidiary) to or in any other person 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 by or on behalf of the Holding Company or any of such subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation company (including its subsidiary) ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The respective management of the Holding Company and its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation company (including its subsidiary) incorporated in India whose financial statements/financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies and step-down subsidiary companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 46(e) to the consolidated financial statements,

Independent Auditor's Report (Continued)

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no funds have been received by the Holding Company or any of such subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation company (including its subsidiary) from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation company (including its subsidiary) shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and performed by the auditors of the subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary company) nothing has come to our or the other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the associate company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by a subsidiary company, an associate company and a joint operation company during the year and until the date of this audit report is in accordance with Section 123 of the act.

As stated in Note 21 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meetings. Further, the Board of Directors of an associate company and a subsidiary company have proposed the final dividend for the year which is subject to the approval of the members at their respective Annual General Meetings. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination, which included test checks, considering reports of independent auditor's in relation to controls at the service organisation for accounting softwares and the procedures performed by the respective auditors of the subsidiary companies and step-down subsidiary companies which are companies incorporated in India whose financial statements/financial information have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary company) have used accounting softwares for maintaining its books of account which, along with privilege access management tools, wherever applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
 - i. In respect of the Holding Company, the feature of recording audit trail (edit log) facility was enabled at the database level to log any direct data changes for the accounting software used for maintaining general ledger on 4th October 2025, post migration to a new software from 1st October 2025.
 - ii. In respect of the Holding Company, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining price master, variable marketing expenses and time records for product development cost.
 - iii. In respect of the Holding Company, in the absence of coverage of audit trail (edit log) with respect to database level in the independent auditor's report in relation to controls at the service organization for accounting software used for preparation of financial statements, which is

Independent Auditor's Report (Continued)

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operated by third party software service provider, we are unable to comment whether the audit trail feature of the database level of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

- iv. In respect of the Joint operation (including its subsidiary company), for the accounting software used for maintaining the books of accounts relating to general ledger, the audit trail feature (edit log) facility was not enabled in respect of direct create action at the database level from 1 April 2025 to 18 June 2025.
- v. In respect of two subsidiaries and one step down subsidiary, the feature of recording audit trail (edit log) facility was not enabled
 - at the database level to log any direct data changes for all the accounting softwares; and
 - for certain fields at the application layer of the accounting software used for maintaining general ledger relating to purchase and payable records.
- vi. In respect of one subsidiary and one step down subsidiary, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct changes.
- vii. In respect of one associate company, the company has used spreadsheets for maintaining underlying records of the financial statements which is not considered as 'books of account' in accordance with the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. Accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

Further, where audit trail (edit log) facility was enabled and operated, we and respective auditors of such subsidiary companies and step-down subsidiary companies did not come across any instance of the audit trail feature being tampered with.

In respect of the Holding Company, this being the first year of business operations of the Holding Company, pursuant to the demerger scheme, statutory record retention requirements of audit trail for previous years is not applicable.

Additionally, where the audit trail (edit log) functionality was enabled and operated during the previous years, the subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary company) have preserved the audit trail in accordance with the statutory record retention.

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C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and step-down subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary company) to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary company) is not in excess of the limit laid down under Section 197 of the Act, except for one subsidiary company wherein managerial remuneration paid to the Chief Executive Officer of the such subsidiary company (amounting to INR 0.20 crores) and, consequently, the total managerial remuneration for the financial year (amounting to INR 1.06 crores) exceed the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by INR 0.20 crores. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Chartered Accountants

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

**Vijay
Mathur**

Digitally signed
by Vijay Mathur

Date: 2026.05.13
23:32:05 +05'30'

Vijay Mathur
Partner

Place: Mumbai

Date: 13 May 2026

Membership No.: 046476

ICAI UDIN:26046476GFDTTQ9432

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Tata Motors Limited (formerly TML Commercial Vehicles Limited) for the year ended 31 March 2026

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

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/S subsidiary/ JV/ Associate/ Joint Operation	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Tata Motors Limited	L29102MH2024PLC 427506	Parent Company	Clause i (c), iii(c), iii(d), iii(e), ix(d)
2	Tata Cummins Private Limited	U34101PN1993PTC 190262	Joint Operation	Clause (ii)(b)
3	TCPL Green Energy Solutions Private Limited	U29104PN2023PTC 218991	Subsidiary of Joint Operation	Clause xvii
4	Tata Motors Body Solutions Limited	U34101MH2006PL C164771	Subsidiary	Clause i(c), vii(a), ix(d)
5	TML CV Mobility Solutions Limited	U50500MH2021PL C361754	Subsidiary	Clause (xvii)
6	TML Smart City Mobility Solutions Limited	U34300MH2022PL C383389	Subsidiary	Clause (xvii)
7	TML Smart City Mobility Solutions (J&K) Private Limited	U34300JK2022PTC 013897	Step-down subsidiary	Clause (xvii)
8	TMF Holdings Limited	U65923MH2006PL C162503	Subsidiary	Clause (xvii)
9	TMF Business Services Limited	U45200MH1989PL C050444	Step-down subsidiary	Clause (i)(b)
10	Tata Motors Gobal Services Limited	U72100MH1972PL C015561	Associate	Clause (iii) (b)
11	Automobile	L35911GA1980PLC	Associate	Clause (i)(c)

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Tata Motors Limited (formerly TML Commercial Vehicles Limited) for the year ended 31 March 2026 (Continued)

Sr. No.	Name of the entities	CIN	Holding Company/S subsidiary/ JV/ Associate/ Joint Operation	Clause number of the CARO report which is unfavourable or qualified or adverse
	Corporation of Goa Limited	000400		vii(a)

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

Name of the entities	CIN	Subsidiary/ JV/ Associate
Tata Hitachi Construction Machinery Company Private Limited	U85110KA1998PTC024588	Associate
AIEQU Mobility Limited	U62020KA2026PLC215653	Subsidiary
Freight Commerce Solutions Private Limited	U74120MH2014PTC255210	Associate
Travelttime E-Mobility Chennai Private Limited	U49210TN2025PTC187659	Associate of subsidiary
Tata Motors Digital.AI Labs Limited	U62099MH2025PLC443024	Joint Venture

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

Chartered Accountants

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

Vijay

Mathur

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by Vijay Mathur

Date:

2026.05.13

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Vijay Mathur

Partner

Membership No.: 046476

ICAI UDIN:26046476GFDTTQ9432

Place: Mumbai

Date: 13 May 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Tata Motors Limited (formerly TML Commercial Vehicles Limited) for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of Tata Motors Limited (formerly TML Commercial Vehicles Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary company), as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements/financial information of subsidiary companies and step-down subsidiary company as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, step-down subsidiary companies, associate companies, joint venture companies and joint operation (including its subsidiary company), have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective 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 the respective 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 Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Tata Motors Limited (formerly TML Commercial Vehicles Limited) for the year ended 31 March 2026 (Continued)

assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and step-down subsidiary company incorporated in India in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements/financial information insofar as it relates to two subsidiary companies and one step-down subsidiary, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

The internal financial controls with reference to financial statements/financial information insofar as it relates to one subsidiary company, three associate companies and one joint venture company, which are companies incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditors. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary company, associate companies and joint venture company are not material to the Holding Company.

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Tata Motors Limited (formerly TML Commercial Vehicles Limited) for the year ended 31 March 2026 (Continued)

Our opinion is not modified in respect of above matters.

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

Chartered Accountants

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

Vijay

Mathur

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by Vijay Mathur

Date:

2026.05.13

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Vijay Mathur

Partner

Place: Mumbai

Date: 13 May 2026

Membership No.: 046476

ICAI UDIN:26046476GFDTTQ9432

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
CONSOLIDATED BALANCE SHEET

		(₹ in crores)	
Particulars	Notes	As at March 31, 2026	As at March 31, 2025*
I. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, plant and equipment	3(B)	11,036	10,886
(b) Capital work-in-progress	3(C)	712	719
(c) Right of use assets	4	812	799
(d) Other intangible assets	5(B)	2,114	1,979
(e) Intangible assets under development	5(C)	1,314	1,156
(f) Investment in equity accounted investees	6	1,462	1,272
(g) Financial assets:			
(i) Investments	7	6,547	974
(ii) Loans	9	28	25
(iii) Other financial assets	10	4,389	4,424
(h) Non-current tax assets (net)		235	329
(i) Other non-current assets	16	451	318
		29,100	22,881
(2) CURRENT ASSETS			
(a) Inventories	11(B)	5,448	4,625
(b) Financial assets:			
(i) Investments	8	5,274	3,036
(ii) Trade receivables	12	2,721	3,064
(iii) Cash and cash equivalents	13(B)	6,899	1,033
(iv) Bank balances other than (iii) above	14	877	1,233
(v) Loans	9	32	37
(vi) Other financial assets	10	1,019	9,914
(c) Current tax assets (net)		14	1
(d) Other current assets	17	924	1,026
		23,208	23,969
(3) Assets classified as held-for-sale		1	1
TOTAL ASSETS		52,309	46,851
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	736	0
(b) Equity share capital to be issued pursuant to the Scheme	47(b)	-	736
(c) Other equity	21	11,998	9,797
		12,734	10,533
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial liabilities:			
(i) Borrowings	22	1,344	4,540
(ii) Lease liabilities		603	622
(iii) Other financial liabilities	24	137	144
(b) Provisions	27(B)	3,484	2,603
(c) Deferred tax liabilities (net)	18(B)	1,414	888
(d) Other non-current liabilities	28	1,990	1,850
		8,972	10,647
(2) CURRENT LIABILITIES			
(a) Financial liabilities:			
(i) Borrowings	23	3,473	4,616
(ii) Lease liabilities		195	147
(iii) Trade payables	26		
(a) Total outstanding dues of micro and small enterprises		371	199
(b) Total outstanding dues of creditors other than micro and small enterprises		13,113	11,365
Acceptances		2,220	2,812
(iv) Other financial liabilities	25	1,342	1,144
(b) Other current liabilities	29	7,414	3,146
(c) Provisions	27(B)	2,416	2,216
(d) Current tax liabilities (net)		59	26
		30,603	25,671
TOTAL EQUITY AND LIABILITIES		52,309	46,851

*Re-presented (Refer note 47)

See accompanying notes to consolidated financial statements
In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VIJAY MATHUR
Partner
Membership No.: 046476

Place: Mumbai
Date: May 13, 2026

Vijay Mathur

Digitally signed by
Vijay Mathur
Date: 2026.05.13
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For and on behalf of the Board
Chandrasekaran Natarajan

N CHANDRASEKARAN [DIN: 00121863]
Chairman

GIRISH ARUN WAGH

GIRISH WAGH [DIN: 03119361]
Managing Director and CEO

Digitally signed by
Chandrasekaran Natarajan
Date: 2026.05.13 23:11:01 +05'30'

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VENKATA RAMANAN GOPAL

RAMANAN GV
Chief Financial Officer

SUDIPTO KUMAR DAS

SUDIPTO KUMAR DAS [ACS:A63781]
Company Secretary

Digitally signed by
VENKATA RAMANAN GOPAL
Date: 2026.05.13
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SUDIPTO KUMAR DAS
Date: 2026.05.13
22:49:45 +05'30'

Place: Mumbai
Date: May 13, 2026

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

		₹ in crores)	
Particulars	Notes	Year ended	From June 23, 2024 to
		March 31, 2026	March 31, 2025*
Revenue from operations	30(B)		
(a) Revenue		83,390	57,788
(b) Other operating revenues		465	429
I. Total revenue from operations		83,855	58,217
II. Other income	31(B)	1,124	877
III. Total income (I+II)		84,979	59,094
IV. Expenses:			
(a) Cost of materials consumed		48,840	31,167
(b) Purchase of products for sale		8,184	6,014
(c) Changes in inventories of finished goods, work-in-progress and products for sale		(292)	2,015
(d) Employee benefits expense	32	5,804	4,223
(e) Finance costs	33	874	1,079
(f) Foreign exchange (gain)/loss (net)		(100)	91
(g) Depreciation and amortisation expense		1,945	1,690
(h) Product development/engineering expenses	35	789	814
(i) Other expenses	36	11,689	8,672
(j) Fair value loss on equity investments measured at FVTPL	48(d)	2,418	-
(k) Amount transferred to capital and other account	34	(1,094)	(951)
Total expenses (IV)		79,057	54,814
V. Profit before share of profit in equity accounted investees, exceptional items and tax (III-IV)		5,922	4,280
VI. Share of profit in equity accounted investees (net)	6	169	125
VII. Profit before exceptional items and tax (V+VI)		6,091	4,405
VIII. Exceptional items (net)	37	1,428	317
IX. Profit before tax (VII-VIII)		4,663	4,088
X. Tax expense (net):			
(a) Current tax		1,068	93
(b) Deferred tax		565	800
Total tax expense (net)	18(B)	1,633	893
XI. Profit for the year/period (IX-X)		3,030	3,195
XII. Other comprehensive income/(loss) :			
(A) (i) Items that will not be reclassified to profit or loss:			
(a) Remeasurement gains/(losses) on defined benefit obligations (net)		22	(47)
(b) Equity instruments at fair value through other comprehensive income (net)		(111)	129
(ii) Income tax credit/(expense) relating to items that will not be reclassified to profit or loss		12	(5)
(B) (i) Items that will be reclassified to profit or loss:			
(a) Exchange differences in translating the financial statements of foreign operations		145	(82)
(b) (Losses)/gains in cash flow hedges		(61)	-
(c) Share of other comprehensive (loss)/ income in equity accounted investees (net)		(1)	-
(ii) Income tax credit relating to items that will be reclassified to profit or loss		15	0
Total other comprehensive income/(loss) for the year/period (net of tax)		21	(5)
XIII. Total comprehensive income for the year/period (net of tax) (XI+XII)		3,051	3,190
XIV. Earnings per equity share (EPS)	44(B)		
(a) Ordinary shares (face value of ₹2 each):			
(i) Basic EPS	₹	8.23	8.68
(ii) Diluted EPS	₹	8.23	8.68

*Re-presented (Refer note 47)

See accompanying notes to consolidated financial statements
In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Digitally signed by
Vijay Mathur
Date: 2026.05.13
23:36:21 +05'30'

VIJAY MATHUR
Partner
Membership No.: 046476

Place: Mumbai
Date: May 13, 2026

For and on behalf of the Board
Digitally signed by
Chandrasekaran Natarajan
Date: 2026.05.13 23:13:05
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N CHANDRASEKARAN [DIN: 00121863]
Chairman

Digitally signed by
GIRISH ARUN WAGH
Date: 2026.05.13
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GIRISH WAGH [DIN: 03119361]
Managing Director and CEO

VENKATA
RAMANAN GOPAL
Digitally signed by
VENKATA
RAMANAN GOPAL
Date: 2026.05.13
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RAMANAN GV
Chief Financial Officer

SUDIPTO
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SUDIPTO KUMAR
DAS
Date: 2026.05.13
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SUDIPTO KUMAR DAS [ACS:A63781]
Company Secretary

Place: Mumbai
Date: May 13, 2026

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
CONSOLIDATED STATEMENT OF CASH FLOWS

Particulars	(₹ in crores)	
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025*
Cash flows from operating activities:		
Profit for the year/period	3,030	3,195
Adjustments for:		
Depreciation and amortisation expense	1,945	1,690
Allowances for trade and other receivables	91	87
Inventory write-down/(back) (net)	54	61
Discounting of warranty and other provisions	95	50
Non cash exceptional items loss/(gain)	(12)	277
Accrual for share-based payments	11	-
Lease charges (amortisation considered as employee cost)	65	54
Foreign exchange (gain)/loss (net)	(5)	10
Marked-to-market gain on investments measured at fair value through profit or loss	(11)	(8)
(Income)/loss on sale of assets (including assets scrapped/written off) (net)	(36)	51
Gain on fair value of below market interest loans	(28)	(40)
Profit on sale of investments (net)	(102)	(77)
Fair value loss on equity investments measured at FVTPL	2,418	-
Share of profit in equity accounted investees (net)	(169)	(125)
Tax expense (net)	1,633	893
Finance costs	874	1,079
Interest income	(578)	(467)
Dividend income	(9)	(1)
Cash flows from operating activities before changes in following assets and liabilities	9,266	6,729
Trade receivables	325	(533)
Loans and other financial assets	678	(1,611)
Other current and non-current assets	(46)	365
Inventories	(782)	2,295
Trade payables	1,237	(556)
Other current and non-current liabilities	4,088	1,219
Other financial liabilities	274	34
Provisions	883	625
Cash generated from operations	15,923	8,567
Income tax paid (net)	(942)	(20)
Net cash from operating activities	14,981	8,547
Cash flows used in investing activities:		
Payments for property, plant and equipments	(1,321)	(830)
Payments for other intangible assets	(927)	(833)
Proceeds from sale of property, plant and equipments	145	121
Redemption of investments in joint venture	20	-
Investments in mutual fund sold/(purchased)(net)	594	(2,376)
Investments in equity accounted investee	(138)	(127)
Investments in certificate of deposits	(2,712)	-
Investment in other companies	(85)	-
Proceeds from sale of investments in government securities	-	35
Interest received	506	411
Dividend received	9	1
Dividend received from equity accounted investees	95	49
Investment/(Payment) of Inter corporate deposits	5	(5)
Deposit/restricted deposits with banks	(6,281)	(1,205)
Realisation of deposits/restricted deposits with banks	6,639	875
Net cash (used in)/from investing activities	(3,451)	(3,884)

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
CONSOLIDATED CASH FLOW STATEMENT

Particulars	(₹ in crores)	
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025*
Cash flows from financing activities:		
Proceeds from long-term borrowings	78	2,284
Repayment of long-term borrowings	(3,491)	(3,851)
Proceeds from option settlement of long term borrowings	263	186
Net change in other short-term borrowings (with maturity up to three months)	(963)	(5,380)
Repayment of lease liability (including interest)	(226)	(203)
Interest paid [including discounting charges paid, ₹164 crores (From June 23, to March 31, 2025 ₹136 crores)]	(884)	(1,006)
Net cash used in financing activities	(5,223)	(7,970)
Net increase/(decrease) in cash and cash equivalents	6,307	(3,307)
Cash and cash equivalents as at April 1 / June 23, (opening balance)	1,033	-
Additions pursuant to the Scheme (Refer note 47)	-	3,837
Effect of foreign exchange on cash and cash equivalents	426	(11)
Net Assets changes recognized pursuant to the Scheme (Refer note 47)	(867)	514
Cash and cash equivalents as at March 31, (closing balance)	6,899	1,033
Non-cash transactions:		
Liability towards property, plant and equipment and intangible assets purchased on credit/deferred credit	333	437

*Re-presented (Refer note 47)

See accompanying notes to consolidated financial statements
In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/VV-100022

Vijay Mathur
Digitally signed by
Vijay Mathur
Date: 2026.05.13
23:37:21 +05'30'

VIJAY MATHUR
Partner
Membership No.: 046476

Place: Mumbai
Date: May 13, 2026

For and on behalf of the Board
Chandrasekaran Natarajan
Digitally signed by
Chandrasekaran Natarajan
Date: 2026.05.13 23:14:39 +05'30'
N CHANDRASEKARAN [DIN: 00121863]
Chairman

GIRISH ARUN WAGH
Digitally signed
by GIRISH ARUN
WAGH
Date: 2026.05.13
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GIRISH WAGH [DIN: 03119361]
Managing Director and CEO

VENKATA RAMANAN GOPAL
Digitally signed
by VENKATA
RAMANAN GOPAL
Date: 2026.05.13
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RAMANAN GV
Chief Financial Officer

SUDIPTO KUMAR DAS
Digitally signed by
SUDIPTO KUMAR
DAS
Date: 2026.05.13
22:53:36 +05'30'

SUDIPTO KUMAR DAS [ACS:A63781]
Company Secretary

Place: Mumbai
Date: May 13, 2026

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended March 31, 2026

A. Equity Share Capital

	(₹ in crores)
	Equity Share Capital
Balance as at April 1, 2025	0
Less: Cancellation of shares	(0)
Add: Issue of shares due to merger of CV undertaking (Refer note 47)	736
Balance as at March 31, 2026	736

B. Other Equity*

Particulars	Reserves							Other components of equity				Total other equity
	Share-based payments reserve	General reserve	Capital reserve	Reserve for research and human resource development	Special reserve	Earned surplus reserve	Retained earnings	Equity instruments through other comprehensive income	Hedging reserve	Cost of hedging reserve	Currency translation reserve	
Opening balance as at April 1, 2025	-	1,029	4,199	201	247	46	3,450	255	(3)	11	362	9,797
Profit for the year	-	-	-	-	-	-	3,030	-	-	-	-	3,030
Remeasurement losses on defined benefit obligations (net)	-	-	-	-	-	-	18	-	-	-	-	18
Other comprehensive income/(loss) for the year (net)	-	-	-	-	-	-	-	(96)	(29)	(17)	145	3
Total comprehensive income/(loss) for the year (net)	-	-	-	-	-	-	3,048	(96)	(29)	(17)	145	3,051
Transactions with owners of the company												
Share-based payments (Refer note 32)	32	-	(25)	-	-	-	-	-	-	-	-	7
Capital reserve pursuant to transfer of IT workforce	-	-	10	-	-	-	-	-	-	-	-	10
Net Assets changes recognized pursuant to the Scheme (Refer note 47)	-	-	(867)	-	-	-	-	-	-	-	-	(867)
Balance as at March 31, 2026	32	1,029	3,317	201	247	46	6,498	159	(32)	(6)	507	11,998

*Re-presented (Refer note 47)

See accompanying notes to consolidated financial statements
In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Vijay Mathur
Digitally signed by
Vijay Mathur
Date: 2026.05.13
23:38:20 +05'30'

VIJAY MATHUR
Partner
Membership No.: 046476

Place: Mumbai
Date: May 13, 2026

For and on behalf of the Board
Chandrasekaran Natarajan
Digitally signed by
Chandrasekaran Natarajan
Date: 2026.05.13 23:16:05 +05'30'

N CHANDRASEKARAN [DIN: 00121863]
Chairman

GIRISH ARUN WAGH
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Date: 2026.05.13
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GIRISH WAGH [DIN: 03119361]
Managing Director and CEO

VENKATA RAMANAN GOPAL
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VENKATA
RAMANAN GOPAL
Date: 2026.05.13
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RAMANAN GV
Chief Financial Officer

SUDIPTO KUMAR DAS
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SUDIPTO KUMAR
DAS
Date: 2026.05.13
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SUDIPTO KUMAR DAS [ACS:A63781]
Company Secretary

Place: Mumbai
Date: May 13, 2026

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended March 31, 2025

A. Equity Share Capital

	(₹ in crores)
	Equity Share Capital
Balance as at June 23, 2024	-
Add: Issuance of shares	0
Balance as at March 31, 2025	0

B. Other Equity

Particulars	Reserves							Other components of equity				Total other equity
	Share-based payments reserve	General reserve	Capital reserve	Reserve for research and human resource development	Special reserve	Earned surplus reserve	Retained earnings	Equity instruments through other comprehensive income	Hedging reserve	Cost of hedging reserve	Currency translation reserve	
Opening balance as at June 23, 2024	-	-	-	-	-	-	-	-	-	-	-	-
Additions pursuant to the Scheme (Refer note 47)	-	1,029	3,685	201	247	46	292	141	(1)	9	444	6,093
Profit for the period	-	-	-	-	-	-	3,195	-	-	-	-	3,195
Remeasurement losses on defined benefit obligations (net)	-	-	-	-	-	-	(37)	-	-	-	-	(37)
Other comprehensive income /(loss) for the period (net)	-	-	-	-	-	-	-	114	(2)	2	(82)	32
Total comprehensive income/(loss) for the period (net)	-	-	-	-	-	-	3,158	114	(2)	2	(82)	3,190
Net Assets changes recognized pursuant to the Scheme (Refer note 47)	-	-	514	-	-	-	-	-	-	-	-	514
Balance as at March 31, 2025	-	1,029	4,199	201	247	46	3,450	255	(3)	11	362	9,797

*Re-presented (Refer note 47)

See accompanying notes to consolidated financial statements
In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Digitally signed by
Vijay Mathur
Date: 2026.05.13
23:39:20 +05'30'
VIJAY MATHUR
Partner
Membership No.: 046476

For and on behalf of the Board
Chandrasekaran Natarajan
Digitally signed by
Chandrasekaran Natarajan
Date: 2026.05.13 23:17:40 +05'30'
N CHANDRASEKARAN [DIN: 00121863]
Chairman

GIRISH ARUN WAGH
Digitally signed by
GIRISH ARUN WAGH
Date: 2026.05.13
22:48:03 +05'30'
GIRISH WAGH [DIN: 03119361]
Managing Director and CEO

VENKATA RAMANAN GOPAL
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VENKATA RAMANAN GOPAL
Date: 2026.05.13
22:42:24 +05'30'
RAMANAN GV
Chief Financial Officer

SUDIPTO KUMAR DAS
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SUDIPTO KUMAR DAS
Date: 2026.05.13
22:54:54 +05'30'
SUDIPTO KUMAR DAS [ACS:A63781]
Company Secretary

Place: Mumbai
Date: May 13, 2026

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1 Background and operations

Tata Motors Limited (formerly TML Commercial Vehicles Limited), incorporated on June 23, 2024, and its subsidiaries, associates, joint ventures and joint operations, collectively referred to as ("the Company" or "TML"), designs, manufactures and sells a wide range of automotive vehicles. The Company also manufactures engines for industrial applications.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Mumbai, India. After issuance of shares as per Scheme of Arrangement approved by NCLT ("Scheme") (refer Note 47), Tata Sons Private Limited, together with its subsidiaries owns 42.50% of the Ordinary shares of the Company (on issuance of shares on October 15, 2025) and has the ability to significantly influence the Company's operations.

The Board of Directors has at its meeting held on August 1, 2024, approved a Composite Scheme of Arrangement amongst Tata Motors Passenger Vehicles Ltd (formerly Tata Motors Ltd) ("TMPVL"), Tata Motors Ltd (formerly TML Commercial Vehicles Ltd), Tata Motors Passenger Vehicles Ltd and their respective shareholders under Sections 230-232 of the Companies Act, 2013, which, inter alia, provides for:

- demerger, transfer and vesting of the commercial vehicles business of TMPVL along with related investments ("demerged undertaking") to the Company on a going concern basis; and
- amalgamation of Tata Motors Passenger Vehicles Ltd with TMPVL with an objective of consolidating the passenger vehicles business.

The above Composite Scheme of Arrangement was approved by NCLT ("Scheme") is effective from October 1, 2025 with appointed date of July 1, 2025. The accounting effects of the Scheme has been disclosed in Note 47.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 13, 2026.

2 Material accounting policies

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 ("the Act") as amended from time to time.

(b) Basis of preparation

These consolidated financial statements have been prepared on 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 as explained in the accounting policies below. The Company was incorporated on June 23, 2024 and the consolidated financial statements of the Company is restated from the date of incorporation to give the effect to the above mentioned composite Scheme of Arrangement (refer Note 47). Though the Company was incorporated on June 23, 2024, the Statement of consolidated Profit and Loss has been prepared from July 1, 2024 for practical purposes. All amounts have been rounded off to the nearest crores, unless otherwise indicated. "0" refers to amounts less than ₹ 0.50 crore.

(c) Basis of consolidation

The consolidated financial statements include Tata Motors Limited and its subsidiaries and Company's interest in associates and joint ventures for the year ended March 31, 2026.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power to direct relevant activities of the investee. Relevant activities are those activities that significantly affect an entity's returns. 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. In assessing control, potential voting rights that currently are exercisable and other contractual arrangements that may influence control are taken into account. The results of subsidiaries acquired or disposed of during the period/year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.

Interests in joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the 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.

Joint operations

Certain of the Company's activities, are conducted through joint operations, which are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Company recognises, in the consolidated financial statements, its share of the assets, liabilities, income and expenses of these joint operations incurred jointly with the other partners, along with its share of income from the sale of the output and any assets, liabilities and expenses that it has incurred in relation to the joint operation.

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 consolidated financial statements using the equity method of accounting as described below.

Associates

Associates are those entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control those policies. Significant influence is presumed to exist when the Company holds 20 percent or more of the voting power of the investee. If accounting policies of associates differ from those adopted by the Group, the accounting policies of associates are aligned with those of the Group. The results, assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting as described below.

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 the investee becomes an associate or a joint venture and are recognised initially at cost. The carrying value of investment in associates and joint ventures includes goodwill identified on date of acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Company's share of profits or losses, other comprehensive income and equity movements of equity accounted investments, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investment, the carrying amount of that interest (including any long-term interests in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has incurred constructive or legal obligations or has made payments on behalf of the investee.

When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture.

Dividends are recognised when the right to receive payment is established.

(d) Business combination

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in statement of profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard.

Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Any gain on a bargain purchase is recognised in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(e) Going Concern

The Company's consolidated financial statements have been prepared on a going concern basis.

The Company has performed an assessment of its financial position as at March 31, 2026 based on forecasts of the Company for a period of at least eighteen months from the date of these consolidated financial statements (the 'going concern assessment period' and the 'foreseeable future').

In developing these forecasts, the Company has modelled a base case, which has been further sensitized using severe but plausible downside scenarios. It also accounts for other end-market and operational factors throughout the going concern assessment period. This has been further sensitized using more severe but plausible scenarios considering external market commentaries and other factors impacting the global economy and automotive industry. Management do not consider more extreme scenarios than the ones assessed to be plausible.

In evaluating the forecasts, the Company has taken into consideration both the sufficiency of liquidity to meet obligations as they fall due as well as potential impact on compliance with financial covenants during the forecast period. These forecasts indicate that, based on cash generated from operations, the existing funding facilities and inter corporate deposits from subsidiaries, the Company will have sufficient liquidity to operate and discharge its liabilities as they become due, without breaching any relevant covenants and the need for any mitigating actions.

Based on the evaluation described above, management believes that the Company has sufficient financial resources available to it at the date of approval of these consolidated financial statements and that it will be able to continue as a 'going concern' in the foreseeable future and for a period up to September 30, 2027.

(f) 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, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated financial statements and the reported amounts of revenues and expenses for the period/year presented. Actual results may differ from these estimates and judgements.

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 in future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- i) Note 3 and 5 - Property, plant and equipment and intangible assets – Useful lives and impairment
- ii) Note - 2(e) - Going Concern
- iii) Note 27 - Provision for product warranty
- iv) Note 32 - Assets and obligations relating to employee benefits
- v) Note 15 - Allowances for credit losses for trade and other receivables
- vi) Note 40 – Fair value of investments

Judgements

- i) Revenue recognition: The Company uses judgement to determine when control of its goods, primarily vehicles and parts, pass to the customer. This is assessed with reference to indicators of control, including the risks and rewards of ownership and legal title with reference to the underlying terms of the customer contract. Refer to note 30 for further information.
- ii) Capitalisation of product engineering costs: The Company applies judgement in determining at what point in a vehicle programme's life cycle the recognition criteria under Ind AS 38 are satisfied, and in determining the nature of the cost capitalised. Refer to note 5 for further information.
- iii) Identification and allocation of the assets (Refer note 47)

(g) Cost recognition

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

Expenditure are capitalised, where appropriate, in accordance with the policy for internally generated intangible assets and represents employee costs, stores and other manufacturing supplies, and other expenses incurred for construction and product development undertaken by the Company.

Material and other cost of sales as reported in the consolidated statement of profit and loss is presented net of the impact of realised foreign exchange relating to derivatives hedging cost exposures.

(h) Foreign currency

The consolidated financial statements are presented in Indian rupees, which is the functional currency of Tata Motors Limited (Formerly, TML Commercial Vehicles Limited). Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognised in the consolidated statement of profit and loss except to the extent, exchange differences on foreign currency borrowings which are capitalized when they are regarded as an adjustment to interest costs.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations (having non-INR functional currency) are translated to Indian rupees at the exchange rate prevailing on the balance sheet date and, income and expenses items are translated at the average rate of exchange for the respective months. Exchange differences arising on such translation are recognised as currency translation reserve in OCI and accumulated in the equity. Exchange differences arising from the translation of a foreign operation previously recognised in currency translation reserve in equity are not reclassified from equity to the consolidated statement of profit and loss until the disposal of the operation.

(i) Impairment

i) Property, plant and equipment and other intangible assets

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

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

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

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

An asset or cash-generating unit impaired in prior years is reviewed at each balance sheet date to determine whether there is any indication of a reversal of impairment loss recognised in prior years.

ii) Equity accounted investments: Joint ventures and associates:

At each balance sheet date, the Company assesses whether there is any indicator that equity accounted investments may be impaired. If any such impairment indications exists, the recoverable amount of an investment is determined. The recoverable amount of an investment is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in consolidated statement of profit or loss.

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(j) Recent accounting pronouncements

On August 13, 2025, Ministry of Corporate Affairs ("MCA") notified the amendments to the following standard:

Ind AS 1 – Presentation of Financial Statements – Distinction between current and non-current liability. These amendments provide clearer guidance on classification of the liabilities as current and non-current liability by including the additional definition and considerations for classification of the liability. The amendments also provide additional disclosure requirements relating to material breach of long-term loan arrangement.

The amendment relates to classification of the non-current and current bifurcation of long-term loan arrangement due to breach of covenants on or before the end of reporting period. Due to this, the loan is considered to be payable on demand and is classified as current liability, unless the lender agrees, by the end of the reporting period to provide a period of grace of at least twelve months after the reporting period within which the entity can rectify the breach and during which the lender cannot demand immediate repayment. The amendment is applicable from April 1, 2026.

The Company is currently assessing the probable impact of amendments which are applicable in its annual financial statements.

Ind AS 7 – Cash flow statement – Supplier Financing Arrangement. These amendments include additional disclosure requirements for supplier financing arrangements relating to cash and non-cash changes (i.e. the effect of business combinations, exchange differences or other transactions that do not require the use of cash or cash equivalents) and disclosure relating to the terms and conditions related to the arrangement including disclosure of dissimilar terms separately along with carrying amounts in line items disclosed for which suppliers have received payments from financial institution and range of due dates. The amendment is applicable from April 1, 2025 with exemption to comparative period and interim periods in which entity first applies the amendments (Refer note 26).

Ind AS 107 – Financial Instruments Disclosure – Additional disclosure relating to Supplier Financing Arrangement - The liquidity risk disclosure will also include the disclosure for supplier financing arrangement which includes maturity analysis for supplier financing arrangement and a description of how the entity manages the liquidity risk inherent in Supplier Financing Arrangement (Refer note 40).

Ind AS 12 – Income Taxes –Pillar Two - The amendment includes in the scope of the Ind AS 12 the income tax paid on pillar two model rules and disclosure for application of the exception additional disclosure relating to current income taxes related to Pillar Two income taxes and disclosure of known or reasonably estimable information that helps users of financial statements understand the entity's exposure to Pillar Two income taxes arising from that legislation when Pillar two legislation is enacted but not yet effective. These disclosure shall be supported by qualitative and quantitative information. These amendments are effective from April 01, 2025 but to be disclosed in annual financial statements (Refer note 18).

(k) The following subsidiary companies are considered in the consolidated financial statements:

Sr No.	Name of the Subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2026	As at March 31, 2025
Direct Subsidiaries				
1	Tata Motors Insurance Broking and Advisory Services Limited	India	100.00	100.00
2	TMF Holdings Limited	India	100.00	100.00
3	Tata Motors Body Solutions Limited	India	100.00	100.00
4	TML CV Holdings Pte. Limited (Incorporated on May 23, 2025)	Singapore	100.00	-
5	Tata Hispano Motors Carrocera S.A.	Spain	100.00	100.00
6	Tata Hispano Motors Carrocerries Maghreb SA	Morocco	100.00	100.00
7	TML CV Mobility Solutions Limited	India	100.00	100.00
8	TML Smart City Mobility Solutions Limited	India	100.00	100.00
9	AIEQU Mobility Limited (Incorporated on January 19, 2026)	India	100.00	-
Indirect Subsidiaries				
10	Tata Daewoo Mobility Company Limited	South Korea	100.00	100.00
11	Tata Daewoo Mobility Sales Company Limited	South Korea	100.00	100.00
12	PT Tata Motors Indonesia	Indonesia	100.00	100.00
13	PT Tata Motors Indonesia Distribution Ltd	Indonesia	100.00	100.00
14	TML Smart City Mobility Solutions (J&K) Private Limited	India	100.00	100.00
15	TMF Business Services Limited	India	100.00	100.00
16	TML CV Holdings B.V. (Incorporated on September 29, 2025)	Netherlands	100.00	-

The following Jointly controlled companies are considered in the consolidated financial statements:

The following jointly controlled companies are considered in the consolidated financial statements.				
Sr No.	Name of the jointly controlled company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2026	As at March 31, 2025
Joint Operations				
1	Tata Cummins Private Limited*	India	50.00	50.00
Joint Ventures				
1	Tata Motors Global Services Limited	India	50.00	50.00
2	Tata Motors Digital.AI Labs Limited	India	50.00	50.00

The following associates companies are considered in the consolidated financial statements:

Sr No.	Name of the associate company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2026	As at March 31, 2025
1	Automobile Corporation of Goa Limited	India	48.98	48.98
2	Nita Company Limited	Bangladesh	40.00	40.00
3	Tata Hitachi Construction Machinery Company Private Limited	India	39.74	39.74
4	Freight Commerce Solutions Private Limited	India	42.11	26.79
5	Tata Motors Foundation (Incoporated on July 17, 2025)	India	47.00	-
6	Traveltime E-Mobility Chennai Private Limited (Incoporated on December 23, 2025)	India	26.00	-

*Includes 100% Indian subsidiary namely TCPL Green Energy Solutions Private Limited.

TATA MOTORS LIMITED (Formerly known as TML COMMERCIAL VEHICLES LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

3 Property, plant and equipment

(A) Accounting policy

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any.

Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, non-recoverable taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the consolidated statement of profit and loss when incurred.

Interest cost incurred is capitalized up to the date the asset is ready for its intended use for qualifying assets, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Depreciation is provided on the Straight-Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support. Taking into account these factors, the Company and its domestic group companies have decided to retain the useful life hitherto adopted for various categories of property, plant and equipment, which are different from those prescribed in Schedule II of the Companies Act, 2013.

Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life (years)
Buildings, Roads, Bridge and culverts	4 to 60 years
Plant, machinery and equipment	4 to 20 years
Computers and other IT assets	4 to 6 years
Vehicles	4 to 12 years
Furniture, fixtures and office appliances	5 to 15 years

The useful lives is reviewed at least at each year/period-end. Changes in expected useful lives are treated as change in accounting estimates.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

An item of property, plant and equipment is derecognized on disposal. Any gain or loss arising from derecognition of an item of property, plant and equipment is included in consolidated statement of profit and loss.

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(B) Property, plant and equipment

	Owned assets						Given on lease	(₹ in crores)
	Land	Buildings	Plant, machinery and equipments	Furniture, fixtures and office equipment	Vehicles	Computers and other IT assets	Vehicles	Total
Cost as at April 1, 2025	2,379	3,690	20,869	219	153	672	148	28,130
Additions	-	66	1,068	21	20	85	-	1,260
Disposal/adjustments	-	(6)	(316)	(7)	(10)	(71)	(105)	(515)
Currency translation differences	25	59	137	6	1	5	-	233
Cost as at March 31, 2026	2,404	3,809	21,758	239	164	691	43	29,108
Accumulated depreciation as at April 1, 2025	-	1,675	14,774	172	96	515	12	17,244
Depreciation for the year	-	104	869	11	11	52	64	1,111
Disposal/adjustments	-	(4)	(299)	(6)	(9)	(69)	(20)	(407)
Currency translation differences	-	28	117	5	-	5	-	155
Accumulated depreciation as at March 31, 2026	-	1,803	15,461	182	98	503	25	18,072
Net carrying amount as at March 31, 2026	2,404	2,006	6,297	57	66	188	18	11,036
Cost as at June 23, 2024	-	-	-	-	-	-	-	-
Additions pursuant to the Scheme (Refer note 47)	2,485	3,643	20,411	233	134	636	186	27,728
Additions	-	104	749	21	27	44	54	999
Disposal/adjustments	(93)	(26)	(215)	(32)	(8)	(5)	(92)	(471)
Currency translation differences	(13)	(31)	(76)	(3)	-	(3)	-	(126)
Cost as at March 31, 2025	2,379	3,690	20,869	219	153	672	148	28,130
Accumulated depreciation as at June 23, 2024	-	-	-	-	-	-	-	-
Additions pursuant to the Scheme (Refer note 47)	-	1,619	14,376	196	95	489	43	16,818
Depreciation for the period	-	90	669	8	8	34	38	847
Disposal/adjustments	-	(20)	(206)	(30)	(7)	(5)	(69)	(337)
Currency translation differences	-	(14)	(65)	(2)	-	(3)	-	(84)
Accumulated depreciation as at March 31, 2025	-	1,675	14,774	172	96	515	12	17,244
Net carrying amount as at March 31, 2025	2,379	2,015	6,095	47	57	157	136	10,886

Note

As per the scheme, all immovable property (including but not limited to capital work in progress, land, buildings and any other rights of ways and easements in relation there to) shall be vested in the Company or deemed to have been so, automatically without any further act or deed with effect from appointed date. Accordingly, all the immovable properties of the Demerged Company (as mentioned below), forming part of Demerged undertaking has vested in the Company with effect from July 1, 2025.. The Company has initiated the process of transfer of legal ownership of these assets (Refer note 37).

Asset Category	Description of property	Gross carrying amount (₹ in crores)	Held in name of	Whether promoter, director or their relative or employee	Period held since	Reason for not being held in the name of the company
Land	Multiple Locations	2,064	Tata Motors Limited (Presently known as Tata Motors Passenger Vehicles Limited)	No	01-Jul-25	Pursuant to Composite Scheme of Arrangement (Note 47)
Buildings (Commercial & Residential Office, including civil structures attached to land)		2,538				

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(C) Capital work-in-progress

	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025
Balance at the beginning	719	-
Additions pursuant to the Scheme (Refer note 47)	-	638
Additions	1,249	1,058
Transferred to cost of property, plant and equipment	(1,260)	(974)
Currency translation impact	4	(3)
Balance at the end	712	719

(D) Ageing of capital work-in-progress

	As at March 31, 2026					Total
	Up to 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	670	27	11	4		712
Projects temporarily suspended	-	-	-	-		-
As at March 31, 2026	670	27	11	4		712

	As at March 31, 2025					Total
	Up to 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	690	22	2	5		719
Projects temporarily suspended	-	-	-	-		-
As at March 31, 2025	690	22	2	5		719

(E) Expected completion schedule of capital work-in-progress where cost or time overrun has exceeded original plan

	As at March 31, 2026					Total
	To be completed in					
	Up to 1 year	1-2 years	2-3 years	More than 3 years		
Various projects*	263	8	1	-		272
	263	8	1	-		272

	As at March 31, 2025					Total
	To be completed in					
	Up to 1 year	1-2 years	2-3 years	More than 3 years		
Various projects*	103	-	-	-		103
	103	-	-	-		103

* Individual projects less than ₹ 50 crores have been clubbed together under various projects.

Original plan is considered as that plan which is approved and on the basis of which implementation progress is evaluated. Such original plan includes management's estimates and assumptions w.r.t future business, economy / industry and regulatory environments.

4 Right of use assets

(A) Accounting Policy

Lessee:

At inception of a contract, the Company assesses whether a contract is, or contain a lease. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision making rights that are most relevant to changing how and for what purposes the asset is used.
- In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
 - The Company has the right to operate the asset; or
 - The Company designed the asset in a way that predetermines how and for what purposes it will be used.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and estimated dilapidation costs, less any lease incentives received. The right-of-use asset is subsequently amortised using the straight-line method over the shorter of the useful life of the leased asset or the period of lease. If ownership of the leased asset is automatically transferred at the end of the lease term or the exercise of a purchase option is reflected in the lease payments, the right-of-use asset is amortised on a straightline basis over the expected useful life of the leased asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using, the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets (lease of assets worth less than ₹ 0.03 crores) . The Company associates the lease payments associated with these leases as an expense on a straight line basis over the lease term.

Lease payments include fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

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Lessor:

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on contractual terms and substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company leases a number of buildings, plant and equipment, IT hardware and software assets, certain of which have a renewal and/or purchase option in the normal course of the business. Extension and termination options are included in a number of leases across the Company. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option. The Company re-assesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control. It is recognised that there is potential for lease term assumptions to change in the future and this will continue to be monitored by the Company where relevant. The Company's leases mature between 2027 and 2037.

When measuring lease liability, the Company discounted lease payments using its incremental borrowing rate. The weighted-average rate applied is **7.95%** (2025: 7.90%).

The following amounts are included in the consolidated balance sheet :

	(₹ in crores)	
	As at March 31,	
	2026	2025
Current lease liabilities	195	147
Non-current lease liabilities	603	622
Total lease liabilities	798	769

The following amounts are recognised in the consolidated statement of profit and loss :

	(₹ in crores)	
	As at March 31,	From June 23, 2024 to
	2026	March 31, 2025
Variable lease payment not included in the measurement of lease liabilities	-	-
Income from sub-leasing of right-of-use assets	1	1
Expenses related to short-term leases	11	3
Expenses related to low-value assets, excluding short-term leases of low-value assets	3	2

*For repayment of lease liabilities during the year refer note 23 (F).

(B) Right of use assets

	(₹ in crores)					
	Land	Buildings	Plant, machinery and equipments	Vehicles	Computers & other IT assets	Total
Cost as at April 1, 2025	46	348	491	337	24	1,246
Additions	-	144	17	90	-	251
Disposal	-	(29)	(48)	(80)	(8)	(165)
Currency translation differences	-	8	2	2	-	12
Cost as at March 31, 2026	46	471	462	349	16	1,344
Accumulated amortisation as at April 1, 2025	-	165	100	159	23	447
Amortisation for the year	1	58	45	3	2	109
Amortisation - considered as employee cost	-	-	-	65	-	65
Disposal	-	(27)	(5)	(56)	(8)	(96)
Currency translation differences	-	5	1	1	-	7
Accumulated amortisation as at March 31, 2026	1	201	141	172	17	532
Net carrying amount as at March 31, 2026	45	270	321	177	(1)	812
Cost as at June 23, 2024	-	-	-	-	-	-
Additions pursuant to the Scheme (Refer note 47)	47	377	402	326	16	1,168
Additions	-	71	104	55	-	230
Adjustments/disposal	(1)	(96)	(14)	(43)	8	(146)
Currency translation differences	-	(4)	(1)	(1)	-	(6)
Cost as at March 31, 2025	46	348	491	337	24	1,246
Accumulated amortisation as at June 23, 2024	-	-	-	-	-	-
Additions pursuant to the Scheme (Refer note 47)	-	192	78	134	12	416
Amortisation for the period	1	60	30	3	3	97
Amortisation-considered as employee cost	-	-	-	54	-	54
Adjustments/disposal	(1)	(84)	(8)	(31)	8	(116)
Currency translation differences	-	(3)	-	(1)	-	(4)
Accumulated amortisation as at March 31, 2025	-	165	100	159	23	447
Net carrying amount as at March 31, 2025	46	183	391	178	1	799

(C) There are certain vehicles which are being given to the customers along with operations and maintenance of the same. These are accounted as finance lease as the material risks and rewards are transferred to the lessee. The average effective interest rate contracted approximates 8.10% to 9.21% (2025: 8.00% to 9.32%) per annum.

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The following amounts are included in the consolidated balance sheet :

	(₹ in crores)	
	As at March 31,	
	2026	2025
Current lease receivables	238	206
Non-current lease receivables	3,431	3,381
Total lease receivables	3,669	3,587

The following amounts are recognised in the consolidated statement of profit and loss :

	(₹ in crores)	
	For the year ended March 31,	From June 23, 2024 to March 31, 2025
	2026	2025
Finance income on the net investment in finance leases	338	232

The table below provides details regarding the contractual maturities of finance lease receivables:

	(₹ in crores)				
	As at March 31, 2026				
	Due in 1 st Year	Due in 2 nd Year	Due in 3 rd to 5 th Year	Due beyond 5 th Year	Total contractual cash flows
Undiscounted lease receivables	566	575	1,738	3,008	5,887
Less: Unearned finance income	328	309	794	787	2,218
Net investment in leases	238	266	944	2,221	3,669

	(₹ in crores)				
	As at March 31, 2025				
	Due in 1 st Year	Due in 2 nd Year	Due in 3 rd to 5 th Year	Due beyond 5 th Year	Total contractual cash flows
Undiscounted lease receivables	529	536	1,142	3,753	5,960
Less: Unearned finance income	323	306	572	1,172	2,373
Net investment in leases	206	230	570	2,581	3,587

5 Other intangible assets

(A) Accounting policy

Intangible assets purchased, including those acquired in business combinations, are measured at cost which is the fair value as of the date of acquisition where applicable less accumulated amortization and impairment, if any. Intangible assets with indefinite lives are reviewed annually to determine whether an indefinite-life assessment continues to be supportable. If not, the change in the useful-life assessment from indefinite to finite is made on a prospective basis.

For intangible assets with finite lives, amortization is provided on a straight-line basis over the estimated useful lives of the acquired intangible assets as per the estimated amortisation period below:

Type of Asset	Estimated amortisation period
Patents and technological know-how	8 to 10 years
Computer software	4 to 6 years
Intellectual property rights	3 to 10 years
Product development costs	2 to 10 years

The amortisation period for intangible assets with finite useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

Internally generated intangible asset

Research costs are charged to the consolidated statement of profit and loss in the year in which they are incurred.

Product development costs incurred on new vehicle platform, engines, transmission and new products are recognised as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future economic benefits.

The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.

Interest cost incurred is capitalised up to the date the asset is ready for its intended use for qualifying assets, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

Product development expenditure is measured at cost less accumulated amortisation and impairment, if any. Amortisation is not recorded on product engineering in progress until development is complete.

Derecognition of intangible assets

An item of intangible assets is derecognized on disposal or when fully amortized and no longer in use. Any gain or loss arising from derecognition of an item of intangible assets is included in the consolidated statement of profit and loss.

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(B) Other intangible assets

	(₹ in crores)			
	Software	Patents and technological know how	Product development	Total
Cost as at April 1, 2025	619	446	6,122	7,187
Additions	48	-	807	855
Asset fully amortised not in use	(2)	-	-	(2)
Currency translation differences	2	-	6	8
Cost as at March 31, 2026	667	446	6,935	8,048
Accumulated amortisation as at April 1, 2025	521	246	4,441	5,208
Amortisation for the year	45	53	627	725
Asset fully amortised not in use	(2)	-	-	(2)
Currency translation differences	1	-	2	3
Accumulated amortisation as at March 31, 2026	565	299	5,070	5,934
Net carrying amount as at March 31, 2026	102	147	1,865	2,114
Cost as at June 23, 2024	-	-	-	-
Additions pursuant to the Scheme (Refer note 47)	583	355	5,746	6,684
Additions	41	91	380	512
Asset fully amortised not in use	(4)	-	-	(4)
Currency translation differences	(1)	-	(4)	(5)
Cost as at March 31, 2025	619	446	6,122	7,187
Accumulated amortisation as at June 23, 2024	-	-	-	-
Additions pursuant to the Scheme (Refer note 47)	500	216	3,751	4,467
Amortisation for the period	24	30	692	746
Asset fully amortised not in use	(3)	-	-	(3)
Currency translation differences	-	-	(2)	(2)
Accumulated amortisation as at March 31, 2025	521	246	4,441	5,208
Net carrying amount as at March 31, 2025	98	200	1,681	1,979

(C) Intangible assets under development

	(₹ in crores)	
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025
Balance at the beginning	1,156	-
Additions pursuant to the Scheme (Refer note 47)	-	745
Additions	1,017	887
Transferred to cost of other intangible assets	(855)	(476)
Derecognition on account of intra group cost recharge	(5)	-
Currency translation impact	1	-
Balance at the end	1,314	1,156

(D) Ageing of intangible assets under development

	(₹ in crores)				
	As at March 31, 2026				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	684	449	153	28	1,314
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2026	684	449	153	28	1,314
	As at March 31, 2025				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	803	270	43	40	1,156
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2025	803	270	43	40	1,156

(E) Expected Completion schedule of intangible assets under development where cost or time overrun has exceeded original plan

	(₹ in crores)				
	As at March 31, 2026				
	To be completed in				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	78	-	-	-	78
Project 2	98	-	-	-	98
Project 3	57	-	-	-	57
Various Projects*	309	27	-	-	336
	542	27	-	-	569
	(₹ in crores)				
	As at March 31, 2025				
	To be completed in				
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	-	60	-	-	60
Various Projects*	192	94	25	-	311
	192	154	25	-	371

* Individual projects less than 50 crores have been clubbed together in various projects.

Original plan is considered as that plan which is approved and on the basis of which implementation progress is evaluated. Such original plan includes management's estimates and assumptions w.r.t future business, economy / industry and regulatory environments.

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6 Investments in equity accounted investees:

(A) Joint Ventures

The Company has no material joint venture as at March 31, 2026. The aggregate summarized financial information in respect of the Company's immaterial joint ventures that are accounted for using the equity method is set forth below.

			(₹ in crores)	
			As at March 31,	
			2026	2025
Carrying amount of the Company's interest in joint ventures			128	127

			(₹ in crores)	
			As at March 31,	
			2026	2025
Company's share of profit in joint ventures			16	-
Company's share of other comprehensive income in joint ventures			(0)	-
Company's share of total comprehensive income in joint ventures			15	-

(B) Associates

The Company has a material associate as at March 31, 2026 and immaterial associates. The investment in associate are accounted for using the equity method is set forth below:

i) Details of the Company's material Associate is as follows:

Sr No.	Name of associate	Principal activity	Principal place of business	% of holding either directly or through subsidiaries	
				As at March 31, 2026	As at March 31, 2025
1	Tata Hitachi Construction Machinery Company Private Limited	Manufacturing and assembly of construction vehicles	India	39.74%	39.74%

The following tables sets out the summarised financial information of Tata Hitachi Construction Machinery Private Limited:

			(₹ in crores)	
			As at March 31,	
			2026	2025
Current assets			1,829	1,731
Non-current assets			1,274	1,283
Current liabilities			1,245	1,322
Non-current liabilities			248	259
The above amounts of assets and liabilities include the following:				
Cash and cash equivalents (including other bank balances)			230	64
Current financial liabilities (excluding trade and other payables and provisions)			101	308
Non-current financial liabilities (excluding trade and other payables and provisions)			73	81
Share of net assets of material associate			640	570
Other consolidation adjustments			232	230
Carrying amount of the Company's interest in Associate			872	800

			(₹ in crores)	
			Year ended	From June 23, 2024 to
			March 31, 2026	March 31, 2025
Revenue			5,612	3,991
Net income			403	318
Total comprehensive income for the year/period			398	318
The above net income includes the following:				
Depreciation and amortization			126	92
Interest income			1	1
Interest expense (net)			30	42
Income tax expense			138	108

Reconciliation of above summarized financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

			(₹ in crores)	
			As at March 31,	
			2026	2025
Net assets of the associate			1,610	1,433
Proportion of the Company's interest in associate			640	570
Other consolidation adjustments			232	230
Carrying amount of the Company's interest in associate			872	800

(i) The aggregate summarized financial information in respect of the Company's immaterial associates that are accounted for using the equity method is set forth below.

			(₹ in crores)	
			As at March 31,	
			2026	2025
Carrying amount of the Company's interest in associates			462	345

			(₹ in crores)	
			Year ended	From June 23, 2024 to
			March 31, 2026	March 31, 2025
Company's share of profit in immaterial associates*			(7)	1
Company's share of other comprehensive income in immaterial associates			-	-
Company's share of total comprehensive income in immaterial associates			(7)	1

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(c) Summary of carrying amount of the Company's interest in equity accounted investees:

	(₹ in crores)	
	As at March 31,	
	2026	2025
Carrying amount in immaterial associates	462	345
Carrying amount in material associates	872	800
Carrying amount in immaterial joint ventures	128	127
Total	1,462	1,272

(d) Summary of Company's share of profit/(loss) in equity accounted investees:

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Share of (loss)/profit in immaterial associates	(7)	1
Share of profit in material associates	161	124
Share of profit in immaterial joint ventures	15	-
Total	169	125

(e) Summary of Company's share of other comprehensive income in equity accounted investees:

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Remeasurement gains/(losses) on defined benefit obligations (net)-immaterial joint ventures	(0)	-
Total	(0)	-

* Company's share of profit/(loss) of the equity accounted investees has been determined after giving effect for the subsequent amortisation/depreciation and other adjustments rising on account of fair value adjustments made to the identifiable net assets of the equity accounted investee as at the date of acquisition and other adjustment arising under the equity method of accounting.

7 Other investments-non-current

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Investments-measured at fair value through other comprehensive income		
Unquoted:		
Equity shares (Tata International: ₹ 131 crore: number of shares held 75,000 and TP Paarthav Limited: ₹ 5 crore number of shares held 4,785,110)	136	374
Quoted:		
Equity shares (Tata Capital Limited: number of shares held 4,326,651)	132	-
Total	268	374
(b) Investments-measured at fair value through profit or loss		
Quoted:		
Equity shares (Refer note 10) (Tata Capital Limited: number of shares held 186,224,770)	5,679	-
Total	5,679	-
(c) Investments-measured at amortised cost		
Quoted:		
Non-convertible debentures (Tata Capital Limited: number of debentures held: 4,000)	200	200
Unquoted:		
Non-convertible debentures (Tata Capital Limited: number of debentures held: 2,000)	400	400
Total	600	600
Total (a+b+c)	6,547	974
Aggregate book value of quoted investments	6,011	200
Aggregate market value of quoted investments	6,011	200
Aggregate book value of unquoted investments	536	774

8 Other investments-current

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Investments-measured at fair value through profit and loss		
Quoted:		
Mutual funds	2,556	3,036
Total	2,556	3,036
(b) Investments-measured at amortised cost		
Quoted:		
Investment in certificate of deposit	2,718	-
Total	2,718	-
Total (a+b)	5,274	3,036
Aggregate book value of quoted investments	5,274	3,036
Aggregate market value of quoted investments	5,274	3,036

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9 Loans

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured:		
(a) Loans to employees, considered good	22	18
(b) Others	6	7
Considered good	6	7
Credit impaired	21	21
	27	28
Less: Allowance for credit impaired	(21)	(21)
Total	28	25
Current		
Unsecured:		
(a) Inter corporate deposits	-	7
(b) Loan to employees	12	18
(c) Loan to others	20	12
Total	32	37

10 Other financial assets

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Non-current		
(a) Deposits (net of allowances for credit impaired balances of ₹3 crores and ₹ Nil as at March 31, 2026 and March 31, 2025, respectively)	74	72
(b) Interest accrued on loans and deposits	9	1
(c) Deposits with banks	29	-
(d) Restricted deposits	24	52
(e) Government incentives	719	856
(f) Recoverable from suppliers	103	62
(g) Finance lease receivables	3,431	3,381
Total	4,389	4,424

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Current		
(a) Derivative financial instruments	34	277
(b) Security deposits	-	2
(c) Interest accrued on loans and deposits	25	11
(d) Government incentives	391	1,116
(e) Receivable on disposal due to merger of Tata Motors Finance Ltd with Tata Capital Ltd *	-	8,016
(f) Advances to supplier and other receivables (net of allowances for credit impaired balances ₹27 crores and ₹47 crores as at March 31, 2026 and March 31, 2025, respectively)	179	157
(g) Recoverable from suppliers	140	126
(h) Finance lease receivables	238	206
(i) Others	12	3
Total	1,019	9,914

* Transfer to investments on allotment of shares of Tata Capital Limited (Refer note 7).

Note:

Restricted deposits with bank includes ₹ Nil and ₹ 13 crores as at March 31, 2026 and 2025, respectively held as security in relation to interest and repayment of bank borrowings and those are pledged till the maturity of the respective borrowings.

11 Inventories

(A) Accounting policy

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials, components and consumables are ascertained on a moving weighted average basis. Cost, including fixed and variable production overheads, are allocated to work-in-progress and finished goods determined on a full absorption cost basis. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

(B) Inventories consist of the following:

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Raw materials and components	1,667	1,340
(b) Work-in-progress	429	326
(c) Finished goods	2,849	2,452
(d) Stores and spare parts	121	131
(e) Consumable tools	21	20
(f) Goods-in-transit-raw materials and components	361	356
Total	5,448	4,625

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Notes:

- (i) Cost of goods sold recognised as expense during the year ended March 31, 2026 and period ended March 31, 2025 amounted to ₹ 52,883 crores and ₹ 39,129 crores, respectively.
- (ii) During the year ended March 31, 2026 and from June 23, 2024 to March 31, 2025, the Company recorded inventory write-down expense of ₹ 54 crores and ₹ 61 crores, respectively, in the consolidated statement of profit and loss (included in cost of material consumed).

12 Trade receivables (Unsecured)

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Receivables considered good	2,950	3,280
Credit impaired receivables	455	395
	3,405	3,675
Less : Allowance for receivables considered good	(229)	(216)
Less : Allowance for credit impaired receivables	(455)	(395)
Total	2,721	3,064

13 Cash and cash equivalents

(A) Accounting policy

Cash and cash equivalents comprises cash on hand, demand deposits and highly liquid investments with an original maturity of up to three months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(B) Cash and cash equivalents consist of the following:

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Cash on hand	0	0
(b) Cheques on hand	73	93
(c) Balances with banks	1,264	852
(d) Deposits with banks	5,562	88
Total	6,899	1,033

14 Bank balances

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
With upto 12 months maturity:		
(a) Earmarked balances with banks	2	38
(b) Bank deposits	875	1,195
Total	877	1,233

Note:

Earmarked balances with bank includes ₹ Nil and ₹ 30 crores as at March 31, 2026 and 2025, respectively held as security in relation to interest and repayment of bank borrowings and those are pledged till the maturity of the respective borrowings.

15 Allowance for trade and other receivables

	(₹ in crores)	
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025
Change in the allowances for trade and other receivables are as follows:		
Balance at the beginning	750	-
Additions pursuant to the Scheme (Refer note 47)	-	741
Allowances made during the year/period*	91	87
Written off	(2)	(73)
Foreign exchange translation differences	6	(5)
Balance at the end	845	750

*Includes ₹ 41 crores and ₹ 38 crores netted off in revenues as at March 31, 2026 and from June 23, 2024 to March 31, 2025, respectively.

16 Other non-current assets

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Capital advances	18	34
(b) Taxes recoverable, statutory deposits and dues from government	218	184
(c) Prepaid expenses	88	42
(d) Employee benefits	127	58
Total	451	318

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17 Other current assets

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Advances and other receivables (net of allowances for credit impaired balances ₹45 crores and ₹55 crores as at March 31, 2026 and March 31, 2025, respectively.)	380	486
(b) GST/VAT, other taxes recoverable, statutory deposits and dues from government (net of allowances for credit impaired balances ₹65 crores and ₹16 crores as at March 31, 2026 and March 31, 2025, respectively)	355	343
(c) Prepaid expenses	176	178
(d) Others	13	19
Total	924	1,026

18 Income taxes

(A) Accounting policy

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the consolidated statement of profit and loss except when they relate to items that are recognised outside of consolidated profit or loss (whether in consolidated other comprehensive income or directly in equity), in which case tax is also recognised outside consolidated profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination the tax effect is included in the accounting for the business combination. Current income taxes are determined based on respective taxable income of each taxable entity.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognised to the extent it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forwards and unused tax credits could be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carryforwards can be utilised.

Deferred tax liabilities on taxable temporary differences arising from investments in subsidiaries, branches and associated companies and interests in joint arrangements are not recognised if the Company is able to control the timing of the reversal and it is probable that the temporary difference will not reverse in the foreseeable future.

For the purpose of Income-tax, the current tax expense is considered basis nine months period effective tax rate, starting from appointed date (i.e. July 01, 2025) as there was nil operations prior to the demerger.

The Organisation for Economic Co-operation and Development (OECD) has published the model rules for global minimum tax (Pillar Two model rules). As per the provisions of Pillar Two legislation, the Group's Ultimate parent entity (UPE) has consolidated revenues exceeding the threshold prescribed under the OECD framework. Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions where the Company operates. Based on the current assessment of the financial statement of constituent entities, there is no impact from the application of the Pillar Two rules on its consolidated financial statements.

(B) The domestic and foreign components of profit/(loss) before income tax is as follows:

	(₹ in crores)	
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025
Profit before income taxes		
India	4,809	4,138
Other than India	(146)	(50)
Total	4,663	4,088

The domestic and foreign components of income tax expense is as follows:

	(₹ in crores)	
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025
Current taxes		
India	1,041	97
Other than India	27	(4)
Deferred taxes		
India	568	808
Other than India	(3)	(8)
Total income tax expense	1,633	893

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The reconciliation of income tax expense calculated as per tax rates applicable to individual entities with income tax expense/(credit) reported in the consolidated statement of profit and loss is as follows:

	(₹ in crores)	
	Year ended March 31,	From June 23, 2024 to
	2026	March 31, 2025
Profit before taxes	4,663	4,088
Income tax expense at tax rates applicable to individual entities	1,466	1,018
Items (net) not deductible for tax/not liable to tax :		
- Elimination of tax arising due to demerger of TMF at conso level	-	(19)
- Tax expenses on non deductible items	16	(23)
- Loss on account of measurement of investment at FVTPL (Refer note below)	242	-
Distributed and undistributed earnings of subsidiaries, joint operations and equity accounted investees	174	91
Deferred tax assets not recognised because realisation is not probable	54	12
Tax expense for the period before demerger	(211)	-
Previously unrecognised tax losses, unabsorbed depreciation and other tax benefits utilised	(18)	-
Revaluation of deferred tax liability due to change in statutory tax rates	-	(310)
Reversal of deferred tax asset created in previous year due to amendment in calculation of capital gains tax	-	191
Tax on share of profit of equity accounted investees (net)	(42)	(31)
Others	(46)	(36)
Income tax expense reported in consolidated statement of profit and loss	1,633	893

Note:

The effective tax rate for the year ended March 31, 2026 is higher than applicable corporate income tax rate as the fair value loss on equity investments measured at FVTPL amounting to **₹2,418 crores**, is not allowable expenditure under income tax.

The Board of Directors has proposed dividend for the year ended March 31, 2026, which will result in cash flow of **₹ 1,473 crores**, once approved by shareholders in the Annual General Meeting. The dividend income being received from subsidiaries in the year ending March 31, 2027 can be offset against the dividend paid by the Company and accordingly tax liability on undistributed earning can be reversed.

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Significant components of deferred tax assets and liabilities for the year ended March 31, 2026 are as follows

(₹ in crores)					
	Opening balance	Recognised in statement of profit and loss	Recognised in/reclassified from other comprehensive income		Closing balance
			Translation	Other than translation	
Deferred tax assets:					
Unabsorbed depreciation	901	(613)	-	-	288
Business loss carry forwards	143	(4)	3.79	-	143
Other tax losses -long term capital loss	0	1	-	-	1
Expenses deductible in future years:					
- provisions, allowances for doubtful receivables and others	247	(11)	-	-	236
Compensated absences and retirement benefits	366	45	1	(1)	410
Property, plant and equipment	251	(75)	2	-	178
Lease liabilities	157	38	-	-	195
Derivative financial instruments	35	(43)	-	16	7
Unrealised profit on inventory	15	3	7	-	24
Others	119	212	3.01	4	338
Total deferred tax assets	2,235	(448)	16	18	1,821
Deferred tax liabilities:					
Property, plant and equipment	1,188	130	-	-	1,318
Right to use asset	154	33	-	-	187
Intangible assets	530	(57)	-	-	473
Undistributed earnings in subsidiaries, joint operations and equity accounted investees	446	82	-	-	527
Finance Receivable	552	37	-	-	589
Others	253	(108)	4	(8)	141
Total deferred tax liabilities	3,124	116	4	(8)	3,235
Net assets/(liabilities)	(888)	(565)	12	27	(1,414)

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Significant components of deferred tax assets and liabilities for the year ended March 31, 2025 are as follows

(₹ in crores)						
	Opening balance	Additions pursuant to the scheme	Recognised in statement of profit and loss	Recognised in/reclassified from other comprehensive income		Closing balance
				Translation	Other than translation	
Deferred tax assets:						
Unabsorbed depreciation	-	1,003	(101)	-	-	901
Business loss carry forwards	-	701	(558)	-	-	143
Other tax losses -long term capital loss	-	0	-	-	-	0
Expenses deductible in future years:						
- provisions, allowances for doubtful receivables and others	-	214	33	-	-	247
Compensated absences and retirement benefits	-	677	(306)	-	(5)	366
Minimum alternate tax carry-forward	-	6	(6)	-	-	-
Property, plant and equipment	-	209	43	-	-	251
Derivative financial instruments	-	46	(11)	-	-	35
Unrealised profit on inventory	-	19	(4)	-	-	15
Lease Liabilities	-	127	30	-	-	157
Others	-	140	(21)	-	-	119
Total deferred tax assets	-	3,141	(901)	-	(5)	2,235
Deferred tax liabilities:						
Property, plant and equipment	-	1,230	(42)	-	-	1,188
Intangible assets	-	531	(1)	-	-	530
Undistributed earnings in subsidiaries, joint operations and equity accounted investees	-	414	32	-	-	446
Right to Use - Assets	-	127	27	-	-	154
Finance Receivable	-	280	273	-	-	552
Others	-	643	(390)	-	-	253
Total deferred tax liabilities	-	3,225	(101)	-	-	3,124
Net assets/(liabilities)	-	(84)	(800)	-	(5)	(888)

As at March 31, 2026, unrecognized deferred tax assets amounts to **₹ 75 crores** (Gross value- ₹ 295 crores) pertaining to unabsorbed depreciation and **₹ 471 crores** (Gross value - ₹ 1,975 crores) pertains to business loss, which can be carried forward indefinitely and up to a specified period, respectively. The deferred tax asset has not been recognized on these losses, basis that its recovery is not probable in the foreseeable future.

Unrecognized deferred tax assets expire unutilized based on the year of origination as follows:

March 31,	Gross amount	Tax amount
2027	57	14
2028	33	8
2029	165	42
2030	165	42
2031	184	46
Thereafter *	1,372	319

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19 Equity Share Capital

			(₹ in crores)	
			As at March 31, 2026	As at March 31, 2025
(a) Authorised:*				
(i)	5,00,00,00,000 Ordinary shares of ₹2 each		1,000	1
	(as at March 31, 2025: 25,00,000 Ordinary shares of ₹2 each)			
(ii)	30,00,00,000 Compulsorily Convertible Preference Shares of ₹100 each		3,000	-
	(as at March 31, 2025: Nil Compulsorily Convertible Preference Shares of ₹Nil each)			
	Total		4,000	1
(b) Issued: [note (e)]				
(i)	3,68,23,31,373 Ordinary shares of ₹2 each		736	0
	(as at March 31, 2025: 5,00,000 Ordinary shares of ₹2 each)			
	Total		736	0
(c) Subscribed and called up: [note (e)]				
(i)	3,68,23,31,373 Ordinary shares of ₹2 each		736	0
	(as at March 31, 2025: 5,00,000 Ordinary shares of ₹2 each)			
			736	0
(d) Paid-up:				
	3,68,23,31,373 Ordinary shares of ₹2 each		736	0
	(as at March 31, 2025: 5,00,000 Ordinary shares of ₹2 each)			
			736	0
	Total		736	0

*Refer note 47(b) on changes of Equity Share Capital

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

	For year ended March 31, 2026		From June 23, 2024 to March 31, 2025	
	(Number of shares)	(₹ in crores)	(Number of shares)	(₹ in crores)
(i) Ordinary shares				
Balance at beginning	500,000	0	-	-
Add: Issuance of shares	-	-	500,000	0
Less: Cancellation of shares	(500,000)	(0)	-	-
Add: Issuance of shares on CV undertaking merger (Refer note 47)	3,682,331,373	736	-	-
Balance as at end	3,682,331,373	736	500,000	0

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

- In respect of every Ordinary share of ₹2 each (whether fully or partly paid), voting rights shall be in the same proportion as the capital paid up on such Ordinary share bears to the total paid up Ordinary share capital of the Company.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(f) Number of shares held by each shareholder holding more than 5 percent of the issued share capital :

	As at March 31,			
	2026		2025	
	% Issued Share Capital	Number of Shares	% Issued Share Capital	Number of Shares
(i) Ordinary shares				
(a) Tata Sons Private Limited	40.14%	1,478,263,541	0.00%	-
(b) Tata Motors Passenger Vehicles Limited (Formerly Tata Motors Limited)	-	-	100.00%	500,000

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

- The Company has not issued any shares without payment being received in cash (refer note 47).
- The Company has not issued any bonus shares.
- The Company has not undertaken any buy-back of shares.

(h) Disclosure of Shareholding of Promoters

Particulars		As at March 31,				% change during the year FY 25-26
		2026		2025		
		Number of Shares	% Issued Share Capital	Number of Shares	% Issued Share Capital	
(i) Ordinary shares						
Tata Sons Private Limited		1,478,263,541	40.14%	-	0.00%	40.14%
Tata Motors Passenger Vehicles Limited (Formerly Tata Motors Limited)		-	0.00%	500,000	100.00%	(100.00%)

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

20 Other components of Equity

(a) The movement of currency translation reserve is as follows:

	Year ended March 31, 2026	From June 23, 2024 to March 31, 2026
Balance at the beginning	362	-
Additions pursuant to the Scheme (Refer note 47)	-	444
Exchange differences arising on translating the net assets of foreign operations (net)	145	(82)
Balance at the end	507	362

(b) The movement of equity instruments held as fair value through other comprehensive income (FVTOCI) is as follows:

	Year ended March 31, 2026	From June 23, 2024 to March 31, 2026
Balance at the beginning	255	-
Additions pursuant to the Scheme (Refer note 47)	-	141
Other comprehensive (loss)/income for the year/period	(111)	129
Income tax relating to gain/(loss) recognised on equity investments, where applicable	15	(15)
Balance at the end	159	255

(c) The movement of hedging reserve is as follows:

	Year ended March 31, 2026	From June 23, 2024 to March 31, 2026
Balance at the beginning	(3)	-
Additions pursuant to the Scheme (Refer note 47)	-	(1)
Gain/(Loss) recognised on cash flow hedges	(34)	8
Income tax relating to loss recognized on cash flow hedges	8	(2)
Cash flow hedges reclassified to profit or loss	5	2
Income tax relating to gain reclassified to profit or loss	(1)	(0)
Transfer on account of demerger	(7)	(9)
Balance at the end	(32)	(3)

(d) The movement of cost of hedging reserve is as follows:

	Year ended March 31, 2026	From June 23, 2024 to March 31, 2026
Balance at the beginning	11	-
Additions pursuant to the Scheme (Refer note 47)	-	9
Gain/(Loss) recognised on cash flow hedges	(8)	0
Income tax relating to loss recognized on cash flow hedges	2	(0)
Cash flow hedges reclassified to profit or loss	(24)	(10)
Income tax relating to gain reclassified to profit or loss	6	2
Transfer on account of demerger	7	9
Balance at the end	(6)	11

(e) Summary of other components of equity:

	Year ended March 31, 2026	From June 23, 2024 to March 31, 2026
Currency translation reserve	507	362
Equity instruments through FVTOCI	159	255
Hedging reserve	(32)	(3)
Cost of hedging reserve	(6)	11
Total	628	625

21 Notes to reserves

(a) Capital reserve pursuant to the scheme

Capital reserve represents the difference between the assets and liabilities transferred to the Company pursuant to the Scheme, after deducting the share capital to be issued pursuant to the scheme, retained earnings, general reserve and other comprehensive income allocated to the Company as per the Scheme. Refer note 47.

(b) Retained earnings

Retained earnings are the profits that the Company has earned till date (including amounts transferred to the Company pursuant to the scheme), add/(less) any transfers from/(to) general reserve and securities premium, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement gain/(loss) on defined benefit obligations, net of taxes that will not be reclassified to consolidated statement of profit and loss.

(c) Reserve for research and human resource development

In terms of Article 9 of the Act on Special Taxation Restriction in Korea, Tata Daewoo Mobility Company Limited (TDM, a subsidiary of Tata Motors Limited) is entitled for deferment of tax in respect of expenditures incurred on product development cost subject to fulfilment of certain conditions, by way of deduction from the taxable income, provided that TDCV appropriates an equivalent amount from "Retained earnings" to "Reserve for Research and Human Resource Development".

The deferment is for a period of three years and from the fourth year onwards one-third of the reserve is offered to tax and an equal amount is then transferred from the reserve to "Retained earnings available for appropriation".

(d) Special reserve

The special reserve represents the reserve created by two subsidiaries of Tata Motors Limited pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act") and related regulations applicable to those companies. Under the RBI Act, a non-banking finance company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purposes specified by the RBI.

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
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(e) Earned surplus reserve

Under the Korean commercial code, Tata Daewoo Mobility Company Limited (TDM, a subsidiary of Tata Motors Limited) is required to appropriate at least 10% of cash dividend declared each year to a legal reserve until such reserves equal to 50% of capital stock. This reserve may not be utilized for cash dividends, but may only be used to offset against future deficits, if any, or may be transferred to capital stock.

(f) Hedge reserve

Effective portion of fair value gain/(loss) on all financial instruments designated in cash flow hedge relationship are accumulated in hedge reserve.

(g) Cost of hedge reserve

Fair value gain/(loss) attributable to cost of hedge on all financial instruments designated in cash flow hedge relationship are accumulated in cost of hedge reserve.

(h) Reserve for equity instruments through other comprehensive income

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 the FVOCI equity investments within equity. The Company transfers amounts there from to retained earnings when the relevant equity securities are derecognised.

(i) General reserve

The general reserve represents amounts appropriated out of retained earnings based on the provisions of the Act prior to its amendment, which is allocated to the Company pursuant to the Scheme Refer Note 47.

(j) Share-based payment reserve

Share-based payments reserve represents amount of fair value, as on the date of grant, of unvested options and vested options not exercised till date, that have been recognised as expense in the consolidated statement of profit and loss till date.

(k) Dividends

Any dividend declared by Tata Motors Limited (Formerly TML Commercial Vehicles Limited) is based on the profits available for distribution as reported in the statutory financial statements of Tata Motors Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Tata Motors Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act. However, in the absence of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in this financial statements may not be fully distributable.

For the year ended March 31, 2026, the Board of Directors has recommended a final dividend of ₹ 4 /- per fully paid up Ordinary share of ₹ 2.00 each, subject to approval by the Shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of ₹ 1,473 crores.

22 Long-term borrowings

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Secured:		
(a) Term loans: Others ((Refer note A below)	102	78
Unsecured:		
(a) Privately placed non-convertible debentures (Refer note D below)	798	3,038
(b) Perpetual debentures (Refer note E below)	444	1,284
(c) Term loans from banks Buyer's line of credit (at fixed interest rate) (Capex)	-	140
Total	1,344	4,540

23 Short-term borrowings

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Secured:		
(a) Loans from banks: working capital demand loans from banks	250	1,080
(b) Current maturities of long-term borrowings (Refer note E below)	-	971
Unsecured:		
(a) Loans from banks (Refer note D below)	428	537
(b) Current maturities of long-term borrowings (Refer note below)	2,795	2,028
Total	3,473	4,616

Collaterals against borrowing

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Current assets including inventories, receivables and book debts	250	2,051
Total	250	2,051

Note- There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

Details of current maturities of long-term borrowings:

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Secured:		
(i) Term loans from banks	-	971
	-	971
Unsecured:		
(i) Privately placed non-convertible debentures	2,303	375
(ii) Senior notes	-	1,085
(iii) Perpetual debentures	350	-
(iv) Term loans from banks and others	142	568
Total	2,795	2,028

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Information regarding Long term borrowings and Short term borrowings

(A) Government loans (Secured)

(₹ in crores)			
	Amount included in long-term borrowings (note 22)	Amount included in current maturities of long-term borrowings (note 23)	Collateral, interest rates and maturity
Term loans from others			
1	102	-	The loan is secured by bank guarantee for the due performance of the conditions as per the terms of the agreement. The loan is due for repayment from the quarter ending June 30, 2030 to December 31, 2040, along with a simple interest of 0.1% p.a.
Total	102	-	

(B) Short-term borrowings

Short-term loan from banks consists of cash credit, overdrafts, short-term loan, bill discounting amounting to ₹ 428 crores bearing fixed rate of interest ranging from 1.11% p.a to 6.16% p.a.

The buyer's line of credit from banks, bearing fixed interest of **6.40%**, amounting to **₹140 crores** is repayable within a maximum period of five years from the drawdown dates. The repayment is due in period ending May 20, 2026. The Buyer's line of credit of **₹140 crores** classified under Short Term Borrowings-current being maturity before March 31, 2027.

(C) Senior notes (SGX-ST listed debt)

The senior notes of Tata Motors Limited listed on the SGX-ST market, which is a listed market regulated by the Singapore Stock Exchange. Details of the tranches of the senior notes outstanding at March 31, 2026 are as follows:

(₹ in crores)				
Particulars	Currency	Amount (in million)	As at March 31, 2026	2025
5.875% Senior Notes due 2025	USD	-	-	1,085 *
			-	1,085

* Classified as current maturities of long term borrowings.

(D) Schedule of repayment and redemption for Non-Convertible Debentures :

(₹ in crores)		
	Redeemable on	As at March 31, 2026
Unsecured :		
6.60% Non-Convertible Debentures (2026) *	May 29, 2026	500
8.50% Non-Convertible Debentures (2026) *	December 30, 2026	250
8.50% Non-Convertible Debentures (2027) *	January 29, 2027	250
7.65% Non-Convertible Debentures (2027) *	March 26, 2027	500
7.65% Non-Convertible Debentures (2028)	March 27, 2028	800
8.53% Zero Coupon bonds	September 1, 2026	801
Debt issue cost		(0)
Total		3,101

(E) Perpetual debenture amounting to **₹ 444 crores** included within long-term borrowing in note 22 and **₹ 350 crores** included within current maturities of long-term borrowings in note 23 bear interest rate ranging from 7.30% to 8.75% having simultaneous call/put option after 4/5th year from the date of issuance.

(F) Reconciliation of movements of liabilities to cash flows arising from financing activities

(₹ in crores)				
	Lease Liabilities	Short term borrowings	Long term borrowings	Total
Balance at April 1, 2025	769	4,616	4,540	9,925
Proceeds from issuance of debt	-	-	78	78
Repayment of financing	(226)	(963)	(3,491)	(4,680)
Reclassification of long-term debt	-	(203)	203	-
Foreign exchange	-	23	(2)	21
Amortisation / EIR adjustment of prepaid borrowing costs (net)	-	-	44	44
Issue of new leases	253	-	-	253
Interest accrued*	69	-	-	69
Lease terminations	(32)	-	-	(32)
Fair value adjustment on loans	-	-	(28)	(28)
Other Adjustments/ modifications	(35)	-	-	(35)
Balance at March 31, 2026	798	3,473	1,344	5,616
Balance as at June 23, 2024	-	-	-	-
Additions pursuant to the Scheme (Refer note 47)	714	7,011	9,002	16,726
Proceeds from issuance of debt	-	-	2,284	2,284
Repayment of financing	(203)	(5,380)	(3,851)	(9,434)
Reclassification of long-term debt	-	2,999	(2,999)	-
Foreign exchange	(2)	(13)	135	120
Amortisation / EIR adjustment of prepaid borrowing costs (net)	-	-	9	9
Issue of new leases	235	-	-	235
Interest accrued*	56	-	-	56
Lease terminations	(31)	-	-	(31)
Fair value adjustment on loans	-	-	(40)	(40)
Balance at March 31, 2025	769	4,616	4,540	9,925

* refer note 26 (a) for interest accrued and statement of cash flows for interest paid

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24 Other financial liabilities – non-current

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Liability towards employee separation scheme	67	84
(b) Advance towards supplier claim	65	56
(c) Others	5	4
Total	137	144

25 Other financial liabilities – current

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Interest accrued but not due on borrowings	42	89
(b) Liability for capital expenditure (Refer note below)	390	485
(c) Deposits and retention money	753	493
(d) Derivative financial instruments	85	11
(e) Option premium payable	-	9
(f) Others	72	57
Total	1,342	1,144

Note:

Includes ₹ 38 crores (₹ 56 crores as at March 31, 2025) outstanding towards principal and interest provision on dues of micro enterprises and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006.

26 Trade payables

	(₹ in crores)					
	As at March 31, 2026					
	Not Due*	Overdue				Total
		Up to 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	360	11	-	-	-	371
	360	11	-	-	-	371
Outstanding dues other than micro and small enterprises						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	12,888	209	4	10	3	13,113
	12,888	209	4	10	3	13,113
Acceptances						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues (Refer note below)	2,220	-	-	-	-	2,220
	2,220	-	-	-	-	2,220

	(₹ in crores)					
	As at March 31, 2025					
	Not Due*	Overdue				Total
		Up to 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	191	8	-	-	-	199
	191	8	-	-	-	199
Outstanding dues other than micro and small enterprises						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	10,961	365	28	1	10	11,365
	10,961	365	28	1	10	11,365
Acceptances						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	2,812	-	-	-	-	2,812
	2,812	-	-	-	-	2,812

* includes accrued and unbilled

Supplier finance arrangements

The Company participates in a supplier finance arrangement under which its suppliers may elect to receive early payment of their invoices from a bank. Under the arrangement, the bank agrees to pay amounts due to participating suppliers in respect of invoices owed by the Company and the Company repays the bank at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and provide the willing suppliers early payment terms, compared with the related invoice payment due date.

The Company has not derecognised the original trade payables relating to the arrangement because neither a legal release was obtained nor was the original liability substantially modified on entering into the arrangement.

From the Company's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; however, the arrangement does provide participating suppliers with the benefit of early payment. Additionally, the Company does not incur any additional interest towards the bank on the amounts due to the suppliers. The Company therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables.

All payables under the arrangement are classified as current as at 31 March 2026 and 2025.

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Additional information about the Company's trade payables is provided in the table below.

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Carrying amount of financial liabilities subject to supplier finance arrangement		
Presented with in trade payables	2,220	2,812
- of which suppliers have received the payment from the bank	2,220	*
Range of payment due dates		
Trade payables subject to supplier finance arrangement (days after invoice date)	upto 90 days	*
Comparable trade payables (days after invoice date)	MSME creditors upto 45 days Other creditors upto 90 days	*

*The Company applied transitional relief available under supplier finance arrangements (Amendments to Ind AS 7 and Ind AS 107) and has not provided comparative information in the first year of adoption.

Non cash changes

There were no significant non-cash changes in the carrying amount of financial liabilities subject to supplier finance arrangements.

27 Provisions

(A) Accounting policy

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. When the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Product warranty expenses

The estimated liability for product warranties are recognized when products are sold or when new warranty programmes are initiated. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future warranty claims, customer goodwill and recall complaints. The timing of outflows will vary depending on when warranty claim will arise, being typically up to six years. The Company also has back-to-back contractual arrangement with its suppliers in the event that a vehicle fault is proven to be a supplier's fault.

The Company's calculation methodology uses detailed historical data corrected for experience as information becomes available as well as individual campaign assumptions (such as scope, uptake rates and repair costs). The calculated provisions are compared to current spend rates to assess balances versus expected future obligations. This can lead to changes in the carrying value of provisions as assumptions are updated over the life of each warranty to reflect where actual experience differs to past experience, for example due to higher inflation or timing of claims impacting disbursement curve analysis. However, there are no individual assumptions that can be reasonably expected to move over the next financial year to such a degree that it would result in a material adjustment to the warranty provision.

The discount on the warranty provision is calculated using a risk-free discount rate as the risks specific to the liability, such as inflation, are included in the base calculation.

Estimates of the future costs of warranty actions are subject to numerous uncertainties, including the enactment of new laws and regulations, the number of vehicles affected by a service or recall action and the nature or final cost of the corrective action. Due to the uncertainty and potential volatility of the inputs to these assumptions, it is reasonably possible that the actual cost expenditure over an extended period of time could be materially different to the estimate in a range of amounts that cannot be reasonably estimated. The Company continues to monitor developments in global macroeconomic conditions and potential mitigation strategies, including the global tariff environment, and adjusts the provision if required.

Estimates are made of the expected reimbursement claim based upon historical levels of recoveries from supplier, adjusted for inflation and applied to the population of vehicles under warranty as on balance sheet date. Supplier reimbursements are recognised as a separate asset "Recoverable from suppliers" under Other financial asset.

Replacement of battery/refurbishment of buses

The contract or 'contracts' entered with the customer or 'customers' requires replacement of batteries and refurbishments of buses given on lease at the end of 8th year of the contract tenure. The Company has estimated the cost of replacement and refurbishments and have applied an effective interest rate method for the same.

(B) Provisions consists of the following:

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Non-current		
(a) Employee benefits obligations	1,284	1,129
(b) Product warranty	1,813	1,143
(c) Provision for replacement of battery/ refurbishment of buses	386	328
(d) Other provisions	1	3
Total	3,484	2,603
Current		
(a) Employee benefit obligations	979	934
(b) Product warranty	1,437	1,282
Total	2,416	2,216

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	For year ended March 31, 2026	
	Product warranty	Provision for Refurbishment
Balance at the beginning	2,425	328
Provision made during the year	2,268	27
Provision used during the year	(1,516)	-
Impact of discounting	64	31
Impact of foreign exchange translation	9	-
Balance at the year end	3,250	386
Current	1,437	-
Non-current	1,813	386

28 Other non-current liabilities

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Contract liabilities (Refer note 29 (i) (a) below)	855	826
(b) Deferred government incentives (Refer note 29 (b) below)	1,019	979
(c) Employee benefits obligations	113	42
(d) Others	3	3
Total	1,990	1,850

29 Other current liabilities

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Contract liabilities (Refer note (a))	4,845	1,609
(b) Deferred government incentives (Refer note (b))	112	252
(c) Statutory dues (VAT, Excise, Service Tax, GST, Octroi etc.) (Refer note (c))	1,854	1,235
(d) Amount received on behalf of third party (Refer note (d))	535	-
(e) Others	68	50
Total	7,414	3,146

Note:

	(₹ in crores)	
	As at March 31, 2026	From June 30, 2024 to March 31, 2025
(i) Opening contract liabilities	2,435	-
Additions pursuant to the Scheme (Refer note 47)	-	2,198
Amount recognised in revenue	(1,618)	(825)
Amount received in advance during the year/period	5,080	1,186
Amount refunded to customers	(266)	(116)
Currency translation	70	(8)
Closing contract liabilities	5,700	2,435
(a) Contract liabilities include		
Advances received from customers	Current	4,300
Deferred revenue	Current	545
	Non-current	855
Total contract liabilities	5,700	2,435

Performance obligations in respect of amount received in respect of future maintenance service and extended warranty will be fulfilled over a period of six years from year ending March 31, 2027 till March 31, 2032.

(b) Government grants include :

- i) Government incentives includes ₹ 80 crores as at March 31, 2026 (₹ 148 crores as at March 31, 2025) grants relating to property, plant and equipment related to duty saved on import of capital goods and spares under the Exports Promotion Capital Goods (EPCG) scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.

(c) This includes stamp duty charges provision (Refer note 37 (a)).

(d) Represents the third party charges received from the customer which are in the nature of reimbursement and not for consideration towards sale of goods.

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30 Revenue from operations

(A) Accounting policy

The Company generates revenue principally from –

a) Sale of products – (i) Commercial vehicle and vehicle parts.

The Company recognizes revenues from sale of products measured at the amount of transaction price (net of variable consideration), when it satisfies its performance obligation at a point in time which is when products are delivered to dealers or when delivered to a carrier for export sales, which is when control including risks and rewards and title of ownership pass to the customer, collectability of the resulting receivables is reasonably assured and when there are no longer any unfulfilled obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company operates predominantly on cash and carry basis.

The Company offers sales incentives in the form of variable marketing expense to customers, which vary depending on the timing and customer of any subsequent sale of the vehicle. This sales incentive is accounted for as a revenue reduction and is constrained to a level that is highly probable not to reverse the amount of revenue recognised when any associated uncertainty is subsequently resolved. The Company estimates the expected sales incentive by market and considers uncertainties including competitor pricing, ageing of retailer stock and local market conditions.

Revenue is recognised on a bill-and-hold basis where vehicles, for example, are sold to the customer but are retained in the Company's possession at a vehicle holding compound on behalf of the customer ahead of being physically transferred to them at a future time. In such arrangements it is ensured that the customer has obtained the ultimate control of the product.

There are certain vehicles which are being given to the customers along with operations and maintenance of the same. These are considered as finance leases and accordingly, revenue is recognised at the lease commencement date at fair value of the leased asset. The cost of sales is reduced for the present value of unguaranteed residual values. In addition, initial direct costs are recognised as cost of sales at the lease commencement date.

The consideration received in respect of transport arrangements for delivering of vehicles to the customers are recognised net of their costs within revenues in the income statement.

The Company applies the practical expedient in Ind AS 115 and does not disclose information about remaining performance obligations that have an original expected duration of one year or less. This is because revenue resulting from those sales will be recognised in a short-term period. The services included with the vehicle sale are to be recognised as revenues in subsequent years but represent an insignificant portion of expected revenues in comparison.

b) Sale of services - Maintenance service and extended warranties for commercial vehicles and insurance broking services.

Income from sale of maintenance services and extended warranties are recognized as income over the relevant period of service or extended warranty.

When the Company sells products that are bundled with maintenance service or extended period of warranty, such services are treated as a separate performance obligation only if the service or warranty is in excess of the standard offerings to the customer. In such cases, the transaction price allocated towards such maintenance service or extended period of warranty is based on relative standalone selling price and is recognised as a contract liability until the service obligation has been met. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Company operates certain customer loyalty programs under which customer is entitled to reward points on the spend towards Company's products. The reward points earned by customers can be redeemed to claim discounts on future purchase of certain products or services. Transaction price allocated towards reward points granted to customers is recognized as a deferred income liability and transferred to income when customers redeem their reward points.

Sales of services include certain performance obligations that are satisfied over a period of time, any amount received in advance is recorded as contract liability and recognized as revenue when service is rendered to customers. Any amount of income accrued but not billed to customers in respect of such contracts is recorded as a contract asset. Such contract assets are transferred to trade receivables on actual billing to customers.

Refund liabilities comprise of obligation towards customers to pay for discounts and sales incentives and are reassessed at each reporting date.

Vehicle sales do not typically include allowances for returns or refunds, although in some markets there is legislative requirement for the Company as an automotive manufacturer to repurchase or reacquire a vehicle if quality issues arise that have been remedied a number of times and where the owner no longer wishes to own the vehicle as a result.

Revenue from placement services (also commonly referred to as commission income) should be recognised at the point in time when the insurance policy have been agreed contractually by the insurer and policyholder and the insurer has a right to payment from the policyholder based on the confirmation by Insurance Company at the period end. Brokerage in respect of facultative inward/ outward and treaty reinsurance placements is accounted when the premium to be paid by the insurer to the reinsurance company becomes due.

c) Financing revenues - Interest income from financing transactions includes income from leasing of vehicles to customers. Finance and service charges are accrued on the unpaid principal balance of finance receivables using the effective interest method.

(B) Revenue from operations:

(₹ in crores)		
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
(a) Sale of products (Refer note 1 below)		
(i) Vehicles	69,558	47,635
(ii) Spare parts	8,453	6,010
(iii) Miscellaneous products	2,772	1,939
Total sale of products	80,783	55,584
(b) Sale of services	2,572	2,165
Revenue from contract with customers	83,355	57,749
(c) Finance revenues	35	39
Revenue	83,390	57,788
(d) Other operating revenues	465	429
Total	83,855	58,217
Note:		
(1) The above revenue has been determined by reducing variable marketing expenses from contracted price	(16,569)	(10,323)

*For disaggregation of revenue refer note 41.

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31 Other income

(A) Accounting policy

Other income includes export and other recurring and non-recurring incentives from Government (referred as “incentives”).

Government grants are recognised when there is reasonable assurance that the Company will comply with the relevant conditions and the grant will be received.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between the initial carrying value of the loan (at fair value) and the proceeds received.

Government grants are recognised in the consolidated statement of profit and loss, either on a systematic basis when the Company recognizes, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred. Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Company are recognised as income in the period in which the grant is received.

(B) Other income:

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
(a) Interest income on financial assets carried at amortised cost	578	467
(b) Dividend income from investments measured at FVTOCI	2	1
(c) Dividend income from investments measured at FVTPL	7	-
(d) Profit on sale of investments measured at FVTPL	102	77
(e) Government Incentives	424	324
(f) Fair value gain on investments measured at FVTPL	11	8
Total	1,124	877

32 Employee benefit expense

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
(a) Salaries, wages and bonus*	4,818	3,519
(b) Contribution to provident fund and other funds	360	265
(c) Staff welfare expenses	626	439
Total	5,804	4,223

Note:

*The amount of ₹11 crores (net of recovery from subsidiaries) has accrued for the period from July 1, 2025 to March 31, 2026 towards share based payments.

(A) Accounting policy

Share based payments

The Company recognises compensation expense relating to share based payments in accordance with Ind AS 102 Share-based Payment. Stock options granted by the Company to its employees are accounted as equity settled options. Accordingly, the estimated fair value of options granted that is determined on the date of grant, is charged to the consolidated statement of profit and loss on a straight line basis over the vesting period of options which is the requisite service period, with a corresponding increase in equity.

Equity-settled share option plan

Tata Motors Limited Share-based Long Term Incentive Scheme (TMLSITI Scheme)

The Scheme has been formulated pursuant to clause 9 of the Scheme of Arrangement, with respect to PSUs granted under “Demerged Company Incentive Schemes” (as defined hereinafter) to the Eligible Employees, consequent upon the Demerger.

Each such Eligible Employee (irrespective of whether they are Remaining Employee or Transfer-ring Employee, as the case may be) under the Demerged Company Incentive Schemes (i.e. Share-based Long Term Incentive Scheme 2021 and 2024) and for every One Demerged Company Performance Shares Units (“PSUs”) outstanding as on the Record date in the Demerged Company, such eligible Remaining Employee and Transferring Employee shall be granted and/or vested One Resulting Company PSUs (whether vested or not) under the TMLSITI Scheme, on the terms and conditions which would be similar to the Demerged Company Incentive Schemes.

PSUs are generally exercisable within one year from the date of vesting.

(a) Share-based Long Term Incentive Scheme 2021

	Year ended
	March 31, 2026
	PSU's No. of options
Reconciliation of outstanding ESOs/ PSUs	
(i) Options outstanding exercisable/vesting at the beginning of the year	-
(ii) Additions pursuant to the Scheme (Refer note 47)	1,182,832
(iii) Forfeited during the year	(32,396)
(iv) Exercised during the year	-
(v) Options outstanding exercisable/vesting at the end of the year	1,150,436
(vi) Remaining contractual life	5 months -14 Months

The Company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted.

Assumption factor	Granted during year ended March 31, 2026
Risk free interest rate	5.3% - 6.9%
Expected life of option	4 years
Expected volatility	49.3% - 52.0%
Share price	₹148.90 - ₹204.74

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(b) Share-based Long Term Incentive Scheme 2024

	Year ended March 31, 2026 PSU's No. of options
(i) Options outstanding exercisable/vesting at the beginning of the year	-
(ii) Additions pursuant to the Scheme (Refer note 47)	765,916
(iii) Granted during the year	-
(iv) Forfeited during the year	(16,607)
(v) Exercised during the year	-
(vi) Options outstanding exercisable/vesting at the end of the year	749,309
(vii) Remaining contractual life	29 months -43 Months

The Company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted.

Assumption factor	Year ended March 31, 2026 PSU's
Risk free rate	6.1% - 6.8%
Expected life of option	4 years
Expected volatility	33.0% - 37.9%
Share price	₹267.63 - ₹456.71

(B) Employee benefits

Gratuity

Tata Motors Limited and its subsidiaries and joint operation in India have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Tata Motors Limited and such subsidiaries make annual contributions to gratuity funds established as trusts or insurance companies. Tata Motors Limited and its subsidiaries and joint operations in India account for the liability for gratuity benefits payable in the future based on an actuarial valuation.

Bhavishya Kalyan Yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees of Tata Motors Limited and some of its subsidiaries. The benefits of the plan include pension in certain cases, payable up to the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the appropriate authority. The monthly payment to dependents of the deceased/disabled employee under the plan equals 50% of the salary drawn at the time of death or accident or a specified amount, whichever is greater. Tata Motors Limited and these subsidiaries account for the liability for BKY benefits payable in the future based on an actuarial valuation.

Provident fund and family pension

In accordance with Indian law, eligible employees of Tata Motors Limited, its Indian subsidiaries and joint operations are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary).

Severance indemnity

Tata Daewoo Mobility Company Limited, or TDM, a subsidiary company incorporated in Korea; has an obligation towards severance indemnity, a defined benefit retirement plan, covering eligible employees. The plan provides for a lump sum payment to all employees with more than one year of employment equivalent to 30 days' salary payable for each completed year of service.

Post-retirement medicare scheme

Under this unfunded scheme, employees of Tata Motors Limited and some of its subsidiaries receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of an early separation scheme, on medical grounds or due to permanent disablement are also covered under the scheme. Tata Motors Limited account for liability for post-retirement medical scheme based on actuarial valuation. The post-retirement medicare scheme is applicable to employees existing as at December 31, 2023.

Compensated absences

Tata Motors Limited and some of its subsidiaries and joint operations provide for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an actuarial valuation.

Remeasurement gains and losses

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on assets (excluding interest) relating to retirement benefit plans, are recognised directly in other comprehensive income in the period in which they arise. Remeasurement recorded in other comprehensive income is not reclassified to consolidated statement of profit and loss. Actuarial gains and losses relating to long-term employee benefits are recognised in the consolidated statement of profit and loss in the period in which they arise.

Measurement date

The measurement date of retirement plans is March 31.

The present value of the defined benefit liability and the related current service cost and past service cost are measured using projected unit credit method.

The present value of the post-employment benefit obligations depends on a number of factors, it is determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of post-employment benefit obligations.

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(C) Employee benefits consist following:

Defined Benefit Plan

Pension (Gratuity and BKY) and post retirement medicare scheme

The following table sets out the funded and unfunded status and the amounts recognized in the financial statements for the pension and the post retirement medical plans in respect of Tata Motors, its Indian subsidiaries and joint operations:

(₹ in crores)				
	Pension benefits		Post retirement medical benefits	
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025
Change in defined benefit obligations :				
Defined benefit obligation, beginning of the year/period	1,488	-	500	-
Additions pursuant to the Scheme (Refer note 47)	-	1,416	-	399
Defined benefit obligation for superannuation	-	-	-	-
Current service cost	98	65	23	13
Interest cost	101	69	33	20
Remeasurements (gains) / losses				
Actuarial (gains) / losses arising from changes in demographic assumptions	5	(8)	34	(20)
Actuarial (gains) / losses arising from changes in financial assumptions	(15)	30	(20)	9
Actuarial (gains) / losses arising from changes in experience adjustments	(22)	12	(14)	(3)
Adjustments pursuant to the scheme (Refer note 47)	-	(32)	-	(16)
Benefits paid from plan assets	(69)	(55)	-	-
Benefits paid directly by employer	(11)	(9)	(30)	(11)
Past service cost - plan amendment	279	-	1	108
Transfers between subsidiaries	(48)	-	(3)	-
Defined benefit obligation, end of the year/period	1,806	1,488	523	500
Change in plan assets:				
Fair value of plan assets, beginning of the year/period	1,357	-	-	-
Additions pursuant to the Scheme (Refer note 47)	-	1,207	-	-
Defined benefit obligation for superannuation	-	-	-	-
Acquisition/(divestment) for DBO Plan Assets	(47)	-	-	-
Interest income	87	59	-	-
Return on plan assets, (excluding amount included in net Interest cost)	(42)	18	-	-
Employer's contributions	239	128	-	-
Benefits paid	(69)	(56)	-	-
Fair value of plan assets, end of the year/period	1,525	1,357	-	-
Amount recognized in the balance sheet consists of:				
Present value of defined benefit obligation	1,806	1,488	523	500
Fair value of plan assets	1,525	1,357	-	-
	(281)	(131)	(523)	(500)
Asset ceiling	-	-	-	-
Net liability	(281)	(131)	(523)	(500)
Amounts in the balance sheet:				
Non-current assets	-	57	-	-
Non-current liabilities	(81)	(5)	-	-
Non-current provisions	(200)	(183)	(523)	(500)
Net liability	(281)	(131)	(523)	(500)

Information for funded plans with a defined benefit obligation in excess of plan assets:

			(₹ in crores)
	Pension benefits		
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025	
Defined benefit obligation	1,607	64	
Fair value of plan assets	1,525	57	

Information for funded plans with a defined benefit obligation less than plan assets:

			(₹ in crores)
	Pension benefits		
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025	
Defined benefit obligation	-	1,242	
Fair value of plan assets	-	1,300	

Information for unfunded plans:

				(₹ in crores)
	Pension benefits		Post retirement medical benefits	
	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025
Defined benefit obligation	200	183	523	500

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Net pension and post retirement medical cost consist of the following components:

	(₹ in crores)			
	Pension benefits		Post retirement medical benefits	
	Year ended	From June 23, 2024 to	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Service cost	98	65	23	13
Net interest cost	14	10	33	20
Past service cost - plan amendment	279	0	1	108
Net periodic cost	391	75	57	142

Other changes in plan assets and benefit obligation recognized in other comprehensive income:

	(₹ in crores)			
	Pension benefits		Post retirement medical benefits	
	Year ended	From June 23, 2024 to	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Remeasurements				
Return on plan assets, (excluding amount included in net interest expense)	42	(18)	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	5	(8)	34	(20)
Actuarial losses arising from changes in financial assumptions	(15)	30	(20)	9
Asset ceiling	-	-	-	-
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(22)	12	(14)	(3)
Total recognized in other comprehensive income	9	15	(1)	(15)
Total recognized in consolidated statement of comprehensive income	400	90	56	127

The assumptions used in accounting for the pension and post retirement medical plans are set out below:

	Pension benefits		Post retirement medical benefits	
	As at March 31,		As at March 31,	
	2026	2025	2026	2025
Discount rate	6.90%	6.70%	7.10%	6.80%
Rate of increase in compensation level of covered employees	6% - 10%	6% - 10%	NA	NA
Increase in health care cost	NA	NA	7.00%	7.00%

Plan assets

The fair value of Company's pension plan asset as of March 31, 2026 and 2025 by category are as follows:

	Pension benefits	
	As at March 31,	
	2026	2025
Asset category:		
Cash and cash equivalents	13.7%	11.6%
Debt instruments (quoted)	65.1%	63.8%
Debt instruments (unquoted)	0.5%	0.0%
Equity instruments (quoted)	10.5%	11.2%
Equity instruments	10.2%	13.3%
	100.0%	100.0%

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The weighted average duration of the defined benefit obligation as at March 31, 2026 is 10.39 years (2025: 10.14 years).

The Company expects to contribute ₹ 180 crores to the funded pension plans in the year ending March 31, 2027. The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and health care cost:

Assumption	Change in assumption	Impact on defined benefit obligation	Impact on service cost and interest cost
Discount rate	Increase by 1%	Decrease by ₹ 185 crores	Decrease by ₹ 31 crores
	Decrease by 1%	Increase by ₹ 212 crores	Increase by ₹ 33 crores
Salary escalation rate	Increase by 1%	Increase by ₹ 104 crores	Increase by ₹ 24 crores
	Decrease by 1%	Decrease by ₹ 98 crores	Decrease by ₹ 20 crores
Health care cost	Increase by 1%	Increase by ₹ 57 crores	Increase by ₹ 14 crores
	Decrease by 1%	Decrease by ₹ 60 crores	Decrease by ₹ 13 crores

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Provident Fund

The following tables set out the funded status of the defined benefit provident fund plan of a Joint Operation and the amounts recognized in the Company's financial statements.

Particulars	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Change in benefit obligations :		
Defined benefit obligation, beginning of the year/period	175	-
Additions pursuant to the Scheme (Refer note 47)	-	159
Balance transferred to government managed provident fund	-	-
Service cost	6	4
Employee contribution	9	7
Transfer in / transfer out	1	(2)
Interest expense	12	8
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	2	(1)
Actuarial (gains) / losses arising from changes in financial assumptions	(5)	4
Benefits paid from plan assets	(8)	(4)
Acquisition/(divestment)	-	-
Defined benefit obligation, end of the year/period	192	175
Change in plan assets:		
Fair value of plan assets at the beginning of the year/period	175	-
Additions pursuant to the Scheme (Refer note 47)	-	159
Acquisition/(divestment) for DBO plan assets	1	-
Transfer in / transfer out	-	(2)
Interest income	12	8
Return on plan assets excluding amounts included in interest income	(3)	4
Contributions (employer and employee)	15	11
Benefits paid	(9)	(5)
Fair value of plan assets, end of the year/period	191	175

Amount recognized in the balance sheet consists of:

Particulars	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Present value of defined benefit obligation	192	175
Fair value of plan assets	191	175
Net liability	(1)	(0)
Non- current liabilities	(1)	(0)

Net periodic cost for Provident Fund consist of the following components:

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Net periodic cost for Provident fund consist of the following components:		
Service cost	6	4
Net interest (income)/cost	0	(0)
Net periodic cost	6	4

Other changes in plan assets and benefit obligation recognised in other comprehensive income:

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Remeasurements		
Return on plan assets, (excluding amount included in net Interest expense)	3	(4)
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	2	(1)
Actuarial (gains) / losses arising from changes in financial assumptions	(5)	4
Total recognised in other comprehensive income	1	(0)
Total recognised in statement of profit and loss and other comprehensive income	7	4

The assumptions used in determining the present value obligation of the Provident Fund is set out below:

Particulars	As at March 31,	
	2026	2025
Discount rate	7.1%	6.8%
Remaining term to maturity of portfolio (years)	11.0	13.0
Expected rate of return on plan assets	8.3%	8.1%

The breakup of the plan assets into various categories is as follows:

Particulars	As at March 31,	
	2026	2025
Central and State government bonds	43.5%	45.5%
Equity instruments	13.7%	12.0%
Others	5.6%	5.5%
Other debt instruments	37.2%	37.0%
Total	100.0%	100.0%

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The asset allocation for plan assets is determined based on investment criteria prescribed under the relevant regulations. The Company expects to contribute ₹ 6 crores to the defined benefit provident fund during the year ending March 31, 2027.

An increase by 1% in the fund rate would lead to an decrease in defined benefit obligation by ₹4 Crores and a decrease by 1% in the fund rate would lead to an increase in defined benefit obligation by ₹12 crores as at March 31, 2026

Severance indemnity plan

Severance indemnity is a funded plan of Tata Daewoo Mobility Company Limited (formerly known as Tata Daewoo Commercial Vehicle Limited) (TDMCL), a subsidiary of Tata Motors Limited.

The following table sets out the amounts recognized in the financial statements for the severance indemnity plan.

Particulars	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Change in defined benefit obligations :		
Defined benefit obligation, beginning of the year/period	476	-
Additions pursuant to the Scheme (Refer note 47)	-	422
Service cost	55	35
Interest cost	13	10
Remeasurements (gains) / losses		
Actuarial losses arising from changes in financial assumptions	(30)	37
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(2)	7
Actuarial (gains)/losses arising from changes in demographic assumptions	(2)	0
Benefits paid directly by employer	(1)	(1)
Foreign currency translation	6	(35)
Defined benefit obligation, end of the year/period	516	476
Change in plan assets:		
Fair value of plan assets, beginning of the year	440	-
Additions pursuant to the Scheme (Refer note 47)	-	418
Interest income	13	11
Return on plan assets, (excluding amount included in net Interest expense)	(2)	(2)
Employer's contributions	60	47
Benefits paid	(28)	(6)
Foreign currency translation	32	(27)
Fair value of plan assets, end of the year/period	514	440

Amount recognized in the balance sheet consists of:

Amount recognized in the balance sheet consists of:	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Present value of defined benefit obligation	516	476
Fair value of plan assets	514	440
Net asset/ (liability)	(2)	(35)
Amounts in the balance sheet:		
Non- current liabilities	(2)	(24)
Non-current provisions	-	(11)
Net asset/ (liability)	(2)	(35)

Information for funded plans with a defined benefit obligation in excess of plan assets:

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Defined benefit obligation	516	464
Fair value of plan assets	514	440

Information for unfunded plans

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Defined benefit obligation	-	11

Net severance indemnity cost consist of the following components:

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Service cost	55	35
Net interest cost	1	(1)
Net periodic pension cost	56	34

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Other changes in plan assets and benefit obligation recognized in other comprehensive income for severance indemnity plan:

(₹ in crores)

	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Remeasurements (gains)/losses		
Return on plan assets, (excluding amount included in net Interest expense)	2	2
Actuarial (gains)/ losses arising from changes in financial assumptions	(30)	37
Actuarial (gains)/ losses arising from changes in experience adjustments on plan liabilities	(2)	7
Actuarial (gains) / losses arising from changes in demographic assumptions	(2)	0
Total recognized in other comprehensive income	(31)	46
Total recognized in statement of operations and other comprehensive income	25	80

The assumptions used in accounting for the Severance indemnity plan is set out below:

	Year ended March 31,	
	2026	2025
Discount rate	3.4%	2.7%
Rate of increase in compensation level of covered employees	3.1%	3.2%

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

Assumption	Change in assumption	Impact on scheme liabilities	Impact on service cost and interest cost
Discount rate	Increase by 1%	37	10
	Decrease by 1%	42	10
Salary escalation rate	Increase by 1%	42	11
	Decrease by 1%	38	10

Severance indemnity plans asset allocation by category is as follows:

	Year ended March 31,	
	2026	2025
Deposit with banks	100%	100%

The weighted average duration of the defined benefit obligation as at March 31, 2026 is 8.2 years (2025: 9.2 years).

33 Finance costs

(₹ in crores)

	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
(a) Interest on borrowing	631	840
Interest on lease liabilities	68	56
Unwinding of discount on provisions/ liabilities	95	50
Total	794	946
Less: Transferred to capital account*	(88)	(47)
	706	899
(b) Discounting charges	168	180
Total	874	1,079

*Represents borrowing costs capitalized during the period on qualifying assets (property plant and equipment and product development).

The weighted average rate for capitalization of interest relating to general borrowings was approximately 7.06 % and 5.14 % for the year ended March 31, 2026 and period ended June 30, 2024 to March 31, 2025, respectively.

34 Amount transferred to capital and other accounts

(₹ in crores)

	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
(a) Capital work in progress	(153)	(151)
(b) Intangible asset under development	(467)	(391)
(c) Product development / engineering expenses	(474)	(409)
Total	(1,094)	(951)

35 Product development/engineering expenses

(₹ in crores)

	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Product development costs capitalised	978	889
Product development costs expensed	789	814
Total product development costs incurred	1,767	1,703

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36 Other expenses

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
(a) Processing charges	1,205	897
(b) Consumption of stores and spare parts	568	343
(c) Power and fuel	627	457
(d) Information Technology (IT) related/Computer expenses	920	823
(e) MTM loss on commodity derivatives (net)	69	5
(f) Warranty and product liability expenses*	2,230	1,699
(g) Freight, transportation, port charges etc.	1,373	936
(h) Publicity	381	323
(i) Allowances for trade and other receivables	50	49
(j) Works operation and other expenses	4,266	3,140
Total	11,689	8,672
* Net of estimated recovery from suppliers	(51)	(87)

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
Works operations and other expenses		
(a) Auditors' remuneration		
(i) Audit fees	11	11
(ii) Tax audit fees	1	1
(iii) All other fees (assurance related including out of pocket charges)	4	4
Total	16	16

(b) Remuneration payable to non- executive independent directors aggregating ₹3 crores for the year ended March 31, 2026.

37 Exceptional Items

	(₹ in crores)	
	Year ended	From June 23, 2024 to
	March 31, 2026	March 31, 2025
(a) Stamp duty charges recognised (Refer note (iii) below)	962	-
(b) Employee separation cost	2	42
(c) Impairment of property, plant and equipment	-	32
(d) Statutory impact of new labour code (Refer note (ii) below)	389	-
(e) Past Service cost-Post retirement medicare scheme	-	108
(f) Profit on sale of lease portfolio of subsidiary	(30)	-
(g) Provision for employee pension scheme (Refer note (i) below)	18	137
(h) Acquisition cost (Refer note 48 (c))	87	-
(i) Others	-	(2)
Total exceptional loss/ (gain)	1,428	317

Note:

(i) As there was no positive movement towards the conclusion of the surrender process of the pension fund, Tata Motors Limited ("the Company" or "TML") filed a Writ Petition with Hon'ble Delhi High Court ("Court") for seeking directions to EPFO to immediately start administering TML's Pension Fund. EPFO in December 2024, sent a recommendation to the Government of India for cancellation of the Company's pension exemption, subject to fulfilment of certain conditions. The parties had series of meetings to channelize the migration of members data to EPFO's unified portal, prominently the joint meetings in April 2025, of which the duly signed minutes ("Minutes") were filed in the Court on May 1, 2025. In compliance with the Minutes, the Company through its Pension Trust has transferred to EPFO the pension fund liability as per valuation done by EPFO as of March 31, 2024, amounting to ₹1,175 crores. The Government of India vide its letter dated June 30, 2025, has conveyed the grant of provisional sanction to the Company to comply as an un-exempted establishment w.e.f. July 1, 2025. The Company has started depositing the monthly pension contributions for the month of July 2025 and onwards in the statutory pension fund EPFO. Further, the facility on the Unified Portal of EPFO has been provided to the Company for the migration of members' data to EPFO's database. Accordingly, the process of data upload is going on.

On November 4, 2022, the Hon'ble Supreme Court ruled that those who were members of a statutory pension fund as on September 1, 2014, can exercise a joint option with their employer to contribute to their Pension fund beyond the statutory limit and be eligible to draw a higher pension calculated based on last 5 years average salary. The Company accepted and approved the applications filed by its employees for joint option to contribute on higher salary on the EPFO's portal. As per the actuarial valuation, an additional provision of ₹18 crores have been made for pension on higher salary during the year ended March 31, 2026. EPFO, however, redirected a few of such Joint Applications to the Company's Pension Trust. The trade unions have also filed Writ Petition for expediting the transfer of pension fund corpus and accepting the Joint Applications of the employees.

An agreement was reached with EPFO in April 2025, and in compliance whereof (i) the Company transferred ₹1,175 crores to EPFO; (ii) Ministry granted provisional sanction to Company to comply as un-exempted establishment w.e.f. July 1, 2025, (iii) the Company submitted the undertaking and Bank guarantee of ₹239 crores with EPFO; and (iv) the Company started data migration to EPFO's portal. EPFO will complete the compliance audit, third party audit and actuarial valuation. Further steps will be taken by the EPFO for publication of the notification for cancellation of exemption.

(ii) On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has evaluated and disclosed the incremental impact of these changes using the best information currently available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as "Statutory impact of new Labour Codes" in the statement of profit and loss for the year ended March 31, 2026. The incremental impact consisting of gratuity of ₹282 crores and long-term compensated absences of ₹107 crores primarily arises due to change in wage definition. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

(iii) These are stamp duty amounts estimated to be payable to various local authorities to effect transfer of registration of land acquired under the Scheme (Refer note 47).

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38 Commitments and contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable. Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows. Also, amounts below excludes consequential interest and penalty, if any.

Litigation

The Company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of material nature, other than those described below.

Income Tax

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly include disallowed expenses, the tax treatment of certain expenses claimed by the Company as deductions and the computation of, or eligibility of, the Company's use of certain tax incentives or allowances.

Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.

The Company has a right of appeal to the Commissioner of Income Tax (Appeals), or CIT (A), the Dispute Resolution Panel, or DRP, and to the Income Tax Appellate Tribunal, or ITAT, against adverse decisions by the assessing officer, DRP or CIT (A), as applicable. The income tax authorities have similar rights of appeal to the ITAT against adverse decisions by the CIT (A) or DRP. The Company has a further right of appeal to the Bombay High Court or the Hon'ble Supreme Court against adverse decisions by the appellate authorities for matters involving substantial question of law. The income tax authorities have similar rights of appeal.

As at March 31, 2026, contingent liabilities towards matters and/or disputes pending in appeal amount to **₹ 143 crores**, which includes **₹ 7 crores** in respect of equity accounted investees (₹ 166 crores, which includes ₹ Nil in respect of equity accounted investees as at March 31, 2025).

Customs, Excise Duty and Service Tax

As at March 31, 2026, there are pending litigations for various matters relating to customs, excise duty and service tax involving demands, including interest and penalties, of **₹ 177 crores**, which includes **₹ 8 crores** in respect of equity accounted investees (₹ 176 crores, which includes ₹ 9 crores in respect of equity accounted investees as at March 31, 2025).

These demands challenged the basis of classification/valuation of the Company's products and denied the Company's claims of Central Value Added Tax, or CENVAT, credit on inputs. There are no demands of more than ₹ 100 crores as at March 31, 2026.

Sales Tax

The total sales tax demands (including interest and penalty), that are being contested by the Company amount to **₹ 249 crores**, which includes **₹ 11 crores** in respect of equity accounted investees as at March 31, 2026 (₹ 264 crores, which includes ₹ 15 crores in respect of equity accounted investees, as at March 31, 2025). The details of the demands for more than ₹100 crores are as follows:

The Sales Tax Authorities have raised demand of **₹ 101 crores** (₹ 123 crores as at March 31, 2025) towards rejection of certain statutory forms for concessional lower/nil tax rate on technical grounds and few other issues such as late submission, single form issued against different months / quarters dispatches / sales, etc. and denial of exemption from tax in absence of proof of export for certain years. The Company has contended that the benefit cannot be denied on technicalities, which are being complied with. The matter is pending at various levels.

Other Taxes and Dues

Other amounts for which the Company may contingently be liable aggregate to **₹ 627 crores**, which includes **₹ 4 crores** in respect of equity accounted investees as at March 31, 2026 (₹ 660 crores, which includes ₹ 4 crores in respect of equity accounted investees, as at March 31, 2025).

As at March 31, 2026, property tax on vacant land amounting to **₹140 crores** (₹119 crores as at March 31, 2025) has been demanded by the local municipal authorities in respect of vacant land of the Company in its plant and its residential land at Pimpri. The initial demand was challenged before the Civil Court. The Civil Court has passed an injunction order restraining the municipal authority from taking any action of recovery.

As at March 31, 2026, the Company has contingent liability of **₹435 crores** (₹ 416 crores as at March 31, 2025) towards Temporary Registration Fee and short payment of Road Tax to the office of District Transport Officer, Government of Jharkhand basis demand for earlier years. The Company believes it has a good case on merits to contest the matter and hence it has been disclosed as contingent liability.

Other claims

There are other claims against the Company, the majority of which pertain to government body investigations with regard to regulatory compliances, motor accident claims, product liability claims and consumer complaints. Some of the cases also relate to the replacement of parts of vehicles and/or the compensation for deficiencies in the services by the Company or its dealers.

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. Pending the directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The Company has complied with this on a prospective basis, from the date of the SC order. Refer note 37(i).

Commitments

The Company has entered into various contracts with vendors and contractors for the acquisition of plant and machinery, equipment and various civil contracts of a capital nature amounting to **₹ 667 crores**, as at March 31, 2026 (₹ 795 crores as at March 31, 2025), which are yet to be executed.

The Company has entered into various contracts with vendors and contractors for the acquisition of intangible assets of a capital nature amounting to **₹ 119 crores** as at March 31, 2026, (₹ 153 crores as at March 31, 2025), which are yet to be executed.

The Company has contractual obligation towards Purchase Commitment for **₹ 74 crores** (nil in respect of equity accounted investee) as at March 31, 2026 and ₹ 232 crores as on March 31, 2025 (includes ₹ 37 crores in respect of equity accounted investees).

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39 Capital Management

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

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, convertible and non-convertible debt securities, senior notes and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Total debt includes all long and short-term debts as disclosed in notes 22 and 23 to the consolidated financial statements. Equity comprises all components excluding (profit)/loss on cash flow hedges and foreign currency translation reserve.

The following table summarizes the capital of the Company:

(₹ in crores)		
	As at March 31,	
	2026	2025
Equity	12,265	10,163
Short-term borrowings and current portion of long-term debt	3,473	4,616
Long-term debt	1,344	4,540
Total debt	4,817	9,156
Total capital (Debt + Equity)	17,082	19,319

(₹ in crores)		
	As at March 31,	
	2026	2025
Total equity as reported in balance sheet	12,734	10,533
Currency translation reserve	(507)	(362)
Hedging reserve and cost of hedge reserve	38	(8)
Equity as reported above	12,265	10,163

40 Financial Instruments

(A) Accounting policy

(i) Recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and debt securities issued are initially recognised when they are originated. All other financial instruments are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Initial measurement

Financial instruments are initially recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in profit or loss.

Subsequently, financial instruments are measured according to the category in which they are classified.

Classification and measurement – financial assets

Classification of financial assets is based on the business model in which the instruments are held as well as the characteristics of their contractual cash flows. The business model is based on management's intentions and past pattern of transactions. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Company reclassifies financial assets when and only when its business model for managing those assets changes.

Financial assets are classified into three categories

Financial assets at amortised cost: Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses.

Equity investments at fair value through other comprehensive income (equity instruments): These include financial assets that are equity instruments and are designated as such upon initial recognition irrevocably. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognised in the consolidated statement of profit and loss when the right to receive payment has been established. When the equity investment is derecognised, the cumulative gain or loss in equity is transferred to retained earnings.

Financial assets at fair value through profit and loss: Financial assets are measured at fair value through profit and loss ("FVTPL") unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in profit and loss.

Classification and measurement – financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial guarantee contracts: These are initially measured at their fair values and, are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognized less, the cumulative amount of income recognized.

Other financial liabilities: These are measured at amortised cost using the effective interest method.

Equity Instruments:

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

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(ii) Determination of fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received).

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation methods.

(iii) Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity is transferred to the statement of profit and loss unless it was an equity instrument electively held at fair value through other comprehensive income. In this case, any cumulative gain or loss in equity is transferred to retained earnings. Financial assets are written off when there is no reasonable expectation of recovery. The Company reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities.

Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

(iv) Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on a financial asset that is at amortised cost or at fair value through other comprehensive income. Expected credit losses are forward looking and are measured in a way that is unbiased and represents a probability-weighted amount, takes into account the time value of money (values are discounted using the applicable effective interest rate) and uses reasonable and supportable information.

(v) Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates these forward contracts in a cash flow hedging relationship by applying the hedge accounting principles. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

At inception of the hedge relationship, the Company documents the economic relationship between the hedging instrument and the hedged item, including whether changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of the hedged item. The Company documents its risk management objective and strategy for undertaking its hedging transactions. The Company designates only the intrinsic value of foreign exchange options in the hedging relationship. The Company designates amounts excluding foreign currency basis spread in the hedging relationship for both foreign exchange forward contracts. Changes in the fair value of the derivative contracts that are designated and effective as hedges of future cash flows are recognised in the cash flow hedge reserve within other comprehensive income (net of tax), and any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts accumulated in equity are reclassified to the consolidated statement of profit and loss or balance sheet in the periods in which the forecasted transactions occurs.

For forwards and options, forward premium and the time value are not considered part of the hedge. These are treated as cost of hedge and the changes in fair value attributable to forward premium is recognised in the other comprehensive income along with the changes in fair value determined to be effective portion of the hedge.

Effective portion of fair value changes of interest rate swaps that are designated as hedges against interest rate risk arising from floating rate debt are recognised in other comprehensive income.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Amounts accumulated in equity are reclassified to the consolidated statement of profit and loss in the periods in which the forecast transactions affect profit or loss or as an adjustment to a non-financial item (e.g. inventory) when that item is recognised on the balance sheet. These deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of goods sold). For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in equity is retained there until the forecast transaction occurs.

If the forecast transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is immediately transferred to the consolidated statement of profit and loss for the year.

(vi) Offsetting

Certain financial assets and financial liabilities are subject to offsetting where there is currently a legally enforceable right to set off recognised amounts and the Company intends to either settle on a net basis, or to realise the asset and settle the liability, simultaneously. Certain derivative financial assets and financial liabilities are subject to master netting arrangements, whereby in the case of insolvency, derivative financial assets and financial liabilities will be settled on a net basis.

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(B) Disclosure on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the consolidated financial statements.

a) Financial assets and liabilities

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2026.

(₹ in crores)						
Financial assets	Cash and other financial assets at amortised cost	Non -derivative financial assets at fair value	Derivatives other than in hedging relationship at fair value through profit or loss	Derivatives in hedging relationship at fair value	Total carrying value	Total fair value
(a) Investments	3,318	8,503	-	-	11,821	11,821
(b) Trade receivables	2,721	-	-	-	2,721	2,721
(c) Cash and cash equivalents	6,899	-	-	-	6,899	6,899
(d) Other bank balances	877	-	-	-	877	877
(e) Loans	60	-	-	-	60	60
(f) Other financial assets	5,374	-	(0)	34	5,408	5,408
Total	19,249	8,503	(0)	34	27,786	27,786
Financial liabilities	Derivatives other than in hedging relationship at fair value	Derivatives in hedging relationship at fair value	Other financial liabilities at fair value	Other financial liabilities at amortised cost	Total carrying value	Total fair value
(a) Long-term borrowings (including current maturities of long-term borrowings)	-	-	-	4,139	4,139	4,179
(b) Lease liability	-	-	-	798	798	798
(c) Short-term borrowings	-	-	-	678	678	678
(d) Trade payables	-	-	-	15,704	15,704	15,704
(e) Other financial liabilities	22	63	-	1,394	1,479	1,479
Total	22	63	-	22,713	22,798	22,838

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The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2025.

(₹ in crores)						
Financial assets	Cash and other financial assets at amortised cost	Non -derivative financial assets at fair value	Derivatives other than in hedging relationship at fair value through profit or loss	Derivatives in hedging relationship at fair value	Total carrying value	Total fair value
(a) Investments	600	3,410	-	-	4,010	4,010
(b) Trade receivables	3,064	-	-	-	3,064	3,064
(c) Cash and cash equivalents	1,033	-	-	-	1,033	1,033
(d) Other bank balances	1,233	-	-	-	1,233	1,233
(e) Loans	62	-	-	-	62	62
(f) Other financial assets	14,061	-	30	247	14,338	14,338
Total	20,053	3,410	30	247	23,740	23,740

Financial liabilities	Derivatives other than in hedging relationship at fair value	Derivatives in hedging relationship at fair value	Other financial liabilities at fair value	Other financial liabilities at amortised cost	Total carrying value	Total fair value
(a) Long-term borrowings (including current maturities of long-term borrowings)	-	-	-	7,539	7,539	7,589
(b) Lease liability	-	-	-	769	769	769
(c) Short-term borrowings	-	-	-	1,617	1,617	1,617
(d) Trade payables	-	-	-	14,376	14,376	14,376
(e) Other financial liabilities	0	11	-	1,277	1,288	1,288
Total	0	11	-	25,578	25,589	25,639

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Fair Value Hierarchy

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 instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists quoted equity shares, quoted corporate debt instruments 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 Company's over-the-counter (OTC) 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. The main items in this category are investments in certain unquoted debentures and equity. We have used Comparable Companies Quoted Multiple Method to determine the fair value for the investments.

(₹ in crores)				
	As at March 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(a) Investments	8,367	-	136	8,503
(b) Derivative assets	-	34	-	34
Total	8,367	34	136	8,537
Financial liabilities measured at fair value				
(a) Derivative liabilities	-	85	-	85
Total	-	85	-	85

Costs of certain unquoted equity instruments have been considered as an appropriate estimate of fair value because these investments are subject to 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. The Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value in profit or loss.

Fair values of forward derivatives and commodity swap contracts are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. Option contracts are fair valued using standard options pricing methodology, based on prevailing market interest rates and volatility.

Reconciliation of financial assets measured at fair value using significant observable input (Level 3)

			(₹ in crores)	
			Year ended March 31, 2026	From June 23, 2024 to March 31, 2025
Balance at the beginning			374	-
Additions pursuant to the Scheme (Refer note 47)			-	245
Additions during the year/period			5	-
Transfer out of level 3 (refer note below)			(189)	-
Fair value changes recognized through OCI			(54)	129
Balance at the end			136	374

(₹ in crores)				
	As at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(a) Investments	3,036	-	374	3,410
(b) Derivative assets	-	277	-	277
Total	3,036	277	374	3,687
Financial liabilities measured at fair value				
(a) Derivative liabilities	-	11	-	11
Total	-	11	-	11

Transfer out of Level 3

The Company held investment in equity shares of Tata Capital Limited (TCL) with the fair value of ₹ 189 crores. TCL shares listed on October 13, 2025, since the equity shares now have published price, the fair value measurement was transferred from level 3 to level 1.

The following table provides an analysis of fair value of financial instruments that are not measured at fair value on recurring basis, grouped into Level 1 to Level 3 categories:

(₹ in crores)				
	As at March 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value				
(a) Investments	2,918	400	-	3,318
Total	2,918	400	-	3,318
Financial liabilities not measured at fair value				
(a) Long-term borrowings (including current maturities of long term borrowing)	-	4,179	-	4,179
(b) Short-term borrowings	-	678	-	678
Total	2,918	5,257	-	8,175

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(₹ in crores)

	As at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value				
(a) Investments	200	400	-	600
Total	200	400	-	600
Financial liabilities not measured at fair value				
(a) Long-term borrowings (including current maturities of long term borrowing)	-	7,589	-	7,589
(b) Short-term borrowings	-	1,617	-	1,617
Total	200	9,606	-	9,806

Other short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

The fair value of borrowings which have a quoted market price in an active market is based on its market price and for other borrowings the fair value is estimated by discounting expected future cash flows, using a discount rate equivalent to the risk-free rate of return, adjusted for the credit spread considered by the lenders for instruments of similar maturity and credit quality.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each period end.

Certain derivative financial assets and financial liabilities are subject to master netting arrangements, whereby in the case of insolvency, derivative financial assets and financial liabilities with the same countries will be settled on a net basis.

The following table discloses the amounts that have been offset, in arriving at the balance sheet presentation and the amounts that are available for offset only under certain conditions as at March 31, 2026:

	(₹ in crores)				
	Gross amount recognized	Gross amount recognised as set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to an enforceable master netting arrangement (financial instruments)	Net amount after offsetting
Financial assets					
(a) Derivative financial instruments	45	-	45	(11)	34
(b) Trade receivables	2,741	(20)	2,721	-	2,721
Total	9,685	(20)	9,665	(11)	9,654
Financial liabilities					
(a) Derivative financial instruments	96	-	96	(11)	85
(b) Trade payable	15,724	(20)	15,704	-	15,704
Total	19,293	(20)	19,273	(11)	19,262

The following table discloses the amounts that have been offset in arriving at the balance sheet presentation and the amounts that are available for offset only under certain conditions as at March 31, 2025:

	(₹ in crores)				
	Gross amount recognized	Gross amount recognised as set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to an enforceable master netting arrangement (financial instruments)	Net amount after offsetting
Financial assets					
(a) Derivative financial instruments	286	-	286	(9)	277
(b) Trade receivables	3,098	(34)	3,064	-	3,064
Total	4,417	(34)	4,383	(9)	4,374
Financial liabilities					
(a) Derivative financial instruments	20	-	20	(9)	11
(b) Trade payable	14,410	(34)	14,376	-	14,376
Total	19,046	(34)	19,012	(9)	19,003

(b) Cash flow hedges

As at March 31, 2026, the Company have a number of financial instruments designated in a hedging relationship. The Company use both foreign currency forward and option contracts and other currency options to hedge changes in future cash flows as a result of foreign currency from forecasted sales and purchases and repayment of foreign currency bonds.

The Company also have a number of foreign currency options and other currency options, which are entered into as an economic hedge of the financial risks of the Company. These contracts do not meet the hedge accounting criteria of Ind AS 109, hence the change in fair value of these derivatives are recognised in the consolidated statement of profit and loss.

Options are designated on spot discounted basis. The time value of options are identified as cost of hedge. Changes in the time value of options are recognised in cost of hedge reserve to the extent they relate to the hedged item. Changes in the spot intrinsic value of options is recognized in hedge reserve. Changes in fair value arising from own and counterparty credit risk in options and forward exchange contracts are considered ineffective in the hedge relationship and thus the change in fair value of options and forward exchange contracts attributable to changes in credit spread are recognised in the consolidated statement of profit and loss.

Changes in fair value of foreign currency derivative, to the extent determined to be an effective hedge, is recognized in other comprehensive income and the ineffective portion of the fair value change is recognized in consolidated statement of profit and loss. The fair value gain/losses recorded in hedge reserve and cost of hedge reserve is recognised in the consolidated statement of profit and loss when the forecasted transactions affects profit or loss. The accumulated gain/losses in hedge reserve and cost of hedge reserve are expected to be recognized in consolidated statement of profit or loss during the year ending March 31, 2027.

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It is anticipated that the hedged sales will take place over the next one to five years, at which time the amount deferred in equity will be reclassified to revenue in the consolidated statement of profit or loss.

	(₹ in crores)	
	As at March 31 2026	From June 23, 2024 to March 31, 2025
Fair value gain/(loss) on foreign currency derivative contracts entered for cash flow hedges of forecast sales recognised in hedging reserve	(42)	39
Fair value gain/(loss) on derivatives entered for cash flow hedges of repayment of foreign currency denominated borrowings recognised in hedging reserve	-	(31)
Fair value gain/(loss) recognized in other comprehensive income during the year	(42)	8
Gain/(loss) reclassified from hedging reserve and recognized in 'other operating revenue' in the consolidated statement of profit and loss on occurrence of forecast sales	2	6
Gain/(loss) reclassified out of hedging reserve and recorded in inventory in the balance sheet on occurrence of forecast purchases	0	(0)
Gain/(loss) reclassified from hedging reserve and recognized in 'foreign exchange (gain)/loss (net)' in the consolidated statement of profit and loss on account of repayment of foreign currency denominated borrowings	(20)	(14)
Gain/(loss) reclassified from other comprehensive income to the consolidated statement of profit and loss and balance sheet	(19)	(8)
Gain/(loss) on foreign currency derivatives not hedge accounted, recognized in 'foreign exchange (gain)/loss (net)' in the consolidated statement of profit and loss	(21)	(0)
	(21)	(0)

(c) Financial risk management

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

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

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

(i) Market risk:

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

(a) Foreign exchange currency rate risk:

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

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, GBP, Chinese renminbi, Japanese yen, Singapore dollar and Euro, against the respective functional currencies of Tata Motors Limited and its subsidiaries.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. Furthermore, any movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues and expenditure relating to its international operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 10% while keeping the other variables as constant.

The following analysis is based on the gross exposure as of the relevant balance sheet dates, which could affect the income statement. There is no exposure to the income statement on account of translation of financial statements of consolidated foreign entities. Furthermore, the exposure as indicated below is mitigated by natural hedges resulting from anticipated revenue and cost in foreign currency expected to arise in future as well as certain derivative contracts entered into by the Company.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives) contract as of March 31, 2026:

	(₹ in crores)				
	U.S. dollar	Euro	GBP	Others ¹	Total
(a) Financial assets	600	163	602	53	1,418
(b) Financial liabilities	294	159	4	17	474

¹ Others mainly include currencies such as the Japanese Yen and Korean won, ZAR and SEK.

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in increase/decrease in the Company's net profit/(loss) and equity before tax by approximately ₹ 142 crores and ₹ 48 crores for financial assets and financial liabilities respectively for the year ended March 31, 2026.

The following table set forth information relating to foreign currency exposure (other than risk arising from derivatives) as of March 31, 2025:

	(₹ in crores)				
	U.S. dollar	Euro	GBP	Others ¹	Total
(a) Financial assets	512	41	64	84	700
(b) Financial liabilities	1,426	131	6	14	1,576

¹ Others mainly include currencies such as the Japanese Yen and Korean won, ZAR and SEK.

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(b) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the company.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term non-convertible bonds and short term loans.

In its financing business, the Company enters into transactions with customers which primarily result in receivables at fixed rates. In order to manage this risk, the Company has a policy to match funding in terms of maturities and interest rates and also for certain part of the portfolio, the Company does not match funding with maturities, in order to take advantage of market opportunities.

The Company also enters into arrangements of securitization of receivables in order to reduce the impact of interest rate movements. Further, Company also enters into interest rate swap contracts with banks to manage its interest rate risk.

As at March 31, 2026 and 2025 financial liabilities of ₹ Nil and ₹ 2,038 crores respectively, were subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase of profit before tax) of ₹ Nil and ₹ 20 crores on income for the year ended March 31, 2026 and 2025, respectively.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

The Company uses cross currency interest rate swaps to hedge some of its exposure to interest rate arising from variable rate foreign currency denominated debt. The Company also uses cross currency interest rate swaps to convert some of its foreign currency denominated fixed rate debt to floating rate debt.

(c) 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 in equity securities exposes the Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities.

The fair value of the Company's investment measured at fair value through other comprehensive income and fair value through profit and loss exposes to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Company's investment in equity securities as at March 31, 2026 was ₹ 5,947 crore (Listed on October 13, 2025). A 10% change in prices of these securities held as of March 31, 2026, would result in a pre-tax impact of ₹ 568 crores and ₹ 14 crores on equity, respectively.

(ii) Credit Risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of investments in debt instruments, trade receivables, finance receivables, loans and derivative financial instruments. The Company strives to promptly identify and reduce concerns about collection due to a deterioration in the financial conditions and others of its main counterparties by regularly monitoring their situation based on their financial condition.

None of the financial instruments of the Company result in material concentrations of credit risks.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 21,920 crores as at March 31, 2026 and ₹ 23,366 crores as at March 31, 2025, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, finance receivables, margin money and other financial assets excluding equity investments.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at March 31, 2026, and March 31, 2025, that defaults in payment obligations will occur.

Credit quality of financial assets and impairment loss

The ageing of trade receivables and finance receivables as of balance sheet date is given below. The age analysis have been considered from the due date.

(₹ in crores)							
Trade receivables	As at March 31, 2026						Total
	Not due	upto 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
(a) Considered good	1,860	208	167	25	49	56	2,364
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	66	33	17	7	151	274
Disputed							
(a) Considered good	-	-	-	-	90	496	586
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	23	158	181
Total	1,860	274	200	42	169	861	3,405
Less : allowance for receivables considered good	-	-	-	-	-	-	(229)
Less: allowance for credit impaired balances	-	-	-	-	-	-	(455)
Total	-	-	-	-	-	-	2,721

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(₹ in crores)							
Trade receivables	As at March 31, 2025						
	Not due	upto 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
(a) Considered good	1,597	744	191	77	13	62	2,684
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	53	19	6	32	113	223
Disputed							
(a) Considered good	-	-	-	70	65	461	596
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	28	28	116	172
Total	1,597	797	210	181	138	752	3,675
Less : allowance for receivables considered good	-	-	-	-	-	-	(216)
Less: allowance for credit impaired balances	-	-	-	-	-	-	(395)
Total	-	-	-	-	-	-	3,064

*includes unbilled receivables

Trade receivables consist of a large number of various types of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of these trade receivables and where appropriate, allowance for losses are provided.

Trade receivables overdue more than six months include ₹ 680 crores as at March 31, 2026 (₹ 757 crores as at March 31, 2025), outstanding from Government organizations in India, which are considered recoverable.

The Company makes allowances for losses on its portfolio of finance receivable on the basis of expected future collection from receivables. The future collection are estimated on the basis of past collection trend which are adjusted for changes in current circumstances as well as expected changes in future collection based on expectations in future with respect to certain macro economic factor like GDP growth, fuel price and inflation.

(iii) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulty to meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non convertible debentures, fixed deposits from public, senior notes and other debt instruments. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks. The Company has also invested 15% of the amount of public deposits/non-convertible debentures (taken by the Company) falling due for repayment in the next 12 months in bank deposits, to meet the regulatory norms of liquidity.

As described in note 26, the Company also participates in a supplier finance arrangement with the principal purpose of facilitating efficient payment processing of supplier invoices and providing the willing suppliers early payment terms compared with the related invoice payment due date. The arrangement allows the Company to centralise payments of trade payables to the bank rather than paying each supplier individually.

From the Company's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; however, the arrangement does provide participating suppliers with the benefit of early payment. Additionally, the Company does not incur any additional interest towards the bank on the amounts due to the suppliers. The Company therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables (Refer note 26).

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

The table below provides undiscounted contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2026:

(₹ in crores)						
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables	15,704	15,704	-	-	-	15,704
(b) Borrowings and interest thereon	4,859	3,657	1,357	11	243	5,269
(c) Lease liability	798	254	204	340	294	1,092
(d) Derivative liabilities	85	85	-	-	-	85
(e) Other financial liabilities	1,352	1,275	52	46	37	1,410
Total	22,798	20,975	1,613	397	574	23,559

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2025:

(₹ in crores)						
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables	14,376	14,376	-	-	-	14,376
(b) Borrowings and interest thereon	9,245	5,442	2,994	1,313	194	9,943
(c) Lease liability	769	218	179	324	358	1,078
(d) Derivative liabilities	11	11	-	-	-	11
(e) Other financial liabilities	1,188	1,066	76	76	58	1,276
Total	25,589	21,113	3,249	1,712	610	26,684

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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iv) Derivative financial instruments and risk management

The Company has entered into variety of foreign currency, interest rates and commodity forward contracts and options to manage its exposure to fluctuations in foreign exchange rates, interest rates and commodity price risk. The counterparty is generally a bank. These financial exposures are managed in accordance with the Company's risk management policies and procedures.

Specific transactional risks include risks like liquidity and pricing risks, interest rate and exchange rate fluctuation risks, volatility risks, counterparty risks, settlement risks and gearing risks.

Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

The fair value of derivative financial instruments is as follows:

		(₹ in crores)	
		As at March 31,	
		2026	2025
(a)	Foreign currency forward exchange contracts and options	(72)	260
(b)	Commodity derivatives	21	6
	Total	(51)	266

The gain/(loss) due to fluctuation in foreign currency exchange rates on derivative contracts, recognised in the income statement was ₹ 30 crores and ₹ 18 crores for the years ended March 31, 2026 and 2025, respectively.

(v) Commodity price risk

The Company is exposed to commodity price risk arising from the purchase of certain raw materials such as aluminium, copper, platinum and palladium. This risk is mitigated through the use of derivative contracts and fixed-price contracts with suppliers. Hedge accounting is also applied to new aluminium and copper contracts from the same date. The remaining derivative contracts are not hedge accounted under Ind AS 109 but are instead measured at fair value through profit or loss.

The fair value (gain)/loss on non-hedge accounted commodity derivative contracts, recognized in the consolidated statement of profit and loss was ₹ 69 crores and ₹ 5 crores for the year ended March 31, 2026 and period from June 23, 2024 till March 31, 2025, respectively.

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
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41 Segment reporting

The Company primarily operates in the automotive business. The automotive business includes all activities relating to development, design, manufacture, assembly and sale of vehicles as well as sale of related parts, accessories and services.

Operating segments consist of:

- a) Automotive: The Automotive segment consists of Tata Commercial Vehicles.
- b) Others: Others consist of insurance broking services.

These segment information is provided to and reviewed by Chief Operating Decision Maker (CODM).

	For the year ended as at March 31, 2026				Others	Inter-segment eliminations	(₹ in crores)
	Automotive and related activity						Total
	Tata and other brand vehicle ¹						
	Commercial vehicle	Corporate/unallocable	Intra-segment eliminations	Total			
Revenues:							
External revenue	82,611	278	(0)	82,889	968	(2)	83,855
Inter-segment/intra-segment revenue	-	-	-	-	-	-	-
Total revenue from operations	82,611	278	(0)	82,889	968	(2)	83,855
Earnings before other income (excluding Incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax	8,727	(448)		8,279	135	-	8,414
Segment results	8,727	(448)		8,279	135	-	8,414
Reconciliation to Profit/(loss) before tax:							
Other income/(loss) (excluding Incentives)							700
Finance costs							(874)
Net loss on fair value change of investment at FVTPL							(2,418)
Foreign exchange							100
Exceptional items - loss	(1,345)	(76)		(1,421)	(7)	-	(1,428)
Share of Profit of equity accounted investees (net)	-	8		8	161	-	169
Profit/(loss) before tax							4,663
Depreciation and amortisation expense	1,763	172		1,935	9	-	1,945
Segment assets	36,634	895		37,529	228	-	37,757
Assets classified as held for sale	1	-		1	-	-	1
Investment in equity accounted investees	-	589		589	873	-	1,462
Reconciliation to total assets:							
Other investments							11,821
Current and non-current tax assets (net)							249
Other unallocated financial assets ²							1,019
Total assets							52,309
Segment liabilities	32,876	31		32,907	254	-	33,161
Reconciliation to total liabilities:							
Borrowings							4,817
Current tax liabilities (net)							59
Deferred tax liabilities (net)							1,414
Other unallocated financial liabilities ³							124
Total liabilities							39,575

¹ Tata and other brand vehicles include Tata Daewoo.

² Includes interest-bearing deposits and accrued interest income.

³ Includes interest accrued and other interest bearing liabilities.

TATA MOTORS LIMITED (Formerly TML Commercial Vehicles Limited)
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(₹ in crores)

As at March 31, 2025						
	Automotive and related activity					
	Tata and other brand vehicle ¹				Inter-segment eliminations	Total
	Commercial vehicle	Corporate/unallocable	Total	Others		
Segment assets	31,273	140	31,413	178	-	31,591
Assets classified as held for sale	1	-	1	-	-	1
Investment in equity accounted investees	-	470	470	802	-	1,272
Reconciliation to total assets:						
Other investments						4,010
Current and non-current tax assets (net)						330
Deferred tax assets (net)						-
Other unallocated financial assets ²						9,647
Total assets			-			46,851
Segment liabilities	25,923	24	25,947	198	-	26,145
Reconciliation to total liabilities:						
Borrowings						9,156
Current tax liabilities (net)						26
Deferred tax liabilities (net)						888
Other unallocated financial liabilities ³						103
Total liabilities						36,318

(₹ in crores)							
	From June 23, to March 31, 2025						
	Automotive and related activity						
	Tata and other brand vehicle ¹						
	Commercial vehicle	Corporate/unallocable	Intra-segment eliminations	Total	Others	Inter-segment eliminations	Total
Revenues:							
External revenue	57,244	323		57,567	650	-	58,217
Inter-segment/intra-segment revenue				-	-	-	-
Total revenues	57,244	323		57,567	650	-	58,217
Earnings before other income (excluding Incentives), finance costs, foreign exchange gain/(loss) (net), exceptional items and tax	5,172	(346)		4,826	72	-	4,898
Segment results	5,172	(346)		4,826	72	-	4,898
Reconciliation to Profit/(loss) before tax:				-			
Other income/(loss) (excluding Incentives)							552
Finance costs							(1,079)
Foreign exchange							(91)
Exceptional items - loss	(263)	(54)		(317)	-	-	(317)
Share of Profit of equity accounted investees (net)	-	1		1	124	-	125
Profit/(loss) before tax							4,088
Depreciation and amortisation expense	1,560	125		1,685	5	-	1,690

¹ Tata and other brand vehicles include Tata Daewoo.

² Includes interest-bearing deposits and accrued interest income.

³ Includes interest accrued and other interest bearing liabilities.

TATA MOTORS LIMITED (Formerly TML COMMERCIAL VEHICLES LIMITED)
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Entity wide disclosures

Net sales to external customers by geographic area by location of customers:

Particulars	(₹ in crores)	
	Year ended March 31,	From June 23, 2024 to
	2026	March 31, 2025
(a) India	73,698	51,964
(b) South Korea	3,372	2,660
(c) Rest of the World	6,785	3,593
Total	83,855	58,217

Non-current assets (property, plant and equipment, intangible assets, other non-current assets (non-financial)) by geographic area:

Particulars	(₹ in crores)	
	Year ended March 31,	
	2026	2025
(a) India	15,061	14,589
(b) South Korea	1,352	1,240
(c) Rest of the World	26	28
Total	16,439	15,857

Information about product revenues:

Particulars	(₹ in crores)	
	Year ended March 31,	From June 23, 2024 to
	2026	March 31, 2025
(a) Tata vehicles		
- Commercial vehicles	77,773	52,048
- Corporate	278	323
(b) Tata Daewoo commercial vehicles	4,801	5,157
(c) Finance revenues	35	39
(d) Others	968	650
Total	83,855	58,217

TATA MOTORS LIMITED (Formerly TML COMMERCIAL VEHICLES LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

42 Related-party transactions

The Company's related parties principally includes Tata Sons Private Limited, subsidiaries and joint arrangements of Tata Sons Private Limited, the Company's associates and their subsidiaries, joint operations and joint ventures of the Company. The Company routinely enters into transactions with these related parties in the ordinary course of business. Transactions and balances of the company with its own subsidiaries and the transactions among subsidiaries are eliminated on consolidation.

All transactions with related parties are conducted under normal terms of business and all amounts outstanding are unsecured and will be settled in cash.

The following table summarizes related-party transactions and balances included in the consolidated financial statements for the year ended / as at March 31, 2026:

	(₹ in crores)			
	Associates and its subsidiaries	Joint arrangements and its subsidiaries	Tata Sons Pvt Limited, its subsidiaries and joint arrangements	Total
(A) Transactions				
Purchase of products	834	2,999	2,007	5,840
Sale of products	554	127	1,818	2,499
Services received	7	386	608	1,001
Services rendered	4	7	263	274
Bills discounted	-	-	1,037	1,037
Purchase of property, plant and equipment	1	-	50	51
Sale of property, plant and equipment	-	0	-	0
Provision for amount receivable (including loans)	-	-	5	5
Sale of investments /business	-	-	49	49
Interest income	-	-	58	58
Interest expense	7	6	26	39
Dividend income	95	-	9	104
Finance given (including loans and equity)	134	5	81	220
Finance given, taken back (including loans and equity)	-	20	1	21
Finance taken (including loans and equity)	275	195	-	470
Finance taken, paid back (including loans and equity)	275	195	-	470
Borrowing towards lease liability	-	-	78	78
Repayment of lease liability	-	-	130	130
(B) Balances				
Amount receivable in respect of Loans and interest thereon	-	-	115	115
Amounts payable in respect of loans and interest thereon	-	-	1	1
Amount payable in respect of Lease Liability	-	-	167	167
Trade and other receivables	28	2	282	312
Trade payables	31	194	466	691
Acceptances	-	-	43	43

The following table summarizes related-party transactions included in the consolidated financial statements for the period from June 23, 2024 till March 31, 2025:

	(₹ in crores)			
	Associates and its subsidiaries	Joint arrangements and its subsidiaries	Tata Sons Pvt Limited, its subsidiaries and joint arrangements	Total
(A) Transactions				
Purchase of products	417	1,975	1,229	3,620
Sale of products	333	88	1,382	1,802
Services received	1	85	417	504
Services rendered	3	8	169	180
Purchase of investments	-	1	-	1
Sale of investments /business	-	150	-	150
Bills discounted	-	-	2,894	2,894
Purchase of property, plant and equipment	-	0	26	26
Interest income	-	-	57	57
Interest expense	7	4	39	50
Dividend income	49	-	1	50
Dividend paid	-	-	-	-
Finance given (including loans and equity)	-	-	0	0
Finance taken (including loans and equity)	156	-	-	156
Finance taken, paid back (including loans and equity)	310	-	-	310
Borrowing towards lease liability	-	-	80	80
Deposit taken as security (transaction)	-	-	2	2
Repayment towards lease liability	-	-	96	96

The following table summarizes related-party transactions included in the consolidated financial statements as at March 31, 2025:

	(₹ in crores)			
	Associates and its subsidiaries	Joint arrangements and its subsidiaries	Tata Sons Pvt Limited, its subsidiaries and joint arrangements	Total
(B) Balances				
Amounts receivable in respect of loans and interest thereon	-	-	39	39
Amounts payable in respect of loans and interest thereon	10	-	15	25
Amount payable in respect of lease liability	-	-	198	198
Trade and other receivables	102	0	406	508
Trade payables	48	43	305	396
Acceptances	-	-	40	40
Deposit taken as security	-	-	2	2

TATA MOTORS LIMITED (Formerly TML COMMERCIAL VEHICLES LIMITED)
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Details of significant transactions are given below:

		(₹ in crores)	
Particulars	Nature of relationship	Year ended March 31, 2026	From June 23, 2024 to March 31, 2025
(A) Transactions			
i) Purchase of products			
Tata Cummins Private Limited	Joint operations	2,999	1,975
Automobile Corporation of Goa Limited	Associates	834	598
ii) Sale of products			
Tata Advanced Systems Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	679	717
TIL Motor Hub Trading FZE	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	878	524
Nita Company Limited	Associates	534	393
iii) Services received			
Tata Motors Global Services Ltd (formerly TML Business Services Ltd)	Joint Venture	143	85
Tata Motors Digital.AI Labs Limited	Joint Venture	234	-
Tata Consultancy Services Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	244	188
Tata Sons Private Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	212	-
Tata AIG General Insurance Company Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	-	52
iv) Services rendered			
Tata Advanced Systems Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	70	41
Tata AIG General Insurance Company Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	163	96
v) Sale of investments			
Tata Capital Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	49	-
vi) Bills discounted			
Tata Capital Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	1,037	2,894
vii) Purchase of property, plant and equipment			
Tata Consulting Engineers Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	7	5
Tata AutoComp Systems Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	14	9
Tata AutoComp Gotion Green Energy Solutions Private Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	6	-
TM Automotive Seating Systems Private Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	6	-
TACO Prestolite Electric (India) Private Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	-	4
viii) Interest income			
Tata Capital Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	58	58
ix) Interest expense			
Tata Capital Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	23	29
Automobile Corporation of Goa Limited	Associates	7	9
Tata Motors Global Services Ltd (formerly TML Business Services Ltd)	Joint Venture	6	-
x) Dividend Income			
Tata Hitachi Construction Machinery Company Private Limited	Associates	88	48
Tata AutoComp Systems Limited	Associates	-	39
xi) Finance taken (including loans and equity)			
Tata Motors Global Services Ltd (formerly TML Business Services Ltd)	Joint Venture	195	115
Automobile Corporation of Goa Limited	Associates	275	86
Tata Hitachi Construction Machinery Company Private Limited	Associates	-	70
xii) Finance taken, paid back (including loans and equity)			
Tata Motors Global Services Ltd (formerly TML Business Services Ltd)	Joint Venture	195	170
Automobile Corporation of Goa Limited	Associates	275	210
Tata Hitachi Construction Machinery Company Private Limited	Associates	-	100
xiii) Finance given (including loans and equity)			
Freight Commerce Solutions Private Limited	Associates	134	-
Tata Capital Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	81	-
xiv) Finance given, taken back (including loans and equity)			
Tata Motors Global Services Ltd (formerly TML Business Services Ltd)	Joint Venture	20	-
xv) Borrowings towards lease liability			
Tata capital Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	78	80
xvi) Repayment towards lease liability			
Tata capital Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	130	96
xvii) Provision for amount receivable(including loans)			
Tata Precision Industries (India) Limited	Tata Sons Pvt Ltd, its subsidiaries and joint ventures	5	-

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Key management personnel:

As mentioned in the note 47, the CV undertaking was transferred to the Company and accordingly Mr. Girish Wagh has been appointed as Managing Director and Chief Executive Officer and Mr. Ramanan GV has been appointed as Chief Financial Officer w.e.f. October 1, 2025.

Compensation of key management personnel:

	(₹ in crores)
	Period from October 01, 2025 to
	March 31, 2026
Short-term benefits	9
Post-employment benefits*	0
Share based payment accrual	1

The compensation of Managing Director and CEO is ₹ 6 crores from October 1, 2025 to March 31, 2026. The share based payment accrual is ₹1 crores from October 1, 2025 to March 31, 2026.

The compensation of Chief Financial Officer is ₹ 3 crores from October 1, 2025 to March 31, 2026. The share based payment accrual is ₹0 crores from October 1, 2025 to March 31, 2026.

*Provisions for contribution to gratuity, leave encashment and other defined benefit are determined by actuary on an overall Company basis at the end of each year and, accordingly, have not been considered in the above information. The amount is disclosed only at the time of payment.

43 Transactions with struck off companies

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2026:

					(₹ in crores)
Name of struck off company	Nature of transactions with struck off companies	Reporting entity	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Bhavani Automobiles Pvt. Ltd	Service received	Tata Motors Limited	0	0	External Vendor
Cautela Techno Solutions Pvt. Ltd	Service received	Tata Motors Limited	0	0	External Vendor
Parikh Inn Pvt. Ltd	Service received	Tata Motors Limited	(0)	(0)	External Vendor
Farman Steels India Pvt. Ltd	Material purchase	Tata Motors Limited	0	0	External Vendor
Honey Comb Relationship Management	Service received	Tata Motors Limited	0	0	External Vendor
Thakur and Sinha Law Offices LLP	Service received	Tata Motors Limited	0	0	External Vendor
Wabco Foundation Brakes Pvt. Ltd.	Material purchase	Tata Motors Limited	0	0	External Vendor
Amalgamated Synthetic Moulders Pvt. Ltd.	Material purchase	Tata Motors Limited	0	0	External Vendor
Him Motors Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External Vendor
Rvee Business Solutions Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External Vendor
Wabco Foundation Brakes Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External Vendor
Jog Gears Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External Vendor
Farman Steels India Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External Vendor
Metlon Engineers Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External Vendor
Ashok Auto Care Pvt. Ltd	Warranty/AMC claims	Tata Motors Limited	0	(0)	External customer
Balasanka Cars Pvt. Ltd	Warranty/AMC claims	Tata Motors Limited	0	-	External customer
Banai Auto Works Pvt. Ltd	Customer deposit balance	Tata Motors Limited	0	-	External customer
BM Carriers Pvt. Ltd	Warranty/AMC claims	Tata Motors Limited	0	-	External customer
Centaa Car Tracks Pvt. Ltd	Customer deposit balance	Tata Motors Limited	0	-	External customer
Children School	Warranty/AMC claims	Tata Motors Limited	(0)	(0)	External customer
STS Trading Pvt. Ltd	Customer deposit balance	Tata Motors Limited	0	-	External customer
Triaza Entertainment Pvt. Ltd	Customer deposit balance	Tata Motors Limited	0	-	External customer
Highway Autotech Pvt Ltd.	Warranty/AMC claims	Tata Motors Limited	-	0	External customer
Jessica Motors Pvt Ltd.	Warranty/AMC claims	Tata Motors Limited	-	0	External customer
Lal Singh Motors Pvt Ltd.	Customer deposit balance	Tata Motors Limited	-	(0)	External customer
Rohit Automobiles Pvt Ltd	Customer deposit balance	Tata Motors Limited	-	(0)	External customer
S D Motors Pvt Ltd	Warranty/AMC claims	Tata Motors Limited	-	0	External customer
S M A Automobiles Pvt Ltd	Warranty/AMC claims	Tata Motors Limited	-	(0)	External customer
Sai Prasad Auto Pvt Ltd	Customer deposit balance	Tata Motors Limited	-	(0)	External customer
Sai Ram Motors	Warranty/AMC claims	Tata Motors Limited	-	(0)	External customer
Santosh Motors Workshop Pvt Ltd	Customer deposit balance	Tata Motors Limited	-	0	External customer
Active Support	Taxes recovery	Tata Motors Body Solution Limited	-	0	External vendor

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The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the period ended / as at March 31, 2025:

(₹ in crores)					
Name of struck off company	Nature of transactions with struck off companies	Reporting entity	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Arul Motors Pvt. Ltd.	Services received	Tata Motors Limited	-	0	External vendor
Bhavani Automobiles Pvt. Ltd.	Services received	Tata Motors Limited	-	0	External vendor
Cautela Techno Solutions Pvt. Ltd.	Services received	Tata Motors Limited	-	0	External vendor
Farman Steels India Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External vendor
Highway Auto Tech Pvt. Ltd.	Services received	Tata Motors Limited	-	0	External vendor
Him Motors Pvt. Ltd.	Services received	Tata Motors Limited	-	0	External vendor
Honeycomb Relationship Management Pvt. Ltd.	Services received	Tata Motors Limited	-	0	External vendor
Jog Gears Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External vendor
Metlon Engineers Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External vendor
Rvee Business Solutions Pvt. Ltd.	Services received	Tata Motors Limited	-	0	External vendor
Rudrapratap Forms Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External vendor
S.M.A. Automobiles Pvt. Ltd.	Services received	Tata Motors Limited	-	(0)	External vendor
Wabco Foundation Breaks Pvt. Ltd.	Material purchase	Tata Motors Limited	-	0	External vendor
BM Carriers Pvt. Ltd.	Warranty/AMC claims	Tata Motors Limited	-	(0)	External customer
Rohit Automobiles Pvt. Ltd.	Warranty/AMC claims	Tata Motors Limited	-	(0)	External customer
Banai Auto Works Pvt. Ltd.	Customer deposit balance	Tata Motors Limited	-	(0)	External customer
Lal Singh Motors Pvt. Ltd.	Customer deposit balance	Tata Motors Limited	-	(0)	External customer
Jessica Motors Pvt. Ltd.	Warranty/AMC claims	Tata Motors Limited	-	0	External customer
Santosh Motors Workshop Pvt. Ltd.	Warranty/AMC claims	Tata Motors Limited	-	0	External customer
Ashok Autocare Pvt. Ltd.	Customer deposit balance	Tata Motors Limited	-	(0)	External customer
Balasanka Cars Pvt. Ltd.	Customer deposit balance	Tata Motors Limited	-	(0)	External customer
Centaa Car Tracks Pvt. Ltd.	Customer deposit balance	Tata Motors Limited	-	(0)	External customer
Sts Trading Pvt. Ltd.	Warranty/AMC claims	Tata Motors Limited	-	(0)	External customer
Active Support	Taxes recovery	Tata Motors Body Solution Limited	0	0	External vendor

44 Earnings per Share ("EPS")

(A) Accounting policy

Basic earnings per share has been computed by dividing profit for the period by the weighted average number of shares outstanding during the year. Partly paid-up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

(B) EPS

		Year ended	From June 23, 2024 to
		March 31, 2026	March 31, 2025
(a) Profit/(loss) for the year/period	₹ crores	3,030	3,195
(b) The weighted average number of ordinary shares for Basic EPS	Nos.	3,682,331,373	3,682,331,373
(c) The nominal value per share (Ordinary)	₹	2.00	2.00
(d) Share of profit for ordinary shares for Basic EPS	₹ crores	3,030	3,195
(e) Earnings per ordinary share (Basic)	₹	8.23	8.68
(f) Profit/(loss) after tax for Diluted EPS	₹ crores	3,030	3,195
(g) The weighted average number of ordinary shares for Basic EPS	Nos.	3,682,331,373	3,682,331,373
(h) Add: Adjustment for Options relating to ESOP's	Nos.	1,496,780	-
(i) The weighted average number of ordinary shares for Diluted EPS	Nos.	3,683,828,153	3,682,331,373
(j) Share of profit for ordinary shares for Diluted EPS	₹ crores	3,030	3,195
(k) Earnings/(loss) Per ordinary share (Diluted)	₹	8.23	8.68

Note: Earnings per share (Basic & Diluted) for the year ended March 31, 2026 are calculated after considering the impact of issuance of equity shares pursuant to the Scheme from the date of incorporation of the Company. (Refer note 47).

TATA MOTORS LIMITED (Formerly TML COMMERCIAL VEHICLES LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

45 Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary / Associates /Joint Ventures

Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹in crores)	As % of consolidated profit or loss	Amount (₹in crores)	As % of consolidated OCI	Amount (₹in crores)	As % of comprehensive income	Amount (₹in crores)
Parent								
Tata Motors Ltd	99.74%	12,700	108.86%	3,299	(717.04%)	(151)	103.16%	3,148
Subsidiaries								
Indian								
Tata Motors Insurance Broking and Advisory Services Limited	1.31%	167	3.33%	101	0.11%	0	3.31%	101
TMF Holdings Limited	24.77%	3,154	(81.77%)	(2,478)	3.41%	1	(81.18%)	(2,477)
Tata Motors Body Solutions Limited	(0.21%)	(27)	0.10%	3	3.31%	1	0.12%	4
TML CV Mobility Solutions Limited	11.49%	1,463	(0.66%)	(20)	(0.76%)	(0)	(0.66%)	(20)
TML Smart City Mobility Solutions Limited	7.61%	969	(1.02%)	(31)	(2.09%)	(0)	(1.03%)	(31)
AIEQU Mobility Limited (Incorporated on January 19, 2026)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
TML Smart City Mobility Solutions (J&K) Private Limited	0.99%	126	(0.46%)	(14)	0.00%	-	(0.46%)	(14)
TMF Business Services Limited	0.02%	2	1.95%	59	0.12%	0	1.93%	59
Foreign								
Tata Daewoo Mobility Company Limited	17.02%	2,167	(0.42%)	(13)	795.98%	168	5.08%	155
Tata Daewoo Mobility Sales Company Limited	0.25%	32	0.24%	7	5.65%	1	0.27%	8
PT Tata Motors Indonesia	3.11%	396	(0.01%)	(0)	(0.37%)	(0)	(0.01%)	(0)
PT Tata Motors Indonesia Distribution Ltd	0.32%	41	(0.12%)	(4)	(5.64%)	(1)	(0.16%)	(5)
TML CV Holdings B.V. (Incorporated on September 29, 2025)	1.28%	163	0.07%	2	0.00%	-	0.07%	2
TML CV Holdings Pte. Limited (Incorporated on May 23, 2025)	26.63%	3,391	(3.79%)	(115)	0.00%	-	(3.76%)	(115)
Tata Hispano Motors Carrocera S.A.	(8.72%)	(1,110)	(0.31%)	(9)	0.00%	-	(0.31%)	(9)
Tata Hispano Motors Carrocerries Maghreb SA	(0.56%)	(71)	0.16%	5	0.00%	-	0.16%	5

Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹in crores)	As % of consolidated profit or loss	Amount (₹in crores)	As % of consolidated OCI	Amount (₹in crores)	As % of comprehensive income	Amount (₹in crores)
Joint Operations								
Indian								
Tata Cummins Private Limited	7.87%	1,003	9.50%	288	17.63%	4	9.56%	292
Adjustments arising out of consolidation	(104.40%)	(13,294)	58.80%	1,782	0.00%	-	58.40%	1,782
Sub - total (a)		<u>11,272</u>		<u>2,862</u>		<u>21</u>		<u>2,884</u>

TATA MOTORS LIMITED (Formerly TML COMMERCIAL VEHICLES LIMITED)
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Name of enterprises	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹in crores)	As % of consolidated profit or loss	Amount (₹in crores)	As % of consolidated OCI	Amount (₹in crores)	As % of comprehensive income	Amount (₹in crores)
Joint ventures (Investment as per the equity method)								
Indian								
Tata Motors Global Services Limited	0.98%	124	0.41%	13	(0.31%)	(0)	0.41%	12
Tata Motors Digital.AI Labs Limited	0.06%	8	0.08%	2	0.00%	-	0.07%	2
Sub - total (b)		132		15		(0)		15
Associates (Investment as per the equity method)								
Indian								
Automobile Corporation of Goa Limited	1.61%	204	1.06%	32	0.00%	-	1.05%	32
Tata Hitachi Construction Machinery Company Private Limited	6.84%	872	5.29%	160	0.00%	-	5.25%	160
Freight Commerce Solutions Private Limited	1.66%	212	(0.02%)	(1)	0.00%	-	(0.02%)	(1)
Tata Motors Foundation (Incoporated on July 17, 2025)		0.05		-		-		-
Traveltime E-Mobility Chennai Private Limited (Incoporated on December 23, 2025)		-		-		-		-
Foreign								
Nita Company Limited	0.40%	51	0.24%	7	0.00%	-	0.24%	7
Sub - total (c)		1,338		199		-		199
Adjustments arising out of consolidation (d)	(0.06%)	(8)	(1.52%)	(46)	0.00%	-	(1.51%)	(46)
Total (b + c + d)	11.48%	1,462	5.54%	168	(0.31%)	(0)	5.50%	168
Total (a + b + c + d)	100.00%	12,734	100.00%	3,030	100.00%	21	100.00%	3,051

TATA MOTORS LIMITED (Formerly TML COMMERCIAL VEHICLES LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

46 Other statutory information

- (a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (c) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (d) The Company, its associate companies, joint venture companies and joint operations have not advanced or loaned or invested funds to any person(s) or entity(is), including foreign entities (intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company, (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries, except as mentioned below:
 The Company has advanced or loaned or invested ₹422 crores in various tranches, viz. April 30, 2025, May 06, 2025, May 29, 2025, June 20, 2025, June 26, 2025, July 21, 2025, July 30, 2025, August 28, 2025, September 24, 2025, October 16, 2025, November 24, 2025, December 18, 2025, January 21, 2026, February 25, 2026, in its wholly owned subsidiary TML Smart City Mobility Solutions Ltd ("TSCMSL"). Out of the aforementioned amounts TSCMSL advanced or loaned or invested ₹112 crores in TML Smart City Solutions (J&K) Pvt Ltd, its wholly owned subsidiary (ultimate beneficiary) in various tranches viz April 30, 2025 - ₹2 crores, May 09, 2025 - ₹3 crores, May 30, 2025 - ₹7 crores, June 23, 2025 - ₹8 crores, June 26, 2025 - ₹4 crores, July 04, 2025 - ₹6 crores, July 31, 2025 - ₹5 crores, July 31, 2025 - ₹30 crores, August 31, 2025 - ₹4 crores, September 24, 2025 - ₹6 crores, October 17, 2025 - ₹7 crores, November 25, 2025 - ₹10 crores, December 19, 2025 - ₹9 crores, January 21, 2026 - ₹7 crores, February 26, 2026 - ₹4 crores.
 The transactions mentioned above are not in violation of Prevention of Money-Laundering Act, 2002 and are complied with the provisions of Foreign Exchange Management Act, 1999 and Companies Act, 2013.
- (e) The Company, its associate companies, joint venture companies and joint operations have not received any fund from any person(s) or entity(is), including foreign entities (funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (g) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- (h) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- (i) The Company has not revalued any of its property, plant and equipment (including Right-of-Use Assets) and other intangible assets during the year.

47 Composite Scheme of Arrangement

- a) The Board of Directors has, at its meeting held on August 1, 2024, approved a Composite Scheme of Arrangement amongst Tata Motors Passenger Vehicles Limited (Formerly Tata Motors Ltd) ("TMPVL"), Tata Motors Limited (Formerly TML Commercial Vehicles Ltd) (the "Company") and Tata Motors Passenger Vehicles Limited and their respective shareholders under Section 230-232 of the Companies Act, 2013 which inter alia provides for:
 - demerger, transfer and vesting of the commercial vehicles business of TMPVL along with related investments ("demerged undertaking") to the Company on a going concern basis; and
 - amalgamation of Tata Motors Passenger Vehicles Ltd with TMPVL with an objective of consolidating the passenger vehicles business ("Scheme").

The Scheme has received approval from NCLT and is effective from October 1, 2025, with an appointed date of July 1, 2025.

- b) The Company has given effect to the Scheme in accordance with the accounting treatment specified in the Scheme and as per applicable accounting standards (Ind AS) as under:
 - Recorded the assets, liabilities, general reserve, retained earnings and equity instruments through other comprehensive income, cost of hedging reserve and hedging reserve (forming part of "other components of equity" in the statement of changes in equity at their respective carrying values of the demerged undertaking, as appearing in the books of the TMPVL),
 - Assets and liabilities were determined using the carrying value of specifically identifiable items transferred and an asset ratio for non specifically identifiable items. The ratio equals identifiable assets transferred divided by identifiable assets retained,
 - Authorised Share Capital has been increased on October 1, 2025
 - 3,68,23,31,373 Equity shares of face value and paid up value of ₹2/- each amounting to ₹736 Crores has been issued to the shareholders of TMPVL on October 15, 2025 and difference between the face value of the equity shares issued and carrying value of the assets and liabilities and other components of equity of the demerged undertaking has been recognised as mentioned in note c) below.
- c) The carrying value of net assets of the demerged undertaking as on appointed Date (i.e. July 01, 2025) is as follows:

TATA MOTORS LIMITED (Formerly TML COMMERCIAL VEHICLES LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	(₹ in crores)	
	Consolidated	
	As at June 30,	2025
I. ASSETS		
(1) NON-CURRENT ASSETS		
(a) Property, plant and equipment		10,966
(b) Capital work-in-progress		646
(c) Right of use assets		781
(d) Other intangible assets		1,984
(e) Intangible assets under development		1,249
(f) Investment in equity accounted investees		1,311
(g) Financial assets:		
(i) Other Investments		8,991
(ii) Loans		24
(iii) Other financial assets		4,530
(h) Non-current tax assets (net)		291
(i) Other non-current assets		458
		31,231
(2) CURRENT ASSETS		
(a) Inventories		6,172
(b) Financial assets:		
(i) Investments		440
(ii) Trade receivables		3,650
(iii) Cash and cash equivalents		1,945
(iv) Bank balances other than (iii) above		346
(v) Loans		20
(vi) Other financial assets		1,627
(c) Current tax assets (net)		26
(d) Other current assets		1,203
		15,429
(3) Assets classified as held-for-sale		1
TOTAL ASSETS		46,661
II. LIABILITIES		
(1) NON-CURRENT LIABILITIES		
(a) Financial liabilities:		
(i) Borrowings ((Refer note 1 below))		3,920
(ii) Lease liabilities		613
(iii) Other financial liabilities		142
(b) Provisions		2,703
(c) Deferred tax liabilities (net) (Refer note 2 below)		1,107
(d) Other non-current liabilities		1,837
		10,322
(2) CURRENT LIABILITIES		
(a) Financial liabilities:		
(i) Borrowings (Refer note 1 below)		5,367
(ii) Lease liabilities		142
(iii) Trade payables		
(a) Total outstanding dues of micro and small enterprises		156
(b) Total outstanding dues of creditors other than micro and small enterprises		11,335
(c) Acceptances		2,376
(iv) Other financial liabilities		952
(b) Other current liabilities		2,361
(c) Provisions		2,332
(d) Current tax liabilities (net)		28
		25,049
TOTAL LIABILITIES (Excluding Equity)		35,371
III. Excess of assets over liabilities (I-II)		11,290
Equity share capital to be issued pursuant to the Scheme		736
Special reserve		247
Earned Surplus reserve		46
Research & Human resource development		201
Other components of equity		802
General reserve		1,029
Retained earnings (Distributable)		4,826
Capital reserve pursuant to the scheme		3,403
TOTAL		11,290

d) The Company was incorporated on June 23, 2024 and the financial statements of the Company is restated from July 01, 2024 to give the effect to the above-mentioned Composite Scheme of Arrangement. The figures for the comparative period are represented pursuant to the Scheme and are unaudited. Further, the comparative figures for the period from June 23, 2024 to March 31, 2025 are not comparable to the figures for the year ended March 31, 2026.

The subsidiaries of the Company were consolidated from the date of original acquisition by the demerged undertaking. The profit or loss from date of original acquisition of subsidiaries till June 23, 2024, is included in the other equity (retained earnings).

TATA MOTORS LIMITED (Formerly TML COMMERCIAL VEHICLES LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Notes:

1. Retained earnings is primarily attributable to the profits generated by the commercial vehicle business (including subsidiaries) during the period from April 1, 2021 to June 30, 2025 and hence have been considered as part of Retained earnings to be transferred to the Company pursuant to the Scheme.
2. Deferred tax assets on unabsorbed depreciation and Brought Forward Losses, as per the books of accounts of the demerged undertaking as at March 31, 2025 have been allocated to the Company in accordance with the asset ratio.
3. The general reserve reflected in the financial statements has been allocated based on the assets ratio as defined in the Scheme.
4. Capital reserve is the difference between book value of the assets and liabilities of the demerged undertaking the after allocating the amount towards the face value of the Equity shares issued and other appropriate reserves.

48 Other Notes

- a) Current period figures are shown in bold prints.
- b) Extended Producer Responsibility ("EPR") for End of Life of Vehicles for OEMs was notified in January 2025, w.e.f. April 1, 2025. EPR calls for OEMs to buy certificates from Registered Vehicle Scrapping Facility ("RVSFs") equivalent to 8% for the first 5 years and goes up to 18% by 2039 of steel used in its vehicles 15 years back in case of Commercial Vehicles. Central Pollution Control Board ("CPCB") is in the process of giving clarity of the EPR policy including a) Cost of the certificate b) Clear methodology for calculating steel content/liability targets for OEMs c) Process for transaction between OEMs and RVSFs and thus the cost of meeting the obligations under EPR cannot be reliably estimated as at March 31, 2026.
- Further, Extended Producer Responsibility ("EPR") for waste batteries management was notified in August 2022 as amended from time to time. Said rules call for Producers, as defined under the rules, for environmental sound management of waste batteries. Company shall be able to meet the obligations under the said rules either through its suppliers or through other facilities/arrangements.
- c) On July 30, 2025, the Company and Iveco Group N.V. ("Iveco"), announced reaching an agreement to create a commercial vehicles group through all-cash voluntary tender offer for Iveco common shares. The completion of the offer, expected to be completed during 2nd quarter of FY27, is conditional, inter alia, on regulatory approvals and certain other conditions. The offer represents a total consideration of approximately **₹41,691 crores (€3.8 billion)** as at March 31, 2026 for Iveco, excluding Iveco's defence business and the net proceeds from the defence business separation. The Company is in process of taking the necessary regulatory approval.
- The Company has given a letter of comfort and provided guarantees to MUFG Bank Limited, Hong Kong (acting as a facility agent for the lenders) for **₹41,691 crores (€3.8 billion)** as on March 31, 2026 against credit facility given to TML CV Holdings BV, towards acquisition of IVECO Group N.V. , after requisite approvals for the same.
- d) As at March 31, 2026, certain investments fair valued through profit and loss held by a subsidiary company resulted in loss of **₹2,418 crores**.

See accompanying notes to consolidated financial statements
 In terms of our report attached

For **B S R & Co. LLP**
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022

Vijay Mathur
 Digitally signed by
 Vijay Mathur
 Date: 2026.05.13
 23:40:31 +05'30'

VIJAY MATHUR
 Partner
 Membership No.: 046476

Place: Mumbai
 Date: May 13, 2026

For and on behalf of the Board
Chandrasekaran Natarajan
 Digitally signed by Chandrasekaran Natarajan
 Date: 2026.05.13 23:19:41 +05'30'

N CHANDRASEKARAN [DIN: 00121863]
 Chairman

GIRISH ARUN WAGH
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 GIRISH ARUN WAGH
 Date: 2026.05.13
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GIRISH WAGH [DIN: 03119361]
 Managing Director and CEO

VENKATA RAMANAN GOPAL
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 VENKATA RAMANAN GOPAL
 Date: 2026.05.13
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RAMANAN GV
 Chief Financial Officer

SUDIPTO KUMAR DAS
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 SUDIPTO KUMAR DAS
 Date: 2026.05.13
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SUDIPTO KUMAR DAS [ACS:A63781]
 Company Secretary

Place: Mumbai
 Date: May 13, 2026