



26th Annual Report 2021-22

TATA AutoComp Systems Limited

CIN: U34100PN1995PLC158999

Registered Office: TACO House, Plot No 20/B FPN085, VG Damle Path Off Law College Road, Erandwana Pune 411 004
India

Tel: 91 20 66085000 Fax: 91 20 6608 5034 email: contact@tataautocomp.com website:
www.tataautocomp.com



NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SIXTH ANNUAL GENERAL MEETING OF TATA AUTOCOMP SYSTEMS LIMITED WILL BE HELD ON FRIDAY, JUNE 17, 2022, AT 03.30 P.M. (IST) THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO VISUAL MEANS (“OAVM”) AT DEEMED VENUE AT THE REGISTERED OFFICE OF THE COMPANY AT TACO HOUSE, DAMLE PATH, OFF LAW COLLEGE ROAD, PUNE 411004 TO TRANSACT THE FOLLOWING BUSINESS AT A SHORTER NOTICE:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone Financial Statements of the Company for the year ended March 31, 2022 together with Report of the Directors and Auditors thereon.
2. To receive, consider and adopt the Consolidated Financial Statements of the Company for the year ended March 31, 2022 together with Report of the Auditors thereon.
3. To declare final dividend on Equity shares.
4. To appoint a Director in place of Mr. Ankur Verma (DIN- 07972892) who retires by rotation and being eligible offers himself for re-appointment.
5. To reappoint M/s. B S R & Co. LLP (FRN 101248W / W-100022) as the Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting until conclusion of 31st Annual General Meeting to be held in the financial year 2027-28 (for FY 2026-27) and fix their remuneration and in this connection to consider and if though fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013, rules made thereunder and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. B S R & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W / W-100022) be and are hereby re-appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting (26th AGM) to hold such office for a period of 5 (Five) consecutive Financial years till the conclusion of the Annual General Meeting (31st AGM) to be held in the financial year 2027-28 (for FY 2026-27) at such remuneration as shall be fixed by the Board of Directors of the Company or any committee thereof.

SPECIAL BUSINESS

6. **To ratify remuneration payable to M/s. Harshad S. Deshpande & Associates, Cost Auditors of the Company for the cost audit to be conducted for financial year 2022-23.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of section 148 and any other provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, (including

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any statutory modifications or re-enactment thereof, for time being in force) M/s. Harshad Deshpande & Associates, Cost Accountants, Pune, Firm Registration No. 00378, the Cost Auditors appointed by the Board of Directors, to conduct the audit of the cost records of the Company for the Financial Year 2022-23 at a remuneration up to Rs. 1,85,000 /- (Rupees One Lakh Eighty Five Thousand only) plus reimbursement of out of pocket expenses and applicable taxes be and is hereby ratified.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

7. Change in Remuneration Structure and Terms and Conditions of appointment of Mr. Arvind Hari Goel (DIN - 02300813), Managing Director and Chief Executive Officer

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of, Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, if any and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the Articles of Association of the Company, pursuant to approval of Board of Directors and subject to approval of Central Government, if any, and in partial modification of the earlier resolution, dated July 02, 2019 and September 20, 2019, consent of the members be and is hereby accorded to approve the revision in the terms and conditions of appointment and remuneration of Mr. Arvind Hari Goel (DIN - 02300813), Managing Director and Chief Executive Officer, for the remaining tenure of his appointment by fixation of salary scale of monthly Basic salary and other details as set out in Explanatory statement annexed to the Notice.

RESOLVED FURTHER THAT pursuant to approval of Board, personal pay of Mr. Arvind Goel, MD & CEO be and is hereby be clubbed with his Basic Salary.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the existing tenure of Mr. Arvind Hari Goel, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, bonus, perquisites and allowances, retrial benefits as specified above.”

RESOLVED FURTHER THAT pursuant to the recommendation of the Nomination and Remuneration Committee, Board of Directors of the Company and provisions of Section 197 of the Companies Act, 2013 and rules made thereunder read along with Schedule V and other applicable provision, and Articles of Association of the Company, consent of the members be and is hereby accorded for a payment of [REDACTED] subject to deduction of tax at source to Mr. Arvind Goel, MD & CEO as a Performance Incentive for the Financial Year 2021-22.

RESOLVED FURTHER THAT the Members do hereby authorize the Board of Directors of the Company to approve annual increments and to make such modifications in the terms of



remuneration to Mr. Arvind Hari Goel as may be permissible under Schedule V of the Companies Act, 2013 (as may be amended from time to time) or by way of any Government guidelines or instructions, the intention being that no further approval of the Company shall be required so long as remuneration of the Managing Director is not in excess of the maximum permissible limits under relevant laws, salary scale, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution.”

By order of the Board
For Tata AutoComp Systems Limited

Sd/-
Ashish Boradkar
Company Secretary
(M. No.: A15036)

Date : April 28, 2022
Place : Pune



Notes :

- (a) In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 21/2021 dated December 14, 2021 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" read with General Circular No. 14/ 2020 dated April 8, 2020 and the General Circular No. 17/ 2020 dated April 13, 2020 in relation to "Clarification on passing of Ordinary and Special Resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19" (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), and MCA Circulars, the AGM of the Company is being held through VC / OAVM on Friday, June 17, 2022, at 03.30 PM (IST). The deemed venue for the 26th AGM will be TACO House, Plot No- 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India
- (b) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business as set out above is annexed hereto.
- (c) PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
- (d) Corporate members intending to appoint their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- (e) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to the Company.
- (f) Members desirous of receiving any information on Accounts or other items of Notice are requested to forward their queries to the Company so as to enable the management to keep the information ready.
- (g) Electronic copy of the relevant documents referred to in the AGM Notice and Explanatory Statement will be made available through email for inspection by Members, if so desired. Electronic copies of necessary statutory registers and auditors report/certificates will be available for inspection by the members at the time of AGM.
- (h) Members who wish to inspect the relevant documents referred above and in the Notice can send an email to Ashish.Boradkar@tataautocomp.com up to date of this AGM.
- (i) The attendance of the Members attending the AGM through VC/OAVM will be counted for reckoning the quorum under Section 103 of the Act.
- (j) As per the provisions of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business is considered to be unavoidable by the Board and hence, forming part of this Notice.
- (k) The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- (l) Members may attend the AGM, by following the invitation link sent to their registered email ID. Members will be able to locate JOIN MEETING tab. By Clicking on JOIN MEETING, they will be redirected to Meeting Room via



browser or by running Temporary Application. In order to join the Meeting, provide the required details, and Join the Meeting. Members are encouraged to join the Meeting through Laptops/desktops for better experience.

- (m) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (n) The helpline number for joining the Meeting through Electronic Mode will be provided in the Meeting Invitation, which will be sent to the eligible applicants.
- (o) In line with the MCA Circular dated May 5, 2020, the Notice of the AGM along with the Annual Report of 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company. The Notice convening the 26th AGM has been uploaded on the website of the Company at www.tataautocomp.com



ANNEXURE TO NOTICE

Explanatory Statement

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all the material facts relating to the business mentioned above to the Notice.

Item No. 4

The profile of Directors who shall be retiring by rotation and eligible for re-appointment is as given below:

Profile of Mr. Ankur Verma

Brief Profile of Mr. Ankur Verma is given hereunder:

Mr. Ankur Verma, a B.E. in Mechanical Engineering and PGDM from IIM, Calcutta has around 20 years of experience in Investment Banking, Capital Markets and Corporate Strategy. At present, Mr. Verma is Senior Vice President at Tata Sons Private Limited, where he has responsibilities in strategy, corporate finance and mergers and acquisitions. Mr. Ankur Verma is a Director on the Board of several Tata Group companies. Previously, Mr. Verma was Managing Director (Investment Banking Division) in Bank of America Merrill Lynch and prior to that he was in Infosys Technologies Limited - Corporate Planning Group.

No other Directors and Key Managerial Personnel or their relatives other than Mr. Ankur Verma are concerned or interested in the said Resolution.

The Board recommends the resolution set forth in Item No. 4 of the accompanying notice for approval of the members as Ordinary Resolution.

Necessary information as per Secretarial Standard on General Meetings has been provided in Annexure I.

Item No. 5

This Explanatory Statement for Item No. 5 is provided though strictly not required as per Section 102 of the Act.

B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) have been the Auditors of the Company.

BSR & CO. LLP are eligible for reappointment.

The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on April 28, 2022, proposed the appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company for a period of consecutive 5 years till the conclusion of the Annual General Meeting (31st AGM) of the Company to be held in the financial year 2027-28 (for FY 2026-27)

B S R & Co. LLP have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.



The Board recommends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the Members of the Company.

None of the Director or Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise in this Resolution.

Item No 6

The Board of Directors at their meeting held on April 28, 2022, on recommendation of the Audit Committee, approved the appointment of M/s. Harshad Deshpande & Associates, Cost Accountants, Pune, as the cost auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2022-23 at a remuneration up to Rs. 1,85,000/- (Rupees One Lakh Eighty Five Thousand only) plus reimbursement of out of pocket expenses and applicable taxes. Pursuant to the provisions of the Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014 and amendment thereof, consent of the members is sought for passing an ordinary resolution as set out at item no. 6 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2022-23.

None of the Directors, Key Managerial Personnel or their relatives are interested in the said resolution.

The Board recommends the resolution set forth in Item No. 6 of the accompanying notice for approval of the members as Ordinary Resolution.

Item No. 7

The Board of Directors of the Company at its meeting held on May 25, 2018 has approved the appointment of Mr. Arvind Hari Goel as MD & CEO designate and he has taken over as MD & CEO of the Company with effect from September 6, 2018 for a period of five years or up to age of 65 years whichever is earlier.

Considering the role and the important contributions by Mr Arvind Hari Goel, over the past years in varied capacities for the growth of the Company and also taking into account similar sized industries in India, the Nomination and Remuneration Committee and the Board of Directors unanimously approved the change in terms & conditions of his appointment as follows:

Fixation of basic monthly salary pay scale, in the range of [REDACTED] ./- from April 01, 2022 up to the remaining tenure of the appointment of Mr. Arvind Hari Goel, subject to relevant provisions of Companies Act, 2013 and rules thereof with following perquisites and allowances:

Designation	Managing Director & Chief Executive Officer
Salary	Annual increments effective 1st April every year as may be decided by the Remuneration & Nomination Committee of the Board to review and revise the same from time to time.
Commission/ Performance	Commission /Performance Bonus to be as recommended by NRC & approved by Board from time to time as per



Bonus	provisions of Companies Act, 2013.
Perquisites and Allowances	<p>In addition to the salary and performance bonus, the Managing Director shall be entitled to perquisites and allowances such as:</p> <ul style="list-style-type: none">a) House rent allowance aggregating to 80% of the Basic Salary;b) Medical allowance of Rs. 13,04,625/- p.a.;c) Leave travel allowance of Rs. 13,04,625/- p.a.;d) Retiral Benefits consisting Provident Fund, Superannuation Fund and Gratuity Fund of about 31.81% of the Basic Salary;e) Two company provided motor cars with fuel and maintenance at actuals with drivers/reimbursement of drivers salaries as per Company rules; hospitalisation; Telecommunication facilities as per Company rules;f) Memberships of one or more clubs including entrance fees, annual fees or the like;g) Personal accident insurance in accordance with the rules of the Company. <p>In addition to the above, Mr. Arvind Goel shall be entitled to any other benefit including to encashment of leave as per the rules of the Company.</p>

Further, it is proposed that personal pay of Mr. Arvind Goel, MD & CEO shall be clubbed with his Basic Salary.

Further, a performance incentive of [REDACTED] for FY 2021-22 subject to deduction of tax at source to Mr. Arvind Goel, MD & CEO is approved by NRC and Board of Directors of the Company.

The members may please note that the aforesaid remuneration is within the limit prescribed under Section 196, 197 and 198 read with rules made thereunder and Schedule V of Companies Act, 2013. Accordingly, the resolution at Item No. 7 above is placed for the approval of members as a Special Resolution.

Fixing the scale will help reduce formalities and approvals to be obtained for managerial remuneration.

A brief profile of Mr. Arvind Hari Goel is given hereunder:

Mr. Arvind Goel is the MD & CEO of Tata AutoComp Systems Limited, a leading global auto component conglomerate. With his passion for automotive technology, he has been serving the automotive industry for nearly 4 decades.

Mr. Goel has been leading Tata AutoComp since 2018. In his long career in Tata AutoComp, he has held several leadership positions including COO and President of Tata AutoComp. He has been instrumental for creating 5 Joint Ventures, 2 Technology Agreement and acquisition of TitanX, a global leader in engine cooling system based in Sweden.



Prior to joining Tata AutoComp, Mr. Goel was President and COO of Man Trucks. He was earlier associated with Force Motors, Bajaj Tempo and Kirloskar Oil Engines at various leadership positions.

Mr. Goel has been an active member of various industry bodies and currently serves as Board Member of Maratha Chamber of Commerce, Industries and Agriculture (MCCIA), Chairman of Western Region Automotive Components Manufacturers Association (ACMA), Elected Member of CII National Council and CII Western Regional Council.

Over the years, he has won several awards for his contribution to the Auto Industry including "India's most Inspirational Leader 2020" by White Page International, "Global Indian of the year 2020-21" by Asia one, "Auto Component Leader of the year 2021" by Auto Components India Magazine and "Economic Times Inspiring CEO 2021" by Economic Times.

Mr. Goel has undergone several advance leadership and management programs from institutes like Harvard, NYU Stern and Center for Creative leadership at Singapore.

In compliance with Schedule V and other applicable provisions of the Companies Act, 2013 the appointment and remuneration as specified above is now being placed before the Members in general meeting for their approval.

The Board recommends the resolution set forth in item no. 7 of the accompanying notice for approval of the members as Special Resolution.

None of the Directors of the Company or Key Managerial personnel or their relatives except for Mr. Arvind Goel, is concerned or interested in the said resolution.

Necessary information as per Secretarial Standard on General Meetings has been provided in Annexure I.

By order of the Board
For Tata AutoComp Systems Limited

Sd/-
Ashish Boradkar
Company Secretary
(M. No.: A15036)

Place: Pune
Date: April 28, 2022



Annexure I

Details of Directors being appointed/Re-appointed as required under Secretarial Standard on General Meeting issued by The Institute of Company Secretaries of India.

Particulars	Mr. Arvind Hari Goel	Mr. Ankur Verma
Date of Birth and Age	October 13, 1957 – 64 Years	March 25, 1976 – 46 Years
Date of first appointment	May 25, 2018	July 30, 2018
Qualifications	BE Mechanical from NIT Kurukshetra	Mr. Ankur Verma, a B.E. in Mechanical Engineering and PGDM from IIM, Calcutta
Expertise in specific functional areas	Mr. Goel holds a degree of BE Mechanical from NIT Kurukshetra. Mr. Goel has undergone several advance leadership and management programs from institutes like Harvard, NYU Stern and Center for Creative leadership at Singapore.	Mr. Ankur Verma has around 15 years of experience in Investment Banking, Capital Markets and Corporate Strategy.
Terms and conditions of appointment/ re-appointment	Refer Item No. 7 of the Notice	Refer Item No.4 of the Notice
Details of remuneration last drawn and sought to be paid, if applicable	Refer Item No. 5 of the Notice	N. A.
No. of Board Meetings attended during the FY 2021-22	6	5
Relationships between Directors inter-se	None	None
List of Companies in which Directorships held as on March 31, 2022.	<ol style="list-style-type: none"> 1. Automotive Stampings And Assemblies Limited 2. Tata Toyo Radiator Limited 3. Tata AutoComp Hendrickson Suspensions Private Limited 4. TM Automotive Seating Systems Private Limited 5. Tata AutoComp GY Batteries Private Limited 6. Tata Ficosa Automotive Systems Private Limited 7. Tata AutoComp Katcon Exhaust Systems Private Limited 8. Air International TTR Thermal Systems Private Limited 9. Ryhpez Holding (Sweden) AB 10. TitanX Holding AB 11. TitanX Engine Cooling AB 12. TitanX Engine Cooling AB Inc. 13. Nanjing Tata AutoComp Systems Limited (China) 14. Tata AutoComp SECO Powertrain Pvt 	<ol style="list-style-type: none"> 1) Tata Capital Housing Finance Limited 2) Tata Teleservice Limited 3) Tata Play Limited 4) Tata Teleservices (Maharashtra) Limited 5) Tata Elxsi Limited 6) Tata Fintech Pvt Ltd# 7) Tata 1MG Technologies Ltd.



	<p>Ltd</p> <p>15.Tata AutoComp Gotion Green Energy Solutions Pvt. Ltd.</p> <p>16.Mahratta Chamber of commerce Industries and agriculture</p> <p>17.Automotive Component Manufacturers Association of India</p> <p>18.Amtek Auto Limited</p> <p>19.TACO Prestolite Electric Private Limited</p>	
<p>Chairmanship / Membership of specified Committees* of the Boards of above Companies as on March 31, 2022.</p>	<p>Audit Committee:</p> <ul style="list-style-type: none"> • TM Automotive Seating Systems Private Limited – Chairman • Tata Ficosa Automotive Systems Private Limited- Member <p>Corporate Social Responsibility Committee</p> <ul style="list-style-type: none"> • Tata Autocomp Systems Limited – Member • TATA AutoComp Hendrickson Suspensions Pvt. Ltd. – Member • Tata Toyo Radiator Limited - Member <p>Nomination and Remuneration Committee</p> <ul style="list-style-type: none"> • Tata Ficosa Automotive Systems Private Limited- Chairman • Automotive Stampings And Assemblies Limited- Member • Tata Toyo Radiator Limited - Member 	<p>Member of Audit Committee:</p> <ol style="list-style-type: none"> 1. Tata Capital Housing Finance Limited 2. Tata Teleservice Limited 3. Tata Teleservices (Maharashtra) Limited 4. Tata Elxi Limited 5. Tata Play Limited <p>Member of Nomination & Remuneration Committee:</p> <p>NA</p> <p>Member of Stakeholder Relationship Committee:</p> <ol style="list-style-type: none"> 1. Tata Teleservices (Maharashtra) Limited <p>Member of Corporate Social Responsibility Committee:</p> <ol style="list-style-type: none"> 1. Tata Capital Housing Finance Limited
<p>No. of shares held in the Company:</p> <p>(a) Own</p> <p>(b) For other persons on a beneficial basis</p>	<p>Nil</p>	<p>Nil</p>

Mr. Ankur Verma ceased to be Director of Tata Fintech Pvt Ltd w.e.f. April 29, 2022.



DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the Twenty Sixth Annual Report of the Company together with the Audited Statement of Accounts and the Auditors' Report of your Company for the financial year ended, March 31, 2022. The key highlights for the year ended March 31, 2022 are as under:

1. Financial Results:

The key financials for the year are as set out below:

	<i>Rs. in Crs</i>			
	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers	2,817.07	1,353.59	7,031.40	4,177.27
Other Income	95.04	27.49	66.75	38.09
Total Income	2,912.11	1,381.08	7,098.16	4,215.36
Total Expenditure	2,537.07	1,290.93	6,676.43	4,263.77
Profit / (loss) before tax	375.05	90.15	421.73	(48.41)
Share of net profit of joint venture accounted (net)	-	-	50.25	8.99
Loss before exceptional items and tax	375.05	90.15	471.98	(39.42)
Exceptional items	-	-	117.20	-
Profit / (Loss) before income tax	375.05	90.15	589.18	(39.42)
Tax expenses (net)	77.07	23.05	120.62	7.16
Profit / (Loss) for the year	297.98	67.10	468.56	(46.58)
Attributable to:				
Shareholders of the company	-	-	409.70	(28.30)
Non controlling interest	-	-	58.86	(18.28)
Other comprehensive (loss) / income	(6.31)	(1.82)	10.85	8.19
Total comprehensive income / (loss)	291.67	65.27	479.41	(38.40)
Attributable to:				
Shareholders of the company	-	-	420.38	(19.93)
Non controlling interest	-	-	59.03	(18.46)

2. Performance Overview:

The Consolidated income for FY 2021-22 is Rs. 7098.16 Cr (FY 2020-21 Rs. 4215.36 Cr) with a profit attributable to owners of the Company is Rs 409.70 Cr (FY 2020-21 loss attributable to owners Rs. 28.30 Cr). The similar figures for Standalone basis are Rs.2912.11 Cr (FY 2020-21 Rs. 1381.08 Cr) with PAT of Rs. 291.67 Cr (FY 2020-21 Rs. 67.10 Cr).

The Company's sales are higher as compared to last year. The profit attributable to owners of the Company has gone up from loss of Rs. 28.30 Cr to profit of Rs. 409.70 Cr mainly due higher sales during the current year due to overall increase in auto component sector and exceptional gain amounting to Rs 117.20 Crs in ASAL and TTR on account of land sale.

3. Standalone Financial Performance

During the year under review, your Company earned a total income of Rs. 2,912.11 Cr for the year ended March 31, 2022, as against Rs. 1,381.08 Cr for the previous year ended March 31, 2021, increase of 110.86%. The profit after tax (PAT) for the year under review has been Rs. 291.67 Cr as against Rs. 65.27 Cr during the previous year (increase of 346.83%). The profit is higher due to increase in sales.



4. **Consolidated Financial Performance**

During the year under review, your Company and subsidiaries (the Group) earned a total consolidated income of Rs. 7,098.16 Cr for the year ended March 31, 2022 as against Rs. 4,215.36 Cr for the previous year ended March 31, 2021, increase of 68.39%. The profit attributable to owners of the Company for the year under review has been Rs. 409.70 Cr, as against loss of Rs. 28.30 Cr during the previous year.

5. **Aggregate Financials**

The aggregate sales of the Company are Rs. 9,261 Cr for FY 2021-22 as compared to Rs. 5,476.36 Cr for FY 2020-21 (increase of 69.11%). The aggregate profit of the Company is Rs. 529.70 Cr for FY 2021-22 as compared to loss Rs. 24.27 Cr for FY 2020-21.

6. **Industry structure and development**

With the pandemic waning and the economy gaining momentum, most verticals in auto industry registered growth. While the Auto Industry registered a growth of 1 per cent, the Passenger Vehicle segment, which includes passenger cars, vans and utility vehicles, registered a growth of 19 per cent. Within this segment, while the Utility vehicle market grew at 43 per cent the Van segment and the Passenger Car segment recorded a growth of 7 per cent and 4 per cent respectively. The Commercial Vehicle segment also registered a growth of 29 per cent. Within the CV segment, the M&HCV segment registered a growth of 50 per cent and LCV segment registered a growth of 20 per cent. The Two-wheeler segment registered a negative growth of 3 per cent and Three-wheeler segments registered a growth of 23 per cent.

The chart given below shows the production of various categories of vehicles during FY2021-22 vis-à-vis FY2020-21.

Segment	FY2020-21	FY2021-22	% Growth
Passenger cars	17,72,972	18,44,985	4%
Utility vehicles	11,82,144	16,91,081	43%
Vans	1,07,164	1,14,632	7%
Passenger Vehicles	30,62,280	36,50,698	19%
M&HCVs	1,81,242	2,72,167	50%
LCV	4,43,697	5,33,360	20%
Commercial vehicles	6,24,939	8,05,527	29%
Three Wheelers	6,14,613	7,58,088	23%
Two wheelers	1,83,49,941	1,77,14,856	-3%



Quadricycle	3,836	4,061	6%
Total of All Categories	2,26,55,609	2,29,33,230	1%

Source SIAM report Mar'22

7. Information on Joint Venture and subsidiaries:

- A. During the year under review, your Company has invested in 50 % equity shares of TACO Prestolite Electric Private Limited (Formerly known as Prestolite Electric (India) Pvt Ltd) pursuant to Shareholders Agreement with Prestolite Electric (Beijing) Limited.
- B. During the year under review, your Company has purchased 50 % equity shares of Air International TTR Thermal Systems Private Limited (AI-TTR) from Tata Toyo Radiator Ltd to become JV partner in AI-TTR.

8. Health and Safety:

Your Company is committed to provide a safe, secure, and healthy workplace and this has been enumerated in the Safety and Health policy, which is part of the overarching Wellness Strategy of our Company. The Company has therefore adopted a comprehensive approach to implement this by adopting 'Total Safety Culture' concept.

"Be at Ground" across all our operations. In your company, Safety of all employees and stakeholders is of paramount importance. We continuously monitor safety performance across all business units to ensure safe & healthy working environment. There is a continued focus on capturing of "Unsafe Situations" (unsafe acts and unsafe conditions) "Potential Near Miss Incidences" and tracking of first aid and HIPO incidents. We are also capturing and analyzing minor fire issues/incidents. This year there were 02 reportable accidents.

Safety is rated as highest engagement driver amongst the 18 parameters assessed in Employee Engagement survey consecutively for last two years. This quarter we have also introduced digital safety tracking mobile app "BE SAFE" which we are implementing in phases across all BUs. Similarly, we have also introduced 5X5 Risk assessment matrix system to analyse and mitigate the hazards present in the system. We are also working on implementing **DOJO** room for safety training; **Sensor** based approach to avoid human errors, **BBS** improvement. (Through surprise safety walks).

Your Company has initiated a process of implementation of the British Safety Council (BSC) Standards at all plants of the Business Units. All 39 plants and 02 offices have achieved BSC Five Star Rating through internal audits.

The approach to safety has been strengthened in all operations of your Company. Surprise safety walks by group safety team, Regular safety drills, Firefighting equipment's health and serviceability, quarterly BSC safety audits are conducted internally at each of the facilities besides appropriate and refresher training to the employees. We are also working on implementing safety training KIOSK at major facilities as a part of 360 degrees approach to safety training.



Further, emphasis is and was given for environment protection, and reduction of occupational injuries and diseases. Accordingly, 38 plants are certified with ISO 14001 and ISO 45001 certifications. Your company has celebrated Environment Day and National Safety Week across all locations including new expansion construction sites.

Wellness Initiative:

Your Company has brought focus on Health Wellness Initiative across all business units and approximately 2630 employees have been covered so far. Individual counselling was done for 1920 employees. Out of these 650 employees were identified for critical ailments and of these 520 employees have shown improvements in their health during the year. There is positive improvement in health index year on year.

Sustainability:

Your Company has adopted Sustainability Policy of the Tata Group. We have identified 13 sustainability issues and mapped it into Focus, Track and Review priorities. We have tracked all 13 key sustainability issues and their KPIs for the year 2021-22 for all business units. We have also engaged top 5% suppliers (45 Nos.) in sustainable supply chain initiative. Your company has participated in Tata Sustainability Month activities. Three of our employees have completed training program to become CII certified Sustainability Assessor. Going forward, during FY 22-23, we propose to comprehensively review our entire sustainability journey and take the initiatives in line with current situation including carbon neutrality etc. with the help of leading consultant.

CSR at Tata AutoComp Systems in FY'21-22

I) Focus on COVID related support to community through following interventions

- a) Digitization support for education** – Digital devices, training to Teachers and online sessions for students.
- b) Livelihood support to marginalized** who lost their source of livelihood due to COVID Pandemic
- c) Mobile COVID Vaccination** drive for vulnerable communities
- d) Community Learning Centres** for reducing Learning gaps in Zilla Parishad school students created due to loss of learning during COVID Pandemic

II) Long Term Project undertaken for support to Key Communities – eg. Khed Taluka

- a) WASH (Water, Sanitation & Hygiene Management) & MHM (Menstrual Hygiene Management) in 40 schools and 12 villages
- b) Girls Scholarship Program for High School Education
- c) HoPE – Holistic & Progressive Education for Students from Government Schools through regular sessions in Art, Culture, Life Skills , Emotion Literacy , Communication Skills , Health & Hygiene, Sports etc.

III) Involvement of Volunteers –

- a) Active Volunteers Group: Tata AutoComp Change Makers – 5000+ Volunteering Hours



b) Initiatives like Phone Sakhi, Learning Nexus etc. designed for CSR projects to engage volunteers.

c) Change Makers Insight Out Monthly forum to engage Leadership with Volunteers, recognize active volunteers and give an update on CSR

IV) **FY'21-22 CSR Summary:** 8 Key long Term initiatives, 354 Digital + Physical initiatives, 5000+ volunteering Hours, 25000+ Beneficiaries Reached, Key projects driven by Women Leaders

v) **Award:** Tata AutoComp Systems Won MCCIA's B.G. Deshmukh Award for Excellence in CSR for the Year 2021.

9. Dividend:

Based on the Company's performance, the Directors are pleased to recommend for approval of the members equity dividend of Rs. 4/- per share (40%) amounting to Rs. 80,51,25,432/- (Rupees Eighty Crore, Fifty One Lakh, Twenty Five Thousand, Four Hundred and Thirty Two only) excluding dividend distribution tax for the year ended March 31, 2022 (No Dividend was recommended in previous year).

10. Share Capital:

The paid up Equity Share Capital as on 31st March, 2022 was Rs. 2,012,813,580/-.

During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company. As on 31st March, 2022, none of the Directors of the Company hold shares of the Company.

11. Transfer to Reserves in terms of the Companies Act, 2013:

During the year Company has not transferred any profit from Profit and Loss Account to General Reserve Account as under the Companies Act' 2013, as it is not mandatory.

12. Industrial Relations:

Your Company accords high importance to build and sustain healthy industrial relations with an aim of achieving competitive productivity & cordial work environment. The industrial relations continue to remain harmonious. With a view to enhance the involvement and remain focused, the Functional Heads / Departmental Heads of each manufacturing locations are heading Plant Committees e.g. Works Committee, POSH Committee, SHE Committee etc. The Committees have equal representation from workmen, who are also involved in resolving issues and grievances in a time bound manner.

Your company has formed HR help desk initiative to resolve grievances / day-to-day issues of employees within time bound manner. This results in maintaining transparent culture and help to increase satisfaction level of the employees.



Skill Development:

Your Company recognizes skill development as a critical area for long-term value creation.

Currently Skill Development Centre (SDC) is providing training to approximately 2500 trainees and permanent operators in different business units through well-trained, practically experienced & motivated Instructors. SDCs help the trainees in building skills sets for multi-dimensional competencies so that the person is ready for employment in any manufacturing company. Your company also proposes to have DOJO room in new manufacturing facilities with the concept of Digital & Physical learning arrangement.

The enrolment of the students / Trainees also helps in fulfilling the Affirmative Action (AA) as well as Diversity & Inclusion (D&I) agenda of the Company as we strive to enroll maximum numbers under these categories. Your company is having 12% affirmative action employees and 14% gender diversity (female employees).

Your Company has already adopted two ITIs, one in Maharashtra (ITI, Kadegaon) & one in Gujarat (ITI, Maninagar, Ahmedabad) under the Public Private Partnership and continues to work with them.

DIGITAL LEARNING UPDATES FY 2021-22

- We at Tata AutoComp **adopted 100% digital learning** & centrally transformed all key learning's into Digital which enabled individual to develop their functional & behavioural competencies across locations. **Associated with Tata Tomorrow University, XLRI, Toyota, ACMA, CII, MCCIA, ARAI** to provide learning opportunities in operational excellence, customer centricity, business excellence and functional based learning's. **As on today completed 17000+ learning hours which includes 280+ sessions.**
- Categorization of training into niche areas: **Management & Leadership Development Academy, Operational excellence Academy & Technology Product Leadership Academy.**
- **On boarding & induction process** - Transformed induction & on boarding process digitally & as on **165+ new joinees inducted.** The key topics covered were Tata Group, Tata AutoComp, VMV, HR processes & polices, Safety, TBEM, Ethics & CSR. This program is being conducted quarterly.
- **First Time Manager Program in collaboration with TMTC and XLRI - 47 Managers** are engaged with XLRI for the certification course of first Time Managers to acquire the critical competencies that they will require to succeed as a Manager
- **AON HR Certifications: 16 HR Professionals** identified across BU for the certification under the 6 verticals of Human resources.
- **Toyota Supplier Excellence: 250+ employees** completed the program with focus on improvement of operational excellence by capability enhancement.



- **Tata Global Internship - Tata Group Initiative:** Collaboration with a team of **5 talented Fletcher students** from diverse backgrounds for developing and delivering quality work under the assigned project “ESG parameters and carbon neutrality”.
- **Work Integrated Career Development Program in collaboration with Symbiosis Centre of Corporate Education:** Inaugurated Batch-V consisting of 28 employees for Executive Post graduate diploma in Business Management across location Convocation of **20 employees of Batch-IV** for successfully completing their course.
- **Blue Mint - Tata Group Initiative: 12 Employees got selected for Blue Mint Cohort II** to achieve Capability building with the London Business School, Cross-functional Capstone project under EV segment was identified.
- **Leap Vault** – 36 senior leaders including NTACO TitanX have graduated the leap vault program delivered by INSEAD & IIM-B. They took action learning projects and were provided coaching to hone their leadership skills.
- Launch of a new Academy “**Academy of Linguistics & Cross Cultural Engagements**” to **promote cross cultural diversity** and for providing foreign language training to all the employees.
- **Updates on LMS Platform:** Benchmarking of Learning Management System (LMS) with Tata Motors, Tata Power and other automotive industry which can be defined as a holistic, end-to-end software solution for the planning, execution, documentation, tracking, evaluating and reporting of knowledge or skill-based courses and learning programs. SAP SuccessFactors has been finalized for Human Capital and Talent Management which will have a dedicated module for Learning Management. This will be implemented in FY 2022-23.

13. Performance of Companies that are Consolidated:

The Consolidated Financial Statements of the Company prepared in accordance with IND AS -110 issued by the Institute of Chartered Accountants of India, form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The annual accounts of the these companies and related detailed information will be kept at the Registered Office of the Company, as also at the registered offices of the respective companies and will be available to investors seeking information at any time.

The consolidated financial results reflect the operations of the following companies.

- Automotive Stampings and Assemblies Ltd.
- Nanjing Tata AutoComp Systems Ltd.
- Ryhpez Holding (Sweden) AB
- TACO Engineering Services GmbH
- Tata Toyo Radiator Limited
- Tata AutoComp Hendrickson Suspensions Private Limited



Performance of Companies which are consolidated

- (a) **Automotive Stampings and Assemblies Ltd**- Revenue from Operations is Rs. 607.64 Cr. (FY 2020-21 Rs. 339.13 Cr.) and Profit after Taxes Rs. 52.31 Cr. (FY 2020-21 (-) 29.70 Cr.)
- (b) **Nanjing Tata AutoComp Systems Ltd**- Revenue from Operations is Rs.371.79 Cr. (FY 2020-21 Rs. 319.88 Cr.) and profit after tax is Rs. 19.36 Cr. (FY 2020-21 Rs. 11.40 Cr.)
- (c) **Ryhpez Holding (Sweden) AB** - Revenue from Operations is Rs. 2155.66 Cr. (FY 2020-21 Rs. 1493.13 Cr.) and profit after tax is Rs. 20.04 Cr. (FY 2020-21 (-) Rs 76.77 Cr.)
- (d) **TACO Engineering Services GmbH** - Revenue from Operations is Rs. 1.87 Cr. (FY 2020-21 Rs. 1.79 Cr) and profit after tax Rs. 0.08 Cr. (FY 2020-21 (-) Rs 0.37 Cr.)
- (e) **Tata Toyo Radiator Ltd** - Revenue from Operations is Rs. 897.27 Cr (FY 2020-21 579.18) and Profit after Tax is Cr. Rs. 58.18 Cr (FY 2020-21 Rs. (-) Rs.35.39 Cr.)
- (f) **Tata AutoComp Hendrickson Suspensions Private Limited** - Revenue from Operations is Rs. 315.24 Cr (FY 2020-21 Rs. 161.77 Cr) and Profit after Tax is Cr. 42.58 Cr (FY 2020-21 21.33 Cr)

A statement containing the salient features of the financial position of the subsidiary companies in Form AOC -1 is annexed as **Annexure 3**.

Performance of other JV Companies which are not consolidated

- (a) **Tata Ficosa Automotive Systems Private Limited** - Revenue from Operations is Rs. 457.85 Cr. (FY 2020-21 Rs.275.57 Cr.) and profit after tax is Rs.39.89 Cr. (FY 2020-21 Rs 4.37 Cr.)
- (b) **Tata AutoComp GY Batteries Private Limited** - Revenue from Operations is Rs. 538.47 Cr. (FY 2020-21 Rs.471.41 Cr.) and profit after tax is Rs. 1.46 Cr. (FY 2020-21 (-) Rs 3.83 Cr.)
- (c) **TM Automotive Seating Systems Private Limited** - Revenue from Operations is Rs.626.92 Cr. (FY 2020-21 Rs. 239.25 Cr.) and profit after tax is Rs. 44.51 Cr. (FY 2020-21 Rs. 11.80 Cr.)
- (d) **TATA AutoComp Katcon Exhaust Systems Private Limited**- Revenue from Operations is Rs. 290.07 Cr. (FY 2020-21 Rs. 257.37 Cr.) and profit after tax is Rs. 9.22 Cr. (FY 2020-21 Rs 9.41 Cr.)
- (e) **Air International TTR Thermal Systems Private Limited** - Revenue from Operations is Rs.173.96 Cr. (FY 2020-21 Rs.69.47 Cr.) and profit after tax is Rs. 7.38 Cr. (FY 2020-21(-) Rs 2.67 Cr.)
- (f) **TACO Prestolite Electric Private Ltd** - Revenue from Operations is Rs. 87.98 Cr. (FY 2020-21 Rs.16.66 Cr.) and profit after tax is (-) Rs. 0.73 Cr. (FY 2020-21 (-) Rs 0.07 Cr.)



14. Particulars of loans, guarantees or investments:

The Company has not given any loans or guarantees or provided any security during the year in terms of Section 186 of the Companies Act, 2013 except the following:

1. Company has given Loan of Rs. 70.00 Crs to Automotive Stampings and Assemblies Limited.
2. Company has given Loan of Rs. 10.00 Crs to Tata Toyo Radiator Ltd.
3. Company has given Loan of Rs. 15.00 Crs to Tata Ficosa Automotive Systems Private Limited.
4. Company has given Loan of Rs. 52.50 Crs to Tata Autocomp GY Batteries Private Limited.
5. Company has given Loan of Rs. 4.00 Crs to Air International TTR Thermal Systems Private Limited.
6. Company has given Loan of Rs. 27.50 Crs to TACO Prestolite Electric (India) Private Limited.
7. Company has invested Rs 10.00 Crs in Air International TTR Thermal Systems Private Limited as share capital investment.
8. Company has given the following financial guarantees during the year in respect of loan facilities taken by Ryhpez Holding (Sweden) AB

Particulars	Currency	Sanctioned limit	Guarantee amount
Facility 1	USD	25.0	27.5
Facility A1 Tranche 1 – Term loan	USD	40.0	42.0
Facility A1 Tranche 2 – Term loan	Euro	36.4	38.2
Facility A2 Tranche 1 – Term Loan	USD	10.0	10.5
Facility A2 Tranche 2 – Term Loan	Euro	9.1	9.6
Facility B – Revolving loan facility *	USD	25.0	26.3

* The facility can be availed in equivalent euro

15. Related Party Transactions:

During the Financial Year 2021-22, the Company had transactions with related parties as defined under the Companies Act, 2013. The basis of related party transactions is placed before the Audit Committee. All these transactions with related parties were in the ordinary course of business and are at an arm's length basis. There were no material related party transactions during the financial year. Suitable disclosure as required by the IND AS -24 has been made in the notes to the Financial Statements.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.



16. Statement on declaration given by independent Directors under Section 149 (7):

The definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Section 149(6) of the Companies Act, 2013 :-

- a) Mr. Hari Mundra
- b) Ms. Rati Forbes

All independent Directors have complied with the requirement of inclusion of their name in the data bank maintained by Indian Institute of Corporate Affairs as envisaged under Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, as applicable.

Familiarization programme for Directors:

The Directors (Independent and Non-Independent) are made to interact with Senior Management Personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

The role, rights, duties and responsibilities of Independent Directors have been incorporated in the Letters of Appointment issued to them. The amendments / updates in statutory provisions are informed from time to time. The information with respect to the nature of industry in which the Company operates and business model of the Company, etc. is made known through various presentations on operational performance, strategy, budgets & business forecasts, etc. to the Board.

The above initiatives help the Directors to understand the Company, its strategy, business and the regulatory framework in which the Company operates to effectively fulfil their role as Directors of the Company.

During the Financial Year 2021-22, no new Independent Directors are appointed on the Board of your Company.

17. Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made in Audit Report:

(i) Statutory audit report: The observations of the auditor in their audit report, read along with the relevant Notes to accounts, are self-explanatory and do not require any additional explanations. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review. There are No qualifications, reservations, adverse remark or disclaimer made by BSR & Co. LLP, Statutory Auditors, in their report.

(ii) Secretarial audit report: There are No qualifications/reservations/adverse remark/disclaimer made by M/s. Prajot Tungare & Associates, Company Secretary in Practice, in their audit report annexed as Annexure 1.



Material changes and commitments:

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of your Company occurred between the end of the financial year of your Company and date of this report.

18. Corporate Social Responsibility (CSR):

1. Brief outline of the Company's CSR policy:

As per Annexure 5.

2. The composition of the CSR Committee:

The Board of Directors have constituted a CSR Committee in accordance with the requirements of Section 135 (1) of the Companies Act, 2013 ("Act"), which currently comprises:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Rati Forbes (Chairperson)	Independent Director	1	1
2	Mr. Milind Shahane	Non-Executive Director	1	0
3	Mr. Arvind Goel	MD & CEO	1	1

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The said details are provided on <https://tataautocomp.com/csr/>

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

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

Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
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		(in Rs)	(in Rs)
	Total	Nil	Nil

6. Average Net Profit* of the Company for last 3 Financial Years:

Financial Year	Net Profit*
FY 2018-19	9738.39
FY 2019-20	5071.49
FY 2020-21	8233.77
Average Net Profit	7681.22

**Note: The above net profit has been calculated in accordance with the provisions of Section 198 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014.*

7. (a) Two percent of average net profit of the company as per section 135(5)

The prescribed CSR expenditure for FY 2021-22 was Rs.153.62 lakhs

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 153.62 lakhs

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

Total Amount Spent for the Financial Year. (in Rs.Lac)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
FY'21-22	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
153.62	Nil	NA	Nil	Nil	Nil



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

Not Applicable

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration. (Years)	(7) Amount allocated for the project (in Rs.Lakh).	(8) Amount spent in the current financial Year (in Rs. Lakh).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs. Lakh).	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
-	-	-	-	-	-	-	-	-	-	-	-	-

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs. Lakh).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Engineering Education Scholarship	II. Promoting Education	Yes	Maharashtra , Pune		12.20	No	Lila Poonawalla Foudnation and Urban Rural Management Empower Establishment	CSR0000009



2	Punarutthan Samarasta Gurukulam Orphanage (Pune) & Saraswati Anath Shikshan Ashram (SASA) (Pune)	I. Eradicating hunger, poverty & malnutrition	Yes	Maharashtra, Pune	5.00	No	Urban Rural Management Empower Establishment (URMEE)	CSR00006410
3	Water Sanitation & Hygiene Management (WASH) & Menstrual Hygiene Management (MHM)	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Yes	Maharashtra , Pune	50.00	No	Tata Education and Development Trust	CSR00003775
4	Worker Facilitation Centre in Khed Taluka to support Migrant Labourers to get access to Citizen and Worker right and seek counsel	III. Promoting Education & providing facilities for reducing inequalities faced by socially & economically backward groups	Yes	Maharashtra, Pune	9.60	No	Ajeevika Bureau Trust	CSR0003350
5	Swayam: Vocation Skills for enabling livelihood for specially Abled People	II. Promoting Education & vocational skills for differently abled	Yes	Maharashtra, Pune	10.00	No	Social Venture Partners	CSR00001672



6	Skill Development : Non-Auto & Paramedical Training	II. Promoting Education including Special education & employment enhancing vocational Skills	Yes	Maharashtra , Pune	5.98	No	MITCON Foundation	CSR00001242
7	Skill Development : Capacity Enhancement & value Addition for a Pharma producer group	II. Promoting Education including Special education & employment enhancing vocational Skills	Yes	Maharashtra , Pune	2.02	No	Shashwat Trust	CSR00003294
8	Urban Forestry	IV) Ensuring environmental sustainability , ecological balance	Yes	Maharashtra , Pune	12.00	No	Terre Policy Centre	CSR00001446
9	COVID Support for vaccination	I. Eradicating hunger, poverty & malnutrition, promoting Health Care including preventive Health care	Yes	Maharashtra , Pune	10.00	Yes	Sumant Moolgaokar Donation Foundation	CSR00006722
10	HoPE Project for Holistic Development of Children at Punaruthan Samarasta Gurukulam Orphanage	II. Promoting Education including Special Education	Yes	Maharashtra, Pune	3.50	Yes	Urban Rural Management Empower Establishment (URMEE)	CSR00006410
11	HoPE Project of students in Zilla Parishad Schools	II. Promoting Education including Special Education	Yes	Maharashtra , Pune	2.97	Yes	Urban Rural Management Empower Establishment (URMEE)	CSR00006410
12	Infrastructure Support In Govt, School	II. Promoting Education	Yes	Maharashtra, Pune	3.00	Yes	Urban Rural Management Empower Establishment (URMEE)	CSR00006410
13	Skill Development of	II. Promoting Education including	Yes	Maharashtra, Pune	10.00	Yes	Y4D Foundation	CSR00000374



	Youth in Khed Taluka	Special education & employment enhancing vocational Skills						
14	Community Learning Center for students & Teachers in Khed Taluka to bridge Learning Gap created during COVID Lockdown	II. Promoting Education	Yes	Maharashtra , Pune	10.00	Yes	Urban Rural Management Empower Establishment (URMEE)	CSR00006410
	Total				146.27			

(d) Amount spent in Administrative Overheads: Rs. 7.35 Lac

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 153.62 Lac

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

Sl. No.	Particular	Amount (in Rs. Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 153.62
(ii)	Total amount spent for the Financial Year	Rs. 153.62
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial	Amount transferred	Amount spent in the	Amount transferred to any fund specified under	Amount remaining
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	Year.	to Unspent CSR Account under section 135 (6) (in Rs.)	reporting Financial Year (in Rs.).	Schedule VII as per section 135(6), if any.			to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	FY'20-21	31.83	31.83	Nil	Nil	Nil	Nil
-	Total	31.83	31.83	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.Lac).	Amount spent on the project in the reporting Financial Year (in Rs Lac).	Cumulative amount spent at the end of reporting Financial Year. (in Rs. Lac)	Status of the project - Completed /Ongoing.
1	1	Scholarship for High School Girls in Khed Taluka (Pune)	FY 2020-21	2 years	8.00	4.00	8.00	Completed
2	2	Engineering Education sponsorship of 13 girl students (Pune)	FY 2020-21	2 years	14.09	7.00	14.09	Completed
3	3	Food for children & Holistic Development of Children at Punrutthan Samarsatam Gurukulam Orphanage (Pune) & Saraswati Anath Shikshan Ashram (SASA) (Pune)	FY 2020-21	2 years	14.91	10.50	14.91	Completed
4	4	Personality		2 years	3.00	1.50	3.00	Completed



		development & English speaking of 40 students	FY 2020-21					
5	5	Youth Holistic Development Support from schools in Pune	FY 2020-21	2 years	11.83	8.83	11.83	Completed
	Total	-	-	-	51.83	31.83	51.83	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

Nil

asset-wise details:

(a) Date of creation or acquisition of the capital asset(s): Nil

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

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

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

11. The reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable

19. Awards & Recognitions:

During the year, your Company, along with its Business Units received various awards and recognitions from Media, Industry bodies and OEM Customers for improvement in performance in terms of delivery and quality; and following are a few of them enumerated below:

Recognition by	Awards details 2021-22
Tata Motors	ASAL received Certificate of Appreciation from TML - Lucknow
Ashok Leyland	Tata AutoComp Composites Division - Pantnagar awarded 1st Prize in ALVES Effectiveness



	Competition by Ashok Leyland
CII	Tata AutoComp Interiors and Plastics Division (IPD) bagged Silver Award - CII National 3M Kaizen Competition
CII	Tata AutoComp-Composites Division wins Special recognition and Runner up Rating in National 5S Excellence Awards 2021 from CII
CII	Tata AutoComp System Interiors and Plastics Division (IPD) bagged Gold Award - CII 3M Competition
QCFI, Pune Chapter	Tata AutoComp Interiors and Plastics Division (IPD) bagged Gold & Silver Awards - QCFI "Quality Improvement Success Story" sharing
QCFI, Pune Chapter	Composites Div wins Gold and Silver ward in Safety Case Study Competitions organized by QCFI (Quality Circle of India) Pune Chapter
CII	Tata AutoComp Systems Interiors and Plastics Division (IPD) bagged Five Awards in CII Champions' Trophy & Challengers Trophy Competition
ACMA	Tata AutoComp Systems wins 1st Prize at ACMA HR Best Practices - Employee Engagement Category
QCFI, National Level	Tata AutoComp Systems Interiors and Plastics Division (IPD) Wins Gold and Silver at National Convention 2021 of QCFI
ACMA	Tata AutoComp Systems Interiors and Plastics Division (IPD) Won 2nd Runner Up Award in ACMA 12th Kaizen Competition
MCCIA	Tata AutoComp Systems receives MCCIA Award in CSR Excellence
Economic Times	Tata AutoComp was awarded "Company of the Year"
Auto Component India	Mr Arvind Goel was awarded "Business Leader of the Year 2021" by Auto Component India magazine
World Auto Forum	Mr. Arvind Goel , MD & CEO - Tata AutoComp Systems received the "Leader of the Year - Manufacturing - 2021-22" at World Auto Forum

20. Disclosure regarding receipt of commission by a Director from the holding or subsidiary of a Company, in which such person is a managing or whole-time Director:

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company, attached as Annexure 4. None of the Directors of the Company, who may be a Managing or Whole-time Director of the Company's holding or subsidiary companies, have received any remuneration, including commission from such holding or subsidiary companies during the year.



21. Public Deposits:

Your Company has not accepted any fixed deposits from the public and there are no outstanding fixed deposits from the public as on March 31, 2022.

22. Risk Management Process:

As per the Risk Management Policy, an assessment of Critical and Non Critical Risks was carried out under Risk Categories of Strategic, Financial, Operational, and Regulatory. Based on that Risk Register is updated with plans to mitigate the Risks in each Risk Category.

23. Internal Financial Control:

The Company has developed a robust Internal Control Framework by documenting Policies and Process Notes, covering major areas under Finance and other Operating Functions. These Policies and Process Notes, together with Financial Powers Policy, Budgeting, ERP based Exception Reports & Controls and Internal Audit mechanism form part of prevailing Internal Control Framework.

Internal Financial Controls, forming part of Internal Control Framework, are adequate and operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

24. Corporate Governance:

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

Policy w.r.t. qualifications, attributes and independence of a Director:

- A Director will be considered as an "Independent Director" (ID) if the person meets with the criteria for 'Independent Director' as laid down in the Act.
- IDs should be thought/practice leaders in their respective functions/domains
- IDs are expected to abide by the 'Code for Independent Directors' as outlined in the Act. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation for FY 2021-22 of its own performance, the Directors



individually as well as the evaluation of the working of its Committees viz. Audit Committee, 'Nomination and Remuneration Committee', Corporate Social Responsibility Committee for;

- The review of the performance of all the Directors was also evaluated for FY 2021-22 by the 'Nomination and Remuneration Committee'.
- The performance review of the Non-independent Directors was evaluated for FY 2021-22 in the meeting of the 'Independent Directors'.
- The broad criteria followed for evaluation of the performance of individual Directors include:
 - (a) Attendance;
 - (b) Contribution at Board meetings;
 - (c) Guidance/ support to management outside Board/ Committee meetings.

Additionally, for the Chairman of the Board, the key aspects of the role like (a) setting the strategic agenda of the Board with focus on long term value creation for all stakeholders; (b) encouraging active engagement by all the members of the Board and promoting effective relationships and open communication; (c) Communicating effectively with all stakeholders and enabling meaningful relationships were considered.

- The broad criteria followed for evaluation of the performance of the Board and its committees include as applicable (a) Structure of the Board; (b) Meeting of the Board; (c) Functions of the Board; (d) Board & Management.

Board Diversity:

The Board ensures that a transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is ensured that the Board has an appropriate blend of functional and industry expertise.

Board of Directors & KMPs

Details of Directors or Key Managerial Personnel who were appointed, re-appointed or have resigned during the year:

- Mr. Ankur Verma , Director of your Company is retiring by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

Number of meetings held:

Six meetings of the Board of Directors were held during the year on May 05, 2021, August 26, 2021, November 22, 2021, December 31, 2021, January 28, 2022 and March 23, 2022.

25. Committees of the Board:

➤ **Audit Committee**

The Board has Audit Committee comprising of Three Directors viz. Mr. Hari Mundra (Chairman), Ms. Rati Forbes and Mr. Milind Shahane. The Statutory Auditors,



Internal Auditors along with the Group Chief Financial Officer regularly attend the Audit Committee meetings. The Managing Director & CEO of your Company attends the meeting on invitation.

Three meetings of Audit Committee were held during the year on May 05, 2021, August 26, 2021 and November 22, 2021.

All recommendations of Audit Committee were accepted by the Board from time to time.

➤ **Nomination and Remuneration Committee (NRC)**

The 'Nomination and Remuneration Committee' was constituted pursuant to facilitating review of performance of the senior management personnel. This Committee comprises of Ms. Rati Forbes (Chairperson), Mr. Praveen Kadle and Mr. Hari Mundra.

During the year, two meetings of Nomination and Remuneration Committee were held on May 05, 2021 and March 24, 2022.

The terms of reference of NRC includes:

- a) Recommend to the Board the setup and composition of the Board and its Committees. This shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a Director".
- b) Periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- c) Recommend to the Board the appointment or reappointment of Directors.
- d) Devise a policy on Board diversity.
- e) Recommend to the Board appointment of Key Managerial Personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by the Committee).
- f) Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and Individual Directors.
- g) Formulation of criteria for evaluation of Independent Directors and the Board.
- h) Oversee the performance review process of the KMP and the executive team of the Company.
- i) Recommend to the Board the remuneration policy for Directors, executive team/ KMP as well as the rest of the employees.
- j) On an annual basis, recommend to the Board the remuneration payable to Directors and executive team/ Managerial Person of the Company.
- k) Oversee familiarization programmes for Directors.
- l) Oversee the HR philosophy, HR and People strategy and HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMP and executive team).
- m) Provide guidelines for remuneration of Directors on material subsidiaries.
- n) Performing such other duties and responsibilities as may be consistent with the provisions of the Committee Charter.



The key principles of the Remuneration Policy are enclosed as Annexure 4.

➤ **CSR Committee:**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee was constituted by the Board of Directors of the Company at its meeting held on March 28, 2014.

The CSR Committee comprises of Ms. Rati Forbes, (Chairperson), Mr. Milind Shahane and Mr. Arvind Goel.

During the year one meetings of CSR Committee was held on January 28, 2022.

26. Directors' Responsibility Statement:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed and there are no material departures;
- b) accounting policies have been selected and applied consistently. Judgments and estimates that are reasonable and prudent have been made, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit/loss of the Company for the year ended on that date;
- c) proper and sufficient care have been taken for the maintenance of accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing & detecting fraud and/or other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) internal financial controls have been laid down by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

27. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on "Prevention, Prohibition and Redressal of sexual harassment at workplace" in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.



Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has received two complaints in FY 2021-22 on sexual harassment. We have thoroughly carried out the investigation as per legal provisions of Act through Internal Complaints Committee along with External Advisory Member. On the basis of recommendation from Internal Complaints Committee (ICC), for one case termination action was taken against accused and in other case accused was suspended for 3 days without pay besides transferring from present location to other location.

28. Details of establishment of vigil mechanism and anti-bribery anti-corruption policy:

a) Details of establishment of vigil mechanism

The Company has adopted a Whistle Blower Policy, to provide a formal vigil mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. Whistle Blower Policy is available on the website of the Company at www.tataautocomp.com.

b) Anti-Bribery Anti-Corruption Policy.

The company has adopted Anti-Bribery Anti-Corruption Policy applicable to all individuals working at all levels and grades, including directors, senior managers, officers, other employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, or any other person associated with our Company and such other persons, including those acting on behalf of your Company. Policy is available on the Company portal.

No instances of violation of this policy are reported during the financial year 2021-22.

29. Significant and Material Orders Passed by the Regulators or Courts:

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

30. Auditors:

a) Statutory Auditors

M/s. B S R & Co. LLP, Chartered Accountant, (Firm Registration No. 101248W / W-100022) has been appointed as Statutory Auditors of the Company from the conclusion of ensuing Annual general Meeting (26th AGM) till the conclusion of Annual General Meeting (31st) to be held in F.Y 2027-28 (for the F.Y 2026-27) i.e., for a period of 5 (five) years of your Company as Statutory Auditors. Your Company has received a letter in this connection to the effect, that their reappointment, if made,



would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment.

b) Cost Auditors

Under an order of the Ministry of Corporate Affairs, your Company has appointed Harshad Deshpande & Associates, Cost Accountants, Pune, Firm Registration No. 00378, as Cost Auditor for the financial year 2021-22. Your Company recommends the appointment of the same cost auditor for FY 2022-23. Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is applicable to the Company and accordingly such accounts and records are made and maintained.

c) Internal Auditor

Your Company carries out internal audit through an outsourced internal audit firm. M/s PWC, the outsourced internal audit firm have done their audit as per the scope of audit determined by the audit committee. Their reports and findings are tabled at the Audit Committee and appropriate corrective actions are taken by the Management. Additionally, your Company's Internal Audit department also undertook various Internal Audit jobs and special assignments as mandated by Audit Committee and Management Needs.

d) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Prajot Tungare and Associates, Company Secretaries, Pune to undertake the Secretarial Audit of the Company for the Financial year ended March 31, 2022. The Board of Directors of the Company is in the process of appointing Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year ending March 31, 2023.

31. Conservation of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed as Annexure 2.

32. Particulars of Employees And Remuneration:

The information required under Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure 6 and 7. Any Shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company.



33. Annual Return:

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2021-22 will be available on Company's website at: www.tataautocomp.com.

34. Secretarial Standard:

The Company has complied with all the applicable Secretarial Standards.

35. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

Not Applicable

36. Acknowledgements:

The Directors wish to place on record their sincere thanks and appreciation for the support and co-operation extended by financial institution, banks, Central and State Government, customers, employees, suppliers and above all the Members of your Company.

For and on behalf of the Board

Date : April 28, 2022

Sd/-

Place : Pune

Chairman



Annexure to the Directors' Report

Annexure 1 - Secretarial Audit Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

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

The Members,
Tata Autocomp Systems Limited,
Pune

We have conducted secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by Tata Autocomp Systems Limited, ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Management is responsible for the preparation and filling of all the forms, returns and documents for the compliances under the Companies Act, 2013, rules there under and laws and regulations listed hereinafter and to ensure that they are free from material non-compliance, whether due to fraud or error.

Secretarial Audit for the Company is conducted as a process of verification of records and documents on sample basis to check compliances with the provisions of laws, rules and procedures. The procedure for Secretarial Audit is selected on the Secretarial Auditor's judgment of material facts of the documents filed. Our responsibility is to express an opinion on the secretarial compliances of the aforesaid laws done by the Company on the basis of our audit. We have conducted our audit solely on the basis of compliances and filling done by the Company under the below mentioned laws.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby make our report on the basis of our opinion, that the Company has during the audit period covering the financial year ended on 31st March 2022, complied with the statutory provisions listed hereunder and the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.



We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022, through verification of the data and documents according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder with respect to Overseas Direct Investment; and
- (iii) As discussed with the Officials of the Company, there are no Other Industry Specific Laws applicable to the Company; and
- (iv) We have also examined compliance with respect to the applicable clauses of Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India.

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

We further state, the management of the Company informed that certain meetings of the board and committee of directors for the financial year 2021-22 were held in last week of March 2022. Accordingly, the Independent Directors meeting for the financial year 2021-22 is scheduled to be held on 28th April 2022, to ensure proper performance evaluation of the financial year 2021-22.

We report that the compliance by the Company of applicable accounting and financial statements and laws relating thereto, has not been reviewed in this audit, since the same has been subject of review by the statutory auditor(s) and other designated professionals.

We further report that:

- Board of Directors of the Company is duly constituted with proper balance of Directors, Non-Executive Directors and Independent Directors, including Woman Director. Further, change in directorship during the period under review were carried out in the compliances with the provisions of the Act.
- As per information and representation given adequate notice is given to all Directors of scheduled Board Meetings; agenda and detailed notice on the agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications of the agenda items before the meeting and the meaningful participation in the meeting. Further, where notice of General Meeting, agenda, notes on agenda were circulated with shorter period of less than twenty-one days, all members have consented for shorter period of circulation of the same;



- As per minutes of the meetings recorded and noted by the Chairman, no dissenting views have been recorded.

We report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit and also on the review of representation provided by the Officers, Company Secretary and Directors of the Company, in our opinion adequate systems, processes and control mechanism exist in the Company commensurate with its size and operations to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines as mentioned above.

For Prajot Tungare & Associates
Company Secretaries


CS Prajot Tungare
Partner



FCS: 5484
CP No: 4449
UDIN: F005484D000233580

Date: 28th April 2022
Place: Pune

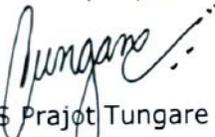
ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE FOR 2021-22

The Members
Tata Autocomp Systems Limited
Pune

Our Secretarial Audit Report of even date is to be read along with this letter.

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

For Prajot Tungare & Associates
Company Secretaries


CS Prajot Tungare
Partner
FCS: 5484
CP No: 4449
UDIN: F005484D000233580



Date: 28th April 2022
Place: Pune



Annexure 2

Information required as per As per Rule 8 of The Companies (Accounts) Rules, 2014.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. CONSERVATION OF ENERGY:

(a) Energy conservation measures taken :

Interiors & Plastics Division

1. Optimized energy consumption by using temperature controller of Oil cooler pump (5 HP) in 2500Ton machine –Bangalore
2. Installed New SVG (Static Var Generator) panel for maintaining Power Factor – Chinchwad
3. Replacement of 10 Hp secondary chiller water circulation pump with energy efficient 7.5 hp pump – Maan
4. Reduction in Energy saving due to servo system implementation – Maan & Bangalore
5. 500T IM machine Auto pump off circuit fixed when machine idle more than 5min. – Chakan
6. 3 Productivity improvement Projects completed in Robotic Paint shop and Molding process – Hinjewadi
7. Cooling tower VFD (Variable frequency Drive) motor speed Reduced from 45HZ to 35 KHZ – Chakan

Composites Division

1. Optimized Chakan plant energy producing renewable energy through solar installation by **904181 kwh** in year 2021-22
2. Optimized power consumption of Vacuum Unit in all three big press compression molding press by introducing auto stop during idle condition saving **35946 kwh** in year 2021-22
3. LPG replaced with Piped Natural Gas as Boiler and Paint Shop Burner Fuel at Pantnagar.
4. Optimized purchased energy consumption at Pant nagar plant through solar installation by **303875 kwh** in year 2021-22



(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

Interiors & Plastics Division

1. Retro fitment of existing APFC panel to maintain power factor – Hinjewadi Plant
2. Energy efficient Air Compressor – Chinchwad
3. Replacement of chiller (no-2) condenser – Chinchwad
4. Replacement Energy efficient Utility water Pumps – Chinchwad
5. Energy efficient Motor for shipping conveyor – Chinchwad
6. Servo conversion on 450T & 350T Injection Molding Machine – Maan, Bangalore & Sanand
7. Proposal for Thermal insulation Jacket for Barrel Heating loss on 850T/650T IMM – Maan
8. Energy saving by changing 3 phase heaters of 2750 T with single phase at Jamshedpur Plant
9. Planning to Increase efficiency of Air Compressors by reworking the screw element (15 % running time will be reduced) – Bangalore

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Interiors & Plastics Division

The projects implemented in the plant have resulted in reduction in power consumption by Rs.3.23 Cr. in FY 2021-22. Projects include Solar Power plants (1.84 Cr.), Servo system implementation (0.67 Cr.), Energy Efficient Lights etc.

Investment and saving details of current year and last year are as under:

Year	Investment (Rs. In Crores)	Savings (Rs. In Crores)
2021-22	0.50	3.23
2020-21	0.09	3.03
2019-20	2.27	3.72

B. TECHNOLOGY ABSORPTION

1. Research and Development (R&D)

I) Specific Areas of Research & Development

Interiors & Plastics Division:

- Hot Foil Stamping: Decorative stamping of films on exterior Grill



- Pigmented materials: High gloss pigmented material for glossy parts of commercial vehicles
- Roof rail: Piano Black as Molded components in roof rail applications to remove painting process.
- 2-Wheeler plastic components engineering and development
- Under hood component development for export for European CV OEM

Composites Division

- Implementation of FST (Fire, Smoke, Toxicity) compliant Material meeting European Metro Railways safety norms for Metro parts and systems.
- Implementation of Fire resistant composite material for Lithium ion EV Battery Covers
- Development and implementation of Cost effective Low Density formulation of density 1.4 to 1.5 offering 20 % more weight saving than standard density SMC (Sheet Molding Compounds) parts.
- Design, development and commercialization of UV-laser printable BMC (Bulk Molding Compounds) for electrical application.

II) Benefits derived as a result of the above Research & Development:

Interiors & Plastics Division

- FSS (Full-Service Supplier) project for console, IP, CCB and door trim parts
- Phase 1 Technology Road Map projects under commercialization and SOP

Composites Division

- New customer acquisition. Entry into EPV and Metro Rail segments and bottom line improvement through the use of in-house developed SMC meeting global safety standards.
- Making new lightweight material technology attractive to the cost-sensitive Indian OEMs.
- Growth and sustenance of Compound Business



III) Future Plan of action

Interiors & Plastics Division

In future, our Company plans to work for part integration and plastics recycling technologies as well as new products with enhanced perceived quality and process integration.

- Continue to enhance FSS (Full-Service Support) capability
- Automation in Air Vent Efforts
- Technology development of Electrical and Electronic touch applications
- Decorative appliques with paint elimination, weight reduction through core back processes
- Metal to Plastic Under hood components

Composites Division

- New Application development for Lighting Boom SMC Panels for Rapid Rail Transport System (RRTS)
- Design and development of structural SMC parts for lithium-ion battery trays.
- Development and validation of next generation low density SMC materials of density 1.3 to 1.4 offering 25 to 30 % additional weight saving against the standard density SMC parts.
- Design and development of composite cargo boxes.

1. Expenditure on R&D

(Figures in Rs. Crs)

Particulars	FY 21-22 (Actuals)	Eligible Expenditure u/s 35(2AB)
Capital Expenditure on R&D	0.77	Nil
Recurring Expenditure on R&D	9.69	Nil
Total Expenditure on R&D (A)	10.46	Nil

The above disclosure regarding the Company's expenditure on its research and development activity have not been made for the financial year ended on March 31, 2022 in the audited accounts since the Company is not claiming deduction u/s 35(2AB) of Income tax act, 1961 consequent to its decision to opt for lower income tax rate u/s 115 BAA of Income tax act, 1961.

2. Technology absorption, adaptation and innovation



I) Efforts made in technology absorption, adaptation and innovation

Interiors & Plastics Division

Following efforts were made by your company in technology absorption, adaptation and innovation:

- Through competitor benchmarking, customer insights and discussions with suppliers/partners, PESTEL and SWOT analysis - projects in short, medium- and long-term technology roadmap updated
- Workshops with supplier partners in prototyping/ EV/ Light weighting/ Areas under Technology Road Map

Composites Division

- Development of a patented Composite V-cross arm technology for power transmission application.

II) Benefits derived as a result of the above efforts

Interiors & Plastics Division

- FSS awarded for customer IP, CCB, console, TML Door trim
- Projects with new customers/ OEMs
- Projects in 2 Wheeler industry

Composites Division

- Growth of Export business
- Import substitution for key performance additives. Cost reduction.

III) In case of Imported Technology, Technology imported during last five years

Technology Imported	Year of Import	Has Technology been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action
Interiors & Plastics Division:			
Soft touch material for Paint elimination	2017	Yes	
Fabric Lamination for door trims	2017	Yes	

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans:



During the year there is an increase in export business by 108 Cr. and Company will continue to work towards adding customers for potential export business.

(b) Total foreign exchange used and earned:

Exports Turnover of your Company for last three financial years is as given below:

Year	Export Turnover (In INR Crs)
2019 – 20	151.98
2020 – 21	195.98
2021 – 22	354.13

In terms of aforesaid Rules, your Company has earned foreign exchange of Rs. 307.19 Crs and has spent Rs. 714.54 Crs in foreign exchange currency during the last year.

For and on behalf of the Board of Directors

Date : April 28, 2022
Place : Pune

Sd/-
Chairman



Annexure 3:

FORM NO. AOC – 1 (Pursuant to first proviso to Sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

|

Annexure 3 Form AOC-1
Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1
Part A: Subsidiaries

(₹ crores)

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate (Refer Note 1)	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before taxation	Tax Expense/(Credit)	Profit/(Loss) after taxation	OCI	Profit after OCI	Proposed dividend	% of shareholding *
1	TATA AutoComp Systems Limited (Standalone)	1995-96	March 31, 2022	INR	NA	201.28	1,044.73	2,448.93	2,448.93	645.74	2,817.07	375.05	77.07	297.98	-6.31	291.67	-	72.65%**
2	Ryhpez Holding (Sweden) AB	2016-17	March 31, 2022	SEK	Closing rate = 8.14 Average rate = 8.46	354.63	(238.39)	1,991.28	1,991.28	-	2,155.66	26.85	6.81	20.04	6.80	26.84	-	100%
3	Automotive Stampings and Assemblies Limited	2003-04	March 31, 2022	INR	NA	15.86	(51.58)	180.90	180.90	-	607.64	52.31	-	52.31	0.70	53.01	-	75%
4	Nanjing Tata AutoComp Systems Limited	2006-07	March 31, 2022	RMB	Closing rate = 11.94 Average rate = 11.60	40.18	151.72	395.18	395.18	-	371.79	23.55	4.19	19.36	-	19.36	-	100%
5	TACO Engineering Services GmbH	2013-14	March 31, 2022	EUR	Closing rate = 84.22 Average rate = 86.53	0.21	0.57	1.22	1.22	-	1.87	0.08	-	0.08	-	0.08	-	100%
6	Tata Toyo Radiator Limited	2018-19	March 31, 2022	INR	NA	32.00	124.58	667.07	667.07	-	897.27	77.80	19.63	58.18	-0.06	58.12	-	51%
7	Tata AutoComp Hendrickson Suspensions Private Limited (refer note 3)	2019-20	March 31, 2022	INR	NA	12.42	116.49	208.38	208.38	-	315.24	57.55	14.97	42.58	0.05	42.63	-	50%

* % of share holding of the Company and its subsidiaries

** The percentage of Shareholding includes 14.25% of Tata Sons, 24% of Tata Capital and 34.4% of Tata Industries in the Company

Note:

- The accounts of the foreign subsidiaries have been converted at closing rate for Balance Sheet and average rate for Profit and Loss account items.
- Taco Holding Mauritius Limited has been merged with Tata Autocomp Systems Limited

Additional details:

I. Name of subsidiaries which are yet to commence operations Nil

II. Name of subsidiaries which have been liquidated or sold during the year : Nil

For and on behalf of the Board of Directors

Date : April 28, 2022

Place : Pune

Sd/-
Chairman

Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Name of the entity	Latest audited Balance Sheet date	Date on which the Associate or Joint Venture was associated or acquired	Reporting currency	Shares of the Associate / Joint Ventures held by the Company as on March 31, 2022			Description of how there is significant influence	Reason why the Associate / Joint Venture is not consolidated	Networth attributable to shareholding as per latest balance sheet (₹ crores) (Refer Note 1)	Share of Profit / (Loss) for the year	
				No of shares held by the company in associate / joint venture	Amount of investment in associate / joint venture (₹ crores)	Extent of holding				Considered in Consolidation (₹ crores)	Not Considered in Consolidation (₹ crores)
A. Joint Ventures								(TACO's Portion only)	(TACO's Portion only)	(JV partner's portion)	
TATA AutoComp GY Batteries Private Limited	March 31, 2022	10-10-2005	INR	10,37,49,950	86.50	50.00%	50% Voting power	38.41	0.11	0.11	
TATA Ficosa Automotive Systems Private Limited	March 31, 2022	14-01-1998	INR	1,87,50,000	18.75	50.00%	50% Voting power	52.80	19.95	19.95	
TM Automotive Seating Systems Private Limited	March 31, 2022	22-05-2015	INR	90,00,000	9.00	50.00%	50% Voting power	30.76	22.26	22.26	
Tata AutoComp Katcon Exhaust System Private Limited	March 31, 2022	19-05-2015	INR	48,91,118	3.21	50.00%	50% Voting power	17.66	4.61	4.61	
AIR International TTR Thermal Systems Private Limited	March 31, 2022	01-10-2021	INR	1,00,00,000	10.00	25.5% till Sept 30, 2021 50% w.e.f. October 01, 2021	25.5% till Sept 30, 2021 50% w.e.f. October 01, 2021	11.41	3.69	3.69	
Tata AutoComp SECO Powertrain Private Limited (w.e.f November 26, 2019) *	NA	26-11-2019	INR	25,000	0.03	50.00%	50% Voting power	0.03	-	-	
Tata AutoComp Gotion Green Energy Solutions Private Limited (w.e.f. March 28, 2020) **	NA	28-03-2020	INR	-	0.00	60.00%	60% Voting power	-	-	-	
TACO Prestolite Electric Private Limited (w.e.f. April 04, 2021) ***	NA	04-04-2021	INR	23,61,767	11.00	50.00%	50% Voting power	7.48	-0.36	-0.36	
TACO Sasken Automotive Electronics Limited #	NA	24-01-2007		76,78,404			UNDER LIQUIDATION, HENCE NO FINANCIALS AS OF MARCH 31, 2022.				
B. Associates											
There is no Associate Company for TACO											

Note :

1) Networth means TACO's portion of Equity Capital and Reserves and Surplus.

2)* Dormant company w.e.f July 13, 2021

3)** The Company has entered into an agreement with Hefei Guoxuan High-Tech Power Energy Co. Ltd on February 26, 2019 to form a joint venture company namely Tata Autocomp Gotion Green Energy Solutions Private Limited. The joint venture was incorporated on March 28, 2020. W.e.f. April 18, 2020, amendments have been made to para 3.1.1 of the FDI policy so as to compel any country which shares a border with India to obtain government approval prior to an investment. This covers inter alia China, Bangladesh and Pakistan. During the current year the Company has obtained approval from the government, however the Company has not made any investment in share capital of the joint venture as on March 31, 2022.

4)*** TACO Prestolite Electric Private Limited is a newly incorporated joint venture (w.e.f. April 04, 2021). It is into manufacturing of Stators & Alternators for Heavy Duty Segment and Electric Vehicle EV Integrated Electric Drive (motor + reducer +inverter) i.e. Traction Motors.

5)# TACO Sasken Automotive Electronics Limited is under liquidation. Company holds 52,00,404 equity shares and 24,78,000 Preference Shares in the same

I Name of associates or joint ventures which are yet to commence operation

None.

II Name of associates or joint ventures which have been liquidated or sold during the year

None.

For and on behalf of the Board of Directors

Date :April 28, 2022
Place : Pune

Sd/-
Chairman



Annexure 4 - Nomination & Remuneration Policy

Key principles governing this remuneration policy are as follows:

- **Remuneration for Independent Directors and non-independent non-executive directors**
 - Independent Directors (“ID”) and non-independent Non-executive Directors (“NED”) may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
 - Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
 - Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
 - Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/ Company’s operations and the Company’s capacity to pay the remuneration.
 - Overall remuneration practices should be consistent with recognized best practices.
 - Quantum of sitting fees may be subject to review on a periodic basis, as required.
 - The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
 - The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.
 - In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/ her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a Director.

- **Remuneration for Managing Director (“MD”)/ Executive Directors (“ED”)/ KMP/ rest of the employees**
 - The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
 - Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)
 - Driven by the role played by the individual,
 - Reflective of size of the Company, complexity of the sector/ industry/ Company’s operations and the Company’s capacity to pay,
 - Consistent with recognized best practices and



- Aligned to any regulatory requirements.
- In terms of remuneration mix or composition,
 - The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through reimbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
 - The Company provides special retirement benefits as applicable.
 - [In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.]
 - [In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
 - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
 - Industry benchmarks of remuneration,
 - Performance of the individual.]
 - The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.
- **Remuneration payable to Director for services rendered in other capacity**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:

 - a) The services rendered are of a professional nature; and
 - b) The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.
- **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

For and on behalf of the Board of Directors

Date : April 28, 2022
Place : Pune

Sd/-
Chairman



Annexure 5 - CSR Policy



Corporate Social Responsibility Policy

TATA Autocomp Systems Core Values

To improve the quality of life of the communities we serve through long term stake holder value creation

Philosophy of CSR

TATA Autocomp System will make a positive impact on the Society & Community thru CSR activities which develops/improves their economic status and conserves the environment.

Purpose of CSR Activities

1) To serve and be seen to serve the society to fulfil local and national goals in all the countries where we operate.

2) Provide opportunities for TACO employees to contribute to these efforts through volunteering

Surplus, if any, arising out of CSR activities shall be ploughed back into CSR and shall not be a part of business profits.

Resources for CSR

We propose to deploy the following resources for our CSR activities

Funds: At the minimum, what is required by law (i.e. 2% of average net profits of the past 3 years as per India's Companies Act 2013 for companies operating in India)

Expertize: Of our Plant CSR committee through structured volunteering program Products and Services of our Company: Expertize of Internal skill development Centers.

Facilities: Our factories to build skills in areas relevant to our business.

Resources from our business partners: Synergize our efforts with that of JV partners, customers and suppliers.

Resources from other companies within and outside the TACO group: Look for opportunities of Synergies with like-minded organizations outside TACO group of companies

N.B.

A. The 2% of net profit as mentioned above is to be applied to TACO's standalone PBT but will exclude the inter-company dividends in India, which are covered under and complying with the provisions of section 135 of the Act.

B. The spend on CSR will need resourcing directly by the company by setting up an exclusive CSR department or a Trust of its own or by collaborating with other NGOs. It is clarified that CSR Regulations allow donations to other tax exempted NGOs provided the funds are earmarked as a part of the corpus of that NGO and are used for the specified purposes stated by us. This route will also be taken where ever required.

C. The CSR spend will include both revenue and capital expenditure and the expenditure incurred on capacity creation is counted towards CSR.

D. Expenses incurred by TACO on general management & administration expenses shall not exceed five per cent of the annual CSR expenditure. Project or programme related expenses directly incurred for designing, implementation, monitoring & evaluation will not be included under administration expenditure

E. Company will carry out its CSR activities: a) Directly as a company with the help of its employees; b) A Section 8 company, a registered public trust or a registered society, registered under Section 12A and 80G of the Income Tax Act, 1961 established by the company undertaking CSR activities, either singly or along with any other company; or c) A Section 8 company, a registered public trust or a registered society, registered under Section 12A and 80G of the Income Tax Act, 1961 and that does not fall within any of the other categories, but such entity will have an established track record of at least three years in undertaking similar programs or projects; or d) A Section 8 company, a registered trust or a registered society established by the Central or State Government; or e) Any entity established under an Act of Parliament or a State legislature.

F. NGO / implementing agencies will have their registrations under BOTH, Section 12A and Section 80G of the Income Tax Act and will obtain the unique CSR registration number from MCA from 1st April 2021 by filing Form CSR 1

Sectors and issues

A) Skills

The company will through its skill development centers set up in the business units and the ITI's adopted by the company (eg . Maninagar and Kadegaon) to build skill in youth's. This would be through vocational training and guidance which will ultimately lead to their livelihood.

In addition, community development initiatives will also be run by employees' families who can teach women in rural places about dress designing, cooking etc.

B) Early childhood Education/orphanages/physically challenged

The company encourages volunteering by employees to support early education and health of children living in orphanages. The support would be provided for their education, ration, medical treatment, books etc.

C) Environment Conservation

The company will focus on various activities which conserves the environment eg. Tree plantation, focus on 3R (Reduce, Reuse, Recycle) etc.

D) Other Initiative

In addition, the company would support during natural disasters, calamities and other TATA group initiative. However, for disaster & calamity spend the spend should be on account of medical aid (promoting & preventive health care), food supply (eradicating hunger, poverty and malnutrition) & supply of clean water (sanitation and making available safe drinking water).

N.B. The Company will identify specific projects and programs under the above sectors chosen for the CSR spend. It is important to note that one off activities such as marathon; awards etc. are not recognized as CSR. Also the programs should not be a part of company's normal business activities. All the projects shall be subject to Schedule VII of the Companies Act, 2013 including any amendment thereto.

TACO shall NOT undertake CSR activities that are i) in pursuance of normal course of business of the company, ii) benefiting employees of the company as defined in clause (k) of section 2 of the

Code on Wages, 2019, iii) supported on sponsorship basis for deriving marketing benefits for the company's products or services, iv) Political contributions; (Direct or Indirect)
vii) Activities in fulfilment of statutory obligations under any law in force in India; viii) Activities undertaken outside India (except for training Indian sports personnel representing any State or Union territory at State/National level or India at international level).

Geographies and target communities

The geographical focus of the company's CSR activities will be where we have a significant presence. Currently, these are the states of Maharashtra, Jharkhand, Gujarat, UP, Uttarakhand, Tamil Nadu and Karnataka in India. In these geographies, we would concentrate our efforts on villages and habitations within 100 km radius of our plants and offices.

While we will ensure that all communities benefit from our CSR activities, we would focus on those groups that are socially and economically marginalized. This would include physically challenged, girl children, scheduled casts and tribes.

Implementation Mechanism

We will implement our CSR through in house teams and by involving families including Ladies Club of employees or NGO/ implementing agencies as mentioned above.

We will also take help of TATA trusts as per TATA group directions.

Company may also collaborate with other companies for undertaking projects or programme or CSR activities in such a manner that the CSR committee of respective companies are in a position to report separately on such projects or programme in accordance with Companies Act, 2013 and rules made thereunder.

The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect

Monitoring Mechanism

Each of our CSR projects and programs would have clearly defined output, outcome and process indicators which will have to be reported on at specified frequencies. All projects and program will be monitored by the board appointed CSR committee and the BU CSR committees. The monitoring process will cover any modifications to the policy, including the CSR structure, program and financial reviews. The CSR Committee will report out to the Board.

All projects and program above a value of Rs. 10 Lac will also be subjected to an annual financial audit by a third-party auditor as part of a regular financial audit.

Company shall ensure that with the approval from CSR Committee and Board, any unspent amount for an "ongoing project" of a particular Financial Year will be transferred within thirty days of the end of the financial year to a designated "Unspent Corporate Social Responsibility Account" opened by the company. The funds in the "Unspent CSR Account" needs to be spent within three financial years from date of transfer. If unspent, then the funds will be transferred to any fund mentioned in Schedule VII of the Companies Act, 2013 (such as the Prime Minister's National Relief Fund, PMCARES, etc.). Company will ensure that with approval of CSR Committee and Board, unspent funds NOT related to an ongoing project (unallocated) at the end of the financial year will be transferred within six months of the end of the financial year to a fund mentioned in Schedule VII of the Companies Act, 2013 (such as the Prime Minister's National Relief Fund, PMCARES, etc.).

If the company spends more than the mandated two per cent on CSR expenditure, the amount can be set-off over the next three financial years after the Board passes a resolution to that effect

In case of ongoing project, the Board of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

Composition of CSR Committee

As per the Act a board committee is constituted. The board committee will provide guiding directions to the company on matters of CSR and will regularly monitor progress.

Names of the board Committee members

1. Mr. Ms. Rati Forbes (Chairperson)
2. Mr. Mr. Milind Shahane
3. Mr. Arvind Goel

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
- (b) the manner of execution of such projects or programmes
- (c) the modalities of utilization of funds and implementation schedules for the projects or programmes (As per Annexure A given in this policy)
- (d) monitoring and reporting mechanism for the projects or programmes
- (e) details of need and impact assessment, if any, for the projects undertaken by the company; Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

The committee will also prepare the draft CSR report at the end of the year for approval by the board for reporting to the shareholders. The Committee should meet on a quarterly basis.

For implementation of the overall directions set by the board, committee of the company will form a BU CSR committee which will have employees from all sections. The CSR committee will do the implementation and report back to the board committee on:

- a) The Company' CSR performance.
- b) Updates on new projects from time to time.

Annexure A

Listing of CSR Program

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs 1) Local area or other 2) specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads: 1.Direct expenditure on projects or programs 1.Overheads	Cumulative expenditure Up to the reporting period	Amount spent Direct or through implementing agency
1							
2							
3							
4							
5							
6							



Annexure 6

Information pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and forming part of Directors Report for the year ended March 31, 2020.

1. The ratio of the remuneration of each Director to the median remuneration* of the Employees of the Company for the financial year:

(Explanation: (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year:

** For calculating median remuneration workman trainees are not included.*

- None of the Directors of the Company is in receipt of any kind of remuneration other than the Sitting Fees & Commission.

Non-Executive Directors	Ratio to Median Percentage	Percentage Increase in Remuneration (%)
Mr. Praveen Kadle	5.66:1	48.72
Mr. Hari Mundra	3.90:1	25
Mr. Milind Shahane	-	-
Mr. Ankur Verma	0.49:1	25
Ms. Rati Forbes	2.97:1	35.71

The ratio of remuneration of Managing Director & Chief Executive Officer to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in his remuneration during the financial year 2021-22 are given below:

Managing Director & CEO	Ratio of MD's remuneration to Median of all employees	Percentage increase in remuneration #
Arvind Goel	134.52:1	30.0%

Based on Basic Salary

- The percentage increase in remuneration (Basic salary) of the Chief Financial Officer is 30.0% and that of Company Secretary is 12.0%*

** Based on basic salary*



2. The percentage increase in the median remuneration of employees in the financial year: 14.85%
3. The number of permanent employees on the rolls of Company: employees: 1690 employees
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase (Increment) in the salaries of employees other than the managerial personnel in the last financial year is 6.53% as against an increase (Increment) of 28.98% in the salary of the Key Managerial Personnel.

The increment given to each individual employee is based on the employees' performance and also benchmarked against a comparable basket of relevant companies in India.

5. Affirmation that the remuneration is as per the Remuneration Policy of the Company.

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

For and on behalf of the Board of Directors

Sd/-

Date : April 28, 2022

Place : Pune

Chairman

B S R & Co. LLP

Chartered Accountants

8th floor, Business Plaza,
Westin Hotel Campus,
36/3-B, Koregaon Park Annex,
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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TATA AUTOCOMP SYSTEMS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Tata AutoComp Systems Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



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

Registered Office:

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

B S R & Co. LLP

**Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

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

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

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

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

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

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

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



B S R & Co. LLP

**Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

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

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



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**Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Auditors' Responsibilities for the Audit of the Standalone Financial Statements (continued)

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



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**Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Report on Other Legal and Regulatory Requirements (continued)

- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer note 40 to the standalone financial statements;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - d. (i) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 56 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), 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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 56 to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
 - e. As stated in note 51 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.



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**Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Report on Other Legal and Regulatory Requirements (continued)

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

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



Swapnil Dakshindas

Partner

Membership No.: 113896

ICAI UDIN: 22113896AHZUIW4387

Place : Pune

Date: 28 April 2022

B S R & Co. LLP

**Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022**

Referred to in paragraph 1 in 'Report on Other Legal and Regulatory Requirements' section of our report on even date, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.



**Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (Continued)**

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee and security, granted unsecured loans to companies in respect of which the requisite information is as below:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans, stood guarantee, or provided security to any other entity as below:

Particulars	Amount In Lakhs		
	Guarantees	Security	Loans
Aggregate amount during the year			
- Subsidiaries*	118,272	36,921	8,000
- Joint ventures*	-	-	9,900
- Others	-	-	-
Balance outstanding as at balance sheet date			
- Subsidiaries*	142,271	36,921	4,100
- Joint ventures*	-	-	4,750
- Others	-	-	-

*As per Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of loans and guarantees provided are, prima facie, not prejudicial to the interest of the company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company:

- The Company has given loans, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

- The Company has also given loans repayable on demand. During the year the company has received loan repayable on demand as and when demanded.

Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.



**Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (Continued)**

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013:

	Rs. In Lakhs
	Related Parties
Aggregate of loans repayable on demand	8,500
Percentage of loans repayable on demand to the total loans	47.5%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans and guarantees and security given by the Company, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanation given to us and on the basis of our examination of the records of the company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Provident Fund.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable. We draw attention to note 40 to the standalone financial statement which more fully explains the matter regarding non-payment of provident fund contribution pursuant to Supreme Court judgement dated 28 February 2019.



**Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (Continued)**

- (b) According to the information and explanations given to us, statutory dues relating to Goods and Service Tax, Sales Tax, Duty of Excise, Income-Tax, Duty of Customs or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of dues	Amount (in INR Lakhs) #	Amount paid under protest (in INR Lakhs) ##	Financial year to which the amount relates	Forum where the dispute is pending*
Bombay Sales Tax Act, 1959	Sales Tax	48.37	48.37	2001-02	Bombay High Court
Maharashtra Value Added Tax Act, 2002	Sales Tax	104.49	7.06	2016-17	Joint Commissioner of State Tax
Maharashtra Value Added Tax Act, 2002	Sales Tax	91.28	4.48	2017-18	Joint Commissioner of State Tax
Jharkhand Value Added Tax Act, 2005	Sales Tax	4.48	-	2016-17	Joint Commissioner (Appeals)
Central Excise Act, 1944	Duty of Excise	10.86	8.06	2015-16	Deputy Commissioner of Central Excise
Central Excise Act, 1944	Duty of excise	403.20	403.20	2007-08, 2008-09	Central Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Duty of excise	54.88	4.12	2015-16, 2016-17	Central Excise & Service Tax Appellate Tribunal
Goods and Services Tax Act, 2017	Goods and Services Tax	21.15	-	2017-18	Deputy Commissioner of State Tax
Goods and Services Tax Act, 2017	Goods and Services Tax	3.10	-	2017-18	Deputy Commissioner of State Tax
Goods and Services Tax Act, 2017	Goods and Services Tax	52.59	-	2017-18	Deputy Commissioner of State Tax



**Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (Continued)**

Name of the Statute	Nature of dues	Amount (in INR Lakhs) #	Amount paid under protest (in INR Lakhs) ##	Financial year to which the amount relates	Forum where the dispute is pending*
Income Tax Act, 1961	Income Tax	191.74	41.26	2006-07	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	76.07	-	2007-08	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	61.02	61.02	2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	99.87	99.87	2009-10	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	87.31	87.31	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	71.54	14.31	2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	31.11	12.45	2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	36.00	-	2018-19	Commissioner of Income Tax (Appeals)

Amounts disclosed above includes penalty and interest, wherever applicable.

Amount paid under protest includes refund adjusted by the tax authorities.

* As per the last order received from respective revenue department.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.



**Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (Continued)**

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable..
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures as defined under Companies Act, 2013.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures companies (as defined under Companies Act, 2013).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.



**Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (Continued)**

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanation given to us by the management, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has five CICs which are registered with the Reserve Bank of India and 1 CIC which is not required to be registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) of the Order are not applicable.



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**Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (Continued)**

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

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



Swapnil Dakshindas
Partner

Membership No.: 113896
ICAI UDIN: 22113896AHZUIW4387

Pune: Pune
Date: April 28, 2022

B S R & Co. LLP

Annexure B to the Independent Auditors' Report on the Standalone Financial Statements of Tata AutoComp Systems Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Tata AutoComp Systems Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



B S R & Co. LLP

**Annexure B to the Independent Auditors' Report on the Standalone Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Meaning of Internal Financial Controls with reference to Standalone 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 Standalone 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.

For B S R & Co. LLP

Chartered Accountants

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

Swapnil Dakshindas

Partner

Place: Pune

Date: 28 April 2022

Membership No.: 113896

ICAI UDIN: 22113896AHZUIW4387



Tata AutoComp Systems Limited
Standalone Balance Sheet
(All figures in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	29,408.35	25,789.97
Capital work-in-progress	4	8,598.40	3,568.91
Right-of-use assets	5	22,489.22	11,490.75
Intangible assets	6	304.89	301.61
Intangible assets under development	6	82.62	47.15
Investments in subsidiaries and joint ventures	7	64,573.88	61,229.92
Financial assets			
(i) Loans	8	2,000.00	1,850.00
(ii) Other financial assets	9	1,303.59	3,229.10
Deferred tax assets (net)	10	640.41	-
Income tax asset (net)	11a	1,307.79	1,745.22
Other non-current assets	12	465.84	905.03
Total non-current assets		1,31,175.99	1,10,157.66
Current assets			
Inventories	13	28,589.95	12,370.41
Financial assets			
(i) Investments	14	23,735.78	11,014.39
(ii) Trade receivables	15	34,798.67	19,135.10
(iii) Cash and cash equivalents	16	5,011.25	1,785.32
(iv) Bank balances other than (iii) above	17	2,000.00	510.00
(v) Loans	8	8,850.00	2,950.00
(vi) Other financial assets	9	3,758.16	1,604.11
Other current assets	18	8,972.89	5,606.76
Total current assets		1,13,716.70	54,976.09
Total assets		2,44,892.69	1,65,133.75
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	20,128.14	20,128.14
Other equity			
Reserves and surplus	20	1,04,473.33	75,306.70
Total equity		1,24,601.47	95,434.84
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	2,788.15	8,795.41
(ii) Lease liabilities	5	15,321.46	4,522.89
(iii) Other financial liabilities	22	1,491.81	772.23
Provisions	23	4,806.72	3,865.99
Deferred tax liabilities (net)	10	-	52.31
Total non-current liabilities		24,402.14	18,008.83
Current liabilities			
Financial liabilities			
(i) Borrowings	24	8,000.00	1,481.80
(ii) Trade payables	25		
(a) total outstanding dues of micro and small enterprises		479.89	353.91
(b) total outstanding dues other than (ii) (a) above		63,610.39	38,277.81
(iii) Lease liabilities	5	1,607.08	1,070.01
(iv) Other financial liabilities	26	6,768.96	4,170.84
Current tax liabilities (net)	11b	745.51	-
Provisions	23	1,301.82	1,222.10
Other current liabilities	27	12,975.43	5,113.61
Total current liabilities		95,889.08	51,690.08
Total equity and liabilities		2,44,892.69	1,65,133.75

Summary of significant accounting policies 2-3
See accompanying notes to the standalone financial statements 4-57
The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date.

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W / W-100022

Swarnil Daksinhadas
Partner
Membership No. 113896
ICAI UDIN: 22113896AHZUIW4387

Place: Pune
Date: April 28, 2022

For and on behalf of the Board of Directors of
Tata AutoComp Systems Limited
CIN U34100PN1995PLC158899

Pravesh Kadle
Chairman
(DIN 00016814)

Hari Mundra
Director
(DIN 00267029)

Arvind Gani
Managing Director
and CEO
(DIN 02300813)

Deepak Bhatnagar
Chief Financial Officer

Ashish Boradkar
Company Secretary

Place: Pune
Date: April 28, 2022



Tata AutoComp Systems Limited
Standalone Statement of Profit and Loss
(All figures in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers	28	2,81,706.82	1,35,358.93
Other income	29	9,504.39	2,748.75
Total income		2,91,211.15	1,38,107.68
Expenses			
Cost of materials consumed	30	1,68,249.80	72,901.06
Purchases of stock-in-trade		36,003.64	17,610.39
Changes in inventories of finished goods, work-in-progress, stock-in-trade and tools	31	(6,834.95)	(447.43)
Employee benefits expense	32	21,029.63	15,799.39
Finance costs	33	2,231.51	1,735.97
Depreciation and amortization expense	34	4,949.60	4,010.25
Other expenses	35	28,077.29	17,483.42
Total expenses		2,53,706.52	1,29,093.05
Profit before tax		37,504.63	9,014.63
Income tax expense:	36	7,707.14	2,305.04
Current tax		8,400.00	2,503.16
Deferred tax credit		(692.86)	(198.12)
Profit for the year		29,797.49	6,709.59
Other Comprehensive Income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of post-employment benefit obligations		(630.72)	(243.42)
Income tax relating to items that will not be reclassified to profit or loss		(0.14)	61.26
Total other comprehensive loss for the year		(630.86)	(182.16)
Total Comprehensive income for the year (TCI)		29,166.63	6,527.43
Earnings per equity share			
Basic earning per share of face value of Rs 10 each	43	14.80	3.33
Diluted earning per share of face value of Rs 10 each		14.80	3.33

Summary of significant accounting policies 2-3
 See accompanying notes to the standalone financial statements 4-57
 The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date.

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



Swapnil Dakshindas
 Partner
 Membership No. 113896
 ICAI UDIN: 22113896AHZUIW4387

Place: Pune
 Date: April 28, 2022

**For and on behalf of the Board of Directors of
 Tata AutoComp Systems Limited**
 CIN U34100PN1995PLC158599



Praveen Kadle
 Chairman
 (DIN 00016814)



Hari Mundra
 Director
 (DIN 00287029)


Arvind God
 Managing Director
 and CEO
 (DIN 02300813)


Deepak Rastogi
 Chief Financial Officer


Ashish Boradkar
 Company Secretary

Place: Pune
 Date: April 28, 2022



Tata AutoComp Systems Limited
Standalone statement of changes in equity
(All figures in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

As at March 31, 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
20,128.14	-	-	-	20,128.14

As at March 31, 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
20,128.14	-	-	-	20,128.14

B. Other equity

Particulars	Reserves and surplus							Total
	General reserve	Capital redemption reserve	Securities premium	Debenture redemption reserves	Capital Reserve	Retained earnings	Other Items of OCI	
As at April 1, 2020	6,404.76	5,350.00	69.39	2,500.00	9,683.54	45,077.30	(305.72)	68,779.27
Profit for the period	-	-	-	-	-	6,709.59	-	6,709.59
Other comprehensive income, net of tax	-	-	-	-	-	-	(182.16)	(182.16)
Transfer from debenture redemption reserve to general reserve (refer note below)	2,500.00	-	-	(2,500.00)	-	-	-	-
As at March 31, 2021	8,904.76	5,350.00	69.39	-	9,683.54	51,786.89	(487.88)	75,306.70
As at April 1, 2021	8,904.76	5,350.00	69.39	-	9,683.54	51,786.89	(487.88)	75,306.70
Profit for the period	-	-	-	-	-	29,797.49	-	29,797.49
Other comprehensive income, net of tax	-	-	-	-	-	-	(530.86)	(530.86)
As at March 31, 2022	8,904.76	5,350.00	69.39	-	9,683.54	81,584.38	(1,118.74)	1,04,473.33

Nature and purpose of other reserves

General Reserve

The general reserves are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations. The general reserve is a free reserves which can be utilized for any purpose after fulfilling certain conditions.

Capital Redemption Reserve

Capital Redemption Reserve was created for redemption of preference shares. The Company may issue fully paid - up bonus shares to its members out of the capital redemption reserve account.

Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve (DRR)

The Company had issued redeemable non-convertible debentures during the year ended 31 March 2011. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended) (the Rules), require the Company to create DRR out of profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.

On May 18, 2020, the Company has repaid the afore-mentioned non-convertible debentures and consequently, the balance in Debenture Redemption Reserve of Rs.2,500 lakhs has been

Capital reserve

Capital reserve was created on merger of wholly owned subsidiary of the Company viz. TACO Holdings (Mauritius) Limited (THML) with the Company. Capital reserve is the excess between share capital of THML and investment in THML which was carried at deemed cost (net of impairment) in the books of the Company as at April 1, 2018.

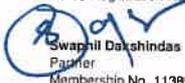
Retained Earnings

Retained earnings are the profits that a Company has earned to date, less any dividends or other distributions paid to investors.

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date.

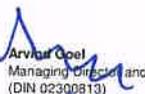
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101249W / W-100022


Swapnil Dakshindas
Partner
Membership No. 113896
ICAI UDIN: 22113896AHZUIW4387

Place: Pune
Date: April 28, 2022

For and on behalf of the Board of Directors of
Tata AutoComp Systems Limited
CIN U34100PN1995PLC158999


Praveen Kedia
Chairman
(DIN 00016814)


Arvind Patel
Managing Director and CEO
(DIN 02300813)

Ashish Boradkar
Company Secretary

Place: Pune
Date: April 28, 2022


Hari Mundra
Director
(DIN 00287029)


Deepak Rastogi
Chief Financial Officer



Tata AutoComp Systems Limited
Cash Flow Statement
(All figures in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	37,504.63	9,014.63
Adjustments for:		
Depreciation and amortisation expense	4,949.60	4,010.25
Gain on disposal of property, plant and equipment	(39.57)	(21.03)
Gain on sale of investments	(293.81)	(60.09)
Sundry provisions written back	(21.08)	(133.38)
Unwinding of financial guarantee obligation	(434.08)	(370.39)
Dividend income	(5,883.99)	(131.79)
Finance costs	2,231.51	1,735.97
Interest income	(1,190.56)	(708.18)
	36,822.65	13,335.99
Change in operating assets and liabilities:		
Trade receivables	(15,663.57)	(3,417.73)
Inventories	(16,219.54)	(4,360.43)
Trade payables	25,679.64	14,296.53
Loans current	-	63.93
Other financial assets non-current	925.51	(742.50)
Other financial assets current	(2,141.47)	28.84
Other non-current assets	132.10	84.50
Other current assets	(3,366.13)	6,602.53
Provisions- non current	304.01	835.61
Provisions- current	79.72	99.64
Other current liabilities	7,861.82	(11,977.21)
Other financial liabilities current	(83.24)	1,677.72
	34,231.50	16,527.42
Cash generated from operations	34,231.50	16,527.42
Income taxes paid (net of refund, if any)	(7,217.06)	(2,753.65)
Net cash flow from operating activities (A)	27,014.44	13,773.77
B. Cash flow from investing activities		
Purchase of property, plant and equipment, including capital work in progress, intangible assets, intangibles under development, right of use assets and capital advances (net)	(9,685.43)	(4,000.41)
Proceeds on sale of property, plant and equipment	163.40	51.26
Payment for purchase of non-current investments	(1,000.00)	(2,600.00)
Purchase of current investments	(76,855.91)	(33,544.67)
Proceeds from sale of current investments	64,428.33	22,590.39
Dividend from joint ventures and subsidiary	5,883.99	131.79
Fixed deposit with banks (net) having maturity over 3 months	(1,490.00)	990.00
Loans to related parties (net)	(4,050.00)	2,250.00
Interest received	1,187.43	753.68
Net cash outflow from investing activities (B)	(21,418.19)	(13,377.96)
C. Cash flow from financing activities		
Payment of derivative contracts (net)	(9.45)	(257.71)
Proceeds from short term borrowings	1,500.00	500.00
Repayment of debentures	-	(10,000.00)
(Payment of) / proceeds from Long term borrowings	(1,000.00)	9,777.21
Payment of lease liabilities	(1,645.09)	(863.71)
Finance cost paid	(1,215.78)	(1,685.67)
Net cash flow used in financing activities (C)	(2,370.32)	(2,529.89)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	3,225.93	(2,134.08)
Cash and cash equivalents at the beginning of the year	1,785.32	3,919.40
Cash and cash equivalents at the end of the year	5,011.25	1,785.32





Tata AutoComp Systems Limited
Cash Flow Statement
(All figures in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
Cash and cash equivalents as per above comprise of the following:		
Cash on hand	0.05	0.05
Balances with banks	5,011.20	1,785.27
	5,011.25	1,785.32

Movement in financial liabilities

	Year ended March 31, 2022	Year ended March 31, 2021
Long term borrowings: *		
Opening balance	9,777.21	10,000.00
Amount borrowed during the year	-	9,777.21
Amount repaid during the year	(1,000.00)	(10,000.00)
Transaction cost	10.94	-
Closing balance	8,788.15	9,777.21
Short term borrowings:		
Opening balance	500.00	-
Amount borrowed during the year	2,000.00	500.00
Amount repaid during the year	(500.00)	-
Closing balance	2,000.00	500.00

* Includes current maturities of long term borrowings.

Summary of significant accounting policies 2-3
See accompanying notes to standalone financial statements 4-57
The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date.

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


Swaminil Dakshindas
Partner
Membership No. 113896
ICAI UDIN: 22113896AHZUIW4387

Place: Pune
Date: April 28, 2022

For and on behalf of the Board of Directors
Tata AutoComp Systems Limited
CIN U34100PN1995PLC158999


Praveen Kadle
Chairman
(DIN 00016814)


Hari Mundra
Director
(DIN 00287029)


Pravin Goyal
Managing Director and CEO
(DIN 02300813)


Deepak Rastogi
Chief Financial Officer


Ashish Boradkar
Company Secretary

Place: Pune
Date: April 28, 2022



Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 1: Corporate overview

Tata AutoComp Systems Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered address of the Company is Taco House, Damle Path, Off Law College Road, Pune, Maharashtra, 411004. The Company provides products and services in the automotive industry to Indian and Global customers. The Company designs, manufactures and supplies a variety of components and assemblies to automotive original equipment manufacturers and other customers.

As at March 31, 2022, the Company caters to its customers through its five operating divisions, fourteen subsidiaries (direct and indirect) and eight joint ventures (direct and indirect) with leading companies in the global auto component industry (together known as the 'TACO Group'). One joint venture is under liquidation and one joint venture has become a dormant company.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The accounting policies applied in these standalone financial statements are same as those applied in the standalone financial statements as at and for the year ended March 31, 2021.

2.1 Basis of preparation

(i) Statement of compliance

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

The standalone financial statements were authorized for issue by the Company's Board of Directors on April 28, 2022.

(ii) Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset) / liability – present value of defined benefit obligations less fair value of plan assets

(iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.2 Revenue from contract with customers

The Company generates revenue principally from -

(i) Sale of products including scrap sales and traded goods:

The Company recognizes revenue when 'control' of the promised goods underlying the particular performance obligation is transferred to the customer in an amount that reflects the consideration it expects to receive in exchange for those goods. Control of products passes to the customers, at a point in time which is usually upon delivery of goods to the customer / carrier appointed by the customer. Invoices are generated, and revenue is recognised at that point in time. Invoices are usually payable within 30 – 90 days. Revenue excludes taxes collected from customers on behalf of the government.

For contracts that permit the customer to return an item, under Ind AS 115 revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the Historical data. Returned goods are exchanged only for new goods – i.e. no cash refunds are offered. In such circumstances, a refund liability and a right to recover returned goods asset are recognised. The amount disclosed as revenue is net of Goods and Services Tax collected on behalf of third parties.

(ii) Sale of tools:

Tooling contracts are the fixed price contracts to build a specific tool (asset). Under these contracts a performance obligation is satisfied when control of such assets underlying the particular performance obligation is transferred to the customer. Hence, revenue from tooling contracts is recognized when such tools are transferred to the customers since the customer receives and consumes the benefits at the end of the contract.

Generally, the Company receives short-term tooling advances from its customers which are utilised for providing advance to supplier of the tool. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of any significant financing component.

(iii) Sales of services:

Engineering services:

Revenue from engineering services is recognized when these services are rendered and used by the customer. Hence, such revenue is recognized on the basis of time / work completed, since typical Service Level Agreements provides for time and material billing model and related performance obligations are satisfied over such time period.

Administrative services:

Revenue from administrative services is recognised when the services are rendered in accordance with the agreements with the respective Group companies since the performance obligation is satisfied over such period of rendering of services and use by the customer.

Logistic services:

Revenue from logistic services is recognised when the services are rendered and accepted by the customer.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

(iv) Other operating revenues:

The Company earns revenue from sale of duty credit scraps under the merchandise export from India scheme of Government of India. The Duty credit scraps are freely transferrable and revenue from sale of such scripts is recognised on transfer of scripts to customer.

2.3 Functional and presentation currency

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the Company operates ('functional currency').

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

2.4 Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing as at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date and the resulting exchange difference recognized in the Statement of profit and loss.

Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevalent, at the date of initial recognition (in case measured at historical cost) or at the date when the fair value is determined (in case measured at fair value).

Foreign exchange gains / (losses) resulting from such transactions, and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the Statement of profit and loss as foreign exchange gains / (losses).

2.5 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost comprises of purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. High value stores and spares having cost greater than INR 10 lakhs are capitalised under property, plant and equipment. The carrying amount of any

Component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods estimated useful lives and residual value:

Depreciation is provided on a pro-rata basis using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful life of certain assets are different than the life prescribed under Schedule II to the Companies Act, 2013 and those have been determined based on technical evaluation by the Management. The Management believes that these estimated useful lives are realistic and reflect fair approximation over the period over which the assets are likely to be used.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

Class of asset	Useful life as prescribed in Schedule II of Companies Act, 2013 (in years)	Useful life as followed by the Company (in years)
Plant and equipment		
- Moulds and dies, Material handling equipment etc.	15 (on a single shift basis)	3 to 10 (irrespective of the shift)
- Injection moulding machine, Paint shop equipment, Power press, Robots etc.	15 (on a single shift basis)	12 to 15 (irrespective of the shift)
Computers and peripherals		
- Servers and networks	6	4
- End use devices such as desktop, laptops etc.	3	4
Vehicles	8	4
Furniture and fixtures	10	10
Factory buildings	30	20 to 30
Office equipment	5	5

Improvements to leasehold premises are depreciated over the balance tenure of leasehold land.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date/ month on which asset is ready for use (disposed of).

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

2.6 Intangible asset

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

A summary of amortization policies applied to the Company's intangible assets is as below:





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

Asset category	Amortisation period
Specialised computer software	4 years
Engineering and development cost	4 years

Research and development cost:

Research expenditure and development expenditure that do not meet the criteria mentioned below are recognised as an expense as incurred.

The Company capitalises the expenditure as an intangible asset when following criteria are met:

- It is technically feasible to complete the asset so that it will be available for use,
- Management intends to complete the asset and use or sell it,
- There is an ability to use or sell the asset,
- It can be demonstrated how the asset will generate probable future economic benefits,
- Adequate technical, financial and other resources to complete the development and to use or sell the asset are available, and
- The expenditure attributable to the asset during its development can be reliably measured.

Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Directly attributable costs that are capitalised as part of the asset include employee costs and an appropriate portion of relevant overheads.

2.7 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.8 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

2.9 Leases

A. Recognition

At inception of a contract, the Company assesses whether a contract is, or contains, 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 obtain substantially all of the economic benefits from 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 purpose 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 purpose it will be used.
- This policy is applied to contracts entered into, or changed, on or after April 01, 2019.

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 standalone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

B. Company as a lessee

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. The Company has considered all relevant facts and circumstances to determine whether the option to extend the lease shall be exercised. This includes but is not limited to the fact that certain assets have been leased to us by related parties for operations directly linked to them.

The Company recognises a Right-Of-Use (ROU) asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises 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 an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the 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. Generally, the Company uses its incremental borrowing rate as the discount rate.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

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 arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

The Company has applied a single discounting rate to a portfolio of leases of similar assets.

C. Short-term leases and leases of low-value assets

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. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.10 Inventories

Inventories which comprises of raw materials, stores and spares, work-in-progress, tools under development, traded and finished goods are valued at the lower of cost and net realisable value. Cost of inventory comprises of all cost of purchases, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

2.11 Employee benefits

(i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations:

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations:

The Company operates the following post-employment schemes:

- (a) Defined benefit plans viz. gratuity and pension; and
- (b) Defined contribution plans viz. provident fund.

(a) Defined benefit plans:

Pension and gratuity obligations:

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

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

(b) Defined contribution plans

Provident fund:

A defined contribution plan is a post-employment benefit under which an entity pays a specific contribution to a separate entity and has no obligation to pay any further amounts. The Company pays provident fund contributions to publicly administered provident funds as per local regulations and superannuation fund contribution administered by Life Insurance Corporation of India. The Company has no further payment obligations once the contributions have been paid. The contributions are charged to the Statement of Profit and Loss during the period in which the employee renders the related service.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.12 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(i) Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

Financial liabilities issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based in the effective interest method. Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

Financial liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

(iii) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

An impairment loss for financial assets is reversed if the reversal can be related objectively to an event occurring after the impairment loss has been recognized.

(iv) Derecognition

A financial asset is derecognised only when

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

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

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

Financial liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and a recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

financial liability derecognized and the consideration paid or payable is recognized in the Statement of Profit or Loss.

(v) Derivatives that are not designated as hedges

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/expenses.

(v) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.13 Impairment of non-financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. 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 CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. In respect of non-financial assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The carrying value of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying value that would have been determined (net of any accumulated depreciation or amortization) had no impairment loss been recognized for the said asset in previous years. The reversal of impairment loss is recognized in the Statement of profit and loss.

2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

2.15 Trade receivables

These amounts represent receivable for goods and services provided by the Company prior to the end of financial year which are not received. Trade receivable are presented as current assets unless payment is not due within 12 months after the reporting period. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.16 Contract assets

For certain sale of services wherein performance obligation is satisfied over a period of time, 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.

2.17 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2.18 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Share capital

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.20 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

2.21 Cash flow statement

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.22 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the period.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.23 Income tax and deferred tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.24 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense under finance cost.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the on-going activities of the Company.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.25 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker or decision making group.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

2.26 Financial guarantee contract

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

During the financial year ended on March 31, 2021 the Company had given financial guarantee to the bank for the loan facility taken by one of its subsidiary.

2.27 Recognition of interest income or expense

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.28 Dividend income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.29 Government grants

Other income includes government grants. Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants relating to export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim is fulfilled. These export incentives are recognized in statement of profit and loss as other income.

Government grants that are awarded as incentives linked with State Goods and Service Tax payable on sales made during the period are recognised as other income in statement of profit and loss in the period in which such sales are made.

Grants that compensate the Company for expenses incurred are recognised in statement of profit or loss as other income on a systematic basis in the periods in which such expenses are recognised.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 2: Significant accounting policies (continued)

2.30 Common control business combinations

Business combination involving entities that are under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- The financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the standalone financial statements, irrespective of the actual date of the combination.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The excess between share capital of transferor and corresponding investment in the books of transferee is recognised as capital reserve in the books of transferee.

Note 3.1: Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgements or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgements, estimates and assumptions is mentioned below.

Judgements, estimates and assumptions are continuously evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Note 3.1 (a): Significant judgements

1. Legal contingency

The Company has received some orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and makes provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 3.1: Significant accounting judgements, estimates and assumptions (continued)

2. Segment reporting

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in standalone financial statements based on the internal reporting reviewed by Chief Operating Decision Maker to assess performance and allocate resources.

Operating segments are defined as 'Business Units' of the Company about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Company operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of auto component parts from which the Company derives its revenues. The management considers that these business units have similar economic characteristics like the nature of the products and services, the nature of the production processes and nature of the regulatory environment etc.

Based on the management analysis, the Company has only one operating segment, so no separate segment report is given. The principal geographical areas in which the Company operates are India and other countries.

Note 3.2 (b): Significant estimates and assumptions

1. Impairment in investment of subsidiaries and joint ventures

Investment in subsidiary and joint venture are accounted for at cost. Management assesses current and forecasted financial performance of all of its investments to determine whether any investment have suffered impairment on an annual basis. Impairment assessment is based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary and the variations may be material.

2. Impairment of financial assets

The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3. Fair valuation of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but Where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4. Defined benefit plan

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





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Note 3.2 (b): Significant estimates and assumptions (continued)

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2006-08) (modified) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

5. Deferred tax

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

6. Measurement of fair value

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

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. In estimating the fair value of an asset or a 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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.





Tata AutoComp Systems Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2022

Recent pronouncements:

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

Ind AS 103 – Reference to Conceptual Framework:

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

Ind AS 16 – Proceeds before intended use:

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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

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

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

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

Ind AS 106 – Annual Improvements to Ind AS (2021):

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.





Tata AutoComp Systems Limited

Notes forming part of standalone financial statements for the year ended March 31, 2022

(All figures in INR Lakhs, unless otherwise stated)

Note 4 : Property, plant and equipment and capital work-in-progress

a. Reconciliation of carrying amount of property, plant and equipment

	Freehold Land	Buildings	Improvements to leasehold premises	Furniture and fixtures	Plant and equipment	Vehicles	Office Equipment	Computer and peripherals	Total	Capital work-in-progress
As at March 31, 2021										
Gross carrying amount	1,557.17	11,673.99	410.90	205.11	20,856.17	212.07	237.03	675.72	35,828.15	4,668.87
Opening gross carrying amount	-	2,144.31	187.01	178.44	1,736.17	34.60	5.96	106.61	4,383.10	1,031.46
Additions	-	-	-	-	(10.79)	(29.19)	(0.08)	(38.49)	(78.55)	-
Disposals / write off	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	(2,131.42)
Closing gross carrying amount	1,557.17	13,818.30	587.91	383.55	22,581.55	217.48	242.91	743.84	40,142.70	3,568.91
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Opening accumulated depreciation	-	1,422.34	87.92	89.40	9,459.72	96.30	146.72	272.57	11,574.97	-
Depreciation charge during the year	-	531.64	19.51	27.24	2,048.37	52.35	26.77	142.51	2,848.39	-
Disposals / write off	-	-	-	-	(2.87)	(29.19)	(0.08)	(38.49)	(70.63)	-
Closing accumulated depreciation	-	1,953.98	107.43	116.64	11,505.22	119.46	173.41	376.59	14,352.73	-
Net carrying amount	1,557.17	11,864.32	480.48	266.91	11,076.33	99.02	69.50	367.25	25,789.97	3,568.91

	Freehold Land	Buildings	Improvements to leasehold premises	Furniture and fixtures	Plant and equipment	Vehicles	Office Equipment	Computer and peripherals	Total	Capital work-in-progress
As at March 31, 2022										
Gross carrying amount	1,557.17	13,818.30	597.91	383.55	22,581.55	217.48	242.91	743.84	40,142.70	3,568.91
Opening gross carrying amount	-	55.07	24.92	62.92	6,494.84	-	28.46	118.30	6,784.31	6,146.11
Additions	-	-	(107.22)	(84.96)	(600.23)	(65.60)	(43.17)	(59.97)	(961.15)	-
Disposals / write off	-	-	-	-	-	-	-	-	-	-
Transfer / sale	-	-	-	-	-	-	-	-	-	(1,116.62)
Closing gross carrying amount	1,557.17	13,873.37	515.61	381.51	28,475.96	151.88	228.20	602.17	45,965.86	8,598.40
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Opening accumulated depreciation	-	1,953.98	107.43	116.64	11,505.22	119.46	173.41	376.59	14,352.73	-
Depreciation charge during the year	-	487.13	36.73	47.68	2,336.23	45.68	26.00	156.05	3,135.50	-
Disposals / write off	-	-	(107.22)	(82.56)	(585.08)	(61.80)	(43.17)	(50.89)	(930.72)	-
Closing accumulated depreciation	-	2,441.11	36.94	81.76	13,256.37	103.34	156.24	481.75	16,357.51	-
Net carrying amount	1,557.17	11,432.26	478.67	279.75	15,219.59	48.54	71.96	320.42	29,408.35	8,598.40





Tata AutoComp Systems Limited

Notes forming part of standalone financial statements for the year ended March 31, 2022

(All figures in INR Lakhs, unless otherwise stated)

b. Capital work-in-progress

Capital work-in-progress primarily includes land of Rs 2,201.06 lakhs under development and related cost. OCV machine amounting to Rs. 690.18 lakhs, Battery testing cabinet Rs. 464.00 Lakhs and other Machines Rs. 1,163.10 Lakhs. (March 31, 2021 - Capital work-in-progress primarily includes land of Rs 2,201.06 lakhs under development and related cost and 1500T press machine amounting to Rs.443.78 lakhs)

CWIP ageing schedule

CWIP	As at 31	As at 31
	March 2022	March 2021
(a) Projects in process	6,115.37	1,311.04
Less than 1 year	247.16	25.64
1-2 years	3.63	31.17
2-3 years	2,232.24	2,201.06
(b) Projects temporarily suspended	-	-
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	8,598.40	3,568.91

There are no capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan, hence capital work in progress completion schedule is not given.

c. Contractual Obligation

Refer note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment.





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 5 : Leases

A. Right of use assets

	Land	Building	Plant and Machinery	Total
As at March 31, 2021				
Gross carrying amount				
Opening gross carrying amount	8,320.38	530.56	2,865.66	11,716.60
Additions [^]		1,544.03	95.22	1,639.25
Initial direct cost		25.28	32.78	58.06
On account of remeasurement of lease liability				
Closing gross carrying amount	8,320.38	2,099.87	2,993.66	13,413.91
Accumulated depreciation				
Opening accumulated depreciation	337.57	173.28	341.61	852.46
Depreciation charge during the year	339.99	328.53	402.18	1,070.70
Closing accumulated depreciation	677.56	501.81	743.79	1,923.16
Net carrying amount	7,642.82	1,598.06	2,249.87	11,490.75

	Land	Building	Plant and Machinery	Total
As at March 31, 2022				
Gross carrying amount				
Opening gross carrying amount [*]	8,320.38	2,099.87	2,993.66	13,413.91
Additions [^]		11,746.11	773.06	12,519.17
Initial direct cost		79.30	95.38	174.69
Closing gross carrying amount	8,320.38	13,925.28	3,862.11	26,107.77
Accumulated depreciation				
Opening accumulated depreciation	677.56	501.81	743.79	1,923.16
Depreciation charge during the year	340.00	792.85	562.54	1,695.39
Closing accumulated depreciation	1,017.56	1,294.66	1,306.33	3,618.55
Net carrying amount	7,302.82	12,630.62	2,555.79	22,489.23

^{*} Includes prepaid rent of Rs. 168.56 lakhs (March 31, 2021 Rs 121.89 Lakhs) which has been reclassified to Right-of-Use Asset pursuant to transition to Ind AS 116.

[^] Includes prepaid rent of Rs. 343.22 lakhs (March 31, 2021 Rs 45.00 lakhs)

B. Lease liabilities

	As at March 31, 2022	As at March 31, 2021
Current	1,807.08	1,070.01
Non Current	15,321.46	4,522.89
Total	17,128.54	5,592.90

C. Interest expenses on lease liabilities

	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	1,004.78	450.06

D. Expenses on short term leases / low value assets

	As at March 31, 2022	As at March 31, 2021
Short term lease	139.40	90.34
Low value assets	242.29	74.26

E. Amounts recognised in the statement of cash flow

	As at March 31, 2022	As at March 31, 2021
Total cash outflow for leases	1,645.09	863.72

F. Maturity analysis – contractual undiscounted cash flows

	As at March 31, 2022	As at March 31, 2021
Less than one year	2,142.19	1,246.71
One to five years	8,906.94	3,828.43
More than five years	19,962.39	2,674.49
Total undiscounted lease liabilities	31,011.52	7,749.63

G. Income from leasing

	As at March 31, 2022	As at March 31, 2021
Other income from leasing	17.70	16.86
Total	17.70	16.86





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 6 : Intangible assets and intangible assets under development

a. Intangible assets

	Acquired	Internally generated	Total
	Computer software	Engineering and development cost	
As at March 31, 2021			
Gross carrying amount			
Opening gross carrying amount	572.18	62.63	634.81
Additions	37.61	61.53	99.14
Disposals / write off	(30.27)	-	(30.27)
Closing gross carrying amount	579.52	124.16	703.68
Accumulated amortisation			
Opening accumulated amortisation	256.24	62.63	318.87
Amortisation charge for the year	90.69	0.47	91.16
Disposals / write off	(7.96)	-	(7.96)
Closing accumulated amortisation	338.97	63.10	402.07
Net carrying amount	240.55	61.06	301.61

	Acquired	Internally generated	Total
	Computer software	Engineering and development cost	
As at March 31, 2022			
Gross carrying amount			
Opening gross carrying amount	579.52	124.16	703.68
Additions	215.39	-	215.39
Disposals / write off	(157.69)	-	(157.69)
Closing gross carrying amount	637.22	124.16	761.38
Accumulated amortisation			
Opening accumulated amortisation	338.97	63.10	402.07
Amortisation charge for the year	103.33	15.38	118.71
Disposals / write off	(64.29)	-	(64.29)
Closing accumulated amortisation	378.01	78.48	456.49
Net carrying amount	259.21	45.68	304.89

b. Intangible assets under development

Intangible assets under development as at March 31, 2022 amounts to Rs 82.62 lakhs (March 31, 2021 Rs. 47.15 lakhs). Intangible assets under development mainly includes cost incurred for upgradation of current enterprise resource planning (ERP) systems .

Intangible assets under development- Ageing

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Projects in process		
Less than 1 year	51.22	15.75
1-2 years	-	31.40
2-3 years	31.40	-
More than 3 years	-	-
(b) Projects temporarily suspended		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	82.62	47.15

There are no Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, hence Intangible assets under development completion schedule is not given.





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 7 : Investments in subsidiaries and joint ventures

	As at March 31, 2022	As at March 31, 2021
Investments carried at cost		
Quoted investments		
<u>Investment in equity instruments</u>		
<u>Investment in subsidiary</u>		
11,898,296 (March 31, 2021: 11,898,296) equity shares of Rs.10/- each fully paid up in Automotive Stampings and Assemblies Limited	7,515.97	7,515.97
Unquoted investments		
<u>Investment in equity instruments</u>		
<u>Investment in subsidiaries</u>		
Nanjing Tata Autocomp Systems Limited fully paid up (refer note a below)	4,017.92	4,017.92
25,000 (March 31, 2021: 25,000) equity shares of Rs.10/- each fully paid up in TACO Engineering Services GMBH	17.71	17.71
68,360 (March 31, 2021: 68,360) equity shares of SEK 1 each fully paid up in Ryhpez Holding (Sweden) AB (refer note b below)	36,920.57	35,676.61
16,320,000 (March 31, 2021: 16,320,000) equity shares of Rs.10/- each fully paid up in Tata Toyo Radiator Limited	1,632.00	1,632.00
6,210,000 (March 31, 2021: 6,210,000) equity shares of Rs.10/- each fully paid up in Tata AutoComp Hendrickson Suspensions Private Limited	621.00	621.00
<u>Investment in joint ventures</u>		
18,750,000 (March 31, 2021: 18,750,000) equity shares of Rs.10/- each fully paid up in Tata Ficosa Automotive Systems Private Limited	1,875.00	1,875.00
103,749,950 (March 31, 2021: 103,749,950) equity shares of Rs.10/- each fully paid up in Tata AutoComp GY Batteries Private Limited	8,650.08	8,650.08
9,000,000 (March 31, 2021: 9,000,000) equity shares of Rs.10/- each fully paid up in TM Automotive Seating Systems Private Limited	900.00	900.00
48,91,118 (March 31, 2021: 48,91,118) equity shares of Rs.10/- each fully paid up in Tata AutoComp Katcon Exhaust System Private Limited	321.13	321.13
25,000 (March 31, 2021: 25,000) equity shares of Rs 10/- each fully paid up in Tata AutoComp Seco Powertrain Private Limited	2.50	2.50
23,61,767 (March 31, 2021: Nil) equity shares of Rs 10/- each fully paid up in TACO Prestolite Electric (India) Private Limited (refer note c below)	1,100.00	-
10,000,000 (March 31, 2021: Nil) equity shares of Rs 10/- each fully paid up in Air International Thermal Systems Private Limited (refer note c below)	1,000.00	-
Total	64,573.88	61,229.92

a) Investment in Nanjing Tata Autocomp Systems Limited is not denominated in number of shares as per laws of country of incorporation i.e. The People's Republic of China.

b) As per Swedish law, equity shall be apportioned between non distributable (restricted) and distributable (unrestricted) funds. Out of total investment, Rs. 5.36 lakhs (March 31, 2021: Rs 5.36 lakhs) is restricted and Rs 35,671.26 lakhs (March 31, 2021: Rs 35,671.26 lakhs) is unrestricted. Cost of investment includes fair value of financial guarantee issued to bank by the company against loan availed by the subsidiary amounting to Rs 4,462 lakhs (March 31, 2021: Rs 3,238.53 lakhs) and expenses incurred on behalf of subsidiary amounting to Rs. 483.70 lakhs. (March 31, 2020: Rs 483.70 lakhs)

c) During the year, the Company has invested Rs 1,000.00 lakhs in Air International Thermal Systems Private Limited. During the previous year Company had paid share application money towards investment in equity shares of Prestolite Electric India Pvt Ltd. The shares are allotted on April 05, 2021.

d) Total non current investments

	As at March 31, 2022	As at March 31, 2021
Aggregate market value of quoted investments	69,920.34	3,974.03
Aggregate book value of quoted investments	7,515.97	7,515.97
Aggregate amount of unquoted investments	57,057.91	53,713.95





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 8 : Financial assets - loans

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loan to subsidiary (refer note 39)	4,100.00	-	2,950.00	1,850.00
Loan to joint ventures (refer note 39) *	2,750.00	2,000.00	-	-
Total	6,850.00	2,000.00	2,950.00	1,850.00

* Includes Rs.2,000.00 lakhs of loan given to Tata Autocomp GY Batteries Private Limited and Rs.2,750 lakhs to TACO Prestolite Electric (India) Private Limited, private limited companies with common director as on March 31, 2022.(March 31, 2021: Nil)

Break up of security details of current and non-current

	As at March 31, 2022	As at March 31, 2021
Loans considered good - secured	-	-
Loans considered good - unsecured	8,850.00	4,800.00
Loans which have significant increase in credit risk (refer note 47)	-	-
Loans- credit impaired (refer note 47)	-	-
Total	8,850.00	4,800.00

Note 9 : Other financial assets

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good unless otherwise stated				
Financial assets carried at amortised cost				
Security deposits				
Considered good	447.89	257.12	570.50	426.64
Considered doubtful	-	25.79	-	25.79
Less : provision for doubtful deposits / loss allowance	447.89	282.91	570.50	452.43
	-	(25.79)	-	(25.79)
Other receivable from related parties	447.89	257.12	570.50	426.64
Interest accrued on deposits	1,498.82	-	728.56	-
Application money paid towards securities *	29.53	-	26.40	-
Other receivables	-	-	-	1,100.00
Government grant receivable	36.73	-	29.87	-
	1,633.15	1,046.47	146.19	1,702.46
Financial assets carried at fair value through profit or loss				
Foreign-exchange forward contracts**	112.04	-	102.59	-
Total	3,758.16	1,303.59	1,604.11	3,229.10

* Previous years represents share application money paid by the Company towards investment in equity shares of Prestolite Electric India Pvt Ltd. The shares are allotted on April 05, 2021.

** Derivatives not designated as hedge.

Note 10 : Deferred tax liabilities (net)

	As at March 31, 2022	As at March 31, 2021
Deferred tax asset		
Defined benefit obligations	393.54	398.85
Provisions for doubtful debts and advances and inventory	601.98	389.73
Right of use assets and lease liabilities	428.51	169.29
Others	326.69	53.67
	1,750.72	1,011.54
Deferred tax liabilities		
Excess of depreciation/amortization on fixed assets under income tax law over depreciation/amortization provided in the accounts	(1,110.31)	(1,063.85)
	(1,110.31)	(1,063.85)
Total	640.41	(52.31)

Movement in deferred tax assets/ (liabilities)

	Defined benefit obligation	Provisions for doubtful debts and advances and inventory	Other items	Right of use assets and lease liabilities	Depreciation	Total
At April 01, 2020	286.37	369.05	47.35	65.80	(1,080.26)	(311.69)
(Charged)/Credited						
To Profit and Loss Account	51.22	20.68	6.32	103.49	16.41	198.12
To Other Comprehensive Income	61.26	-	-	-	-	61.26
At March 31, 2021	398.85	389.73	53.67	169.29	(1,063.85)	(52.31)
(Charged)/Credited						
To Profit and Loss Account	(5.17)	212.25	273.02	259.22	(46.48)	692.86
To Other Comprehensive Income	(0.14)	-	-	-	-	(0.14)
At March 31, 2022	393.54	601.98	326.69	428.51	(1,110.31)	640.41





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 11(a) : Income tax assets

	As at March 31, 2022	As at March 31, 2021
Opening balance	1,745.22	1,494.73
Refund received during the year	(515.53)	-
Taxes paid during the year	6.22	2,753.65
Tax expense relating to current year (Short) / excess provision for tax in respect of earlier periods	71.87	(2,491.43)
Closing balance	1,307.79	1,745.22

Note 11(b) : Income tax liability

	As at March 31, 2022	As at March 31, 2021
Opening balance	-	-
Taxes paid during the year	(7,725.35)	-
Tax expense relating to current year	8,471.87	-
Closing balance	745.51	-

Note 12 : Other non-current assets

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Capital advances		
Considered good	291.14	597.23
Considered doubtful	15.06	15.06
Less: Provision for doubtful capital advances	306.20	612.29
	15.06	15.06
	291.14	597.23
Balances with government authorities		
Considered good	175.70	248.77
Considered doubtful	26.54	48.48
Less: Provision for doubtful balances	202.24	297.25
	26.54	48.48
	175.70	248.77
Prepaid expenses	-	59.03
Total	466.84	905.03

Note 13 : Inventories

	As at March 31, 2022	As at March 31, 2021
Raw materials (includes inventory-in-transit Rs 447.48 lakhs, March 31, 2021 Rs. 12.77 lakhs)	15,741.96	6,007.02
Work-in-progress	1,618.77	1,084.56
Finished goods (includes inventory-in-transit Rs 323.27 lakhs, March 31, 2021 Rs 257.53 lakhs)	866.36	344.96
Stock-in-trade (includes inventory-in-transit Rs. 3,247.55 lakhs, March 31, 2021 Rs 1,075.60 lakhs)	6,623.37	2,045.45
Stores and spares	1,045.21	1,395.56
Tools (under development)	2,694.28	1,492.66
Total inventories	28,589.95	12,370.41

Amount recognised in statement of profit and loss

Write downs of inventories to net realisable value amounted to Rs.6.74 lakhs (March 31, 2021 Rs.3.53 lakhs). These were recognised as an expense during the year and included in 'cost of materials consumed' in Statement of Profit and Loss.

Note 14 : Current investments

	As at March 31, 2022	As at March 31, 2021
Investment in liquid mutual funds carried at fair value through profit or loss		
Unquoted		
Nil (March 31, 2021: 52,223.66) units of Tata Liquid Fund (Formerly known as Tata Money Market Fund) - Direct Plan - Growth	-	1,696.03
Nil (March 31, 2021: 6,43,974.31) units of Aditya Birla Sunlife Liquid Fund - Growth- Direct Plan (formerly known as Aditya Birla Sun life Cash plus)	-	2,134.99
Nil (March 31, 2021: 51,323.90) units of Kotak Liquid Fund - Growth- Direct Plan	-	2,134.59
Nil (March 31, 2021: 43,642.61) units of HSBC Cash Fund- Growth- Direct Plan	-	894.16
Nil (March 31, 2021: 65,047.55) units of SBI Liquid Fund -Direct-Growth- Plan (Formerly known as SBI Premier Liquid Fund)	-	2,095.59
86,984.25 (March 31, 2021: 43,489.18) units of Aditya Birla Sun Life Overnight Fund - Growth - Direct Plan	1,000.05	484.01
1,21,279.85 (March 31, 2021: 49,682.85) units of Kotak Overnight Fund - Direct - Growth Plan	1,375.07	545.48
10,834.49 (March 31, 2021:16,274.51) units of SBI Overnight Fund -Direct-Growth- Plan (Formerly known as SBI Magnum Insta Cash Fund Liquid Floater)	375.02	545.48
1,22,615.49 (March 31, 2021: 44,576.15) units of Tata Overnight Fund - Direct - Growth Plan	1,375.06	484.07
33,722.66 (March 31, 2021: Nil) units of HSBC Overnight - Direct-Growth	375.02	-
18,56,110.26 (March 31, 2021: Nil) units of Aditya Birla Money Market Direct-Growth	5,548.11	-
1,23,027.41 (March 31, 2021: Nil) units of Kotak Money Market Direct-Growth	4,454.47	-
1,27,10,148.25 (March 31, 2021: Nil) units of SBI Saving Fund Direct-Growth	4,519.91	-
1,23,206.16 (March 31, 2021: Nil) units of Tata Money Market Direct-Growth	4,713.07	-
Total	23,735.78	11,014.39

Information about the Company's exposure to fair value measurement and market risk is included in note 49 and note 50 respectively.

Aggregate amount of unquoted investments is Rs. 23,735.77 lakhs (March 31, 2020 Rs 11,014.39 lakhs)





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 15 : Trade receivable

	As at March 31, 2022	As at March 31, 2021
Trade receivables	16,935.46	10,201.04
Receivables from related parties (refer note 39)	17,993.80	9,143.72
Less: Loss allowance	130.59	209.66
Total	34,798.67	19,135.10

Break-up of security details

	As at March 31, 2022	As at March 31, 2021
Trade receivable considered good - secured	-	-
Trade receivable considered good - unsecured	34,798.67	19,135.10
Trade receivable which have significant increase in credit risk (refer note 50)	-	-
Trade receivable credit impaired (refer note 50)	130.59	209.66
Total	34,929.26	19,344.76
Less: Loss allowance	130.59	209.66
Total	34,798.67	19,135.10

Trade receivable ageing schedule

	As at March 31, 2022	As at March 31, 2021
Considered good:		
<u>i. Undisputed Trade Receivables - considered good</u>		
Unbilled amounts	1,487.18	665.20
Not due	26,673.14	12,772.03
Less than 6 months	3,418.98	2,766.23
6 months - 1 year	2,945.50	874.50
1-2 years	224.76	1,978.59
2-3 years	24.20	57.19
More than 3 years	-	21.37
Total	34,773.77	19,135.10
<u>ii. Disputed Trade Receivables - considered good</u>		
2-3 years	24.90	-
Total	24.90	-
Credit impaired:		
<u>i. Undisputed Trade Receivables</u>		
Unbilled amounts	-	-
Not due	-	-
Less than 6 months	49.13	96.56
6 months - 1 year	24.77	49.63
1-2 years	31.79	61.87
2-3 years	-	-
More than 3 years	-	1.50
Total	105.69	209.66
<u>ii. Disputed Trade Receivables</u>		
1-2 years	24.90	-
Total	24.90	-

Trade Receivables from private companies with common directors

	As at March 31, 2022	As at March 31, 2021
Tata AutoComp Hendrickson Suspensions Private Limited	183.84	174.97
TM Automotive Seating Systems Private Limited	331.79	311.39
Tata Ficos Automotive Systems Private Limited	64.86	118.53
Tata AutoComp GY Batteries Private Limited	161.52	223.30
Air International Thermal TTR Private Limited	84.50	19.99
TACO Prestofite Electric (India) Private Limited	803.77	-
Tata AutoComp Katcon Exhaust System Private Limited	2.68	69.43





Tata AutoComp Systems Limited
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(All figures in INR Lakhs, unless otherwise stated)

Note 16 : Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- In current accounts	5,011.20	1,785.27
Cash on hand	0.05	0.05
Total	5,011.25	1,785.32

Note 17 : Bank balances other than above

	As at March 31, 2022	As at March 31, 2021
Other balances in deposit accounts	2,000.00	510.00
Total	2,000.00	510.00

Note 18 : Other current assets

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Advances to suppliers		
Considered good	6,848.55	4,991.29
Considered doubtful	215.55	296.12
	7,064.10	5,287.41
Less: Provision for doubtful advances	215.55	296.12
	6,848.55	4,991.29
Export incentive receivable	1,005.03	389.75
Balances with government authorities	702.19	26.92
Prepaid expenses	417.12	198.80
Total	8,972.89	5,606.76





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(All figures in INR Lakhs, unless otherwise stated)

Note 19: Equity share capital

	As at March 31, 2022	As at March 31, 2021
Authorised share capital		
329,600,000 (March 31, 2021: 329,600,000) equity shares of Rs. 10/- each	32,960.00	32,960.00
70,000,000 (March 31, 2021: 70,000,000) 8% preference shares of Rs. 10/- each	7,000.00	7,000.00
2,400,000 (March 31, 2021: 2,400,000) 7.5% preference shares of Rs. 10/- each	240.00	240.00
8,000,000 (March 31, 2021: 8,000,000) 0.1% preference shares of Rs. 10/- each	800.00	800.00
Issued, subscribed and fully paid up	41,000.00	41,000.00
201,281,358 (March 31, 2021: 201,281,358) equity shares of Rs. 10/- each fully paid.	20,128.14	20,128.14

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period :

	As at March 31, 2022		As at March 31, 2021	
	Number of shares (in lakhs)	Equity share capital (par value)	Number of shares (in lakhs)	Equity share capital (par value)
Equity shares				
At the commencement and at the end of the year	2,012.81	20,128.14	2,012.81	20,128.14

(b) Shares held by holding, subsidiary and associate of holding company

	As at March 31, 2022	As at March 31, 2021
28,675,598 equity shares (March 31, 2021 : 28,675,598 shares) held by Tata Sons Private Limited, the ultimate holding company,	2,867.57	2,867.57
120,272,540 equity shares (March 31, 2021 : 120,272,540 shares) held by subsidiaries of the company's ultimate holding company	12,027.25	12,027.25
52,333,170 equity shares (March 31, 2021 : 52,333,170 shares) held by associate of the company's ultimate holding company	5,233.32	5,233.32
	20,128.14	20,128.14

(c) Details of shares held by shareholders holding more than 5% of equity shares of the Company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held as on	% holding	Number of shares held as on	% holding
Tata Industries Limited	6,92,45,203	34.40%	6,92,45,203	34.40%
Tata Motors Limited	5,23,33,170	26.00%	5,23,33,170	26.00%
Tata Capital Limited	4,83,07,333	24.00%	4,83,07,333	24.00%
Tata Sons Private Limited	2,86,75,598	14.25%	2,86,75,598	14.25%

(d) Terms and rights attached to equity shares:

The Company has one class of issued capital i.e. equity shares having a par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 20 : Reserves and surplus

	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve		
At the commencement and at the end of the year	5,350.00	5,350.00
Securities premium		
At the commencement and at the end of the year	69.39	69.39
Debenture redemption reserve		
At the commencement of the year	-	2,500.00
Add: Appropriations during the year	-	(2,500.00)
At the end of the year	-	-
General reserve		
At the commencement of the year	8,904.76	6,404.76
Add: Debenture redemption reserve transferred to General reserve	-	2,500.00
At the end of the year	8,904.76	8,904.76
Capital Reserve		
At the commencement and at the end of the year	9,683.54	9,683.54
Retained earnings		
At the commencement of the year	51,299.01	44,771.58
Profit for the year	29,797.49	6,709.59
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligations	(630.86)	(182.16)
	80,465.64	51,299.01
Total	1,04,473.33	75,306.70

Note 21 : Non-current borrowings

	Maturity date	Terms of repayment	Interest rate	As at March 31, 2022	As at March 31, 2021
Secured					
Term Loan from Bank (refer note 52 for security details)	March 2026	Repayable in 20 quarterly instalments starting from June 2021 and last instalment is due in March 2026	Repo rate + 2% i.e. 6.50% (March 31, 2021 MCLR + 0.60% i.e. 8.40%)	8,818.00	9,818.00
Total				8,818.00	9,818.00
Less: Current maturities of long term borrowings				(6,000.00)	(981.80)
Less: Transaction cost				(29.85)	(40.79)
Total				2,788.15	8,795.41

Subsequent to the year end the Company has repaid Rs 6,000.00 Lakhs on April 20, 2022, hence the same is reclassified as short term borrowing.

Note 22 : Non-current - other financial liabilities

	As at March 31, 2022	As at March 31, 2021
Financial guarantee obligation	1,952.49	1,142.62
Less: Current maturities of financial guarantee obligation	1,952.49	1,142.62
Total	460.68	370.39
	1,491.81	772.23

Note 23 : Provisions

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Provision for employee benefits				
Compensated absences	236.44	841.60	213.27	821.29
Gratuity (refer note 37)	-	484.10	-	550.23
Post employment pension benefits (refer note 37)	250.18	2,973.34	232.43	2,206.57
Other provisions (refer note 42)				
Provision for probable claims	815.20	-	776.40	-
Provision for indirect tax matters	-	170.73	-	219.64
Provision for warranty	-	330.95	-	68.26
Total	1,301.82	4,800.72	1,222.10	3,865.99





Tata AutoComp Systems Limited
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Note 24 : Financial liabilities - short term borrowings

	As at March 31, 2022	As at March 31, 2021
Secured		
Short term borrowings*	2,000.00	500.00
Current maturities of long term borrowings#	6,000.00	981.80
Total	8,000.00	1,481.80

* Short term borrowings includes Packing Credit Foreign Currency loan from Axis Bank @ 3.65% per annum.

Subsequent to the Balance Sheet date Company had repaid the loan taken from Axis Bank amounting to Rs 6,000.00 Lakhs on April 20, 2022.

Note 25 : Trade payables

	As at March 31, 2022	As at March 31, 2021
Trade payable micro and small enterprises (refer note 46)	479.89	353.91
Trade payable others		
Acceptances	6,908.71	4,378.23
Other than acceptances	56,282.04	32,506.80
Trade payable to related parties (refer note 39)	619.64	1,392.78
Total	64,290.28	38,631.72

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 50.

Trade Payables- Ageing

Particulars	As at March 31, 2022	As at March 31, 2021
i. MSME		
<u>Other than Disputed dues-MSME</u>		
Not due	329.21	299.51
Less than 1 year	148.09	54.40
1-2 years	4.59	-
2-3 years	-	-
More than 3 years	-	-
Total	479.89	353.91
ii. Other than MSME		
<u>Other than Disputed dues- Others</u>		
Not due	44,039.42	22,816.00
Less than 1 year	19,132.17	14,490.31
1-2 years	200.07	444.92
2-3 years	93.97	161.07
More than 3 years	344.76	365.51
Total	63,810.39	38,277.81

Note 26 : Current - other financial liabilities

	As at March 31, 2022	As at March 31, 2021
Creditors for capital goods	3,116.90	525.83
Payable towards employee benefits expense	2,681.98	1,866.37
Other payable	509.40	1,408.25
Financial guarantee obligation	460.68	370.39
Total	6,768.96	4,170.84

Note 27 : Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Advance from customers	11,745.82	4,314.62
Statutory dues payables	1,229.61	798.99
Total	12,975.43	5,113.61





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 28 : Revenue from contracts with customer

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers		
Sale of products	2,29,121.95	1,07,084.61
Traded goods	39,175.06	21,025.46
Sale of services	12,200.14	6,418.97
Other operating revenues	2,209.67	829.89
Total	2,81,706.82	1,35,358.93

a) Contracts with customer

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customer	2,81,706.82	1,35,358.93
Disaggregation of revenue		
Based on type of goods		
- Components	2,62,122.30	1,19,301.11
- Tools, dies and Moulds	5,174.71	8,808.94
- Service	12,200.14	6,418.98
- Others	2,209.67	829.90
Based on Market		
- Original equipment manufacturer	2,72,170.51	1,24,571.56
- Others	9,536.31	10,787.37
Impairment losses recognised on receivables or contract assets arising from an entity's contracts with customers	-	-

b) Details of contracts balances:

The following table provides information about trade receivables and contract liabilities from contracts with customers:

	Year ended March 31, 2022	Year ended March 31, 2021
Trade receivable	34,798.67	19,135.10
Contract liabilities	11,745.82	4,314.62

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised as and when control in promised goods is transferred.

Significant changes in the contract liability balances are as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
Contract liabilities at the beginning of the year	4,314.62	4,771.21
Revenue recognised that was included in the contract liability balance at the beginning of the year	(1,654.81)	(4,033.16)
Increase due to cash received, excluding amounts recognised as revenue during the year	9,086.01	3,576.57
Contract liabilities at the end of the year	11,745.82	4,314.62

c) Performance obligations

The Company satisfies its performance obligations pertaining to the sale of auto components at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and do not contain any financing component. The payment is generally due within 30-90 days. There are no other significant obligations attached in the contract with customer.

d) Transaction price

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, the Company has not applied the practical expedient as specified in para 121 of Ind AS 115 as the Company do not have any performance obligations that has an original expected duration of one year or less or any revenue stream in which consideration from a customer corresponds directly with the value to the customer of the Company's performance completed to date.





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e) Determining the timing of satisfaction of performance obligations

There is no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

f) Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the only performance obligation of the Company (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price except for refund due to shortages which is adjusted with revenue.

g) Cost to obtain contract or fulfil a contract

There is no cost incurred for obtaining or fulfilling a contract and there is no closing assets recognised from the costs incurred to obtain or fulfil a contract with a customer.

Note 29 : Other Income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income from financial assets carried at amortised cost	1,190.56	708.18
Dividend from joint ventures and subsidiary	5,883.99	131.79
Net gain on current investments mandatorily measured at fair value through profit or loss *	293.81	60.09
Net gain on sale of property, plant and equipments	39.57	21.03
Export benefits	513.18	656.28
Unwinding of financial guarantee obligation	434.08	370.39
Sundry provisions / balances no longer required, written back	21.08	133.38
Provision for doubtful debts written back	79.07	7.39
Government grants (refer note below)	830.96	620.55
Other non-operating income	218.03	39.67
Total	9,504.33	2,748.75

* Includes unrealised marked to market gain of Rs.146.43 lakhs (March 31, 2021 - Rs.13.58 lakhs)

Note- Industrial Promotion Subsidy

The Company is eligible to receive benefits in the form of Industrial Promotion Subsidy (refund of State Goods and Services Tax on eligible products sold), electricity duty exemption, stamp duty exemption and power tariff subsidy subject to fulfillment of certain conditions under Package Scheme of Incentive of Government of Maharashtra. These benefits are in the nature of Government Grants in accordance with Indian Accounting Standard (Ind-AS) 20 "Accounting for Government Grants and Disclosure of Government Assistance".

Note 30 : Cost of materials consumed

	Year ended March 31, 2022	Year ended March 31, 2021
Inventory of raw materials at the beginning of the year	6,007.02	1,922.72
Add: Purchases	1,77,984.74	76,985.36
Less: Inventory of raw material at the end of the year	15,741.96	6,007.02
Total	1,68,249.80	72,901.06

Note 31 : Changes in inventories of finished goods, work-in-progress, stock-in-trade and tools

	Year ended March 31, 2022	Year ended March 31, 2021
Opening stock		
Work-in-progress		
Finished goods	1,084.56	1,139.20
Tools	344.96	154.13
Stock-in-trade	1,492.86	1,306.30
	2,045.45	1,920.77
Closing stock	4,967.83	4,520.40
Work-in-progress		
Finished goods	1,618.77	1,084.56
Tools	966.36	344.96
Stock-in-trade	2,694.28	1,492.86
	6,623.37	2,045.45
Total	11,802.78	4,967.83
Total	(6,834.95)	(447.43)





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Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 32 : Employee benefits expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	18,446.08	14,007.28
Contributions to provident fund and other fund (refer note 37)	850.66	739.50
Staff welfare expenses	1,732.89	1,052.63
Total	21,029.63	15,799.39

Note 33 : Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest and finance charges on financial liabilities measured at amortised cost	1,187.18	1,259.33
Other borrowing costs	39.54	27.58
Interest expenses on lease liabilities	1,004.79	450.06
Total	2,231.51	1,736.97

Note 34 : Depreciation and amortisation expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	3,135.50	2,848.39
Depreciation on Right-of-use assets	1,695.39	1,070.70
Amortisation of intangible assets	118.71	91.16
Total	4,949.60	4,010.25

Note 35 : Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores, spares and consumables	3,046.54	1,998.23
Power and fuel	3,074.07	2,232.21
Site expenses and contract labour charges	3,696.92	2,155.12
Rent and service charges	830.78	474.28
Repairs and maintenance:		
Buildings	203.92	121.67
Machinery	1,152.77	619.00
Others	524.42	459.80
Insurance	260.87	219.28
Rates and taxes	178.17	620.01
Communication expenses	360.03	301.34
Travelling and conveyance	363.60	217.29
Freight and forwarding	6,248.91	3,302.42
Commission	378.30	59.88
Royalty	404.07	28.66
Corporate social responsibility expenditure [Refer Note 35 (b)]	153.63	158.74
Legal and professional fees [Refer Note 35 (a)]	2,298.75	1,242.47
Bad debts written off	25.93	-
Sundry balances written off	1.66	17.53
Net loss on foreign currency transaction and translation *	255.18	119.13
Security and housekeeping charges	956.13	712.71
Processing charges	3,523.06	2,841.58
Warranty	262.68	68.26
Miscellaneous expenses	2,129.43	994.58
Less: Recoveries from joint ventures and subsidiaries	(2,252.53)	(1,480.77)
Total	28,077.29	17,483.42

* Includes gain of Rs 9.45 lakhs (March 31, 2021 Rs 257.71 lakhs) on account of change in fair value of derivative contracts.





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35 a) Legal and Professional fees include payment to auditors

	Year ended March 31, 2022	Year ended March 31, 2021
As Auditor		
Statutory audit	14.50	14.50
Tax audit	4.00	4.00
Limited reviews	13.50	13.50
Certifications	3.00	3.00
Other services	3.00	3.00
Reimbursement of expenses	0.37	1.90
Total	38.37	39.90

35 b) Corporate social responsibility expenditure

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Amount required to be spent by the Company during the year	153.62	158.74
(b) Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On the purpose other than (i) above	165.46	126.91
(c) Provision for unspent amount during the year *	-	31.83

* As per rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the unspent amount of Rs 31.83 lakhs has been utilised fully in FY 21-22.

	Year ended March 31, 2022	Year ended March 31, 2021
Operational costs for worker facilitation centre in Pune	9.60	-
Development session for girls students of Lila Poonawala Foundation	2.00	-
Ration support to SASA orphanage, Pune	5.00	4.41
Y4D FOUNDATION Project for skill training for employability	10.00	-
Tree plantation and nursery development	12.00	-
Project community learning centre (CLC)	10.00	-
MITCON FOUNDATION for skill development programme	5.98	-
Support to school building of government school, Pantnagar	3.00	-
Sumant Moolgaokar - Mobile Covid Vaccination Drive	10.00	-
English Speaking class and personality development to increase employability for affirmative category, Confederation of Indian Industry	-	1.50
Leela Poonawala Foundation undergraduate scholarship and skill building project	16.20	6.00
Agriculture and allied training for Hiranda processing unit in	2.02	-
Support to Tata Education and Development Trust for Wash and MHM Program	50.00	75.00
SVP Philanthropy Foundation	10.00	-
Scholarship for high school girls in khed taluka (Pune)	-	4.00
Assessment and development workshop and dance for hope for engineering girls through Lila Poonawala Foundation	-	1.09
Reviving Livelihood of marginalized and centre for homeless	-	18.51
Digital education support to schools	-	12.40
Youth holistic development support from schools in Pune	-	3.00
Hope project at orphanage	6.48	1.00
Internship expense directly paid to Individuals	7.35	-
Confederation of India Industry	1.50	-
Rotary Club Khadaki - Youth Holistic Development Support	8.83	-
Urban Rural Management Empowerment Establishment	11.50	-
Youth Organisation for Joining, Action and Knowledge (YOJAK)	4.00	-
Total	185.46	126.91





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Note 36 : Income tax expense

(a) Statement of Profit and Loss Section

	Year ended March 31, 2022	Year ended March 31, 2021
Income tax expense		
Current tax		
Current tax on profits for the year	8,471.87	2,491.43
Adjustments for current tax of prior periods	(71.87)	11.73
Total current tax expense	8,400.00	2,503.16
Deferred tax		
Increase in deferred tax assets	(739.32)	(181.70)
Decrease / (increase) in deferred tax liabilities	46.46	(16.41)
Total deferred tax credit	(692.86)	(198.12)
Income tax expense	7,707.14	2,305.04

(b) Other Comprehensive Income (OCI) Section

	Year ended March 31, 2022	Year ended March 31, 2021
Deferred tax credit / (expense) to OCI on remeasurement of defined benefit plan	(0.14)	61.26
Total tax expense (a+b)	7,707.28	2,243.78

(c) Reconciliation of tax expense and the accounting profit:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax expense and other comprehensive income	36,873.91	8,771.21
Tax Rate of 25.17% (FY 2020-21 – 25.17%)	9,280.43	2,207.54
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	38.67	39.95
Dividend from joint ventures and subsidiary	(1,480.89)	-
Mark to market loss / (gain)	28.20	(48.75)
Notional Income of Unwinding of financial guarantee obligations	(109.25)	-
Interest u/s 234C of IT Act	29.92	-
Other items	(7.92)	33.31
Adjustments for current tax of prior periods	(71.87)	11.73
Income tax expense	7,707.28	2,243.77





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Note 37 : Employee benefits

(A) Defined benefit plans

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary and dearness allowance per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
Opening defined benefit obligation as at April 1, 2020	1,584.31	(1,242.35)	341.96
Current service cost	160.31	-	160.31
Interest expense/(income)	95.44	(76.15)	19.29
Total amount recognised in profit or loss	255.75	(76.15)	179.60
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	7.64	7.64
(Gain)/loss from change in demographic assumptions	140.30	-	140.30
(Gain)/loss from change in financial assumptions	(81.22)	-	(81.22)
Experience (gains)/losses	13.31	-	13.31
Total amount recognised in other comprehensive income	72.39	7.64	80.03
Employer contributions	-	(11.94)	(11.94)
Benefit payments	(39.42)	-	(39.42)
Closing defined benefit obligation as at March 31, 2021	1,873.03	(1,322.80)	550.23

	Present value of obligation	Fair value of plan assets	Net amount
Opening defined benefit obligation as at April 1, 2021	1,873.03	(1,322.80)	550.23
Current service cost	177.90	-	177.90
Interest expense/(income)	120.41	(92.88)	27.53
Total amount recognised in profit or loss	298.31	(92.88)	205.43
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(14.61)	(14.61)
(Gain)/loss from change in financial assumptions	(34.80)	-	(34.80)
Experience (gains)/losses	48.85	-	48.85
Total amount recognised in other comprehensive income	14.05	(14.61)	(0.56)
Employer contributions	-	(173.83)	(173.83)
Benefit payments	(97.17)	-	(97.17)
Closing defined benefit obligation as at March 31, 2022	2,088.22	(1,604.12)	484.10

The net liability disclosed above relates to funded plan is as follows:

	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	2,088.22	1,873.03
Fair value of plan assets	1,604.12	1,322.80
Non-current liability recognised in Balance Sheet	484.10	550.23

Valuation in respect of gratuity has been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	As at March 31, 2022	As at March 31, 2021
Discount rate	6.80%	6.60%
Salary escalation	8.00%	8.00%
Rate of return on plan assets	6.85%	6.91%
Attrition Rate- Management	16.00%	16.00%
Attrition Rate- Non- Management	3.00%	3.00%

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

	As at March 31, 2022	As at March 31, 2021
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 1% increase in discount rate	(161.49)	(144.99)
(ii) 1% decrease in discount rate	188.19	169.05
(iii) 1% increase in rate of salary escalation	184.34	165.28
(iv) 1% decrease in rate of salary escalation	(161.42)	(144.68)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.





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The following payments are expected contributions to defined benefit plan in future years.
The weighted average duration of the defined benefit obligation is 5 years

	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation		
Less than a year	286.03	254.22
Between 1 - 2 years	226.83	193.94
Between 2 - 5 years	774.55	637.22
Over 5 years	1,365.59	1,151.45
Total	2,652.99	2,236.85

Category of plan assets are as follows :-

	As at March 31, 2022	As at March 31, 2021
Unquoted Insurer managed funds*	(1,604.12)	(1,322.80)

* The Company maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2022 is considered to be the fair value.

Contribution expected to be paid to the plan during the next financial year Rs. 14.00 lakhs (March 31, 2021 Rs. 13.74 lakhs).

b) Other retirement benefits

The Company operates defined benefit pension plans. All of the plans are final salary pension plans, which provide benefits to members and to their spouses in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' period of service and their salary in the final years leading up to the retirement. The pension plan is not funded plan.

	Present value of obligation
Opening defined benefit obligation as at April 1, 2020	2,033.78
Current service cost	254.56
Interest expense	135.23
Total amount recognised in profit or loss	389.79
Remeasurements	
(Gain)/loss from change in financial assumptions	117.00
Experience (gains)/losses	46.39
Total amount recognised in other comprehensive income	163.39
Benefit payments	(147.96)
Closing defined benefit obligation as at March 31, 2021	2,439.00

	Present value of obligation
Opening defined benefit obligation as at April 1, 2021	2,439.00
Current service cost	136.32
Interest expense	164.89
Total amount recognised in profit or loss	301.20
Remeasurements	
(Gain)/loss from change in demographic assumptions	66.70
(Gain)/loss from change in financial assumptions	242.49
Experience (gains)/losses	322.10
Total amount recognised in other comprehensive income	631.29
Benefit payments	(147.97)
Closing defined benefit obligation as at March 31, 2022	3,223.52





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The net liability disclosed above relates to unfunded plan is as follows:

	As at March 31, 2022	As at March 31, 2021
Unfunded plans	3,223.52	2,439.00
Deficit before asset ceiling	3,223.52	2,439.00

Valuation in respect of pension has been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	As at March 31, 2022		As at March 31, 2021	
	Serving Managing Director	Retired Managing Directors	Serving Managing Director	Retired Managing Directors
Discount rate	7.40%	7.40%	7.00%	7.00%
Pension growth rate	12.00%	12.00%	8.00%	8.00%
Compensation growth rate	12.00%	-	8.00%	-
Expected average remaining working life (years)	27	21 - 28	25	19 - 27

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

	Year ended March 31, 2022	Year ended March 31, 2021
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 1% increase in discount rate	(288.33)	(202.40)
(ii) 1% decrease in discount rate	337.69	235.15
(iii) 1% increase in rate of pension growth rate	97.92	75.21
(iv) 1% decrease in rate of pension growth rate	(94.25)	(72.41)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The maturity profile of defined benefit obligation (pension)

	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation (pension)		
Less than a year	250.18	232.43
Between 1 - 2 years	239.64	222.44
Between 2 - 5 years	757.68	702.50
Over 5 years	1,417.59	1,297.86
Total	2,665.09	2,455.23

(B) Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss

	As at March 31, 2022	As at March 31, 2021
Contribution to Employees' Superannuation Fund	223.86	198.37
Contribution to Provident Fund/ Family Pension Fund (including contribution to social security)	588.11	515.51
Contribution to Labour Welfare fund	0.97	0.70
Contribution to Employees' State Insurance	37.72	24.92
Total	850.66	739.50

(C) Risk exposure

Through its defined benefit obligations, the company is exposed to a number of risks, the most significant of which are detailed below:

- Interest rate risk:** The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- Salary inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk:** For example, as the plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.





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Note 38: Segment Information

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosure about products and services, geographic areas and major customer. The Company is engaged mainly in the business of manufacturing and tracing of automobile components, design and engineering services. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) considers entire business as single operating segment. The Company's operating divisions are managed from India. The principal geographical areas in which the Company operates are India and other countries.

i) Product information:

	Year ended	
	March 31, 2022	March 31, 2021
Components	2,62,122.30	1,19,301.11
Tools, dies and Moulds	5,174.71	8,608.94
Service	12,200.14	6,418.98
Others	2,209.87	829.90
Total	2,81,706.82	1,35,158.93

ii) Geographical information

	Revenue		Non-current assets*	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
India	2,46,294.19	1,15,760.98	62,658.11	43,848.64
Europe	15,159.60	14,394.37	-	-
USA	19,893.66	4,361.95	-	-
Others	559.17	641.63	-	-
Total	2,81,706.82	1,35,158.93	62,658.11	43,848.64

* Non-current asset excludes financial assets and investments in subsidiaries and joint ventures and deferred taxes.

iii) Major customer

The revenue from customers which is more than 10% of Company's total revenue

	Year ended	
	March 31, 2022	March 31, 2021
Customer 1	1,11,042.75	68,729.94
Customer 2	39,364.75	21,914.04
Customer 3	64,070.23	-
Total	2,14,477.73	90,643.98

Note 39: Related party transactions

(a) Related parties and their relationship

Promoters/ Promotor group

- i) Tata Sons Private Limited (Ultimate holding company)
- ii) Tata Industries Limited
- iii) Tata Motors Limited
- iv) Tata Capital Limited

Subsidiaries

- i) Nanjing Tata AutoComp Systems Limited
- ii) Changshu Tata AutoComp Systems Limited (Subsidiary of Nanjing Tata AutoComp Systems Limited w.e.f. June 10, 2019)
- iii) Automotive Stampings and Assemblies Limited
- iv) Tata Toyo Radiator Limited
- v) TACO Engineering Services GmbH
- vi) Automotive Skills Training Private Limited (Formerly known as Automotive Skill Training Foundation)(Company has been voluntarily struck off w.e.f. April 18, 2021)
- vii) Rhytz Holding (Sweden) AB
- viii) TitanX Holding AB (Sweden) (Subsidiary of Rhytz Holding (Sweden) AB)
- ix) TitanX Engine Cooling, Inc. (US) (Subsidiary of TitanX Holding AB (Sweden))
- x) TitanX Engine Cooling Kunshan Co., Ltd. (China) (Subsidiary of TitanX Holding AB (Sweden))
- xi) TitanX Engine Cooling AB (Sweden) (Subsidiary of TitanX Holding AB (Sweden))
- xii) TitanX Refrigeração de Motores LTDA (Brazil) (Subsidiary of TitanX Engine Cooling AB (Sweden))
- xiii) TitanX Engine Cooling, Poland (Subsidiary of TitanX Holding AB (Sweden))
- xiv) TitanX Engine Cooling SRL (Italy) (w.e.f. March 17, 2021)
- xv) Tata AutoComp Herrickson Suspensions Private Limited

Fellow subsidiaries (with whom transactions have taken place during the year)

- i) Tata AIG General Insurance Company Limited
- ii) Tata Consultancy Services Limited
- iii) Tata International Limited
- iv) Tata Investment Corporation Limited
- v) Tata Capital Pte. Limited
- vi) Tata Consulting Engineers Limited
- vii) Tata Capital Financial Services Limited
- viii) Bacht Shoes Limited

Other group companies (with whom transactions have taken place during the year)

- i) Fiat India Automobiles Private Limited
- ii) Tata Communications Limited
- iii) Tata Technologies Limited
- iv) Tata Chemicals Limited
- v) Tata Teleservices Limited
- vi) Tata Teleservices (Maharashtra) Limited
- vii) The Indian Hotels Company Limited
- viii) Voltas Limited
- ix) Titan Company Limited
- x) Tata Precision Industries (India) Limited
- xi) Tata Elxsi Limited
- xii) Tata Dasewo Commercial Vehicle Company Limited
- xiii) Tata Communications Collaboration Services Private Limited
- xiv) Tata Housing Development Company Ltd - Employees Provident Fund
- xv) Tata SIA Airlines Limited
- xvi) Tata Power Renewable Energy Limited
- xvii) Tata Steel Limited
- xviii) The Tata Power Company Limited
- xix) Roots Corporation Limited
- xx) Tata Motors Passenger Vehicles Limited
- xxi) Tata Medical and Diagnostics Limited

Joint controlled entities

- i) Tata Fozas Automotive Systems Private Limited
- ii) Tata AutoComp GY Batteries Private Limited
- iii) Tata AutoComp Katcon Exhaust System Private Limited
- iv) TM Automotive Sealing Systems Private Limited
- v) TACO Saiken Automotive Electronics Limited (Under Liquidation)
- vi) An International TTR Thermal Systems Private Limited (Joint venture of Tata Toyo Radiator till September 30, 2021 and Joint Venture of Tata AutoComp w.e.f. October 01, 2021)
- vii) Tata AutoComp SECO Powertrain Private Limited (Domest w.e.f. July 13, 2021)
- viii) Tata AutoComp Gokion Green Energy Solutions Private Limited
- ix) TACO Prestoflex Electric (India) Private Limited (w.e.f. April 04, 2021)

Key management personnel

Whole-time director
 Mr. Anind Goel (Managing Director and CEO)

Non-executive directors

Mr. Praveen Kedia
 Mr. Hari Lakshminarayan Munda
 Mr. Milind Shahane
 Mr. Ankur Verma
 Ms. Rati Forbes





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(b) Transactions with related parties

	Transaction value		Closing balance	
	Year ended March 31, 2022	Year ended March 31, 2021	As at March 31, 2022	As at March 31, 2021
Sale of goods				
- Tata Motors Limited	1,09,887.34	88,061.30	(1,318.80)	714.13
- Tata Motors Passenger Vehicles Limited (formerly TML Business Analytics Services Limited)	64,070.23	-	8,879.04	-
- Fiat India Automobiles Private Limited	39,384.75	21,914.04	4,730.78	2,580.30
- Tata Sons Private Limited (refer note 1 below)	4,728.37	17,830.04	(1,074.12)	54.02
- Others	10,878.85	5,481.79	5,513.87	8,190.59
Purchase of goods and services				
- Tata Motors Limited	337.16	177.99	10.48	(118.57)
- Tata Capital Financial Services Limited	805.05	927.78	8.47	34.17
- Tata Toyo Radiator Limited	190.88	93.11	(15.35)	(93.58)
- Fiat India Automobiles Private Limited	3,630.86	1,714.91	(515.47)	(503.98)
- Others	1,309.21	1,188.17	873.98	(332.58)
Share equity business promotion contribution				
- Tata Sons Private Limited	722.00	342.00	(778.78)	(378.83)
Sale of services and reimbursement				
- Tata Motors Limited	1,175.42	887.84	380.28	70.50
- Tata Motors Passenger Vehicles Limited (formerly TML Business Analytics Services Limited)	878.49	-	553.90	-
- Fiat India Automobiles Private Limited	350.93	52.18	308.37	18.72
- Tata Toyo Radiator Limited	2,708.19	1,410.22	685.18	835.79
- Automotive Stampings and Assemblies Limited	180.80	138.74	71.82	132.10
- Tata AutoComp Hendrickson Suspensions Private Limited	874.79	816.77	225.34	174.98
- Tata Ficosa Automotive Systems Private Limited	563.15	388.10	108.50	93.89
- Tata AutoComp GY Batteries Private Limited	618.80	890.47	239.18	223.30
- TM Automotive Sealing Systems Private Limited	782.29	371.33	212.75	230.33
- Tata AutoComp Katcon Exhaust System Private Limited	181.14	259.23	9.88	89.35
- TitanX Engine Cooling AB	812.89	253.88	817.10	292.89
- Nanjing Tata AutoComp Systems Limited	493.15	559.97	33.30	100.85
- Tata Medical and Diagnostics Limited	-	-	-	(1,100.00)
- AIR International TTR Thermal Systems Pvt. Ltd.	152.74	-	88.35	-
- Others	1,084.62	778.83	981.70	148.51
Sale of Property, plant and equipment				
- Tata Toyo Radiator Limited	0.93	-	1.00	-
- Tata Ficosa Automotive Systems Private Limited	0.93	-	1.09	-
- Chengshu Tata AutoComp Systems Limited	0.78	-	0.78	-
- TitanX Engine Cooling (Poland)	37.22	-	25.46	-
- TitanX Engine Cooling AB (Sweden)	87.14	-	87.14	-
- TitanX Engine Cooling SRL	1.12	-	1.12	-
- TM Automotive Sealing Systems Private Limited	5.73	-	1.09	-
- Tata AutoComp GY Batteries Limited	3.33	-	1.08	-
- Air International TTR Thermal Systems Private Limited	4.83	-	5.30	-
- Tata Medical and Diagnostics Limited	4.80	22.03	-	-
- Tata AutoComp Katcon Exhaust System Private Limited	0.93	-	-	-
- YACO Prestoite Electric (India) Private Limited	5.04	-	5.95	-
- TitanX Engine Cooling Inc (USA)	89.86	-	89.86	-
- Others	0.93	-	1.09	-
Purchase of Property, plant and equipment				
- Voltas Limited	17.34	-	0.03	(0.04)
- Tata Toyo Radiator Ltd	-	3.33	-	(3.93)
- Tata Ficosa Automotive Systems Limited	-	2.08	(2.45)	(2.48)
- Tata AutoComp GY Batteries Private Limited	-	3.21	-	(3.79)
- Tata AutoComp Hendrickson Suspensions Private Limited	-	1.37	-	(1.82)
- TM Automotive Sealing Systems Pvt Ltd	-	0.47	-	(0.55)
- Tata Elsi Limited	20.00	-	-	-
- Automotive Stampings and Assemblies Limited	4.55	-	-	-
- Tata AutoComp Katcon Exhaust System Private Limited	0.12	-	-	-
- Nanjing Tata AutoComp Systems Limited	1.52	-	-	-
- Tata Technologies Limited	19.73	-	-	-





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Particulars	Transaction value		Closing balance	
	Year ended March 31, 2022	Year ended March 31, 2021	As at March 31, 2022	As at March 31, 2021
Interest received on inter corporate deposits and loans				
- Automotive Stampings and Assemblies Limited	864.49	392.16	-	-
- Tata Ficoas Automotive Systems Private Limited	60.49	39.33	-	-
- TM Automotive Seating Systems Private Limited	-	1.98	-	-
- Air International TTR Thermal Systems Private Limited	5.53	10.24	-	-
- Tata Toyo Radiator Limited	12.45	122.54	-	-
- Tata AutoComp Kelcon Exhaust System Private Limited	-	6.44	-	-
- Tata AutoComp GY Batteries Private Limited	88.49	-	-	-
- TACO Prestolite Electric (India) Private Limited	19.75	-	-	-
Dividend received				
- Tata AutoComp Hendrickson Suspensions Private Limited	4,825.53	131.79	-	-
- Tata Ficoas Automotive Systems Private Limited	65.46	-	-	-
- TM Automotive Seating Systems Pvt Ltd	993.00	-	-	-
Inter corporate deposit given				
- Automotive Stampings and Assemblies Limited	7,000.00	6,550.00	4,100.00	3,900.00
- Tata Ficoas Automotive Systems Private Limited	1,500.00	1,000.00	-	-
- TACO Prestolite Electric (India) Private Limited	2,750.00	-	2,750.00	-
- Tata Toyo Radiator Limited	1,000.00	4,600.00	-	900.00
- Tata AutoComp Kelcon Exhaust System Private Limited	-	450.00	-	-
- Tata AutoComp GY Batteries Private Limited	5,250.00	-	2,000.00	-
- Air International TTR Thermal Systems Private Limited	400.00	-	-	-
Inter corporate deposit received back				
- Automotive Stampings and Assemblies Limited	9,800.00	9,500.00	-	-
- TM Automotive Seating Systems Private Limited	-	100.00	-	-
- Tata Toyo Radiator Limited	1,500.00	3,700.00	-	-
- Tata Ficoas Automotive Systems Private Limited	1,500.00	1,000.00	-	-
- TACO Prestolite Electric (India) Private Limited	-	450.00	-	-
- Tata AutoComp GY Batteries Private Limited	3,250.00	100.00	-	-
- Air International TTR Thermal Systems Private Limited	400.00	-	-	-
Security deposit given				
- Tata Capital Financial Services Limited	12.40	483.54	1,066.04	1,053.84
Interest expenses on lease liability				
- Tata Capital Financial Services Limited	271.35	186.32	-	-
- Tata Motors Limited	70.01	60.55	-	-
Lease liabilities				
- Tata Capital Financial Services Limited	-	-	3,018.43	2,824.21
- Tata Motors Limited	-	-	653.26	847.23
Gratuity liability				
- Tata Housing Development Company Ltd - Employees Provident Fund	-	(20.00)	-	-
Interest to debenture holder				
- Tata Housing Development Company Ltd - Employees Provident Fund	-	1.01	-	-
Provision to key managerial personnel				
Short-term employee benefits				
- Mr. Anand Goel (refer note g below)	724.87	537.00	(467.00)	(300.00)
Short-term employee benefits	45.77	35.30	(164.92)	(119.14)
Long-term employee benefits	136.22	254.56	(1,765.29)	(830.83)
Post-employment benefits				
Advance given to key managerial personnel				
- Mr. Anand Goel	3.00	-	-	-
Commission paid to key managerial personnel				
- Mr. Praveen Kedia	25.00	15.00	-	-
- Mr. Ramesh Muthje	-	10.00	-	-
- Mr. Hari Lakshminarasimhan Munda	15.00	10.00	-	-
- Ms. Raji Forbes	10.00	5.00	-	-





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Particulars	Transaction value		Closing balance	
	Year ended March 31, 2022	Year ended March 31, 2021	As at March 31, 2022	As at March 31, 2021
Sitting fees paid to key managerial personnel				
- Mr. Praveen Kadle	4.00	4.70		
- Mr. Rannagh Malija		6.20		
- Mr. Hari Lakshminarayan Munda	5.00	6.50		
- Mr. Ankur Verma	2.50	2.50		
- Ms. Rati Forbes	2.50	2.50		
Investment in other equity				
- Rytpez Holding (Sweden) AB	1,243.95		4,966.18	3,722.23
Investment in equity shares				
- Tata Toyo Radiafor Limited			1,632.00	1,632.00
- Nanjing Tata AutoComp Systems Limited			4,017.92	4,017.92
- Tata Ficosa Automotive Systems Private Limited			1,875.00	1,875.00
- Automotive Stampings and Assemblies Limited			7,515.97	7,515.97
- Tata AutoComp OY Batteries Private Limited		1,500.00	8,650.08	8,650.08
- Tata AutoComp Hexriducion Suspensions Private Limited			621.00	621.00
- TACO Engineering Services GMBH			17.71	17.71
- TM Automotive Sealing Systems Private Limited			900.00	900.00
- Tata AutoComp Katson Exhaust System Private Limited			321.13	321.13
- Rytpez Holding (Sweden) AB			31,954.38	31,954.38
- Tata AutoComp SECO Powertrain Private Limited			2.50	2.50
- Air International TTR Thermal Systems Private Limited	1,000.00		1,000.00	
- TACO Prestolite Electric (India) Private Limited	1,100.00		1,100.00	

Notes:

- a) The closing balances above are net of advances.
- b) The closing balances of investments in equity shares are net of provisions.
- c) All outstanding balances are unsecured and are repayable in cash.
- d) Loans to subsidiaries and joint ventures are provided at interest rates ranging from 7.00% p.a. to 10.30% p.a. (March 31, 2021: 6.40% to 10.30%) and have a maturity profile ranging from 0 to 5 years. These loans are proposed to be utilized by the related subsidiaries and joint ventures for meeting their working capital requirements and fund the acquisition of plant and equipments in ordinary course of business.
- e) The Company has given commission free financial guarantee of USD 100.00 million and Euro 45.50 million to bank in respect of loans taken by subsidiary Rytpez Holding (Sweden) AB.
- f) During the period the Company has sold ventilators and personal protective equipments of Rs.4,739.00 lakhs (Rs.17,830.04 lakhs) to Tata Sons Private Limited as part of their response to COVID-19 pandemic. Since the above sales are at nil margin the same has been netted off against the cost of purchases.
- g) Amount excluding long term employee benefits and post-employment benefits.





Tata AutoComp Systems Limited
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Note 40 : Contingent liabilities (To the extent not provided for)

	As at March 31, 2022	As at March 31, 2021
Income tax matters		
Sales tax matters	822.17	1,059.54
Excise duty matters (refer note 1 below)	4.48	26.26
Goods and Services tax matters	197.97	143.10
Claims against company not acknowledged as debts	3.10	21.15
Statutory bonus for FY 2014-15 on retrospective amendment in the Payment of Bonus Act wherein high court has issued stay orders on similar cases	62.31	58.87
Possible claims arising out of agreements with former Joint Venture Partners	126.93	126.93
	2,288.20	2,326.60

Note:

1) The Company has received other show cause notices from the Excise department on various matters. The Company has/s in the process of replying, to these notices and does not expect any demand from the Excise department.
It is not practicable for the company to estimate the timing of cash outflows, if any, in respect of the above pending disputed matters till it is resolved.

2) In February 2019, the Honourable Supreme Court of India vide its ruling clarified that certain special allowances should be considered to measure obligations under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the PF Act). However, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Honourable Supreme Court, in relation to the scope of compensation on which the organization and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges. Accordingly, the Company has not disclosed any contingent liability amount for past liability with respect to above ruling.

Note 41 : Capital Commitments

	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances)	3,134.31	504.93

Note 42 : Movements in provisions for probable claims and indirect tax matters

For the year ended March 31, 2022

	Probable claims (refer note a below)	Indirect tax matters (refer note b below)	Warranty (refer note c below)
Carrying amount at the beginning of the year	776.40	219.64	68.26
Additional provision made during the year	38.80	61.81	262.59
Reversals during the year		(110.72)	
Carrying amounts at the end of the year	815.20	170.73	330.95
Current	815.20		
Non-Current		170.73	330.95

For the year ended March 31, 2021

	Probable claims (refer note a below)	Indirect tax matters (refer note b below)	Warranty (refer note c below)
Carrying amount at the beginning of the year	737.80		
Additional provision made during the year	38.60	219.64	68.26
Carrying amounts at the end of the year	776.40	219.64	68.26
Current	776.40		
Non-Current		219.64	68.26

a. Provision for probable claim includes a claim arising out of share purchase agreement with former joint venture partner, namely Yazaki Corporation in relation to sale of the Company's shareholding in the former joint venture Tata Yazaki AutoComp Limited. As per the agreement, the Company is liable to compensate Tata Yazaki AutoComp Limited (subsequently renamed as "Yazaki India Private Limited") in relation to an excise duty case involving a demand amounting to Rs.450 lakhs. Additionally, as per the demand order, the Company is accruing interest on the said demand @ 10% p.a. since October 2012.
It is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

b. This represents provisions made for probable liabilities / claims arising out of pending dispute / litigations with various regulatory authorities in respect of VAT and CST cases. These provisions are affected by numerous uncertainties and management has taken all efforts to make the best estimates. Timing of outflow of resources will depend upon timing of decision of cases.

c. The Company has made warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Un-utilized provision is reversed on expiry of the warranty period.

Note 43 : Earnings per share

		Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year as per Statement of Profit and Loss	Rs. in lakhs	29,797.49	6,709.59
Less: Dividend on cumulative preference shares and tax thereon	Rs. in lakhs	-	-
Net earnings attributable to equity shareholders	Rs. in lakhs	29,797.49	6,709.59
Weighted average no. of equity shares		20,12,81,358	20,12,81,358
Earnings per share (Basic and Diluted)	Rs.	14.80	3.33
Nominal value of an equity share	Rs.	10.00	10.00





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Note 44 : Ratios

Ratios	Numerator	Denominator	As on March 31, 2022	As on March 31, 2021	Variation with preceding year
Current Ratio	Current Assets	Current Liabilities	1.19	1.06	12%
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.22	0.17	35%
Debt Service Coverage Ratio	Earnings available for debt service	Debt service	7.64	0.99	673%
Return on Equity Ratio	Net profit after tax	Average shareholder's equity	27%	7%	272%
Inventory Turnover Ratio	Cost of goods sold	Average inventory	9.64	8.84	9%
Trade Receivables turnover ratio	Net sales	Average accounts receivables	10.45	7.92	32%
Trade Payable turnover ratio	Purchases	Average accounts payables	4.16	3.00	39%
Net Capital turnover ratio	Net sales	Working capital	15.80	41.19	-62%
Net profit ratio	Net profit	Net sales	11%	5%	113%
Return on capital employed	Earnings before interest and taxes	Average capital employed	30%	10%	202%
Return on investment	Income generated from invested funds	Average invested funds in treasury	6%	6%	-5%

i) Debt-Equity Ratio:

Increase in debt due to addition of new leases of Rs. 115.23 Lakhs mainly in i) New facilities have been taken under the lease arrangement for Gotion at ESR in Chakan and additional space in embassy park leases for further expansion and ii) Press moulding machine have been taken on lease at CD Pantragarh Plant.

ii) Debt Service Coverage Ratio

Improvement in debt service coverage ratio due to i) Debt service was comparatively higher in FY 20-21 due to the repayment of debenture and ii) Substantial improvement in FY 21-22 in earnings available for serving debt due to better performance compared to FY 20-21.

iii) Return on Equity Ratio, Net profit ratio and Return on capital employed

Increase is on account of overall increase in auto component sector. Additionally in the current year, the EV segment has shown a significant increase in sales. EV adoption has also been greatly boosted by several state incentives and policies.

iv) Trade Receivables turnover ratio

Improvement in trade receivable turnover ratio due to i) Increase in overdue trade receivables at end of FY 20-21 due to impact of the second wave of Covid-19 and imposition of lockdown and ii) In FY 21-22 reduction in debtors credit period due to increase in sales of IPD and Gotion to TML where the dues are collected within 7 days under TML BMS discounting scheme from the date of supply.

v) Trade payable turnover ratio

Improvement in trade payable turnover ratio as suppliers payments were delayed due to the second wave of covid at end of FY 21-22 whereas in the current year payments were regularized due to improvement in liquidity position.

vi) Net Capital turnover ratio

Net capital turnover turns are reducing in FY 21-22 due to increasing in cash and cash equivalents by Rs. 174.33 Lakhs on account of the significant increase in operating profits.

Note 45 : The disclosure regarding the Company's expenditure on its research and development activity have not been made since the Company is not claiming deduction u/s 35(2AB) of Income tax act, 1961 consequent to its decision to opt for lower income tax rate u/s 115 BAA of Income tax act, 1961.

Note 46 : Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given as follows:

	As at March 31, 2022	As at March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any micro and small supplier at the end of each accounting year:		
- Principal	499.04	369.28
- Interest	2.77	0.92
	491.81	370.21
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:		
- Payments made to suppliers beyond the appointed date (Principal amount)	1,758.70	3,256.72
- Interest on the principal amount	1,758.70	3,256.72
Interest paid, other than under Section 16 of Micro, Small and Medium Enterprises Development Act, 2006.		
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	6.94	10.06
Interest under section 16 Micro, Small and Medium Enterprises Development Act, 2006 accrued during the year.	9.72	11.00
The amount of interest accrued and remaining unpaid at the end of each accounting year	60.02	73.61
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	9.72	11.00





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Note 47 : Loans repayable on demand

Type of borrower	As at March 31, 2022		As at March 31, 2021	
	Amount of loan outstanding	Percentage to the total Loans	Amount of loan outstanding	Percentage to the total Loans
Related Parties	4,100.00	46%	3,900.00	81%

Note 48 : Interest in subsidiaries and joint venture

Name of the Company	Percentage of Holding (%)		Principal place of business / Country of Incorporation
	As at March 31, 2022	As at March 31, 2021	
Subsidiaries (Direct and Indirect):			
Taco Engineering Services GmbH	100.00	100.00	Germany
Nanjing Tata AutoComp Systems Limited	100.00	100.00	China
Automotive Stampings and Assemblies Limited ("ASAL")	75.00	75.00	India
Tata Toyo Radiator Limited ("TTR")	51.00	51.00	India
Ryhpez Holding (Sweden) AB	100.00	100.00	Sweden
TitanX Holding AB (Sweden) [Subsidiary of Ryhpez Holding (Sweden) AB]	99.48	99.48	Sweden
TitanX Engine Cooling, Inc. (US) [Subsidiary of TitanX Holding AB (Sweden)]	99.48	99.48	USA
TitanX Engine Cooling Kunshan Co., Ltd. (China) [Subsidiary of TitanX Holding AB (Sweden)]	99.48	99.48	China
TitanX Engine Cooling AB (Sweden) [Subsidiary of TitanX Holding AB (Sweden)]	99.48	99.48	Sweden
TitanX Refrigeração de Motores LTDA (Brazil) [Subsidiary of TitanX Engine Cooling AB (Sweden)]	99.48	99.48	Brazil
TitanX Engine Cooling, Poland [Subsidiary of TitanX Holding AB (Sweden)]	99.48	99.48	Poland
TitanX Engine Cooling SRL (Italy) (w.e.f. March 17, 2021)	99.48	99.48	Italy
Changshu Tata AutoComp Systems Limited (subsidiary of NTACO)	100.00	100.00	China
Tata AutoComp Hendrickson Suspensions Private Limited	50.00	50.00	India
Joint ventures :			
Tata Ficosa Automotive Systems Private Limited ("TF")	50.00	50.00	India
Tata AutoComp GY Batteries Private Limited ("TGY")	50.00	50.00	India
Tata AutoComp Katcon Exhaust Systems Private Limited	50.00	50.00	India
TM Automotive Seating Systems Private Limited	50.00	50.00	India
Taco Saiken Automotive Electronics Limited ("TSAE") (under liquidation)	50.00	50.00	India
Tata AutoComp SECO Powertrain Private Limited (dormant w.e.f. July 13, 2021) *	50.00	50.00	India
Tata AutoComp Gotion Green Energy Solutions Private Limited (w.e.f. March 28, 2020) **	50.00	50.00	India
TACO Prestolite Electric (India) Private Limited (w.e.f. April 05, 2021)	50.00	60.00	India
Air International TTR Thermal Systems Private Limited (AITTR) (JV of TTR till September 30, 2021) ***	50.00	25.50	India

* The Company had entered into an agreement with SECO Powertrain Private Limited on June 5, 2019 and formed a joint venture company namely Tata AutoComp SECO Powertrain Private Limited on November 28, 2019. There have been no transactions entered by the newly formed joint venture since its inception and consequently the joint venture company is declared as dormant w.e.f. July 13, 2021.

** The Company has entered into an agreement with Hefei Guoxuan High Tech Power Energy Co. Ltd on February 28, 2019 to form a joint venture company namely Tata AutoComp Gotion Green Energy Solutions Private Limited. The joint venture was incorporated on March 28, 2020. W.e.f. April 18, 2020, amendments have been made to para 3.1.1 of the FDI policy so as to compel any country which shares a border with India to obtain government approval prior to an investment. This covers inter alia China, Bangladesh and Pakistan. During the current year the Company has obtained approval from the government, however the Company has not made any investment in share capital of the joint venture as on March 31, 2022.

*** The Company has purchased 50% of the shareholdings of Air International TTR Thermal Systems Private Limited w.e.f. October 01, 2021 from Tata Toyo Radiator Limited.





Tata AutoComp Systems Limited

Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 49 : Fair Value Measurement

Financial Instrument by category:

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

	Amortised cost	Financial assets / liabilities at fair value through profit or loss		Total carrying value
		Designated upon initial recognition	Mandatory	
Financial assets:				
<i>Non-current</i>				
Loans	2,000.00	-	-	2,000.00
Other financial assets	1,303.59	-	-	1,303.59
<i>Current</i>				
Investments	-	-	23,735.78	23,735.78
Trade receivables	34,798.67	-	-	34,798.67
Cash and cash equivalents	5,011.25	-	-	5,011.25
Bank balances other than cash and cash equivalent	2,000.00	-	-	2,000.00
Loans	6,850.00	-	-	6,850.00
Other financial asset	3,846.12	112.04	-	3,758.16
Financial liabilities:				
<i>Non-current</i>				
Borrowings	2,788.15	-	-	2,788.15
Lease liabilities	15,321.46	-	-	15,321.46
Other financial liabilities	1,491.81	-	-	1,491.81
<i>Current</i>				
Borrowings	8,000.00	-	-	8,000.00
Trade payable	64,290.28	-	-	64,290.28
Lease liabilities	1,807.08	-	-	1,807.08
Other financial liabilities	6,768.98	-	-	6,768.98

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

	Amortised cost	Financial assets / liabilities at fair value through profit or loss		Total carrying value
		Designated upon initial recognition	Mandatory	
Financial assets:				
<i>Non-current</i>				
Loans	1,850.00	-	-	1,850.00
Other financial asset	3,229.10	-	-	3,229.10
<i>Current</i>				
Investments	-	-	11,014.39	11,014.39
Trade receivables	19,135.10	-	-	19,135.10
Cash and cash equivalents	1,785.32	-	-	1,785.32
Bank balances other than cash and cash equivalent	510.00	-	-	510.00
Loans	2,950.00	-	-	2,950.00
Other financial asset	1,501.52	102.59	-	1,604.11
Financial liabilities:				
<i>Non-current</i>				
Borrowings	8,795.41	-	-	8,795.41
Lease liabilities	4,522.89	-	-	4,522.89
Other financial liabilities	772.23	-	-	772.23
<i>Current</i>				
Borrowings	1,491.80	-	-	1,491.80
Trade payable	38,831.72	-	-	38,831.72
Lease liabilities	1,070.01	-	-	1,070.01
Other financial liabilities	4,170.84	-	-	4,170.84

Financial guarantee obligations have been measured at higher of amount of the loss allowance and amount initially recognised less the cumulative amount of income recognised.





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Note 48 : Fair Value Measurement (continued)

Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022:

	As at March 31, 2022	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Asset				
Investments in liquid mutual fund units	23,735.78	23,735.78		
Derivative financial instruments - foreign currency forward	112.04		112.04	

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

	As at March 31, 2021	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Asset				
Investments in liquid mutual fund units	11,014.39	11,014.39		
Derivative financial instruments - foreign currency forward contracts	102.59		102.59	

- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Valuation technique used to determine fair value:

Specific valuation technique used to value financial instruments include

- the fair value of liquid mutual funds is based on quoted price.
- the fair value of forward foreign exchange contract is determined using forward foreign exchange rates as at balance sheet date.
- the fair value of debentures is calculated as the present value of the estimated future cash flows based on observable yield curves

Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO, VP Finance and the valuation team.





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Note 50 : Financial risk management

In the course of its business, the Company is exposed primarily to market risk, liquidity risk 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 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 fluctuations on the Company's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(A) 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 foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(a) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and Others. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company's risk management policy is to hedge around 50% to 70% of forecasted foreign currency sales and purchases for the subsequent 6 months. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	As at March 31, 2022			As at March 31, 2021		
	USD	EUR	Others	USD	EUR	Others
Financial assets						
Trade receivables	9,517.19	7,372.12	144.70	4,299.48	6,766.03	127.58
Bank balances	0.46	-	-	-	-	-
Reimbursements from related parties	795.16	62.23	-	74.62	34.01	-
Exposure to foreign currency risk (assets)	10,412.81	7,434.35	144.70	4,374.10	6,800.04	127.58
Financial liabilities						
Trade payables	13,884.31	427.76	261.98	745.66	326.43	199.21
Exposure to foreign currency risk (liabilities)	13,884.31	427.76	261.98	745.66	326.43	199.21

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on profit after tax	
	As at March 31, 2022	As at March 31, 2021
USD sensitivity		
INR/USD - Increase by 4% (March 31, 2021 - 3%)*	296.65	108.85
INR/USD - Decrease by 4% (March 31, 2021 - 3%)*	(296.65)	(108.85)
EUR sensitivity		
INR/EUR - Increase by 2% (March 31, 2021 - 4%)*	115.67	258.94
INR/EUR - Decrease by 2% (March 31, 2021 - 4%)*	(115.67)	(258.94)

*Holding all other variable constant

Forward contracts receivable / payable

	As at March 31, 2022	As at March 31, 2021
Forward contracts receivable		
USD	8,259.43	975.90
EUR	7,317.60	1,239.99
Forward contracts payable		
USD	11,297.44	-
EUR	246.11	-
RMB	256.26	257.46





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(b) Interest rate risk

The Company has fixed rate borrowings and variable rate borrowing. The Company's fixed rate borrowings and loans to subsidiaries and joint ventures are carried at amortised cost. They are therefore not subject to interest rate risk as defined in In AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. The Company's exposure to variable borrowing rate are as follows:

	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	8,818.00	9,818.00
Fixed rate borrowings	2,000.00	500.00
Total borrowings	10,818.00	10,318.00

At the end of the period the Company has following variable borrowing outstanding:

	As at March 31, 2022			As at March 31, 2021		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Term loan from bank (in Rs.)	6.50%	8,818.00	81.51%	8.40%	9,818.00	95.15%

(c) Price risk

(a) Exposure

The Company's exposure to current investments' price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investment, the Company invests in liquid mutual funds. Liquid mutual funds invest mainly in short term debt instruments such as commercial deposits (CD), commercial paper (CP) and treasury bills, with maturities of up to 91 days only and carry very negligible interest rate risk and price risk.

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet this. The Company invests its surplus funds in bank fixed deposit and debt mutual funds which carry no / low mark to market risk.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Upto 1 year	Between 1 and 2 years	2 year and above	Total
March 31, 2022				
Non-derivatives				
Borrowings non current	6,000.00	2,788.15	-	8,788.15
Borrowings current	2,000.00	-	-	2,000.00
Trade payables	64,290.28	-	-	64,290.28
Other financial liabilities	6,308.28	-	-	6,308.28
Lease liability	2,142.19	2,288.52	26,580.81	31,011.52
Financial guarantee obligation *	1,14,102.18	-	-	1,14,102.18
Total non-derivative liabilities	1,94,842.93	5,076.67	26,580.81	2,25,500.41

Contractual maturities of financial liabilities	Upto 1 year	Between 1 and 2 years	2 year and above	Total
March 31, 2021				
Non-derivatives				
Borrowings non current	981.80	1,472.70	7,363.50	9,818.00
Borrowings current	500.00	-	-	500.00
Trade payables	38,631.72	-	-	38,631.72
Lease liability	1,246.71	985.60	5,517.32	7,749.63
Other financial liabilities	3,800.45	-	-	3,800.45
Financial guarantee obligation *	1,14,768.88	-	-	1,14,768.88
Total non-derivative liabilities	1,59,929.56	2,458.30	12,880.82	1,75,268.68

* The company has given the financial guarantee for one of its subsidiary (refer note 53 for details). The company has disclosed the maximum exposure of financial guarantee to the earliest period in which the guarantee could be called.

(C) Credit risk

Credit risk is the risk of financial loss arising from counterparty 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.

Credit risk management

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and liquid mutual fund with high credit ratings assigned by international and domestic credit rating agencies. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period.





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Exposure to credit risk

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs 34,798.67 lakhs, Rs 18,470.07 lakhs as of March 31, 2022 and March 31, 2021 respectively. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

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 financial assets that are neither impaired nor past due, there were no indications as at March 31, 2022, that defaults in payment obligations will occur.

The Company follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortised cost or fair value through other comprehensive income other than trade receivables.

The ageing of trade receivable as on balance sheet date is given below. The age analysis has been considered from the due date.

Trade receivables Period (in months)	As at March 31, 2022			As at March 31, 2021		
	Gross	Allowance	Net	Gross	Allowance	Net
Unbilled Revenue						
Not due	1,487.18	-	1,487.18	665.20	-	665.20
Overdue up to 3 months	26,673.14	-	26,673.14	12,772.03	-	12,772.03
Overdue 3-6 months	901.15	4.00	897.15	1,648.66	1.02	1,647.64
Overdue more than 6 months	2,566.97	45.13	2,521.84	1,214.12	95.54	1,118.58
Total	34,929.27	130.59	34,798.67	19,344.76	209.66	19,135.10

The following table summarises the change in loss allowance measured using lifetime expected credit loss model:

	Amount
Loss allowance on March 31, 2020	217.06
Changes in loss allowance	(7.40)
Loss allowance on March 31, 2021	209.66
Changes in loss allowance	(73.07)
Loss allowance on March 31, 2022	130.59

Note 51 : Capital Management

(a) Risk management

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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, non convertible debt securities and 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 and lease liabilities as disclosed in notes 21, 24 and 5 to the financial statements.

	As at March 31, 2022	As at March 31, 2021
Total debt	27,916.69	15,870.11
Total equity	1,24,801.47	95,434.84
Net debt to equity ratio	0.22	0.17

(b) Dividends

Particulars	As at March 31, 2022	As at March 31, 2021
Dividends not recognised at the end of the reporting period.	8,051.26	-
Board of directors have recommended the payment of a final dividend of Rs 4.00 per fully paid equity share for the year ended on March 31, 2022 (31 March 2021 - Nil). This proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting.		





Tata AutoComp Systems Limited
Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 52 : Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
First charge		
Movable property, plant and equipment of Interior and Plastics Division and Composites Division	15,212.01	11,395.00
Current		
First charge		
Current assets of Supply Chain Management division	32,206.95	18,871.15
Investment in subsidiary pledged as security	36,920.57	35,676.61

Note 53: Managerial remuneration

During the previous year, the total managerial remuneration accrued by the Company to its Managing Director and CEO, Mr. Arvind Goel was in excess of the limits laid down under section 197 and Schedule V of the Companies Act, 2013 by Rs 122.14 lakhs. The Company has obtained the approval from its shareholders at the Annual General Meeting held on June 08, 2021 for such excess remuneration.

During the current year, the total managerial remuneration accrued by the Company to its Managing Director and CEO, Mr. Arvind Goel is within the limits laid down under section 197 and Schedule V of the Companies Act, 2013.

Note 54: Corporate Guarantees

1. During the current year, on account of refinancing of loan the financial guarantees given to bank in respect of term loans availed by one of its subsidiaries stands withdrawn w.e.f. March 24, 2022 and the Company has given the new financial guarantee to another bank effective from March 25, 2022.

As at March 31, 2022 following financial guarantees are given on account of loans and facilities availed by the subsidiary:

Particulars	Currency	Sanctioned limit	Guarantee amount	Loan outstanding As at March 31, 2022
Facility 1	USD	25.0	27.5	25.0
Facility A1 Tranche 1 – Term loan	USD	40.0	42.0	40.0
Facility A1 Tranche 2 – Term loan	Euro	36.4	38.2	36.4
Facility A2 Tranche 1 – Term Loan	USD	10.0	10.5	-
Facility A2 Tranche 2 – Term Loan	Euro	9.1	9.6	-
Facility B – Revolving loan facility *	USD	25.0	26.3	25.0

* The facility can be availed in equivalent euro

2. Surety bond amounting to SEK 73 million (March 31, 2021: SEK 73 million), in favour of pension fund administrator for one of its subsidiaries.

Note 55: In view of the recent amendments made in schedule III of the Companies Act 2013, below change has been done in the comparative period

1. Current maturities of long-term borrowings Rs. 981.80 lakhs that were earlier disclosed under other current financial liabilities are now disclosed under short term borrowings.

2. Unbilled revenue of Rs 665.03 lakhs which was earlier disclosed under other financial assets is now disclosed under Trade receivable.





Tata AutoComp Systems Limited

Notes forming part of standalone financial statements for the year ended March 31, 2022
(All figures in INR Lakhs, unless otherwise stated)

Note 56: Other statutory information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), 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
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company have not any such 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.

Note 57: Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure

As per our report of even date attached

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


Swapnil Dakhindas
Partner
Membership No. 113896
ICAI UDIN: 22113896AHZUIW4387

Place: Pune
Date: April 28, 2022

For and on behalf of the Board of Directors of
Tata AutoComp Systems Limited
CIN U34100PN1995PLC158999


Praveen Kedia
Chairman
(DIN 00016814)


Arvind Goel
Managing Director and CEO
(DIN 02300813)


Ashish Boradkar
Company Secretary

Place: Pune
Date: April 28, 2022


Hari Mudra
Director
(DIN 00267029)


Deepak Pastogi
Chief Financial Officer

BSR & Co. LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TATA AUTOCOMP SYSTEMS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Tata AutoComp Systems Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2022 and 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 for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at 31 March 2022, 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its joint ventures 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 audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.



B S R & Co. LLP

**Independent Auditors' Report on the Consolidated Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

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

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

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

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 joint ventures 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 of its joint ventures 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 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 Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint ventures 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 joint ventures is responsible for overseeing the financial reporting process of each company.



B S R & Co. LLP

**Independent Auditors' Report on the Consolidated Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Auditors' 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 auditors' 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 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of 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 the section titled 'Other Matters' in this audit report.



B S R & Co. LLP

**Independent Auditors' Report on the Consolidated Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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.

Other Matters

- (a) We did not audit the financial statements / financial information of one subsidiary (including 7 step-down subsidiaries), whose financial information reflect total assets (before consolidation adjustments) of INR 199,128.13 Lakhs as at 31 March 2022, total revenues (before consolidation adjustments) of INR 215,565.67 Lakhs, total net profit after tax (before consolidation adjustments) of INR 2,004.13 lakhs and net cash outflows of INR 6,686.67 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information 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, is based solely on the audit reports of the other auditors.

These subsidiaries are located outside India whose financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements / financial information of these subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of these subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) The financial statements/ financial information of one subsidiary, whose financial information reflect total assets (before consolidation adjustments) of INR 122.08 lakhs as at 31 March 2022, total revenue (before consolidation adjustments) of INR 186.50 lakhs, total net profit after tax (before consolidation adjustments) of INR 7.61 lakhs, and net cash outflows of INR 16.60 lakhs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These financial statements/ unaudited 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, is based solely on such unaudited 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 the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.



B S R & Co. LLP

**Independent Auditors' Report on the Consolidated Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

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. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on consolidated financial statements of such 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;
 - 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 as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, none of the directors of the Group companies and its joint ventures incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



B S R & Co. LLP

**Independent Auditors' Report on the Consolidated Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Report on Other Legal and Regulatory Requirements (continued)

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries as noted in the 'Other Matters' paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on its consolidated financial position of the Group and its joint ventures. Refer note 44 and note 46 (C) to the consolidated financial statements;
 - b. The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022;
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint ventures incorporated in India during the year ended 31 March 2022;
 - d. (i) The respective Managements of the Holding Company, its subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the note 58 to the accounts, 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 or any of such subsidiaries and joint ventures to or in any other person(s) or entity(ies), 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 subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective Managements of the Holding Company, its subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the note 58 to accounts, no funds have been received by the Holding Company or any of such subsidiaries and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint ventures shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.



B S R & Co. LLP

**Independent Auditors' Report on the Consolidated Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)**

Report on Other Legal and Regulatory Requirements (continued)

- e. As stated in note 41 (b) to the consolidated financial statements, the Board of Directors of the holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
4. With respect to the matter to be included in the Auditors' report under section 197(16):

One of the Holding Company's subsidiary has paid/ accrued remuneration to its Whole Time Directors of Rs. 229 lakhs which is in excess of the limits prescribed under Section 197 read with Schedule V to the Act by Rs.23 lakhs and are subject to the approval of the shareholders. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the subsidiary companies proposes to obtain in the forthcoming Annual general Meeting. Refer note 54 to the consolidated financial statements;

In our opinion and according to the information and explanations given to us, except as stated above, the remuneration paid during the current year by the Holding Company and its subsidiary companies and joint venture companies to its directors is in accordance with the provisions of Section 197 of the Act. Except as stated above, the remuneration paid to any director by the Holding Company and its subsidiary companies and joint venture companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) 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

Swapnil Dakshindas
Partner

Place: Pune
Date: 28 April 2022

Membership No.: 113896
ICAI UDIN: 22113896AHZUCM7584

B S R & Co. LLP

**Annexure A to the Independent Auditors' Report on the Consolidated Financial Statements of
Tata AutoComp Systems Limited for the year ended 31 March 2022**

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date, we report that:

According to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavorable remarks, qualifications or adverse remarks including those made by the respective component auditors in their reports under Companies (Auditor's Report) Order (CARO).

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary / JV/ Associate	Clause number of the CARO report which is unfavorable or qualified or adverse
1	Automotive Stampings and Assemblies Limited	L28932PN1990PLC016314	Subsidiary	xix

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
Taco Prestolite Electric Private Limited	U74140PN2015FTC207678	Joint Venture

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



Swapnil Dakshindas
Partner

Place: Pune
Date: 28 April 2022

Membership No.: 113896
ICAI UDIN: 22113896AHZUCM7584

B S R & Co. LLP

Annexure B to the Independent Auditors' Report on the Consolidated Financial Statements of Tata AutoComp Systems Limited for the year ended 31 March 2022

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 Companies Act, 2013

(Referred to in paragraph 2(f) 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 the Tata AutoComp Systems Limited ("the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated 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 Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the 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 Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 consolidated 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 consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.



B S R & Co. LLP

Annexure B to the Independent Auditors' Report on the Consolidated Financial Statements of Tata AutoComp Systems Limited for the year ended 31 March 2022 (continued)

Auditors' Responsibility (continued)

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

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

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the 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 Consolidated Financial Statements

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

For B S R & Co. LLP
Chartered Accountants

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



Swapnil Dakshindas
Partner

Pune : Pune
Date: 28 April 2022

Membership No.: 113896
ICAI UDIN: 22113896AHZUCM7584



Tata AutoComp Systems Limited
Consolidated Balance Sheet
(All figures in INR Lakhs unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	5	97,188.20	98,101.52
Capital work-in-progress	5	21,016.51	12,513.07
Right-of-use assets	6	44,993.50	35,243.16
Goodwill	7(c)	77,262.23	77,835.04
Intangible assets	7(a)	18,011.72	21,324.00
Intangible assets under development	7(b)	3,192.70	1,599.80
Investments accounted for using the equity method	46(c)	16,024.31	10,900.34
Financial assets			
(i) Loans	8	2,000.00	-
(i) Others	9	2,756.97	4,483.60
Deferred tax assets	10	15,062.71	16,379.74
Income tax assets (net)	11	2,256.57	2,735.32
Other non-current assets	12	2,338.95	2,850.88
Total non-current assets		3,02,104.37	2,84,056.47
Current assets			
Inventories	13	89,981.69	56,077.37
Financial assets			
(i) Investments	14	33,633.12	15,862.62
(ii) Trade receivables	15	87,637.09	54,810.12
(iii) Cash and cash equivalents	16	19,267.34	18,793.43
(iv) Bank balances other than (ii) above	17	3,154.47	2,490.96
(v) Loans	8	2,750.00	74.55
(vi) Other financial assets	9	3,774.70	1,418.48
Other current assets	18	24,694.07	19,353.38
Assets classified as held for sale	19	-	751.43
Total current assets		2,64,892.68	1,69,632.34
Total assets		5,66,997.05	4,53,688.81
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	20,128.14	20,128.14
Other equity			
Reserves and surplus	21(a)	1,18,065.32	77,229.83
Other reserves	21(b)	2,060.47	(507.20)
Equity attributable to the owners of the Company		1,40,283.93	96,850.77
Non-controlling interests		29,381.11	28,303.43
Total equity		1,69,665.04	1,25,154.20
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	22(a)	88,147.35	79,964.89
(ii) Lease liabilities	5	33,748.78	21,510.26
(iii) Other financial liabilities	22(b)	1,436.64	4,266.06
Provisions	23	16,201.00	17,486.33
Deferred tax liabilities	24	5,888.65	6,313.03
Total non-current liabilities		1,45,422.42	1,29,540.57
Current liabilities			
Financial liabilities			
(i) Borrowings	25	31,685.94	43,494.27
(ii) Lease liabilities	5	6,258.65	4,347.56
(iii) Trade payables	26	-	-
(a) total outstanding dues of micro and small enterprises		5,090.89	3,039.20
(b) total outstanding dues other than (iii) (a) above		1,64,027.62	1,18,001.97
(iv) Other financial liabilities	27	10,439.90	7,270.70
Provisions	23	9,336.75	5,514.80
Current tax liabilities (net)	28	1,243.97	112.14
Other current liabilities	29	23,815.67	17,213.40
Total current liabilities		2,51,909.59	1,98,994.04
Total liabilities		3,97,332.01	3,28,534.61
Total equity and liabilities		5,66,997.05	4,53,688.81

Summary of significant accounting policies 2-4
 See accompanying notes to the consolidated financial statements 5-59

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date.

For B S R & Co. LLP
 Chartered Accountants
 Firm's Registration Number: 101248W / W-100022

Swapnil Dakshindas
 Partner
 Membership No. 113896
 ICAI UDIN: 22113896AHZUCM7584

Place: Pune
 Date: April 28, 2022

For and on behalf of the Board of Directors of
 Tata AutoComp Systems Limited
 CIN: U34100PN1995PLC158999

Praveen Kadle
 Chairman
 (DIN 00016814)

HSH Mundra
 Director
 (DIN 00267029)

Arvind Upadhyay
 Managing Director and CEO
 (DIN 02300813)

Dheepak Rastogi
 Chief Financial Officer

Ashish Boradkar
 Company Secretary

Place: Pune
 Date: April 28, 2022



Tata AutoComp Systems Limited
Consolidated Statement of Profit and Loss
(All figures in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers	30	7,03,140.27	4,17,727.40
Other income	31	8,675.42	3,808.70
Total income		7,09,815.69	4,21,536.10
Expenses			
Cost of materials consumed	32	4,41,688.50	2,45,280.11
Purchases of stock-in-trade		39,300.29	17,610.39
Changes in inventories of finished goods, work-in-progress, stock-in-trade and tools	33	(15,812.60)	(512.90)
Employee benefits expense	34	83,970.76	64,009.33
Finance costs	35	11,329.48	10,056.37
Depreciation and amortization expense	36	29,582.60	29,060.43
Other expenses	37	77,583.84	80,872.93
Total expenses		6,67,642.05	4,26,376.66
Profit / (Loss) before share of profit of equity accounted investees, exceptional items and income tax		42,172.84	(4,840.56)
Share of net profit of joint ventures accounted for using the equity method (net of income tax)		5,024.91	898.62
Profit / (Loss) before exceptional items and tax		47,197.75	(3,941.94)
Exceptional items	53	11,719.91	-
Profit / (Loss) before income tax		58,917.66	(3,941.94)
Tax expense (A+B)	38	12,061.55	716.20
Current tax (A)		11,472.45	3,540.71
Deferred tax credit (B)		589.10	(2,824.51)
Profit / (Loss) for the year		46,856.11	(4,658.14)
Other Comprehensive Income (OCI)			
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		1,091.16	1,335.76
Effective portion of losses on hedging instruments in cash flow hedges		-	513.22
Tax on above		-	(102.98)
Items that will not be reclassified subsequently to profit or loss			
Remeasurements losses of post-employment benefit obligations		(63.72)	(1,058.35)
Income tax relating to items that will not be reclassified to profit or loss		0.13	86.73
Share of OCI of joint ventures accounted for using the equity method		57.51	44.18
Other comprehensive income for the year net of tax		1,085.08	818.53
Total Comprehensive Income / (loss) for the year (TCI)		47,941.19	(3,839.61)
Profit / (loss) attributable to:			
Owners of the company		49,889.92	(2,830.33)
Non-controlling interest		5,886.19	(1,827.81)
Other comprehensive income attributable to:		46,856.11	(4,658.14)
Owners of the company		1,068.04	837.03
Non-controlling interest		17.04	(18.50)
Total comprehensive income / (loss) attributable to:		1,085.08	818.53
Owners of the company		42,037.96	(1,993.30)
Non-controlling interest		5,903.23	(1,846.31)
Earnings per equity share		47,941.19	(3,839.61)
Nominal value of an equity share (INR)		10.00	10.00
Basic and diluted (INR)	48	20.35	(1.41)

Summary of significant accounting policies 2-4
See accompanying notes to the consolidated financial statements 5-59

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W / W-100022


Swapnil Dakshindas
Partner
Membership No. 113896
ICAI UDIN: 22113896AH2JCM7584

Place: Pune
Date: April 28, 2022

For and on behalf of the Board of Directors of
Tata AutoComp Systems Limited
CIN: U34100PN1995PLC158998


Praveen Kadle
Chairman
(DIN 00016814)


Hari Mondra
Director
(DIN 00287029)


Arvind Gadh
Managing Director and CEO
(DIN 02300813)


Deepak Rastogi
Chief Financial Officer

Ashish Boradkar
Company Secretary

Place: Pune
Date: April 28, 2022



Tata AutoComp Systems Limited
Consolidated Statement of Changes in Equity
(All figures in INR Lakhs, unless otherwise stated)

Equity share capital

As at March 31, 2021

Balance at the beginning of the current reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
20,128.14	-	-	-	20,128.14

As at March 31, 2022

Balance at the beginning of the current reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
20,128.14	-	-	-	20,128.14

Other equity

	Attributable to owners of Company										Attributable to non controlling interest	Total
	Reserves and surplus					Other Reserves						
	General reserve	Capital redemption reserve	Securities premium	Debt redemption reserve	Capital Reserve	Retained earnings	Other items of OCI	Exchange differences on translation of foreign operations	Effective portion of cash flow hedges	Total other equity		
Balance as at April 1, 2020	13,924.23	5,462.50	69.39	2,500.00	9,663.54	48,420.84	908.63	(342.99)	(1,910.21)	78,718.93	30,149.74	1,08,868.67
Loss for the year	-	-	-	-	-	(2,830.33)	-	-	-	(2,830.33)	(1,827.61)	(4,658.14)
Other comprehensive income (net of tax)	-	-	-	-	-	-	(908.97)	-	410.24	(498.73)	(18.50)	(517.23)
Transfer from debt redemption reserve to general reserve (refer note below)	2,500.00	-	-	(2,500.00)	-	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	1,335.76	-	1,335.76	-	1,335.76
As at March 31, 2021	16,424.23	5,462.50	69.39	-	9,663.54	45,590.51	(0.34)	892.77	(1,499.97)	78,722.63	28,303.43	1,07,026.06
As at April 1, 2021	15,424.23	5,462.50	69.39	-	9,663.54	45,590.51	(0.34)	992.77	(1,499.97)	78,722.63	28,303.43	1,07,026.06
Profit for the year	-	-	-	-	-	40,859.92	-	-	-	40,859.92	5,886.19	46,869.11
Other comprehensive income (net of tax)	-	-	-	-	-	-	(23.12)	-	-	(23.12)	17.04	(6.08)
Dividend on equity shares	-	-	-	-	-	-	-	-	-	-	(4,825.55)	(4,825.55)
Reclassification from OCI hedges reserve to retained earnings	-	-	-	-	-	(104.77)	-	-	104.77	-	-	-
Reclassification from OCI hedges reserve to profit and loss	-	-	-	-	-	-	-	-	1,395.20	1,395.20	-	1,395.20
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	1,091.16	-	1,091.16	-	1,091.16
As at March 31, 2022	16,424.23	5,462.50	69.39	-	9,663.54	85,450.46	(23.46)	2,083.93	-	1,20,155.79	29,341.11	1,49,526.90

Nature and purpose of reserves

General reserve

The general reserves are the retained earnings of a Group which are kept aside out of Group's profits to meet future (known or unknown) obligations. The general reserve is a free reserves which can be utilized for any purpose after fulfilling certain conditions.

Capital redemption reserve

Capital Redemption Reserve was created for redemption of preference shares. The Group may issue fully paid - up bonus shares to its members out of the capital redemption reserve account.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Debtors redemption reserve (DRR)

The Holding Company had issued redeemable non-convertible debentures during the year ended 31 March 2011. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended) (the Rules) require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. On May 18, 2020, the Holding Company has repaid the above-mentioned non-convertible debentures and consequently, the balance in Debtors Redemption Reserve of Rs.2,500 lakhs has been transferred to General Reserve.

Capital reserve

Capital reserve was created on merger of wholly owned subsidiary of the Holding Company viz. TACO Holdings (Mauritius) Limited (THML) with the Holding Company. Capital reserve is the excess between share capital of THML and investment in THML, which was carried at deemed cost (net of impairment) in the books of the Holding Company as at April 1, 2018.

Exchange differences on translation of foreign operations

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instruments related to hedge transaction that have not yet accrued.

Summary of significant accounting policies

2-4

See accompanying notes to the consolidated financial statements

5-59

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date.

For B S R & Co. LLP
 Chartered Accountants
 Firm's Registration Number: 101248W / W-100022

Swarni Dakshinadas
 Partner
 Membership No. 143896
 ICAI UDIN: 22113896AHZUCM7594

Place: Pune
 Date: April 28, 2022

For and on behalf of the Board of Directors of
 Tata AutoComp Systems Limited
 CIN: U34100PN1995PLC158999

Praveen Khatke
 Chairman
 (DIN 00016814)

Arvind Doel
 Managing Director & CEO
 (DIN 02300812)

Ashish Bansikar
 Company Secretary

Place: Pune
 Date: April 28, 2022

Hari Mundra
 Director
 (DIN 00287029)

Dheepak Bhatnagar
 Chief Financial Officer



Tata AutoComp Systems Limited
Consolidated Cash Flow Statement
(All figures in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities		
Profit / (Loss) before tax	58,917.66	(3,941.94)
Adjustments for:		
Exceptional gain on sale of land	(11,719.91)	-
Depreciation and amortisation expense	29,582.60	29,060.43
Gain on disposal of property, plant and equipment (net)	(55.60)	(33.83)
Gain on sale of investments	(559.75)	(184.79)
Share of profits of joint ventures	(5,024.91)	(898.52)
Interest income	(400.46)	(290.23)
Finance costs	11,329.46	10,056.37
Unwinding of discount on security deposits	(68.72)	(54.86)
Cash flow hedges - gains reclassified from OCI	1,395.20	513.22
Sundry provisions and credit balances no longer required, written back	(170.12)	(152.32)
Net effect of exchange difference on translation of assets and liabilities of foreign operations	(568.40)	783.56
	82,657.05	34,856.99
Changes in operating assets and liabilities :		
Trade receivables	(32,614.04)	3,917.01
Inventories	(33,961.52)	(8,554.16)
Trade payables	48,414.64	20,271.06
Other financial assets non-current	554.75	(913.96)
Other financial assets current	(2,335.37)	456.23
Other non-current assets	540.00	115.78
Other current assets	(5,464.10)	7,444.64
Provisions non-current	(1,018.76)	(77.77)
Provisions current	3,997.90	(330.16)
Other financial liabilities current	405.35	204.41
Other financial liabilities non-current	(2,706.01)	4,266.06
Other current liabilities	7,168.67	(7,316.08)
Cash generated from operations	65,638.56	54,340.05
Income taxes paid (net of refund)	(9,874.22)	(3,474.69)
Net cash flow from operating activities (A)	55,764.34	50,865.36
B. Cash flow from investing activities		
Purchase of property, plant and equipment, including capital work in progress, intangible assets, intangibles under development and capital advances (net)	(29,120.16)	(14,089.07)
Proceeds from sale of property, plant and equipment	17,256.63	465.57
Purchase of current investments	(98,355.06)	(51,692.41)
Proceeds from sale of current investments	81,144.33	42,829.52
Investment in joint venture	-	(2,574.38)
Loans to related parties (net)	(4,675.45)	203.90
Fixed deposit with banks (net) having maturity over 3 months	(512.41)	(839.56)
Dividends received from joint ventures	1,058.44	131.79
Interest received	371.95	335.73
Net cash flow used in investing activities (B)	(32,931.72)	(25,228.91)
C. Cash flow from financing activities		
Borrowings repaid (net)	(1,983.67)	(253.86)
Repayment of debentures	-	(10,000.00)
Payment of lease liability	(6,216.11)	(4,790.31)
Payment of derivative contracts	(51.73)	(144.14)
Finance cost paid	(9,009.12)	(8,738.97)
Dividend paid to non-controlling interests (including dividend distribution tax)	(4,825.55)	-
Net cash flow used in financing activities (C)	(22,085.18)	(23,927.28)
Net increase in cash and cash equivalents (A+B+C)	746.44	1,709.17
Cash and cash equivalents at the beginning of the year	18,793.43	15,925.64
Effect of exchange rate changes on cash and cash equivalents	(272.53)	1,158.62
Cash and cash equivalents at the end of the year	19,267.34	18,793.43





Tata AutoComp Systems Limited
Consolidated Cash Flow Statement
(All figures in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
Cash and cash equivalents as per above comprise of the following:		
Cash on hand	1.53	1.45
Balances with banks	19,265.81	18,791.88
	19,267.34	18,793.33

Note 1 : Figures in brackets represents outflow of cash and cash equivalent
Note 2 : Refer note 52 for movement in financial liabilities.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W / W-100022


Swapnil Dakshindas
Partner
Membership No. 113896
ICAI UDIN: 22113896AHZUCM7584

Place: Pune
Date: April 28, 2022

For and on behalf of the Board of Directors of
Tata AutoComp Systems Limited
CIN: U34100PN1995PLC158999


Praveen Kadle
Chairman
(DIN 00016814)



Hari Mundra
Director
(DIN 00287029)


Arvind Gole
Managing Director and CEO
(DIN 02300916)


Deepak Rastogi
Chief Financial Officer


Ashish Boradkar
Company Secretary

Place: Pune
Date: April 28, 2022



Tata AutoComp Systems Limited

**Notes forming part of the consolidated financial statements for the year ended
March 31, 2022**

Nota 1: Corporate overview

Tata AutoComp Systems Limited (the "Company" or "the Holding Company" or "the parent" or "TACO") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered address of the Company is TACO House, Damle Path, Off Law College Road, Pune, Maharashtra, 411004. The consolidated financial statements relate to Tata AutoComp Systems Limited its subsidiaries and joint ventures (together referred to as "the Group"). The Group provides products and services in the automotive industry to Indian and Global customers. The Group designs, manufactures and supplies a variety of components and assemblies to automotive original equipment manufacturers and other customers.

As at March 31, 2022, the Holding Company caters to its customers through its five operating divisions, fourteen subsidiaries (direct and indirect) and eight joint ventures (direct and indirect) with leading companies in the global auto component industry (together known as the 'TACO Group'). One joint venture is under liquidation.

Sr. No.	Name of the Company	Percentage of holding (%) as at		Country of Incorporation
		March 31, 2022	March 31, 2021	
	Subsidiaries (Direct and indirect)			
1	Taco Engineering Services GmbH	100.00	100.00	Germany
2	Nanjing Tata AutoComp Systems Limited ("NTACO")	100.00	100.00	China
3	Changshu Tata AutoComp Systems Limited (subsidiary of NTACO) (w.e.f. June 10, 2019)	100.00	100.00	China
4	Automotive Stampings and Assemblies Limited ("ASAL")	75.00	75.00	India
5	Tata Toyo Radiator Limited ("TTR")	51.00	51.00	India
6	Ryhpez Holding (Sweden) AB ("Ryhpez")	100.00	100.00	Sweden
7	TitanX Holding AB (Sweden) {Subsidiary of Ryhpez Holding (Sweden) AB}	99.48	99.48	Sweden
8	TitanX Engine Cooling, Inc. (US) {Subsidiary of TitanX Holding AB (Sweden)}	99.48	99.48	USA
9	TitanX Engine Cooling Kunshan Co., Ltd. (China) {Subsidiary of TitanX Holding AB (Sweden)}	99.48	99.48	China
10	TitanX Engine Cooling AB (Sweden) {Subsidiary of TitanX Holding AB (Sweden)}	99.48	99.48	Sweden
11	TitanX Refrigeração de Motores LTDA (Brazil) {Subsidiary of TitanX Engine Cooling AB (Sweden)}	99.48	99.48	Brazil
12	TitanX Engine Cooling, Poland {Subsidiary of TitanX Holding AB (Sweden)}	99.48	99.48	Poland
13	Tata AutoComp Hendrickson Suspensions Private Limited ("THSL")	50.00	50.00	India
14	TitanX Engine Cooling SRL (Italy) (w.e.f. 17.03.2021)	99.48	99.48	Italy





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 1: Corporate overview (continued)

Sr. No.	Name of the Company	Percentage of holding (%) as at		Country of Incorporation
		March 31, 2022	March 31, 2021	
	Joint ventures			
1	Tata Ficoso Automotive Systems Private Limited ("TF")	50.00	50.00	India
2	Tata AutoComp GY Batteries Private Limited ("TGY")	50.00	50.00	India
3	Tata AutoComp Katcon Exhaust System Private Limited	50.00	50.00	India
4	TM Automotive Seating Systems Private Limited	50.00	50.00	India
5	Tata AutoComp SECO Powertrain Private Limited (w.e.f. November 26, 2019)	50.00	50.00	India
6	Air International TTR Thermal Systems Private Limited (AITTR) (Joint venture of TTR till September 30, 2021 and Joint Venture of Tata AutoComp w.e.f October 01, 2021)	50.00	25.50	India
7	Tata AutoComp Gotion Green Energy Solutions Private Limited (w.e.f. March 26, 2020)	60.00	60.00	India
8	Taco Saska Automotive Electronics Limited ("TSAE") (under liquidation)	50.00	50.00	India
9	TACO Prestolite Electric Private Limited (w.e.f. April 04, 2021)	50.00	Nil	India

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The accounting policies applied in these consolidated financial statements are the same as those applied in the consolidated financial statements as at and for the year ended 31 March 2021.

2.1 (a) Basis of preparation

(i) Statement of compliance

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The consolidated financial statements were authorized for issue by the Holding Company's Board of Directors on April 28, 2022.

(ii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset) / liability – present value of defined benefit obligations less fair value of plan assets





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

(iii) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(iv) Principles of consolidation and equity accounting

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively

(b) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Group only has joint ventures. Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

(v) Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2(13) below.

(vi) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

2.2 Revenue from contract with customers

The Group generates revenue principally from -

(i) Sale of products including scrap sales and traded goods:

The Group recognizes revenue when 'control' of the promised goods underlying the particular performance obligation is transferred to the customer in an amount that reflects the consideration it expects to receive in exchange for those goods. Control of products passes to the customers, at a point in time which is usually upon delivery of goods to the customer / carrier appointed by the customer. Invoices are generated, and revenue is recognised at that point in time. Invoices are usually payable within 30 – 90 days. Revenue excludes taxes collected from customers on behalf of the government.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.2 Revenue from contract with customers (continued)

For contracts that permit the customer to return an item, under Ind AS 115 revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. Returned goods are exchanged only for new goods – i.e. no cash refunds are offered. In such circumstances, a refund liability and a right to recover returned goods asset are recognised. The amount disclosed as revenue is net of Goods and Services Tax collected on behalf of third parties.

(ii) Sale of tools:

Tooling contracts are the fixed price contracts to build a specific tool (asset). Under these contracts a performance obligation is satisfied when control of such assets underlying the particular performance obligation is transferred to the customer. Hence, revenue from tooling contracts is recognized when such tools are transferred to the customers since the customer receives and consumes the benefits at the end of the contract.

Generally, the Group receives short-term tooling advances from its customers which are utilised for providing advance to supplier of the tool. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of any significant financing component.

(iii) Sales of services:

Engineering services:

Revenue from engineering services is recognized when these services are rendered and used by the customer. Hence, such revenue is recognized on the basis of time / work completed, since typical Service Level Agreements provides for time and material billing model and related performance obligations are satisfied over such time period.

Administrative services:

Revenue from administrative services is recognised when the services are rendered in accordance with the agreements with the respective Group companies since the performance obligation is satisfied over such period of rendering of services and use by the customer.

Logistic services:

Revenue from logistic services is recognised when the services are rendered and accepted by the customer.

(iv) Other operating revenues:

The Group earns revenue from sale of duty credit scrips under the merchandise export from India scheme of Government of India. The Duty credit scrips are freely transferrable and revenue from sale of such scrips is recognised on transfer of scrips to customer.

2.3 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Holding Company operates ('functional currency').

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded off to the nearest Lakh except share data, unless otherwise indicated.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.4 Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

Group companies

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

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognized in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.5 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost comprises of purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement profit or loss during the reporting period in which they are incurred.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on a pro-rata basis using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful life of certain assets are different than the life prescribed under Schedule II to the Companies Act, 2013 and those have been determined based on technical evaluation by the Management. The Management believes that these estimated useful lives are realistic and reflect fair approximation over the period over which the assets are likely to be used.

Class of asset	Useful life as prescribed in Schedule II of Companies Act, 2013 (in years)	Useful life as followed by the Group (in years)
Plant and equipment		
- Moulds and dies, Material handling equipment etc.	15 (on a single shift basis)	3 to 10 (irrespective of the shift)
- Injection moulding machine, Paint shop equipment, Power press, Robots etc.	15 (on a single shift basis)	12 to 15 (irrespective of the shift)
Computers and peripherals		
- Servers and networks	6	3 to 4
- End use devices such as desktop, laptops etc.	3	3 to 4
Vehicles	8	4
Furniture and fixtures	10	10
Factory buildings	30	20 to 30
Office equipment	5	5

Improvements to leasehold premises are depreciated over the balance tenure of leasehold land.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date/ month on which asset is ready for use (disposed of).

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

2.6 Intangible asset

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets acquired in a business combination are recognized at fair value at the acquisition date





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.6 Intangible asset (continued)

Internally generated intangible assets and other intangible assets have been distinguished separately in the relevant notes to consolidated financial statements.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Group uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Group amortizes the intangible asset over the best estimate of its useful life. Such intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

A summary of amortization policies applied to the Group's intangible assets is as below:

Asset category	Amortisation period
Specialised computer software	4 years
Engineering and development cost	7 years
Customer relationships	7 years
Patents	7 years

Research and development cost:

Research expenditure and development expenditure that do not meet the criteria mentioned below are recognised as an expense as incurred.

The Group capitalises the expenditure as an intangible asset when following criteria are met:

- It is technically feasible to complete the asset so that it will be available for use,
- Management intends to complete the asset and use or sell it,
- There is an ability to use or sell the asset,
- It can be demonstrated how the asset will generate probable future economic benefits,
- Adequate technical, financial and other resources to complete the development and to use or sell the asset are available, and
- The expenditure attributable to the asset during its development can be reliably measured.

Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Directly attributable costs that are capitalised as part of the asset include employee costs and an appropriate portion of relevant overheads





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

Goodwill

Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

2.7 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses). Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.8 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.9 Leases

A. Recognition

At inception of a contract, the Group assesses whether a contract is, or contains, 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 Group 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 Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
 - the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
 - the Group has the right to operate the asset; or
 - the Group designed the asset in a way that predetermines how and for what purpose it will be used.
- This policy is applied to contracts entered into, or changed, on or after April 01, 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

B. Group as a lessee

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. The Group has considered all relevant facts and circumstances to determine whether the option to extend the lease shall be exercised. This includes but is not limited to the fact that certain assets have been leased to us by related parties for operations directly linked to them.

The Group recognises a Right-Of-Use (ROU) asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises 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 an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.9 Leases (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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 arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

The Group has applied a single discounting rate to a portfolio of leases of similar assets.

C. Short-term leases and leases of low-value assets

The Group 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. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.10 Inventories

Inventories which comprises of raw materials, stores and spares, work-in-progress, tools under development, traded and finished goods are valued at the lower of cost and net realisable value. Cost of inventory comprises of all cost of purchases, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.





Tata AutoComp Systems Limited

**Notes forming part of the consolidated financial statements for the year ended
March 31, 2022**

Note 2: Significant accounting policies (continued)

2.10 Inventories (continued)

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis. Inventories in transit are valued at cost. Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

2.11 Employee benefits

(i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations:

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

(iii) Post-employment obligations:

The Group operates the following post-employment schemes:

- (a) Defined benefit plans viz. gratuity and pension; and
- (b) Defined contribution plans viz. provident fund.

(a) Defined benefit plans:

Pension and gratuity obligations:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability recognised in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.11 Employee benefits (continued)

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

Other post-employment benefits

Some Group companies provide healthcare benefits for their employees after retirement. Entitlement to these benefits is normally based on the employee remaining in service until retirement and that the employment has lasted for a certain number of years. The expected cost of these benefits is allocated over the period of employment using the same accounting method as for defined benefit plans. Actuarial gains and losses arising from experience-based adjustments and changes in actuarial assumptions are reported in "Other comprehensive income" during the period in which they are incurred. These obligations are reassessed annually by independent actuaries.

Severance pay

Severance pay is payable when an employee's service has been terminated by the Group before the normal retirement age or when an employee accepts voluntary redundancy in exchange for such compensation. The Group recognizes compensation upon termination at the earliest of the following occasions: (a) when the Group is no longer able to recall the offer of compensation; and (b) when the Group recognizes expenditure for a restructuring that falls within the scope of application for Ind AS 37 and that involves payment of severance pay. In the event that the Group has given an offer to encourage voluntary redundancies, the compensation upon termination is calculated based on the number of employees expected to accept the offer. Benefits maturing more than 12 months after the end of the reporting period are discounted at the present value.

(b) Defined contribution plans

Provident fund:

A defined contribution plan is a post-employment benefit under which an entity pays a specific contribution to a separate entity and has no obligation to pay any further amounts. The Group pays provident fund contributions to publicly administered provident funds as per local regulations and superannuation fund contribution administered by Life Insurance Corporation of India. The Group has no further payment obligations once the contributions have been paid. The contributions are charged to the Statement of Profit and Loss during the period in which the employee renders the related service.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined contribution pension plan

Few Group companies have defined contribution pension plan. Defined contribution pension plan is a pension plan according to which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligation to pay further contributions if the legal entity in question does not have sufficient assets to pay all employee benefits which are related to the employee's service during the current or previous periods.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.11 Employee benefits (continued)

For defined contribution pension plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as personnel costs when they fall due for payment. Prepaid premiums are reported as an asset to the extent to which the Group may benefit from cash repayments or decreases in future payments

Profit sharing and bonus schemes

Few Group companies recognizes a liability and an expense for bonuses and profit shares, based on a formula that takes into account the profit attributable to the Group's shareholders after certain adjustments. The Group recognizes a provision when there is a legal or informal obligation due to previous practices.

2.12 Financial instruments

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss

(i) Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Financial liabilities issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based in the effective interest method. Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

Financial liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

(iii) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. An impairment loss for financial assets is reversed if the reversal can be related objectively to an event occurring after the impairment loss has been recognized.

(iv) Derecognition

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

Financial liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and a recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability derecognized and the consideration paid or payable is recognized in the Statement of Profit or Loss.

(v) Derivatives that are not designated as hedges

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/expenses.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

(vi) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(vii) Hedge accounting

The subsidiary Company Ryhpez uses foreign currency forward contracts and interest rate derivatives to hedge its risks associated with foreign currency fluctuations on principal and interest payments relating to highly probable forecast transactions. The subsidiary designates these forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity. The ineffective portion is recognized immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the Statement of Profit and Loss in the periods in which the forecasted transactions occur. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecast transactions, any cumulative gain or loss on the hedging instrument recognized 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 recognized in equity is immediately transferred to the Statement of Profit and Loss for the year.

2.13 Impairment of non-financial assets

The Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. 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 CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. In respect of non-financial assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The carrying value of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying value that would have been determined (net of any accumulated depreciation or amortization) had no impairment loss been recognized for the said asset in previous years. The reversal of impairment loss is recognized in the Statement of profit and loss.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.15 Trade receivables

These amounts represent receivable for goods and services provided by the Group prior to the end of financial year which are not received. Trade receivable are presented as current assets unless payment is not due within 12 months after the reporting period. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.16 Contract assets

For certain sale of services wherein performance obligation is satisfied over a period of time, 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.

2.17 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

2.18 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Share capital

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.20 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.21 Cash flow statement

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.22 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the period.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.23 Income tax and deferred tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.23 Income tax and deferred tax (continued)

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.24 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Group will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense under finance cost.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the on-going activities of the Group.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.24 Provisions (continued)

A disclosure for a liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.25 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker or decision making group.

2.26 Business Combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 2: Significant accounting policies (continued)

2.27 Recognition of interest income or expense and dividend

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income or expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

2.28 Government grants

Other income includes government grants. Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants relating to export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim is fulfilled. These export incentives are recognized in statement of profit and loss as other income.

Government grants that are awarded as incentives linked with State Goods and Service Tax payable on sales made during the period are recognised as other income in statement of profit and loss in the period in which such sales are made.

Grants that compensate the Group for expenses incurred are recognised in statement of profit or loss as other income on a systematic basis in the periods in which such expenses are recognised.

2.29 Common control business combinations

Business combination involving entities that are under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.
- The excess between share capital of transferor and corresponding investment in the books of transferee is recognised as capital reserve in the books of transferee.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
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Note 3: Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgements or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgements, estimates and assumptions is mentioned below.

Judgements, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Note 3(a): Significant judgements

1. Legal contingency

The Group has received some orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and makes provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Group or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

2. Segment reporting

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources.

Operating segments are defined as 'Business Units' of the Group about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making Group, in deciding how to allocate resources and in assessing performance. The Group operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of auto component parts from which the Group derives its revenues. The management considers that these business units have similar economic characteristics that is the nature of the products and services, the nature of the production processes and nature of the regulatory environment etc.

Note 3(b): Significant estimates and assumptions

1. Goodwill Impairment: Key assumptions used for value-in-use calculations

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 3: Significant accounting judgements, estimates and assumptions (continued)
Note 3(b): Significant estimates and assumptions (continued)

2. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3. Fair valuation of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4. Defined benefit plan

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rates for gratuity is based on Indian Assured Lives Mortality (2006-08) (modified) Ultimate and those for pension are based on Indian Assured Lives Mortality (2012-14) ultimate and Annuitants-LIC (a) (1996-98) Ultimate Rates for pre-retirement and post-retirement assumptions respectively. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates.

5. Deferred tax

At each balance sheet date, the Group assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

Accordingly, Group has created deferred tax asset on unused tax losses and other deductible temporary differences since they are considered as reasonably certain.

The Group investigates each year if there is an impairment requirement as regards deferred tax assets regarding loss carry forwards. In addition, the Group investigates if it is appropriate to capitalize new differed tax assets regarding the year's carry forward loss. Deferred tax assets are reported only for loss carry forwards when it is probable that these amounts can be utilized against future taxable surpluses and against fiscal, temporary differences.





Tata AutoComp Systems Limited
Notes forming part of the consolidated financial statements for the year ended
March 31, 2022

Note 3: Significant accounting judgements, estimates and assumptions (continued)

6. Measurement of fair value

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

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. In estimating the fair value of an asset or a liability, the Group 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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

7. Business combinations and intangible assets

Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquire. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

8. Claims payables and receivable to customers

The Group has made accruals in respect of unsettled prices for some of its raw materials purchase contracts and finished goods, scrap sales contracts. These accruals are made considering the past settlement formula with the vendors and customers respectively and the applicable metal prices from published sources. The management has assessed and believes that the timing of cash outflow pertaining to this accrual are uncertain and hence considered the same as payable on demand and classified under current liabilities. As the liability and assets is payable on demand, management has concluded that no discounting is necessary.





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Note 4: Standard issued by not yet effective

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

Ind AS 103 – Reference to Conceptual Framework

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

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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

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

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

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

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.





Tata AutoComp Systems Limited

Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 6 : Property, plant and equipment and capital work-in-progress

a. Reconciliation of carrying amount of property, plant and equipment

	Freehold Land	Buildings	Improvements to leasehold premises	Furniture and fixtures	Plant and equipment	Vehicles	Office Equipment	Computer and peripherals	Tools, Jigs and Fixtures	Total	Capital work-in-progress
As at March 31, 2021											
Gross carrying amount	5,215.50	35,496.10	607.56	472.67	87,584.89	636.27	757.67	863.89	17,064.08	1,48,718.83	15,764.72
Opening gross carrying amount	58.61	(271.17)	-	23.24	(3,790.20)	34.72	6.75	(1.28)	(1,791.73)	(6,731.06)	175.01
Foreign currency translation difference	-	4,116.25	187.01	190.13	7,843.09	34.50	44.05	111.48	1,065.48	13,592.09	1,580.24
Additions	(6.91)	(926.20)	-	-	(140.83)	-	-	-	-	(1,073.94)	-
Assets held for sale (refer note 19)	-	-	-	-	(76.79)	(29.19)	(0.32)	(38.49)	-	(144.79)	-
Disposals	-	159.27	-	(159.27)	(831.86)	-	-	-	-	(831.86)	-
Transfers/ reclassification	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	5,267.20	39,574.26	794.57	526.77	90,588.28	676.40	808.35	956.60	16,337.83	1,54,529.25	12,613.07
Accumulated depreciation											
Opening accumulated depreciation	-	5,213.17	108.90	220.25	35,344.92	108.39	397.16	273.54	6,696.29	48,366.61	-
Foreign currency translation difference	-	(500.46)	-	(137.14)	(4,984.01)	(0.56)	5.63	(0.78)	(2,044.38)	(7,711.69)	-
Depreciation charge during the year	-	1,527.56	19.51	108.50	11,299.40	74.34	143.34	189.55	3,647.20	17,008.41	-
Assets held for sale (refer note 19)	-	(241.83)	-	-	(80.68)	-	-	-	-	(322.51)	-
Disposals	-	-	-	-	(13.20)	(29.19)	(0.32)	(38.49)	-	(81.21)	-
Transfers/ reclassification	-	-	-	-	(831.86)	-	-	-	-	(831.86)	-
Closing accumulated depreciation	-	5,948.45	128.41	191.61	49,734.55	152.88	545.81	422.82	9,302.11	86,427.73	-
Net carrying amount	5,267.20	33,625.80	665.16	335.16	49,853.73	523.42	262.54	532.78	9,035.72	98,101.52	12,613.07
As at March 31, 2022											
Gross carrying amount	5,267.20	36,574.25	794.57	526.77	90,588.28	676.40	808.35	956.60	16,337.83	1,54,529.25	12,613.07
Opening gross carrying amount	(23.55)	(1,563.11)	-	-	3,575.96	(6.50)	12.24	11.13	1,099.19	5,404.19	-
Reclassified to Right-of-use assets (refer note 57)	(14.48)	717.15	24.92	99.22	13,094.98	43.39	112.72	263.61	1,532.50	16,645.79	13.58
Foreign currency translation difference	-	444.51	(107.22)	(204.52)	(1,483.35)	(71.55)	(66.59)	(97.31)	(18.20)	15,615.85	10,214.30
Additions	-	(1,134.93)	-	-	-	-	-	-	-	(3,377.67)	-
Disposals	(194.00)	-	-	-	-	-	-	-	-	-	-
Transfers/ reclassification	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	5,036.17	37,037.87	712.27	430.99	1,05,775.87	641.74	866.72	1,133.03	19,951.31	1,70,584.96	11,824.34
Accumulated depreciation											
Opening accumulated depreciation	-	5,948.45	129.41	191.61	40,734.55	152.98	545.81	422.82	9,302.11	86,427.73	-
Reclassified to Right-of-use assets (refer note 57)	-	(464.86)	-	8.36	1,784.20	1.75	11.30	9.14	971.61	(464.86)	-
Foreign currency translation difference	-	442.64	36.73	93.52	11,651.29	63.02	120.02	202.21	3,135.17	16,645.79	-
Depreciation charge during the year	-	1,343.83	(107.22)	(189.63)	(1,225.09)	(65.56)	(62.42)	(88.15)	(6.67)	(2,440.90)	-
Disposals	-	(696.16)	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	-	6,575.90	68.92	103.86	52,844.95	152.19	614.71	546.02	12,402.22	73,396.76	-
Net carrying amount	5,036.17	30,461.97	653.35	327.13	52,830.92	489.55	252.01	587.01	6,549.09	97,188.20	21,016.61





Tata AutoComp Systems Limited

Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

b. Capital work-in-progress
Capital work-in-progress as at March 31, 2022 amounts to INR 21,016.62 lakhs (March 31, 2021 INR 12,513.07 lakhs) comprising majority of addition to land and other development related cost, expansion of existing plant capacity at foreign and Indian subsidiaries.

CWIP ageing schedule

CWIP	As at 31 March 2022	As at 31 March 2021
(a) Projects in process		
Less than 1 year	12,573.24	4,874.07
1-2 years	1,259.37	1,140.39
2-3 years	624.62	154.34
More than 3 years	6,559.38	6,444.26
Total	21,016.61	12,513.07

There are no capital work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan, hence completion capital work-in-progress schedule is not given.

c. Other notes

i. For property, plant and equipment pledged as securities refer note 51. For contractual commitments towards acquisition of property plant and equipment refer note 49.
ii. There are no future minimum lease payments in respect of these leasehold land. The lease terms generally expires within period of 79-99 years in respect of above classified leasehold land.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 6 : Leases

A. Right of use assets

	Land	Building	Plant and Machinery	Others	Total
As at March 31, 2021					
Gross carrying amount					
Opening gross carrying amount	13,607.68	11,160.97	12,426.68	205.08	37,400.39
Add: Initial direct cost	-	25.28	32.78	-	58.06
Add: Addition during the period ^	-	3,631.25	2,788.74	-	6,419.99
Less: Deletion during the period	-	-	(517.04)	-	(517.04)
On account of remeasurement of lease liability	-	(4.35)	-	-	(4.35)
Foreign currency translation difference	12.96	982.79	59.06	25.44	1,080.25
Closing gross carrying amount	13,620.62	15,795.94	14,790.22	230.52	44,437.30
Accumulated depreciation					
Opening accumulated depreciation	400.54	2,135.06	1,224.54	102.91	3,863.05
Add: Depreciation charged for the period	398.05	2,597.90	2,001.70	87.91	5,085.56
Foreign currency translation difference	0.47	213.78	16.41	12.87	245.53
Closing accumulated depreciation	799.06	4,946.74	3,244.65	203.69	9,194.14
Net carrying amount	12,821.56	10,849.20	11,545.57	26.83	35,243.16
As at March 31, 2022					
Gross carrying amount					
Opening gross carrying amount *	13,620.62	15,795.94	14,790.22	230.52	44,437.30
Add: Initial direct cost	-	142.47	95.39	-	237.86
Add: Addition during the year ^	-	15,166.75	1,374.68	221.07	16,762.50
Less: Deletion during the year	-	(1,199.04)	-	-	(1,199.04)
Foreign currency translation difference	21.04	(162.88)	(20.83)	(6.67)	(159.34)
Closing gross carrying amount	13,641.66	29,743.24	16,239.46	444.92	60,069.28
Accumulated depreciation					
Opening accumulated depreciation	799.06	4,946.74	3,244.65	203.69	9,194.14
Add: Depreciation charged for the year	402.36	3,449.58	2,381.42	106.83	6,340.19
Foreign currency translation difference	1.86	(154.04)	(17.45)	(9.98)	(179.61)
Less: Deletion during the year	-	(278.94)	-	-	(278.94)
Closing accumulated depreciation	1,203.28	7,963.34	5,608.62	300.54	15,075.78
Net carrying amount	12,438.38	21,779.90	10,630.84	144.38	44,993.50

* Includes prepaid rent of Rs.699.56 lakhs (March 31, 2021 Rs. 548.05 lakhs) which has been reclassified to Right-of-Use Asset pursuant to transition to Ind AS 116.
^ Includes prepaid rent of Rs. 343.22 lakhs. (March 31, 2021 Rs. 45.00 lakhs)

B. Lease liabilities

	As at March 31, 2022	As at March 31, 2021
Current	6,258.85	4,347.56
Non Current	33,748.78	21,510.26
Total	40,007.63	25,857.82

C. Interest expenses on lease liabilities

	Year ended March 31, 2022	Year ended March 31, 2021
Interest on lease liabilities	2,361.58	1,778.59

D. Expenses on short term leases / low value assets

	Year ended March 31, 2022	Year ended March 31, 2021
Short term lease	802.92	546.85
Low value assets	262.79	74.26

E. Amounts recognised in the statement of cash flow

	Year ended March 31, 2022	Year ended March 31, 2021
Total cash outflow for leases	6,216.11	4,790.31

F. Maturity analysis – contractual undiscounted cash flows

	As at March 31, 2022	As at March 31, 2021
Less than one year	7,488.66	5,504.14
One to five years	25,536.45	20,179.60
More than five years	26,585.58	6,901.71
Total undiscounted lease liabilities	59,610.70	32,585.44





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 7 : Intangible assets and intangible assets under development

a. Intangible assets

	Acquired Intangible asset	Internally generated intangible asset			Total
	Computer software	Engineering and development cost	Patents	Customer Contracts	
As at March 31, 2021					
Gross carrying amount					
Opening gross carrying amount	2,182.54	31,924.41	1,607.05	7,724.26	43,438.26
Additions	114.09	4,265.01	276.62	-	4,855.71
Disposals	(31.67)	-	-	-	(31.67)
Foreign currency translation difference	112.98	(928.22)	199.38	383.30	(232.56)
Closing gross carrying amount	2,377.94	35,261.20	2,083.05	8,107.56	47,829.74
Accumulated amortisation					
Opening accumulated amortisation	901.14	16,465.29	354.97	3,391.57	21,112.98
Amortisation charge for the year	243.80	5,525.41	40.19	1,157.06	6,966.46
Disposals	(8.52)	-	-	-	(8.52)
Foreign currency translation difference	40.56	(1,818.03)	44.09	168.20	(1,565.18)
Closing accumulated amortisation	1,176.98	20,172.67	439.25	4,716.83	26,505.74
Net carrying amount	1,200.96	15,088.53	1,643.80	3,390.73	21,324.00
As at March 31, 2022					
Gross carrying amount					
Opening gross carrying amount	2,377.94	35,261.20	2,083.05	8,107.56	47,829.74
Additions	665.54	2,117.93	124.44	-	2,907.91
Disposals	(166.30)	-	-	-	(166.30)
Transfers	-	-	-	-	-
Foreign currency translation difference	11.62	1,546.08	(59.35)	34.07	1,532.42
Closing gross carrying amount	2,888.80	38,925.21	2,148.14	8,141.63	52,103.77
Accumulated amortisation					
Opening accumulated amortisation	1,176.98	20,172.67	439.25	4,716.83	26,505.74
Amortisation charge for the year	243.93	4,727.51	422.67	1,202.51	6,596.62
Disposals	(72.20)	-	-	-	(72.20)
Foreign currency translation difference	16.10	1,115.62	(30.01)	(39.82)	1,061.89
Closing accumulated amortisation	1,364.81	26,015.80	831.92	5,879.52	34,092.05
Net carrying amount	1,523.99	12,909.41	1,316.22	2,262.11	18,011.72

b. Intangible assets under development

Intangible assets under development as at March 31, 2022 amounts to INR 3,192.70 lakhs (March 31, 2021 INR 1,599.80 lakhs). Intangible assets under development mainly includes cost incurred by the Group for upgradation of current enterprise resource planning systems and project hours for product development.

Intangible assets under development- Ageing

Particulars	As at	As at
	March 31, 2022	March 31, 2021
(a) Projects in process		
Less than 1 year	259.60	1,554.78
1-2 years	1,177.05	45.02
2-3 years	1,756.05	-
More than 3 years	-	-
Total	3,192.70	1,599.80

There are no Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, hence Intangible assets under development completion schedule is not given.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 7 : Intangible assets and intangible assets under development (continued)

c. Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the Cash Generating Units (CGUs) below for impairment testing.

Reconciliation of carrying amount of goodwill allocated to each of the CGUs :

	ASAL (Refer note iii)	Ryhpez (Refer note iii)	TTR (Refer note iii)	THSL (Refer note iii)	Total
As at March 31, 2021					
Gross amount of goodwill as at April 01, 2020	2,499.96	41,885.79	17,556.52	22,958.06	84,900.33
Accumulated impairment losses as at April 01, 2020	-	-	10,321.51	-	10,321.51
Goodwill carrying amount as at April 01, 2020	2,499.96	41,885.79	7,235.01	22,958.06	74,578.82
Exchange rate differences upon translation to presentation currency	-	3,256.22	-	-	3,256.22
Gross amount of goodwill as at 31 March 2021	2,499.96	45,142.01	17,556.52	22,958.06	88,156.55
Accumulated impairment losses as at 31 March 2021	-	-	10,321.51	-	10,321.51
Goodwill carrying amount as at 31 March 2021	2,499.96	45,142.01	7,235.01	22,958.06	77,835.04
As at March 31, 2022					
Exchange rate differences upon translation to presentation currency	-	(572.82)	-	-	(572.82)
Gross amount of goodwill as at 31 March 2022	2,499.96	44,569.19	17,556.52	22,958.06	87,583.74
Accumulated impairment losses as at 31 March 2022	-	-	10,321.51	-	10,321.51
Goodwill carrying amount as at 31 March 2022	2,499.96	44,569.19	7,235.01	22,958.06	77,262.23

Note i: Goodwill relating to ASAL and Ryhpez was accounted for at the time of acquisition of business.

Note ii: The Group has performed its annual impairment test for the year ended March 31, 2022 for the Goodwill relating to ASAL, Ryhpez, TTR and THSL.

The Group considers the relationship between CGU's recoverable amount and its carrying amount, among other factors, when reviewing for the indicators of impairment. The Group on reporting date analyses if CGU's recoverable amount is below its carrying amount indicating a potential impairment of goodwill and impairment of assets of the CGU.

Key assumptions used for calculation of recoverable amount.

The valuation has been arrived at by taking the higher of values arrived at under following valuation method:

- (a) Net assets based method and
- (b) Discounted cash flows.

The calculation of recoverable amount is sensitive to the following assumptions:

- ▶ Sales growth
- ▶ Raw material consumption
- ▶ Discount rates
- ▶ Free cash flow to the firm
- ▶ Growth rates used to extrapolate cash flows beyond the forecast period
- ▶ Fair valuation of fixed assets

Sales growth : The group has prepared customer wise sales growth projections based on the broad outlook received from the customers. It is observed from this estimate that the group expects auto industry sales to grow in the medium to long term.

Terminal growth rate estimates: Terminal value of future cash flows has been calculated using standard growth rate formula.

Raw material consumption: Raw material consumption has been factored in the financial projections based on historical trends.

Discount rates - Discount rates represent the current market assessment of the risks specific to these entities, which takes into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates and is based on the specific circumstances of these entities. The discount rate for Ryhpez is derived from their weighted average cost of capital (WACC) which takes into account both debt and equity. In case of TTR and THSL, cost of equity is used as the discount rate to discount the future cash flows. The cost of equity for these three entities is derived from the expected return on their investment, and the cost of debt of Ryhpez is based on its interest-bearing borrowing.

Free cash flow to the firm (FCFF): FCFF approach has been followed for valuation of investment in Ryhpez. FCFF been calculated by reducing capital expenditure and making working capital adjustments for the projected period from FY 2021-22 to FY 2025-26. Terminal value cash flow was considered beyond the projected period till perpetuity.

Free cash flow to the equity holders (FCFE): FCFE approach has been followed for valuation of investment in TTR and THSL. FCFE has been calculated by reducing capital expenditure, principal debt and interest repayments and making working capital adjustments for the projected period from FY 2021-22 to FY 2025-26. Terminal value cash flow was considered beyond the projected period till perpetuity.

Growth rate estimates: Terminal value of future cash flows has been calculated using standard growth rate formula.

Fair valuation of fixed assets: Fair valuation of fixed assets is done using the replacement cost method.

Impairment assessment may contain and/ or are based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from those and the variations may be material. Also refer note 1 of significant estimates and assumptions.

Note iii: As part of its annual impairment assessment, the Group reassessed the recoverable amount of ASAL, Ryhpez, TTR and THSL as on March 31, 2022 which has resulted in no impairment.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
 (All figures in INR Lakhs, unless otherwise stated)

Note 8 : Financial assets - loans

	As at March 31, 2022		As at March 31, 2021	
	Current	Non- current	Current	Non- current
Unsecured, considered good				
Loan to joint ventures* (refer note 45)	2,750.00	2,000.00	50.05	-
Loans to employees	-	-	24.50	-
Total	2,750.00	2,000.00	74.55	-

* Includes Rs.2,000.00 lakhs of loan given to Tata Autocomp GY Batteries Private Limited and Rs.2,750 lakhs to TACO Prestolite Electric (India) Private Limited, private limited companies with common director as on March 31, 2022, (March 31, 2021: Rs.50.05 lakhs of loan to Air International Thermal TTR Private Limited which is private limited company with common director).

Break up of security details

	As at March 31, 2022	As at March 31, 2021
Loans considered good - secured	-	-
Loans considered good - unsecured	4,750.00	74.55
Loans which have significant increase in credit risk	-	-
Loans- credit impaired	-	-
Total	4,750.00	74.55

Note 9 : Financial assets - others

	As at March 31, 2022		As at March 31, 2021	
	Current	Non- current	Current	Non- current
Unsecured, considered good unless otherwise stated				
Financial assets carried at amortised cost				
Security deposits				
Considered good	569.86	1,467.48	574.15	1,460.05
Considered doubtful	-	40.79	-	40.79
	569.86	1,508.27	574.15	1,500.84
Less: Provision for doubtful deposits / loss allowance	-	40.79	-	40.78
	569.86	1,467.48	574.15	1,460.06
Other receivable from related parties (refer note 45)	427.76	-	363.45	-
Interest accrued on loans/ deposits	54.91	-	25.40	-
Advance to employees	47.43	-	22.94	-
Application money paid towards securities [refer note (iii) below]	-	-	-	1,100.00
Claims receivable	-	17.66	-	17.66
Government grant receivables	1,633.15	1,046.47	146.19	1,702.46
Bank deposits [refer note (i) below]	-	199.28	-	148.18
Other receivables	929.55	25.08	182.76	35.24
Financial assets carried at fair value through profit or loss				
Foreign-exchange forward contracts [refer note (ii) below]	112.04	-	102.59	-
Total	3,774.70	2,756.97	1,418.48	4,483.60

(i) Bank deposits that are maturing after three months but less than twelve months have been classified under current and maturing after twelve months have been classified as non-current.

(ii) Derivatives not designated as hedge.

(iii) This represents share application money paid by the Holding Company towards investment in equity shares of Prestolite Electric India Pvt Ltd. During the year, the shares are allotted on April 05, 2021.

Note 10 : Deferred tax assets (net)

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Tax losses carried forward	9,580.21	12,079.93
Disallowances under section 43B of the Income Tax Act, 1961	54.84	-
Defined benefit obligations	1,159.41	1,157.06
Right of use asset and lease liability	1,061.76	421.47
MAT Credit	9.00	9.00
Disallowance of interest	2,044.12	1,996.63
Others	3,000.92	1,435.70
	16,910.26	17,099.79
Deferred tax liabilities		
Excess of depreciation/amortization on property, plant and equipment under income tax law over depreciation/amortization provided in the accounts	1,836.95	717.45
Investment at fair value	10.60	2.60
	1,847.55	720.05
Net deferred tax assets	15,062.71	16,379.74





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
 (All figures in INR Lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Opening balance	16,379.74	13,234.19
<i>(Charged)/credited to profit or loss</i>		
Tax losses carried forward	(2,499.72)	935.66
Excess of depreciation/amortization on fixed assets under income tax law over depreciation/amortization provided in the accounts	(1,119.50)	(717.45)
Defined benefit obligations	2.22	(969.66)
Disallowances under section 43B of the Income Tax Act, 1961	54.84	-
Right of use asset and lease liability	640.29	421.47
Disallowance of interest	47.49	1,996.63
Others	1,557.22	1,383.17
	(1,317.15)	3,049.82
<i>(Charged)/credited to OCI</i>		
Defined benefit obligations	0.13	86.73
	0.13	86.73
Utilisation of MAT credit	-	9.00
Opening balance adjustments	-	-
Closing deferred tax assets (net)	15,062.71	16,379.74

Note 11 : Income tax assets (net)

	As at March 31, 2022	As at March 31, 2021
Opening balance	2,735.32	2,703.19
Refund received net of taxes paid	(938.19)	(330.05)
Tax expense relating to current year	(1,540.70)	(3,265.48)
Tax (expense) / reversal relating to earlier years	188.06	(28.70)
Taxes paid during the year (includes MAT credit utilized)	1,812.08	3,656.36
Closing balance	2,256.57	2,735.32

Note 12 : Other non-current assets

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Capital advances		
Considered good	1,034.42	1,042.05
Considered doubtful	15.06	83.58
	1,049.48	1,125.63
Less: Provision for doubtful capital advances	15.06	83.58
	1,034.42	1,042.05
Balances with government authorities		
Considered good	1,139.13	1,654.55
Considered doubtful	26.54	48.48
	1,165.67	1,703.03
Less: Provision for doubtful balances	26.54	48.48
	1,139.13	1,654.55
Prepaid expenses	95.74	70.53
Taxes paid under protest		
Considered good	69.56	93.75
Considered doubtful	126.03	126.03
	195.59	219.78
Less: Provision for doubtful claims receivable	126.03	126.03
	69.56	93.75
Total	2,338.85	2,860.88





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 13 : Inventories

	As at March 31, 2022	As at March 31, 2021
Raw materials (includes goods-in-transit of INR 1,905.19 lakhs; March 31, 2021: INR 2,108.36 lakhs)	47,999.60	30,234.57
Work-in-progress	16,764.30	9,802.30
Finished goods (includes goods-in-transit of INR 3,104.79 lakhs; March 31, 2021: INR 933.40 lakhs)	7,457.70	4,803.92
Stock-in-trade (includes goods-in-transit of INR 3,247.55 lakhs; March 31, 2021: INR 1,076.60 lakhs)	7,130.07	2,045.45
Stores and spares	6,155.15	4,737.82
Tools (under development)	4,297.29	4,351.13
Others	187.78	102.18
Total	89,981.89	56,077.37

Amount recognised in statement of profit and loss

Write-downs of inventories to net realizable value amounted to INR 13.87 Lakhs (March 31, 2021 INR 31.37 lakhs). These were recognised as an expense during the year and included in 'cost of materials consumed' in Statement of Profit and Loss.

Note 14 : Current Investments

	As at March 31, 2022	As at March 31, 2021
Investment in liquid mutual funds carried at fair value through profit or loss		
45,476.17 (March 31, 2021: 23,620.15) units of Tata Money market fund Regular Plan - Growth	1,739.62	859.77
Nil units (March 31, 2021 : 4,11,493.34) units of Aditya Birla Sun Life Money Manager Fund (Formerly known as Aditya Birla Sun Life Floating Rate Fund Short Term Plan) - Growth - Direct Plan	-	1,172.59
Nil (March 31, 2021: 52,223.66) units of Tata Liquid Fund (Formerly known as Tata Money Market Fund) - Direct Plan - Growth	-	1,696.03
Nil (March 31, 2021: 6,43,974.31) units of Aditya Birla Sunlife Liquid Fund - Growth- Direct Plan (formerly known as Aditya Birla Sun life Cash plus)	-	2,134.99
Nil (March 31, 2021: 51,323.90) units of Kotak Liquid Fund - Growth- Direct Plan	-	2,134.59
Nil (March 31, 2021: 43,642.61) units of HSBC Cash Fund- Growth- Direct Plan	-	894.16
Nil (March 31, 2021: 65,047.55) units of SBI Liquid Fund -Direct-Growth- Plan (Formerly known as SBI Premier Liquid Fund)	-	2,095.58
85,984.25 (March 31, 2021: 43,489.18) units of Aditya Birla Sun Life Overnight Fund - Growth - Direct Plan	1,000.05	484.01
1,21,279.85 (March 31, 2021: 49,682.85) units of Kotak Overnight Fund - Direct - Growth Plan	1,375.07	545.48
10,834.49 (March 31, 2021:16,274.51) units of SBI Overnight Fund -Direct-Growth- Plan (Formerly known as SBI Magnum Insta Cash Fund Liquid Floater)	375.02	545.48
1,22,615.49 (March 31, 2021: 44,576.15) units of Tata Overnight Fund - Direct - Growth Plan	1,375.06	484.07
27,541.07 (March 31, 2021: 32,819.41) units of Kotak Money Market Fund - Growth (March 31, 2021: 1,37,076.84) of Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	997.20	1,137.83
23,485.47 (March 31, 2021: Nil) units of TATA liquid fund direct plan- growth	-	451.41
60,829.01 (March 31, 2021: 43,960.92) of ICICI Prudential Mutual Fund - Growth	789.20	-
5,752.49 (March 31, 2021: Nil) units of SBI Liquid Fund Direct Growth	191.80	133.22
8,397.36 (March 31, 2021 : Nil) units of Kotak Liquid Fund Direct Plan Growth	191.70	-
11,48,67,744.81 (March 31, 2021: 32,622.26) of SBI Savings Fund - Direct Plan - Growth	361.30	-
3,25,201.13 (March 31, 2021: Nil) ICICI Prudential Mutual Money Market Fund -Direct Plan - Growth	1,148.70	1,093.41
33,722.66 (March 31, 2021: Nil) units of HSBC Overnight - Direct-Growth	998.00	-
18,56,110.26 (March 31, 2021: Nil) units of Aditya Birla Money Market Direct-Growth	375.02	-
1,23,027.41 (March 31, 2021: Nil) units of Kotak Money Market Direct-Growth	5,548.11	-
1,27,10,148.25 (March 31, 2021: Nil) units of SBI Saving Fund Direct-Growth	4,454.47	-
1,23,206.16 (March 31, 2021: Nil) units of Tata Money Market Direct-Growth	4,519.91	-
3,360.45 (March 31, 2020: Nil) units of Tata Liquid Fund (Formerly known as Tata Money Market Fund) - Direct Plan - Growth	4,713.07	-
43,829.56 (March 31, 2021: Nil) units of Aditya Birla Sunlife Liquid Fund - Growth- Direct Plan (formerly known as Aditya Birla Sun life Cash plus)	150.39	-
3,494.71 (March 31, 2020: Nil) units of Kotak Liquid Fund - Growth- Direct Plan	-	-
4,511.48 (March 31, 2020: Nil) units of SBI Liquid Fund -Direct-Growth- Plan (Formerly known as SBI Premier Liquid Fund)	150.38	-
60,942.23 (March 31, 2020: Nil) units of Aditya Birla Sun Life Overnight Fund - Growth - Direct Plan	150.37	-
61,796.41 (March 31, 2020: Nil) units of Kotak Overnight Fund - Direct - Growth Plan	700.64	-
22,430.05 (March 31, 2020: Nil) units of SBI Overnight Fund -Direct-Growth- Plan (Formerly known as SBI Magnum Insta Cash Fund Liquid Floater)	700.65	-
62,476.47 (March 31, 2020: Nil) units of Tata Overnight Fund - Direct - Growth Plan	776.38	-
Total	33,633.11	15,862.62

	As at March 31, 2022	As at March 31, 2021
Aggregate amount of unquoted investments	33,633.12	15,862.62

Information about the Group's exposure to fair value measurement and market risk is included in note 39 and 40 respectively.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)

Note 15 : Trade receivable

	As at March 31, 2022	As at March 31, 2021
Trade receivables	70,448.61	45,917.55
Receivables from related parties (refer note 45)	18,235.62	8,945.39
Less: Loss allowance	1,047.14	1,052.82
Total	87,637.09	54,810.12

Break-up of security details

	As at March 31, 2022	As at March 31, 2021
Trade receivable considered good - secured	-	-
Trade receivable considered good - unsecured	87,637.09	54,810.12
Trade receivable which have significant increase in credit risk (refer note 40)	-	-
Trade receivable credit impaired (refer note 40)	1,047.14	1,052.82
Total	88,684.23	55,862.94
Less: Loss allowance	1,047.14	1,052.82
Total	87,637.09	54,810.12

Trade receivables- Ageing

	As at March 31, 2022	As at March 31, 2021
Considered good:		
<u>i. Undisputed Trade Receivables - considered good</u>		
Unbilled amounts	4,015.33	1,091.53
Not due	62,716.82	41,956.41
Less than 6 months	18,674.94	9,647.90
6 months - 1 year	1,959.38	1,258.71
1-2 years	124.81	123.09
2-3 years	94.03	117.96
More than 3 years	26.89	614.62
Total	87,612.19	54,810.12
<u>ii. Disputed Trade Receivables - considered good</u>		
2-3 years	24.90	-
Total	24.90	-
Credit impaired:		
<u>i. Undisputed Trade Receivables</u>		
Unbilled amounts	-	-
Not due	-	-
Less than 6 months	273.43	240.25
6 months - 1 year	80.46	153.48
1-2 years	397.61	309.36
2-3 years	1.00	56.63
More than 3 years	269.71	294.10
Total	1,022.24	1,052.82
<u>ii. Disputed Trade Receivables</u>		
1-2 years	24.90	-
Total	24.90	-

Trade Receivables due by private companies with common directors

	As at March 31, 2022	As at March 31, 2021
TM Automotive Seating Systems Private Limited	389.67	311.39
Tata Ficoso Automotive Systems Private Limited	130.90	105.77
Tata AutoComp GY Batteries Private Limited	240.28	223.30
Air International Thermal TTR Private Limited	320.95	68.92
TACO Prestolite Electric Private Limited	881.27	-
Tata AutoComp Katcon Exhaust System Private Limited	9.96	69.43

Note 16 : Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- in current accounts	19,265.81	18,738.52
- in deposits accounts (with original maturity of 3 months or less)	-	53.46
Cash on hand	1.53	1.45
Total	19,267.34	18,793.43





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)

Note 17 : Other balances with bank

	As at March 31, 2022	As at March 31, 2021
Bank balances		
- Margin money deposits (with maturity more than 3 months but less than 12 months) (restricted)	-	0.96
- Other balances in deposit accounts	3,154.47	2,490.00
Total	3,154.47	2,490.96

Note 18 : Other current assets

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Advances to suppliers		
Considered good	19,841.01	15,870.80
Considered doubtful	665.69	406.46
	20,506.70	16,277.26
Less: Provision for doubtful advances	665.69	406.46
	19,841.01	15,870.80
Balances with government authorities	2,938.52	2,425.46
Prepaid expenses	854.08	543.14
Export incentive receivable	1,050.46	400.18
Total	24,694.07	19,353.38

Note 19 : Assets classified as held for sale

	As at March 31, 2022	As at March 31, 2021
Freehold land	-	6.91
Buildings	-	744.52
Total	-	751.43

Note - On January 31, 2021, consent of the Board of Directors of one of the subsidiary company was obtained for transfer of the freehold land situated at Halol along with the building. The carrying value of said assets have been presented as "Assets held for sale" under the current assets and the advance consideration received from buyers amounting to INR 245 lakhs is presented under "Other current liabilities". The transaction got completed in the current year.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 20: Equity share capital

	As at March 31, 2022	As at March 31, 2021
Authorised share capital		
329,600,000 (March 31, 2021: 329,600,000) equity shares of INR 10/- each	32,960.00	32,960.00
70,000,000 (March 31, 2021: 70,000,000) 8% preference shares of INR 10/- each	7,000.00	7,000.00
2,400,000 (March 31, 2021: 2,400,000) 7.5% preference shares of INR 10/- each	240.00	240.00
8,000,000 (March 31, 2021: 8,000,000) 0.1% preference shares of INR 10/- each	800.00	800.00
Issued, subscribed and fully paid up	41,000.00	41,000.00
201,281,358 (March 31, 2021: 201,281,358) equity shares of INR 10/- each fully paid.	20,128.14	20,128.14

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2022		As at March 31, 2021	
	Number of shares (in lakhs)	Equity share capital (par value)	Number of shares (in lakhs)	Equity share capital (par value)
Equity shares				
At the commencement and at the end of the year	2,012.61	20,128.14	2,012.61	20,128.14

(b) Shares held by holding, subsidiary and associate of holding company

	As at March 31, 2022	As at March 31, 2021
28,675,598 equity shares (March 31, 2021 : 28,675,598 shares) held by Tata Sons Private Limited, the Ultimate Holding Company,	2,867.57	2,867.57
120,272,540 equity shares (March 31, 2021 : 120,272,540 shares) held by subsidiaries of the company's Ultimate Holding Company	12,027.25	12,027.25
52,333,170 equity shares (March 31, 2021 : 52,333,170 shares) held by associate of the company's Ultimate Holding Company	5,233.32	5,233.32
Total	20,128.14	20,128.14

(c) Details of shares held by shareholders holding more than 5% of equity shares of the Company

Name of the shareholder	Number of shares held as on March 31, 2022	% holding	Number of shares held as on March 31, 2021	% holding
Tata Industries Limited	6,92,45,203	34.40%	6,92,45,203	34.40%
Tata Motors Limited	5,23,33,170	26.00%	5,23,33,170	26.00%
Tata Capital Limited	4,83,07,333	24.00%	4,83,07,333	24.00%
Tata Sons Private Limited	2,86,75,598	14.25%	2,86,75,598	14.25%

(d) Terms and rights attached to equity shares:

The Company has one class of issued capital i.e. equity shares having a par value of INR 10 per share. Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 21 (a) : Reserves and surplus

	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve		
At the commencement and at the end of the year	5,462.50	5,462.50
Securities premium		
At the commencement and at the end of the year	69.39	69.39
Debenture redemption reserve		
At the commencement of the year	-	2,500.00
Appropriations during the year	-	(2,500.00)
At the end of the year	-	-
General reserve		
At the commencement of the year	16,424.23	13,924.23
Add: Debenture redemption reserve transferred to General reserve	-	2,500.00
At the end of the year	16,424.23	16,424.23
Capital Reserves		
At the commencement and at the end of the year	9,583.54	9,583.54
Retained earnings		
At the commencement of the year	45,590.51	49,329.47
Profit for the year	40,969.92	(2,830.33)
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurements of post-employment benefit obligations, net of tax	(63.59)	(971.65)
- Share of OCI of joint ventures, net of tax	57.51	44.18
- Share of OCI of NCI, net of tax	(17.04)	18.50
Reclassification from retained earnings to OCI Hedges	(104.77)	-
	86,432.54	45,590.17
Total	1,18,072.20	77,228.83

Note 21 (b) : Other reserves

	As at March 31, 2022	As at March 31, 2021
Foreign currency translation reserve		
At the commencement of the year	992.77	(342.99)
Exchange differences on translating financial statement of foreign operations	1,091.16	1,335.76
At the end of the year	2,083.93	992.77
Cash flow hedging reserve		
At the commencement of the year	(1,499.97)	(1,910.21)
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	-	410.24
Reclassification from retained earnings to OCI Hedges	1,499.97	-
At the end of the year	-	(1,499.97)
Total	2,083.93	(507.20)

Note 22 (a) : Non - current borrowings

	As at March 31, 2022	As at March 31, 2021
Secured		
Term Loan		
From banks	1,03,200.23	98,181.43
From related party	-	2,084.56
	1,03,200.23	1,00,265.99
Less: Current maturities of long-term debt (included in note 25)	14,202.98	18,704.75
Less: Interest accrued (included in note 27)	70.19	128.87
Less: Transaction cost	779.71	1,467.47
Total	88,147.35	79,964.89





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Details of security and repayment terms of non current borrowings

	Maturity date	Terms of repayment	Nature of Security	Coupon / interest rate	As at March 31, 2022	As at March 31, 2021
Secured						
Term Loan						
From banks	Aug-23	Repayable in 20 equal quarterly instalment starting from November 16, 2018 and last instalment due in August 16, 2023.	Secured by a first pari passu charge by way of hypothecation of entire movable fixed assets and equitable mortgage on entire immovable fixed assets and properties of the subsidiary company- TTR	6.8% Linked to 3 Month T Bill. (March 31, 2021- HDFC Bank base rate plus 0.05% p.a. currently 7.40% p.a)	3,443.21	5,389.25
From banks	Mar-26	Repayable in 20 equal quarterly instalment starting from June 30, 2021 and last instalment due in March 30, 2026.	Secured by a first pari passu charge by way of hypothecation of entire movable fixed assets and equitable mortgage on entire immovable fixed assets and properties of the subsidiary company- TTR	6.8% Linked to 3 Month T Bill. (March 31, 2021- HDFC Bank base rate plus 0.05% p.a. currently 7.25% p.a.)	2,420.21	3,021.09
From banks	Feb-27	Repayable in 20 equal quarterly instalment starting from May 28, 2022 and last instalment due in February 27, 2027.	Secured by a first pari passu charge by way of hypothecation of entire movable fixed assets and equitable mortgage on entire immovable fixed assets and properties of the subsidiary company- TTR	6.8% Linked to 3 Month T Bill. (March 31, 2021- HDFC Bank base rate plus 0.05% p.a. currently 7.25% p.a.)	4,026.22	4,027.00
From banks	Mar-26	Repayable in 20 quarterly instalments starting from June 2021 and last instalment is due in March 2026	Secured by first charge on Movable property, plant and equipment of Interior and Plastics Division and Composites Division of the Holding Company	Repo rate + 2% i.e. 6.50% (March 31, 2021 MCLR + 0.60% i.e. 8.40%)	8,818.00	9,818.00
From related party	May-25	Repayable in monthly installment	Secured by first and exclusive hypothecation of land and building and plant and machinery of Pantnagar plant of ASAL.	Nil (March 31, 2020- 9% p.a. to 11.50% p.a)	-	1,250.31
From related party	Feb-26	Repayable in equal monthly installments.	Secured by second charge on land and building and plant and machinery at Pantnagar plant of ASAL.	Nil (March 31, 2021- 9% p.a. to 11.50% p.a)	-	828.25
From banks	Mar-27	Repayable in 8 half yearly instalments starting from June, 2023 and ending in March 2027.	All the assets of all subsidiaries of TitanX Engine Cooling Holding AB (except Brazil and China) and corporate guarantee given by the Holding Company.	For EUR 1.2% + 0 EURI BOR For USD 1.6% + SOFR (March 31, 2021 - 2.35% + EURI BOR + / 2.35% + LIBOR)	79,814.05	75,926.17
From banks	Mar-26	12 month Principal Moratorium, 48 monthly installments after moratorium (principal repayment).	Secured by a first pari passu charge by way of extension of second ranking charge over existing primary and 100% guarantee from NCGTC (National Credit Guarantee Trustee Company Ltd., Ministry of Finance, Government of India).	6.5% Linked to EBLR (March 31, 2021- Nil)	2,500.00	-
From banks	Mar-26	Repayment of Corporate Loan will be made in 19 quarterly instalments starting from September 2021 upto March 2026	Secured primary by first pari-passu charge on present and future current assets of the Company alongwith HDFC Bank Limited and collateral by first pari-passu charge on Company's entire movable fixed assets both present and future, at various location alongwith HDFC Bank Limited and exclusive charge on leasehold rights of land and mortgage of factory building at Sri City, Andhra Pradesh of TTR.	LIBOR + 2.74% (March 31, 2021- Nil)	2,178.54	-
					1,03,200.23	1,00,265.98
					14,202.98	16,704.75
					70.19	128.87
					779.71	1,467.47
					88,147.34	79,964.89

Note: The carrying amount of financials and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 52.

Note 22 (b) : Non - current financial liabilities

Non-current financial liabilities includes mark to market valuation of derivative contracts classified as cash flow hedges in respect of long term borrowings of one of the foreign subsidiary. The purpose of these contracts is to hedge against the adverse impacts of currency and interest rate fluctuations on the principal and interest payments on the subsidiary's non-current foreign currency borrowings.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 23 : Provisions

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Provision for employee benefits				
Compensated absences	4,165.56	1,593.78	3,742.04	1,636.50
Gratuity (refer note 42)	-	1,191.90	-	1,319.24
Retirement benefits (refer note 42)	250.18	11,156.58	232.43	12,793.75
Other provisions (refer note 50)				
Provision for probable claims	815.20	-	776.40	-
Other Provision	3,683.37	12.45	263.73	293.39
Provision for warranty	406.91	1,851.56	253.41	1,223.81
Provision for indirect tax matters	15.53	264.73	246.79	219.64
Total	9,336.75	16,201.00	5,514.80	17,466.33

Note 24 : Deferred tax liabilities (net)

	As at March 31, 2022	As at March 31, 2021
Deferred tax asset		
Defined benefit obligations	102.25	473.46
Provisions for doubtful debts and advances and inventory	24.08	477.66
Right of use assets and lease liabilities	-	169.29
Tax losses carried forward	738.23	668.12
Disallowances under section 43B of the Income Tax Act, 1961	13.26	30.39
MAT credit available	-	-
Others	77.60	114.33
	955.42	1,933.25
Deferred tax liabilities		
Excess of depreciation/amortization on fixed assets under income tax law over depreciation/amortization provided in the accounts	955.42	1,985.56
Revaluation of assets	4,900.44	5,067.61
Adjustment for business combinations	988.20	1,193.11
MAT credit written off	-	-
	6,844.06	8,246.28
Net deferred tax liabilities	5,888.65	6,313.03

Movement in temporary differences (deferred tax liabilities)

	As at March 31, 2022	As at March 31, 2021
Opening balance	6,313.03	7,023.67
Charged/(credited) to profit and loss:		
Excess of depreciation/amortization on fixed assets under income tax law over depreciation/amortization provided in the accounts	(1,235.05)	(682.10)
Defined benefit obligation	371.21	(107.43)
Provisions for doubtful debts and advances and inventory	453.58	(94.58)
Disallowances under section 43B of the Income Tax Act, 1961	17.14	104.43
Revaluation of assets	(187.16)	(166.64)
Right of use assets and lease liabilities	189.29	(103.50)
Tax losses carried forward	(70.11)	340.79
Other items	(256.94)	934.35
	(728.06)	225.31
Charged/(credited) to OCI:		
Hedging reserve	-	102.98
Foreign currency translation difference	303.68	(1,038.94)
Closing balance	5,888.65	6,313.03





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 25 : Financial liabilities - current borrowings

	As at March 31, 2022	As at March 31, 2021
Secured		
Loans from banks repayable on demand	15,606.90	17,761.49
Loan from related party repayable on demand	-	2,117.16
Cash credit facility	-	1,287.31
Unsecured		
Loan from related party repayable on demand	-	2,500.00
Short term borrowings (refer note (i) below)	2,000.00	500.00
Customer bill discounting with Bank (refer note (ii) below)	-	720.06
Current maturities of long-term borrowings	14,202.98	18,704.75
	31,809.88	43,590.77
Less: Interest accrued (included in note 27)	113.94	96.50
Total	31,695.94	43,494.27

Details of security and repayment terms of current borrowings

	Terms of repayment	Nature of security	Coupon / interest rate	As at March 31, 2022	As at March 31, 2021
Secured					
From banks	Payable on demand	Secured by hypothecation of current assets and second charge on the immovable properties of Chakan plant of the subsidiary company - ASAL	9.90% to 11.00% (March 31, 2021- 9.60% to 11.25%)	298.22	1,745.32
From banks	Payable on demand	Secured by hypothecation of stock and book debts of TTR	Nil (March 2021- 8.40%)	-	1,287.31
From banks	Payable on demand	Secured against land, building, plant and machinery, furniture & fixtures and current assets of the subsidiary company - NTACO	PBOC + 130 bps (March 31, 2021- PBOC + 130 bps)	4,995.84	5,528.66
From banks	Payable on demand	Secured against fixed assets and current assets of the subsidiary company - Rynhez	For EUR 1.2 % + 0 EURI BOR (March 31, 2021- 2.35 % + EURI BOR)	10,312.84	10,487.52
From related party repayable on demand	Payable on demand	Secured by first and exclusive hypothecation of plant and machinery and first charge on leasehold land and building of Pantnagar plant of the subsidiary company - ASAL	Nil (March 31, 2021- 11.25%)	-	2,117.16
				15,606.90	21,165.96
Unsecured					
From related party repayable on demand				-	2,500.00
From banks (refer note (i) below)				2,000.00	500.00
Customer bill discounting with bank (refer note (ii) below)				-	720.06
Current maturities of long term debt (refer note (iii))				14,202.98	18,704.75
				31,809.88	43,590.77
Less : Interest accrued (included in note 27)				113.94	96.50
Total				31,695.94	43,494.27

Note (i)- Short term borrowings includes Packing Credit Foreign Currency loan from Axis Bank @ 3.65% per annum (March 31, 2021- 3% per annum).

Note (ii)- Customer bill discounting with bank for March 31, 2021 includes borrowing from ICICI bank under sale invoice financing scheme is at MCLR (6.80%) + 0.10%.

Note (iii)- Subsequent to the year end, the Holding Company has repaid Rs 6,000.00 Lakhs on April 20, 2022, hence the same is reclassified as short term borrowing.

Note 26 : Trade payables

	As at March 31, 2022	As at March 31, 2021
Trade payables : micro and small enterprises	5,090.89	3,039.20
Trade payable : Acceptances	18,592.76	10,789.04
Other than Acceptances	1,40,625.80	1,04,549.60
Trade payables to related parties (refer note 45)	4,809.06	2,683.33
Total	1,69,118.51	1,21,061.17

The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 40





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Trade Payables- Ageing

Particulars	As at March 31, 2022	As at March 31, 2021
I. MSME		
<u>Other than Disputed dues-MSME</u>		
Not due	4,905.20	2,984.80
Less than 1 year	181.10	54.40
1-2 years	4.59	-
2-3 years	-	-
More than 3 years	-	-
Total	5,090.89	3,039.20
II. Other than MSME		
<u>(a) Disputed dues- Others</u>		
2-3 years	66.07	-
Total	66.07	-
<u>(b) Other than Disputed dues- Others</u>		
Not due	1,24,879.71	86,528.09
Less than 1 year	37,770.28	30,719.08
1-2 years	536.70	77.41
2-3 years	229.10	147.67
More than 3 years	545.77	629.72
Total	1,63,961.55	1,18,001.97

Note 27 : Other Current financial liabilities

	As at March 31, 2022	As at March 31, 2021
Creditors for capital goods	5,079.92	1,763.44
Accrued employee liabilities	4,576.69	3,588.81
Interest accrued on borrowings	184.13	225.37
Security deposit	53.30	56.96
Derivative contracts*	27.76	88.94
Claims payable to customers	6.25	158.73
Other payable	511.85	1,408.45
Total	10,439.90	7,270.70

* Derivatives not designated as hedges- Foreign currency forward contracts
The Group's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in note 40

Note 28 : Current tax liabilities

	As at March 31, 2022	As at March 31, 2021
Opening balance	112.14	-
Tax expense relating to current year	10,119.81	264.52
Taxes paid during the year	(9,000.33)	(148.35)
Foreign currency translation difference	12.35	(4.00)
Closing balance	1,243.97	112.14

Note 29 : Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Advance from customers	15,425.42	5,064.37
Deferred grant income	12.00	15.00
Statutory dues	8,377.98	8,270.22
Consideration received in advance for sale of property, plant and equipment	-	345.00
Others	0.27	3,518.81
Total	23,815.67	17,213.40





TATA
Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 30 : Revenue from contracts with customers

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers		
Sale of products	6,44,869.67	3,85,374.19
Traded goods	41,839.83	23,663.58
Sale of services	9,757.77	5,281.24
Other operating revenues	4,274.97	1,368.29
Total	7,03,140.27	4,17,727.40

a) Contracts with customer

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers	7,03,140.27	4,17,727.40
Disaggregation of revenue		
Based on type of goods		
- Components	6,65,651.63	3,90,605.36
- Tools, dies and Moulds	13,294.35	14,977.58
- Scrap and others	14,436.32	5,863.22
- Service	9,757.77	5,281.24
Based on Market		
- Original equipment manufacturer	5,66,103.72	4,03,386.07
- Others	37,036.55	14,341.33
Impairment losses recognised on receivables or contract assets arising from an entity's contracts with customers	-	-

b) Details of contracts balances:

The following table provides information about trade receivables and contract liabilities from contracts with customers:

	Year ended March 31, 2022	Year ended March 31, 2021
Trade receivable	87,637.09	54,810.12
Contract liabilities	15,431.67	5,223.10

The contract liabilities primarily relate to the advance consideration received from customers and claims payable to customers, for which revenue is recognised as and when control in promised goods is transferred.

Significant changes in the contract liability balances are as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
Contract liabilities at the beginning of the year	5,223.10	7,761.21
Revenue recognised that was included in the contract liability balance at the beginning of the year	(2,160.91)	(6,119.30)
Increase due to cash received, excluding amounts recognised as revenue during the year	12,369.48	3,581.19
Contract liabilities at the end of the year	15,431.67	5,223.10

c) Performance obligations

The Group satisfies its performance obligations pertaining to the sale of auto components at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and do not contain any financing component. The payment is generally due within 30-90 days. There are no other significant obligations attached in the contract with customer.

d) Transaction price

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, the Group has not applied the practical expedient as specified in para 121 of Ind AS 115 as the Group do not have any performance obligations that has an original expected duration of one year or less or any revenue stream in which consideration from a customer corresponds directly with the value to the customer of the Group's performance completed to date.

e) Determining the timing of satisfaction of performance obligations

There is no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

f) Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the only performance obligation of the Group (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price except for refund due to shortages which is adjusted with revenue.

g) Cost to obtain contract or fulfill a contract

There is no cost incurred for obtaining or fulfilling a contract and there is no closing assets recognised from the costs incurred to obtain or fulfil a contract with a customer.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 31 : Other income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income from financial assets at amortised cost	400.45	290.23
Net gain on sale of current investments mandatorily measured at fair value through profit or loss	559.75	184.79
Gain on disposal of property, plant and equipments	79.44	36.08
Gain on account of foreign currency transaction (net) *	904.90	-
Unwinding of discount on security deposits	68.72	54.86
Export benefits	597.20	744.54
Sundry provisions and credit balances no longer required, written back	170.12	152.32
Provision for doubtful debts/ advances written back	79.07	7.39
Government grants (refer note below)	1,223.96	854.32
Insurance claim recovery	-	334.89
Misc. Operating income	2,204.52	741.29
Other non-operating income	387.28	407.99
Total	6,675.42	3,808.70

* Includes loss of Rs 70.63 lakhs (31 March 2021: loss of Rs 11.78 lakhs) on account of change in fair value of derivative contracts.

Note- Industrial Promotion Subsidy

The Holding Company and one Indian Subsidiary of the Group are eligible to receive benefits in the form of Industrial Promotion Subsidy (refund of State Goods and Services Tax on eligible products sold), electricity duty exemption, stamp duty exemption and power tariff subsidy subject to fulfilment of certain conditions under Package Scheme of Incentive of Government of Maharashtra. These benefits are in the nature of Government Grants in accordance with Indian Accounting Standard (Ind-AS) 20 "Accounting for Government Grants and Disclosure of Government Assistance".

Note 32 : Cost of materials consumed

	Year ended March 31, 2022	Year ended March 31, 2021
Inventory of raw materials at the beginning of the year	30,234.57	20,720.39
Add: Purchases	4,59,991.31	2,53,571.98
Less: Inventory of raw materials at the end of the year	47,969.60	30,234.57
Foreign currency translation difference	(567.78)	1,222.31
Total	4,41,688.50	2,45,280.11

Note 33 : Changes in inventories of finished goods, work-in-progress, stock-in-trade and tools

	Year ended March 31, 2022	Year ended March 31, 2021
Opening stock		
Work-in-progress	9,802.30	7,785.18
Finished goods	4,803.92	6,433.63
Stock-in-trade	2,045.45	1,920.77
Stores and spares	4,737.82	4,838.15
Tools	4,351.13	3,130.64
Others	102.18	141.97
	25,842.80	24,250.34
Closing stock		
Work-in-progress	15,764.30	9,802.30
Finished goods	7,467.70	4,803.92
Stock-in-trade	7,130.07	2,045.45
Stores and spares	6,165.15	4,737.82
Tools	4,297.29	4,351.13
Others	187.78	102.18
	42,012.29	25,842.80
Foreign currency translation difference	356.89	1,079.56
Total	(15,812.60)	(512.90)





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(All figures in INR Lakhs, unless otherwise stated)

Note 34 : Employee benefits expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	58,139.53	50,134.56
Contributions to provident fund and other fund (refer note 42)	12,697.22	11,987.50
Staff welfare expenses	3,134.01	1,887.27
Total	83,970.76	64,009.33

Note 35 : Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest and finance charges on financial liabilities measured at amortised cost	7,005.04	7,630.11
Interest on lease liability	2,361.58	1,779.59
Other borrowing costs	1,962.84	647.67
Total	11,329.46	10,056.37

Note 36 : Depreciation and amortisation expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	16,645.79	17,008.41
Depreciation on Right-of-use assets	6,340.19	5,085.56
Amortisation of intangible assets	6,596.62	6,966.46
Total	29,582.60	29,060.43

Note 37: Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores, spares and consumables	13,638.64	9,051.14
Power and fuel	9,980.24	7,401.87
Rent and service charges	1,874.27	1,146.68
Repairs and maintenance :		
Buildings	1,210.01	887.36
Machinery	4,620.25	3,291.49
Others	1,013.95	913.21
Insurance	525.64	548.74
Rates and taxes	940.79	1,198.96
Communication expenses	537.24	487.24
Travelling and conveyance	1,150.75	617.72
Printing and stationery	36.07	20.00
Freight and forwarding	13,734.81	10,474.22
Commission	378.30	59.88
Royalty	2,017.98	1,042.96
Corporate social responsibility expenditure [Refer Note 37 (b)]	278.73	372.14
Legal and professional fees [Refer Note 37 (a)]	6,332.66	3,442.78
Bad debts written off	25.93	-
Provision for doubtful trade receivables and advances	467.24	315.88
Balances written off	1.66	44.93
Loss on foreign currency transaction and translation (net)	459.15	514.43
Loss on revaluation of financials items- loan exchange loss	0.07	2,289.00
Loss on disposal of property, plant and equipment	23.84	2.25
Processing charges	4,487.42	3,563.79
Contract labour charges	9,238.92	5,933.43
Warranty	830.17	68.26
Selling and distribution expenses	707.57	623.17
Security and housekeeping charges	1,455.75	1,040.72
Miscellaneous expenses	6,663.23	9,017.35
Less: Capitalization of R&D	(3,580.17)	(2,788.83)
Less: Recoveries from joint ventures and subsidiaries	(1,467.27)	(705.86)
Total	77,583.84	60,872.93





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

37 a) Legal and Professional fees include payment to auditors *

	Year ended March 31, 2022	Year ended March 31, 2021
As Auditor		
Statutory audit	14.50	14.50
Tax audit	4.00	4.00
Limited reviews	13.50	13.50
Certifications	3.00	3.00
Other services	3.00	3.00
Reimbursement of expenses	0.37	1.90
Total	38.37	39.90

* Excludes fees paid to the component auditors.

37 b) Corporate social responsibility expenditure

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Amount required to be spent by the Company during the year	278.73	372.14
(b) Amount spent during the year		
(i) Construction / acquisition of any asset	-	-
(ii) On the purpose other than (i) above	310.56	340.33
(c) Provision for unspent amount during the year*	(31.83)	31.81

* As per rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the unspent amount of Rs 31.83 lakhs in respect of last year has been utilised fully in FY 21-22.

	Year ended March 31, 2022	Year ended March 31, 2021
Contribution towards relief of COVID-19	60.00	-
Tata Education and Development center	50.00	75.00
Tree Plantation 2021-22 & Nursery Development	12.00	-
Support to orphanage	32.97	19.21
Project Community Learning Center (GLC)	10.00	-
MITCON FOUNDATION for skill development programme	5.98	-
Agri & Allied Training for Hiranda Processig Unit in Junnar	2.02	-
Initiate greenhouse and model farming development, providing drinking water and taps to each house in Kashig village.	12.20	53.56
SVP Philanthropy Foundation	10.00	-
Ration support to SAGA orphanage, Pune	5.00	4.41
Scholarship for High School Girls in Khed Taluka (Pune)	-	4.00
Project Sahjeevan-supporting street dogs in Pune	36.40	-
Youth Holistic Development Support from schools in Pune	-	3.00
Support to school building	3.00	5.86
Reviving Livelihood of Marginalized and Center for Homeless	-	18.51
Assessment and Development Workshop and Dance for Hope for Engineering Girls through Lila Poonawalla Foundation	-	1.09
English Speaking class and Personality development to increase employability for affirmative category, Confederation of Indian Industry	1.50	1.50
Sponsorship of Engineering Education for girls at Leela Poonawala foundation	18.20	6.00
Promotion of Education	17.35	67.66
Projects to be identified	9.61	67.43
Others	-	13.10
Rotary Club Khadaki - Youth Holistic Development Support	8.83	-
Urban Rural Management Empowerment Establishment	11.50	-
Youth Organisation for Joining, Action and Knowledge (YOJAK)	4.00	-
Total	310.56	340.33





Tata AutoComp Systems Limited
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Note 38 : Income tax expense

	Year ended March 31, 2022	Year ended March 31, 2021
Income tax expense		
Current tax		
Current tax on profits for the year	11,544.32	3,512.02
Adjustments for current tax of prior periods	(71.87)	28.69
Total current tax expense	11,472.45	3,540.72
Deferred tax		
(Increase) in deferred tax assets	533.45	(1,636.10)
(Decrease) / Increase in deferred tax liabilities	55.65	(1,188.41)
Total deferred tax expense/(benefit)	589.10	(2824.51)
Income tax expense	12,061.55	716.21

Reconciliation of tax expense and the accounting profit :

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax expense	58,853.95	(3,941.94)
Tax Rate of 25.17% (FY 2020-21 – 25.17%)	14,812.36	(992.11)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	70.15	95.85
Interest u/s 234C of IT Act	29.92	-
Dividend income from joint ventures	(1,480.89)	-
Unrecognized tax benefits on tax losses	153.24	1,468.16
Weighted deduction on research and development expenditure	(235.51)	(134.77)
Consolidated adjustments	1,554.83	152.04
Other items	48.10	(325.91)
Share of results of joint ventures	(1,264.81)	(301.71)
Impact of tax rate difference between group rate and local rate	(251.79)	400.70
Effect of change in rate	(53.79)	318.88
Losses on additional depreciation	345.00	-
Adjustment for current tax of prior periods	(71.89)	35.27
Tax impact on exceptional items	(1,389.38)	-
Long term capital gain	(204.00)	-
Income tax expense	12,061.55	716.20

Tax Losses

One of the Indian subsidiary does not have taxable income in current and previous year, hence no tax expenses have been recognized. Further since it is not probable that future taxable amounts will be available to utilize the deferred tax assets in respect of following unused tax losses and unabsorbed depreciation, hence no deferred tax assets have been recognised.

	Year ended March 31, 2022	Year ended March 31, 2021
Unused tax losses for which no deferred tax asset has been recognised :- Business Losses and Unabsorbed depreciation	10,665.23	17,375.00
Potential tax benefit	2,772.96	5,371.04

The potential tax benefit is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operate and generate taxable income.

Unused tax losses with respect to unabsorbed depreciation do not have an expiry date.

For step down subsidiaries in the United States of America, Brazil, Sweden and China business losses carry forwards do not have an expiry date.

Unused tax losses with respect to business losses in one of the subsidiary in India have following expiry dates:

Expiry Date	Year ended March 31, 2022	Year ended March 31, 2021
March 31, 2024	1,379.29	1,379.29
March 31, 2025	1,088.30	1,088.00
March 31, 2027	3,199.45	3,199.45
March 31, 2028	567.41	567.41
March 31, 2029	841.27	2,622.16
March 31, 2030	1,644.41	1,639.36
Total	8,520.13	10,495.68





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 39 : Fair value measurement

Financial instruments by category:

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

	Amortised cost	Financial assets / liabilities at fair value through profit or loss		Total carrying value
		Designated upon initial recognition	Mandatory	
Financial assets:				
<i>Non-current</i>				
Loans	2,000.00	-	-	2,000.00
Other	2,756.97	-	-	2,756.97
<i>Current</i>				
Investments	-	-	33,633.12	33,633.12
Trade receivables	87,637.09	-	-	87,637.09
Cash and cash equivalents	19,267.34	-	-	19,267.34
Bank balance other than cash and cash equivalents	3,154.47	-	-	3,154.47
Loans	2,750.00	-	-	2,750.00
Other	3,662.66	112.04	-	3,774.70
Financial liabilities:				
<i>Non-current</i>				
Borrowings	88,147.35	-	-	88,147.35
Lease liabilities	33,748.78	-	-	33,748.78
Other	1,436.64	-	-	1,436.64
<i>Current</i>				
Borrowings	31,695.94	-	-	31,695.94
Lease liabilities	6,258.85	-	-	6,258.85
Trade payables	1,69,118.51	-	-	1,69,118.51
Other	10,412.14	27.76	-	10,439.90

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

	Amortised cost	Financial assets / liabilities at fair value through profit or loss		Total carrying value
		Designated upon initial recognition	Mandatory	
Financial assets:				
<i>Non-current</i>				
Other	4,463.60	-	-	4,463.60
<i>Current</i>				
Investments	-	-	15,862.62	15,862.62
Trade receivables	54,810.12	-	-	54,810.12
Cash and cash equivalents	18,793.43	-	-	18,793.43
Bank balance other than cash and cash equivalents	2,490.96	-	-	2,490.96
Loans	74.55	-	-	74.55
Other	1,315.89	102.59	-	1,418.48
Financial liabilities:				
<i>Non-current</i>				
Borrowings	79,964.89	-	-	79,964.89
Lease liabilities	21,510.26	-	-	21,510.26
Other	4,266.06	-	-	4,266.06
<i>Current</i>				
Borrowings	43,494.27	-	-	43,494.27
Lease liabilities	4,347.56	-	-	4,347.56
Trade payables	1,21,041.17	-	-	1,21,041.17
Other	7,181.76	88.94	-	7,270.70





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 39 : Fair value measurement (continued)

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022:

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments in liquid mutual fund units	33,633.12	33,633.12	-	-
Derivative financial instruments - foreign currency forward	112.04	-	112.04	-
Liabilities				
Derivative financial instruments - foreign currency forward	27.76	-	27.76	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

Particulars	As at March 31, 2021	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in liquid mutual fund units	15,862.62	15,862.62	-	-
Derivative financial instruments - foreign currency forward	102.59	-	102.59	-
Liabilities				
Derivative financial instruments - foreign currency forward	88.94	-	88.94	-

- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The Group has availed long term borrowings from banks and financial institutions. The Group has determined the fair value of these loans based on discounted cash flows using a current borrowing rate. The carrying values approximates their respective fair values.

Valuation technique used to determine fair value:

Specific valuation technique used to value financial instruments include

- the fair value of liquid mutual funds is based on quoted price.
- the fair value of forward foreign exchange contract is determined using forward foreign exchange rates as at balance sheet date.
- the fair value of debentures is calculated as the present value of the estimated future cash flows based on observable yield curves.

Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the Group CFO, VP Finance and the valuation team.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
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Note 40 : Financial risk management

In the course of its business, the Group is exposed primarily to market risk, liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Group 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 credit risks, liquidity risks and etc. 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 fluctuations on the Group's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(A) 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, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(a) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, EUR, SEK, RMB and others. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Group's risk management policy is to hedge around 50% to 70% of forecasted foreign currency sales and purchases for the subsequent 6 months. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	As at March 31, 2022					As at March 31, 2021				
	USD	EUR	SEK	RMB	Others	USD	EUR	SEK	RMB	Others
Financial assets										
Trade receivables	16,747.65	10,916.41	6,059.62	5,925.94	2,583.66	8,698.48	13,979.72	5,046.28	6,954.03	156.74
Cash and cash equivalents	7,068.45	3,391.44	-	2,465.50	-	6,308.80	7,237.67	1,578.07	873.53	-
Other financial assets	-	-	-	-	1,746.47	77.59	-	-	28.29	-
Exposure to foreign currency risk (assets)	23,816.11	22,307.85	6,069.62	8,391.34	4,330.13	15,084.86	21,217.40	6,624.35	7,855.85	156.74
Financial liabilities										
Trade payables	39,018.56	21,611.53	15,017.81	11,933.86	788.68	12,976.55	6,140.42	15,555.96	14,806.29	723.17
Other financial liabilities	3,789.98	-	-	2,204.66	113.30	3,870.60	-	-	1,499.11	-
Borrowings	51,448.34	40,108.06	-	4,995.84	-	36,598.00	48,419.66	-	5,528.66	-
Lease liability	1,307.28	-	5,322.34	1,543.48	-	1,777.78	-	5,499.60	1,591.55	-
Exposure to foreign currency risk (liabilities)	95,564.17	61,719.59	20,340.14	20,678.04	901.98	55,222.93	54,560.09	21,055.56	23,425.60	723.17

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on profit after tax	
	As at March 31, 2022	As at March 31, 2021
USD sensitivity		
INR/USD -Increase by 4% *(March 31, 2021 - 3%)	(2,869.92)	(1,204.14)
INR/USD -Decrease by 4% *(March 31, 2021 - 3%)	2869.92	1,204.14
EUR sensitivity		
INR/EUR-Increase by 2% *(March 31, 2021- 4%)	(788.23)	(1,333.71)
INR/EUR-Decrease by 2% *(March 31, 2021 - 4%)	788.23	1,333.71
SEK sensitivity		
INR/SEK -Increase by 3% *(March 31, 2021- 12%)	(428.12)	(1,731.75)
INR/SEK -Decrease by 3% *(March 31, 2021- 12%)	428.12	1,731.75
RMB sensitivity		
INR/RMB -Increase by 7% *(March 31, 2021- 5%)	(860.07)	(778.49)
INR/RMB -Decrease by 7% *(March 31, 2021- 5%)	860.07	778.49

*Holding all other variables constant

Forward contracts

	As at March 31, 2022	As at March 31, 2021
Forward contracts receivable		
USD	8,685.94	1,204.73
EUR	7,317.60	1,238.99
Others	-	3.00
Forward contracts payable		
USD	14,206.93	-
EUR	854.17	90.50
RMB	3,539.44	3,543.87
Other	-	358.15
Interest rate swap		
USD	1.37	1,145.05
EUR	63.04	136.31





Tata AutoComp Systems Limited
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(b) Interest rate risk

The Group has fixed rate borrowings and variable rate borrowings. The fixed rate borrowings are carried at amortized cost and accordingly not subject to interest rate risk as defined in Ind AS 107, as neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

In case of long term foreign currency loans with floating rate:

- Few companies within the Group manages their cash flow interest rate risk using floating to fixed interest rate swaps. Under these swaps, those companies agree with other parties to exchange the difference between fixed contract rates and floating interest amounts calculated by reference to agreed notional principal amounts. Receipt/payment of difference between fixed contract rates and floating interest amounts is on net basis.

- Few companies within the Group manages cashflows, which is partially neutralised by cash funds incurring variable interest.

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

	31-Mar-22	31-Mar-21
Variable rate borrowings	1,17,843.29	1,22,959.16
Fixed rate borrowings	2,000.00	500.00
Total borrowings	1,19,843.29	1,23,459.16

As at the end of the reporting period, the Group has the following variable rate borrowings outstanding

	As at March 31, 2022			As at March 31, 2021		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Term loan from bank, related party and customer bill discounting with bank	2.75%	1,17,843.29	98.33%	4.78%	1,22,959.16	99.60%

An analysis by maturities is provided in note 40 (B) below. The percentage of total loans shows the portion of loans that are currently at variable rates in relation to the total amount of borrowings

Increase in benchmark rates by 0.50 % will reduce profit by INR 589.22 lakhs for the year ended March 31, 2022. Decrease in benchmark rates by 0.50 % will increase profit by INR 614.78 lakhs for the year ended March 31, 2022 (notwithstanding the hedge provided by interest rate swaps)

Increase in benchmark rates by 0.50 % will reduce profit by INR 589.22 lakhs for the year ended March 31, 2021. Decrease in benchmark rates by 0.50 % will increase profit by INR 614.78 lakhs for the year ended March 31, 2021, (notwithstanding the hedge provided by interest rate swaps)

(c) Price risk

(a) Exposure

The Group's exposure to current investments' price risk arises from investments held by the Group and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investment, the Group invests in liquid mutual funds. Liquid mutual funds invest mainly in short term debt instruments such as commercial deposits (CD), commercial paper (CP) and treasury bills, with maturities of up to 91 days only and carry very negligible interest rate risk and price risk.

Details of items designated as hedge instrument-

	As at 31 March 2022		As at 31 March 2021	
	Assets	Liabilities	Assets	Liabilities
Derivative not designated as hedges	112.04	27.76	102.59	88.94
Cash flow hedges:				
i) Foreign currency forward contracts	-	1,216.12	-	2,856.76
ii) Interest rate swaps	-	63.49	-	1,283.36
Included In Derivative Contracts - Other financial assets/liabilities	112.04	1,307.37	102.59	4,229.06

	As at 31 March 2022		As at 31 March 2021	
	Foreign currency risk	Interest rate risk	Foreign currency risk	Interest rate risk
Opening cash flow hedge reserve	(1,499.97)	-	(1,910.21)	-
Change in Fair value	-	-	513.22	-
	(1,499.97)	-	(1,396.99)	-
Tax on movements in relevant items of OCI during the year	-	-	(102.96)	-
Reclassification from retained earnings to OCI Hedges	1,499.97	-	-	-
Closing cash flow hedge reserve	-	-	(1,499.97)	-





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(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet this. The Group invests its surplus funds in bank fixed deposit and liquid mutual funds which carry no / low mark to market risk.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Upto 1 year	Between 1 and 2 years	2 years and above	Total
March 31, 2022				
Non-derivatives				
Borrowings	21,382.57	28,442.16	70,018.56	1,10,843.29
Trade payables	1,69,118.51	-	-	1,69,118.51
Other financial liabilities	10,439.90	-	-	10,439.90
Lease liability	7,488.66	13,412	38,710	59,610.71
Total non-derivative liabilities	2,08,429.64	41,854.32	1,08,728.44	3,59,012.40
Derivatives (net settled)				
Foreign exchange forward contracts	27.76	-	-	27.76
Total derivative liabilities	27.76	-	-	27.76

Contractual maturities of financial liabilities	Upto 1 year	Between 1 and 2 years	2 years and above	Total
March 31, 2021				
Non-derivatives				
Borrowings	41,575.02	22,386.28	59,497.34	1,23,458.64
Trade payables	1,21,041.17	-	-	1,21,041.17
Other financial liabilities	7,181.76	700.09	3,565.97	11,447.82
Lease liability	5,504.14	8,849.32	18,231.99	32,585.44
Total non-derivative liabilities	1,76,302.09	31,935.69	81,285.30	2,88,523.07
Derivatives (net settled)				
Foreign exchange forward contracts	88.94	-	-	88.94
Total non-derivative liabilities	88.94	-	-	88.94





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(C) Credit risk

Credit risk is the risk of financial loss arising from counterparty 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.

Credit risk management

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and liquid mutual fund with high credit ratings assigned by international and domestic credit rating agencies. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications as at March 31, 2022, that defaults in payment obligations will occur.

The Group follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortised cost or fair value through other comprehensive income other than trade receivables.

The ageing of trade receivable as on balance sheet date is given below. The age analysis has been considered from the due date.

	As at March 31, 2022			As at March 31, 2021		
	Gross	Allowance	Net	Gross	Allowance	Net
Trade receivables						
Period (in months)						
Unbilled	4,304.68		4,304.68	1,091.53		1,091.53
Not due	55,723.11	-	55,723.11	38,219.95	-	38,219.95
Overdue up to 3 months	15,233.01	4.00	15,229.01	8,450.14	15.46	8,434.68
Overdue 3-6 months	7,429.93	293.25	7,136.68	3,253.79	305.54	2,948.25
Overdue more than 6 months	5,993.51	749.89	5,243.61	4,847.53	731.82	4,115.71
Total	88,684.23	1,047.14	87,637.09	55,862.95	1,052.83	54,810.12

The following table summarises the change in loss allowance measured using lifetime expected credit loss model

Loss allowance on April 1, 2020	869.46
Changes in loss allowance	183.36
Loss allowance on March 31, 2021	1,052.82
Changes in loss allowance	(5.69)
Loss allowance on March 31, 2022	1,047.13

Note 41 : Capital management

(a) Risk management

The group's objectives when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group 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, nonconvertible debt securities and short-term borrowings. The group's policy is aimed at optimum combination of short-term and long-term borrowings. The group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the group.

Total debt includes all long and short-term debts and lease liabilities as disclosed in notes 22, 25 and 6 to the financial statements.

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Total debt	1,59,850.92	1,49,316.98
Total equity	1,69,665.04	1,25,154.20
Net debt to equity ratio	0.94	1.19

(b) Dividends

Particulars	As at March 31, 2022	As at March 31, 2021
Dividends not recognised at the end of the reporting period	8,051.26	-
Board of directors of the Holding Company have recommended the payment of final dividend of Rs 4.00 per fully paid equity share for the year ended on March 31, 2022 (March 31, 2021- Nil). This proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting.		





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Note 42 : Employee benefits

(A) Defined benefit plans

a) Gratuity- India

The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net
April 1, 2020	3,153.24	(2,178.88)	974.36
Acquisition of subsidiary	-	-	-
Current service cost	295.84	-	295.84
Interest expense/(income)	189.48	(134.15)	55.33
Total amount recognised in profit or loss	485.31	(134.15)	351.17
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	4.15	15.54	19.69
(Gain)/loss from change in demographic assumptions	300.19	-	300.19
(Gain)/loss from change in financial assumptions	(157.84)	-	(157.84)
Experience (gains)/losses	(23.04)	-	(23.04)
Total amount recognised in other comprehensive income	113.45	15.54	129.00
Employer contributions	-	(39.96)	(39.96)
Benefit payments	(95.33)	-	(95.33)
March 31, 2021	3,656.67	(2,337.46)	1,319.21

	Present value of obligation	Fair value of plan assets	Net
April 1, 2021	3,656.67	(2,337.46)	1,319.21
Acquisition of subsidiary	-	-	-
Current service cost	322.36	-	322.36
Interest expense/(income)	235.00	(162.72)	72.28
Total amount recognised in profit or loss	557.36	(162.72)	394.64
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(23.94)	(23.94)
(Gain)/loss from change in demographic assumptions	(1.89)	-	(1.89)
(Gain)/loss from change in financial assumptions	(66.15)	-	(66.15)
Experience (gains)/losses	22.97	-	22.97
Total amount recognised in other comprehensive income	(45.06)	(23.94)	(69.01)
Employer contributions	-	(260.58)	(260.58)
Benefit payments	(192.36)	-	(192.36)
March 31, 2022	3,976.61	(2,784.70)	1,191.91

The net liability disclosed above relates to funded plans are as follows:

	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	3,976.61	3,656.67
Fair value of plan assets	2,784.70	2,337.46
Non-current liability recognized in balance sheet	1,191.91	1,319.21

Valuation in respect of gratuity has been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	As at March 31, 2022	As at March 31, 2021
Discount rate	6.80%	6.80%
Salary escalation rate	8.00%	8.00%
Rate of return on plan assets	6.86%	6.91%
Attrition Rate- Management	16.00%	16.00%
Attrition Rate- Non- Management	3.00%	3.00%

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





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	Year ended March 31, 2022	Year ended March 31, 2021
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 1% increase in discount rate	(314.09)	(291.64)
(ii) 1% decrease in discount rate	364.80	340.40
(iii) 1% increase in rate of salary escalation	357.35	332.75
(iv) 1% decrease in rate of salary escalation	(313.93)	(290.97)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected contributions to defined benefit plan (gratuity) in future years
The weighted average duration of the defined benefit obligation is 5 years.

	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation		
Less than a year	493.79	419.86
Between 1 - 2 years	315.31	299.66
Between 2 - 5 years	1,158.92	1,056.36
Over 5 years	2,089.76	2,011.02
Total	4,057.78	3,786.90

Category of planned asset

	As at March 31, 2022	As at March 31, 2021
Unquoted		
Insurer managed funds*	100%	100%

* The Group maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2021 is considered to be the fair value.

Contribution expected to be paid to the plan during the next financial year INR 490.54 lakhs (March 31, 2021 INR 442.29 lakhs)

b) Other retirement benefits - India

The Group operates defined benefit pension plans. All of the plans are final salary pension plans, which provide benefits to members and to their spouses in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. The pension plan is not funded plan.

	Present value of obligation
April 1, 2020	2,033.78
Current service cost	254.56
Interest expense/(income)	135.23
Total amount recognised in profit or loss	389.79
Remeasurements	
(Gain)/loss from change in financial assumptions	117.00
Experience (gains)/losses	46.39
Total amount recognised in other comprehensive income	163.39
Employer contributions	
Benefit payments	(147.96)
March 31, 2021	2,439.00

	Present value of obligation
April 1, 2021	2,439.00
Current service cost	136.32
Interest expense/(income)	164.88
Total amount recognised in profit or loss	301.20
Remeasurements	
(Gain)/loss from change in demographic assumptions	66.70
(Gain)/loss from change in financial assumptions	242.49
Experience (gains)/losses	322.10
Total amount recognised in other comprehensive income	631.29
Benefit payments	(147.97)
March 31, 2022	3,223.52





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Notes to consolidated financial statement (continued)
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The net liability disclosed above relates to unfunded plan is as follows:

	As at March 31, 2022	As at March 31, 2021
Unfunded plans (Liabilities recognized in balance sheet)	3,223.52	2,439.00

Valuation in respect of pension has been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	As at March 31, 2022		As at March 31, 2021	
	Serving Managing Director	Retired Managing Directors	Serving Managing Directors	Retired Managing Directors
Discount rate	7.40%	7.40%	7.00%	7.00%
Pension growth rate	12.00%	12.00%	8.00%	8.00%
Compensation growth rate	12.00%	-	8.00%	-
Expected average remaining working life (years)	26.70	21 - 28	25.03	19 - 27

Quantitative sensitivity analysis for significant assumptions are as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 1% increase in discount rate	(288.33)	(202.40)
(ii) 1% decrease in discount rate	337.69	235.15
(iii) 1% increase in rate of pension growth rate	97.92	75.21
(iv) 1% decrease in rate of pension growth rate	(94.25)	(72.41)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected contributions to defined benefit plan (pension) in future years

The weighted average duration of the defined benefit obligation is 5 years.

	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation		
Less than a year	250.18	232.43
Between 1 - 2 years	239.64	222.44
Between 2 - 5 years	757.69	702.50
Over 5 years	1,417.59	1,297.86
Total	2,665.09	2,456.23

c) Pension Schemes- Sweden and USA

The Group has defined benefit schemes in Sweden and USA. The level of benefit depends on the employees length of service and salary at time of retirement. In the Swedish schemes the pension payments are normally linked to the consumer price index while the American schemes are normally not inflation adjusted when the payments from the schemes are actually made. The American pension plan is funded on pay-as-you-go basis and considered as unfunded as per Ind AS 19. The Swedish pension scheme is unfunded and it is therefore the Group that pays out the remuneration at maturity.

	Present value of obligation	Fair value of plan assets	Net
April 1, 2020	10,368.78	835.68	9,533.11
Current service cost	184.63	-	184.63
Interest expense/(income)	150.01	28.69	121.32
Total amount recognised in profit or loss	334.64	28.69	305.95
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	33.56	(33.56)
(Gain)/loss from change in demographic assumptions, financial assumption and Experience (gains)/losses	831.13	-	831.13
Total amount recognised in other comprehensive income	831.13	33.56	797.57
Employer contributions	-	70.91	(70.91)
Benefit payments	(716.58)	(88.57)	(628.01)
Foreign currency translation difference	766.45	116.99	649.47
March 31, 2021	11,584.44	997.26	10,587.18





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	Present value of obligation	Fair value of plan assets	Net
April 1, 2021	11,584.44	997.26	10,587.18
Current service cost	97.56	-	97.56
Interest expense/(income)	72.85	25.51	47.34
Total amount recognised in profit or loss	170.41	25.51	144.90
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)		29.42	(29.42)
(Gain)/loss from change in demographic assumptions, financial assumption and Experience (gains)/losses	(1,960.71)	-	(1,960.71)
Total amount recognised in other comprehensive income	(1,960.71)	29.42	(1,990.13)
Employer contributions	-	(24.51)	24.51
Benefit payments	(450.03)	96.18	(546.22)
Foreign currency translation difference	(56.12)	(19.12)	(36.99)
March 31, 2022	9,287.99	1,104.75	8,183.24

The net liability disclosed above relates to funded and unfunded plans are as follows:

	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	9,287.99	11,584.44
Fair value of plan assets	(1,104.75)	(997.26)
Deficit of funded plan	8,183.24	10,587.18

	As at March 31, 2022	As at March 31, 2021
Discount rate USA / Sweden	2.05% / 3.11%	1.20% / 2.63%
Salary escalation rate USA / Sweden	0%/0%	0%/0%

Quantitative sensitivity analysis for significant assumptions are as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 0.5% increase in discount rate	405.41	(489.54)
(ii) 0.5% decrease in discount rate	(451.10)	545.11
(iii) 0.5% increase in rate of inflation	(405.68)	533.71
(iv) 0.5% decrease in rate of inflation	368.07	(464.17)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The Group has recognised the following amounts in the statement of profit and loss

	As at March 31, 2022	As at March 31, 2021
Contribution to employees' superannuation fund	330.17	294.70
Contribution to provident fund/family pension fund (including contribution to social security)	12,119.17	11,475.61
Contribution to labour welfare fund	1.64	1.10
Contribution to employee's state insurance scheme	51.25	39.11

(C) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

- 1. Interest rate risk:** The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation increases.
- 2. Salary inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- 3. Demographic risk:** For example, as the plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.





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Note 43: Segment Information

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosure about products and services, geographic areas and major customer. The Group is engaged mainly in the business of manufacturing and trading of automobile components, design and engineering services. Based on the "management approach" as defined in Ind AS 108, the 'Chief Operating Decision Maker (CODM)' considers entire business as single operating segment. The Group's operating divisions are managed from India. The principal geographical areas in which the Group operates are India, Europe, USA, China and other countries.

i) Product Information

	Year ended March 31, 2022	Year ended March 31, 2021
- Components, assemblies and sub-assemblies	6,65,651.83	3,90,605.36
- Tools, dies and moulds	13,294.35	14,977.58
- Scrap and Others	14,436.32	5,863.22
- Service	9,757.77	6,281.24
Total	7,03,140.27	4,17,727.40

ii) Geographical information

	Revenue		Non-current assets*	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
India	4,18,035.12	2,18,604.96	1,48,963.85	1,34,430.64
Europe	1,40,843.27	1,08,411.59	60,551.16	62,163.93
USA	1,33,380.79	76,119.15	41,401.96	41,061.68
China	8,319.92	11,460.43	15,343.42	14,656.54
Others	2,581.17	3,131.27	-	-
Total	7,03,140.27	4,17,727.40	2,66,260.39	2,52,312.79

* Non current assets excludes financial assets, deferred tax asset and investments accounted for using equity method.

iii) Major customers

The revenue from customers which is more than 10% of Group's total revenue:

	Year ended March 31, 2022	Year ended March 31, 2021
Customer 1	2,07,067.09	1,27,376.23
Customer 2	84,057.65	63,434.34
Customer 3	64,070.23	42,765.32
	3,55,194.97	2,33,575.89

Note 44 : Contingent liabilities (To the extent not provided for)

	As at March 31, 2022	As at March 31, 2021
Income tax matters under appeal	1,526.26	1,763.63
Sales tax matters under appeal	467.54	489.33
Excise duty matters (Refer note 1 below)	280.79	736.33
Service tax matters	-	224.31
Goods and Services Tax matters	3.10	21.15
Claims against company not acknowledged as debts	469.31	58.87
Labour matter (Refer note 2 below)	417.23	407.02
Possible claims arising out of agreements with former Joint Venture Partners	2,288.20	2,326.60
Statutory bonus for FY 2014-15 on retrospective amendment in the Payment of Bonus Act wherein high court has issued stay orders on similar cases	210.43	210.43
Entry tax matters	107.97	102.83
Others	134.32	138.77

Note:-

1) The Group has received other show cause notices from the Excise department on various matters. The Group is in the process of replying, to these notices and does not expect any demand from the Excise department. It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending disputed matters till it is resolved.

2) There are certain pending cases in respect of labour matters of one of the subsidiaries, the impact of which is not quantifiable and is not expected to be material.

3) In February 2019, the Honorable Supreme Court of India vide its ruling clarified that certain special allowances should be considered to measure obligations under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the PF Act). However, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Honorable Supreme Court, in relation to the scope of compensation on which the organization and its employees are to contribute towards Provident Fund. The Group will evaluate its position and act, as clarity emerges. Accordingly, the Group has not disclosed any contingent liability amount for past liability with respect to above ruling.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 45 : Related party transactions

(a) Related parties and their relationship

Promoters/ Promoter group

- i) Tata Sons Private Limited (Ultimate Holding Company)
- ii) Tata Industries Limited
- iii) Tata Motors Limited
- iv) Tata Capital Limited

Fellow subsidiaries (with whom transactions have taken place during the period)

- i) Tata AIG General Insurance Company Limited
- ii) Tata Consultancy Services Limited
- iii) Tata International Limited
- iv) Tata Investment Corporation Limited
- v) Tata Capital Pte. Limited
- vi) Tata Consulting Engineers Limited
- vii) Tata Securities Limited
- viii) Tata Capital Financial Services Limited
- ix) Bachi Shoes Limited

Other related parties (Group Companies, with whom transactions have taken place during the period)

- i) Fiat India Automobiles Private Limited
- ii) Tata Communications Limited
- iii) Tata Technologies Limited
- iv) Tata Chemicals Limited
- v) Tata Teleservices Limited
- vi) Tata Teleservices (Maharashtra) Limited
- vii) The Indian Hotels Company Limited
- viii) Voltas Limited
- ix) Titan Company Limited
- x) Tata Precision Industries (India) Limited
- xi) Tata Ebsi Limited
- xii) TAL Manufacturing Solutions Limited
- xiii) Tata Daewoo Commercial Vehicle Company Limited
- xiv) Tata Communications Collaboration Services Private Limited
- xv) Tata Housing Development Company Ltd - Employees Provident Fund
- xvi) Tata SIA Airlines Limited
- xvii) Tata Power Renewable Energy Limited
- xviii) Tata Steel Limited
- xix) Tata Steel Downstream Products Limited (formerly Tata Steel Processing and Distribution Limited)
- xx) Tata Steel BSL Limited (formerly Bhushan Steel limited)
- xxi) Chery Jaguar Land Rover Automotive Co. Limited
- xxii) Jaguar Land Rover Limited
- xxiii) TKM Logistics Ltd
- xxiv) Tata Cummins Private Limited
- xxv) Tata Medical and Diagnostics Limited
- xxvi) Tata Advanced Systems Limited
- xxvii) Tata Motors Passenger Vehicles Limited
- xxviii) Piem Hotels Limited
- xxix) Roots Corporation Limited
- xxx) The Tata Power Company Limited
- xxxi) Tata Cummins Private Limited

Joint ventures

- i) Tata Ficosa Automotive Systems Private Limited
- ii) Tata Autocomp GY Batteries Private Limited
- iii) Tata Autocomp Katcon Exhaust System Private Limited
- iv) TM Automotive Seating Systems Private Limited
- v) Taco Sasken Automotive Electronics Limited (Under liquidation)
- vi) Air International TTR Thermal Systems Private Limited (Joint venture of Tata Toyo Radiator till September 30, 2021 and Joint Venture of Tata AutoComp w.e.f October 01, 2021)
- vii) Tata Autocomp SECO Powertrain Private Limited (Dormant w.e.f. July 13, 2021)
- viii) Tata AutoComp GoGreen Green Energy Solutions Private Limited
- ix) TACO Prestolite Electric Private Limited (w.e.f. April 04, 2021)

Key management personnel (KMP)

Whole-time director

- i) Mr. Arvind Goel (Managing Director)

Non-executive directors

- i) Mr. Praveen Kadle
- ii) Mr. Hari Lakshminarayan Munda
- iii) Mr. Milind Shahane
- iv) Mr. Ankur Verma
- v) Ms. Rati Forbes





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

(b) Transactions with related parties

Particulars	Transaction value		Closing balance	
	Year ended March 31, 2022	Year ended March 31, 2021	As at March 31, 2022	As at March 31, 2021
Sale of goods				
- Tata Motors Limited	1,95,443.00	1,26,696.25	1,720.04	2,516.24
- Tata Motors Passenger Vehicles Limited (formerly TML Business Analytics Services Limited)	75,130.31	-	7,916.31	-
- Fiat India Automobiles Private Limited	61,663.31	30,830.18	6,094.78	4,473.49
- Tata Sons Private Limited	4,728.37	17,695.79	(1,074.12)	54.02
- Other group companies	5,464.99	8,967.04	90.55	2,249.95
Purchase of goods and services				
- Tata Motors Limited	2,847.42	1,088.86	425.80	(328.14)
- Fiat India Automobiles Private Limited	3,030.96	1,714.91	(513.80)	(502.30)
- Tata Steel Downstream Products Limited (formerly Tata Steel Processing and Distribution Limited)	11,359.58	5,979.13	(3,960.06)	(991.77)
- Tata Capital Financial Services Limited	2,257.32	2,238.89	(307.68)	(263.65)
- Tata Steel Limited	1,403.81	16.08	210.91	12.53
- Air International TTR Thermal Systems Private Limited	179.68	51.11	(76.35)	(15.12)
- Other group companies	2,649.99	1,826.01	(587.87)	(604.88)
Brand equity business promotion contribution				
- Tata Sons Private Limited	722.00	342.00	(779.76)	(378.23)
Sale of services				
- Tata Motors Limited	1,245.07	679.98	390.29	70.50
- Tata Motors Passenger Vehicles Limited (formerly TML Business Analytics Services Limited)	678.49	-	553.30	-
- Tata Ficoso Automotive Systems Private Limited	583.15	364.73	106.09	93.96
- Tata AutoComp GY Batteries Private Limited	818.80	690.47	239.18	223.30
- TM Automotive Sealing Systems Private Limited	782.26	371.33	212.75	230.33
- Tata AutoComp Katcon Exhaust System Private Limited	161.14	264.82	9.96	69.35
- Tata Medical and Diagnostics Limited	-	-	-	(1,100.00)
- Other group companies	1,112.68	896.95	887.84	118.27
Sale of property, plant and equipment				
- TACO Prestolite Electric Private Limited	5.04	-	5.95	-
- Tata Ficoso Automotive Systems Private Limited	0.93	-	1.09	-
- Tata AutoComp GY Batteries Private Limited	3.33	-	1.09	-
- TM Automotive Sealing Systems Private Limited	5.73	-	1.09	-
- Tata AutoComp Katcon Exhaust System Private Limited	0.93	-	-	-
- Tata Medical and Diagnostics Limited	4.80	22.03	-	-
- Air International TTR Thermal Systems Private Limited	4.83	-	5.30	-
Purchase of property, plant and equipment				
- Voltas Limited	18.85	-	0.03	0.04
- Tata Elxsi Limited	20.00	-	-	-
- Others	19.85	5.76	-	(8.80)
Security deposit				
- Tata Capital Financial Services Limited	40.22	689.45	2,255.03	2,214.81
Interest paid on inter corporate deposit				
- Tata Capital Financial Services Limited	274.68	520.38	-	22.39
Interest received on inter corporate deposits and loans				
- Air International TTR Thermal Systems Private Limited	5.53	10.24	-	-
- Tata Ficoso Automotive Systems Private Limited	60.49	39.33	-	-
- TM Automotive Sealing Systems Private Limited	-	1.98	-	-
- Tata AutoComp GY Batteries Private Limited	68.46	-	-	-
- TACO Prestolite Electric Private Limited	19.75	-	-	-
- Tata AutoComp Katcon Exhaust System Private Limited	-	8.44	-	-





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Particulars	Transaction value		Closing balance	
	Year ended March 31, 2022	Year ended March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loan availed				
- Tata Capital Financial Services Limited	7,082.89	19,386.00	0.33	4,592.44
Loan repaid				
- Tata Capital Financial Services Limited	11,675.00	-	-	-
Dividend received				
- TM Automotive Seating Systems Private Limited	993.00	-	-	-
- Tata Ficosa Automotive Systems Private Limited	65.46	-	-	-
- Tata AutoComp Katcon Exhaust System Private Limited	-	131.79	-	-
Inter corporate deposit given				
- Tata AutoComp Katcon Exhaust System Private Limited	-	450.00	-	-
- Tata Ficosa Automotive Systems Private Limited	1,500.00	1,000.00	-	-
- TACO Prestolite Electric (India) Private Limited	2,750.00	-	2,750.00	-
- Tata AutoComp GY Batteries Private Limited	5,250.00	-	2,000.00	-
- Air International TTR Thermal Systems Private Limited	400.00	-	-	-
Inter corporate deposit received back				
- TM Automotive Seating Systems Private Limited	-	100.00	-	-
- Tata AutoComp Katcon Exhaust System Private Limited	-	450.00	-	-
- Tata Ficosa Automotive Systems Private Limited	1,500.00	1,000.00	-	-
- Air International TTR Thermal Systems Private Limited	400.00	-	-	-
- Tata AutoComp GY Batteries Private Limited	3,250.00	-	-	-
Lease liabilities				
- Tata Motors Limited	-	-	853.28	847.23
- Tata Capital Financials Services Limited	-	-	13,439.92	12,655.14
Interest expenses on lease liability				
- Tata Capital Financials Services Limited	1,150.70	1,000.12	-	-
- Tata Motors Limited	70.01	69.43	-	-
Debenture holder				
- Tata Housing Development Company Ltd - Employees Provident Fund	-	(20.00)	-	-
Interest to debenture holder				
- Tata Housing Development Company Ltd - Employees Provident Fund	-	1.01	-	-
Remuneration paid to KMP				
- Mr. Arvind Goel	-	-	-	-
Short-term employee benefits	724.57	537.00	(407.00)	(300.00)
Long-term employee benefits	45.77	35.30	(154.92)	(119.14)
Post-employment benefits	136.32	254.56	(1,165.29)	(650.83)
Advance given to key managerial personnel				
- Mr. Arvind Goel	3.00	-	-	-
Sitting fees paid to KMP				
- Mr. Praveen Kadle	4.00	4.50	-	-
- Mr. Ramnath Mukhija	-	-	-	-
- Mr. Hari Lakshminarayan Mundra	5.00	6.00	-	-
- Mr. Ankur Verma	2.50	2.00	-	-
- Ms. Rati Forbes	5.20	6.20	-	-
Commission paid to KMP				
- Mr. Praveen Kadle	25.00	15.00	-	-
- Mr. Ramnath Mukhija	-	10.00	-	-
- Mr. Hari Lakshminarayan Mundra	15.00	10.00	-	-
- Ms. Rati Forbes	10.00	5.00	-	-
Investment in equity shares				
- Tata Ficosa Automotive Systems Private Limited	-	-	1,875.00	1,875.00
- Tata AutoComp GY Batteries Private Limited	-	1,500.00	8,650.08	6,650.08
- TM Automotive Seating Systems Private Limited	-	-	900.00	900.00
- Tata AutoComp Katcon Exhaust System Private Limited	-	-	321.13	321.13
- Tata AutoComp Seco Powertrain Private Limited	-	-	2.50	2.50
- Air International TTR Thermal Systems Private Limited	-	-	1,000.00	-
- TACO Prestolite Electric Private Limited	1,100.00	-	1,100.00	-

Note:

- The closing balances above are net of advances except for advance received from Tata Sons Private Limited.
- The closing balances of investments in equity shares are net of provisions.
- During the period the Holding Company has sold ventilators and personal protective equipments of Rs.4,728.00 lakhs (Rs.17,630.04 lakhs for Mar 2021) to Tata Sons Private Limited as part of their response to COVID-19 pandemic. Since the above sales are at nil margin the same has been netted off against the cost of purchases.
- Amount excluding long term employee benefits and post employment benefits.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 45 : Interests in other entities

(a) Subsidiaries

The group's subsidiaries at 31 March 2022 are set out below :

Sr. No	Name of the Company	Principal Activity	Country of incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling	
				March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Subsidiaries (Direct and Indirect):							
1	Taco Engineering Services GmbH	Engineering services	Germany	100.00	100.00	-	-
2	Nanjing Tata AutoComp Systems Limited	Plastic interiors and exteriors manufacture	China	100.00	100.00	-	-
3	Automotive Stampings and Assemblies Limited ("ASAL")	Stampings and assemblies Manufacturing	India	75.00	75.00	25.00	25.00
4	Ryhpez Holding (Sweden) AB	Investment company based in Sweden	Sweden	100.00	100.00	-	-
5	TitanX Holding AB (Sweden) [Subsidiary of Ryhpez Holding (Sweden) AB]	Investment company based in Sweden	Sweden	99.48	98.48	0.52	0.52
6	TitanX Engine Cooling, Inc. (US) [Subsidiary of TitanX Holding AB (Sweden)]	Manufacture of Engine cooling modules	USA	99.48	99.48	0.52	0.52
7	TitanX Engine Cooling Kunshan Co., Ltd. (China) [Subsidiary of TitanX Holding AB (Sweden)]	Manufacture of Oil Cooler	China	98.48	98.48	0.52	0.52
8	TitanX Engine Cooling AB (Sweden) [Subsidiary of TitanX Holding AB (Sweden)]	Manufacture of Engine cooling modules	Sweden	99.48	99.48	0.52	0.52
9	TitanX Refrigeração de Motores LTDA (Brazil) [Subsidiary of TitanX Engine Cooling AB (Sweden)]	Manufacture of Engine cooling modules	Brazil	98.48	99.48	0.52	0.52
10	TitanX Engine Cooling, Poland [Subsidiary of TitanX Holding AB (Sweden)]	Manufacture of Engine cooling modules	Poland	99.48	98.48	0.52	0.52
11	Tata Toyo Radiator Ltd	Manufacture of heat exchange Systems	India	51.00	51.00	49.00	49.00
12	Changshu Tata AutoComp Systems Limited (direct subsidiary of NTACO)	Plastic injection molding and Assembly	China	100.00	100.00	-	-
13	Tata AutoComp Hendrickson Suspensions Private Limited	Manufacture of lift axles and high technology metal and rubber suspensions	India	50.00	50.00	50.00	50.00
14	TitanX Engine Cooling SRL (Italy) (w.e.f. 17.03.2021)	Manufacture of Engine cooling modules	Italy	98.48	99.48	0.52	0.52





Tata AutoComp Systems Limited

Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 46 : Interests in other entities (continued)
(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	Automotive Stampings and Assemblies Limited		Ryhpez Holding (Sweden) AB		Tata Toyo Radiator Limited		Tata AutoComp Hendrickson Suspension Private Limited	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Current assets	7,954.70	8,434.37	83,435.00	61,068.19	32,386.95	22,252.00	14,950.60	17,945.77
Current liabilities	17,616.63	22,241.69	92,841.58	86,312.93	31,347.22	31,987.00	7,473.70	5,001.38
Net current assets	(9,661.93)	(13,807.32)	(9,406.58)	(25,244.74)	1,039.73	(9,735.00)	7,476.90	12,944.38
Non-current assets	10,134.82	9,048.71	1,15,693.82	1,18,124.51	34,320.43	40,152.00	5,887.10	5,957.16
Non-current liabilities	4,044.31	4,113.26	95,739.42	86,110.07	19,702.76	20,571.00	473.47	622.76
Net non-current assets	6,090.51	4,935.45	19,954.40	32,014.44	14,618.27	19,581.00	5,413.63	5,334.40
Net assets	(3,571.42)	(8,872.07)	10,547.81	6,769.71	15,658.00	9,846.00	12,890.53	18,278.78
Accumulated NCI	(892.86)	(2,218.02)	(51.28)	(52.81)	7,672.42	4,924.54	6,445.26	9,139.38

Summarised statement of profit and loss	Automotive Stampings and Assemblies Limited		Ryhpez Holding (Sweden) AB		Tata Toyo Radiator Limited		Tata AutoComp Hendrickson Suspension Private Limited	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	60,763.71	33,913.02	2,15,565.67	1,49,313.12	99,727.46	57,918.00	31,523.80	16,176.50
Profit/(loss) for the year	5,231.08	(2,969.89)	2,004.22	(7,676.60)	5,817.73	(3,537.69)	4,257.90	2,132.73
Other comprehensive income/(loss)	69.57	(18.85)	679.64	(1,397.34)	(5.60)	(22.00)	4.80	(6.01)
Total comprehensive income/(loss)	5,300.65	(2,988.74)	2,683.86	(9,073.94)	5,812.13	(3,559.69)	4,262.70	2,126.71
Profit/(loss) allocated to NCI	1,325.15	(747.18)	-	-	2,847.94	(1,744.25)	2,131.35	1,063.36
Dividends paid to NCI (including DDT)	-	-	-	-	-	-	4,625.55	-

Summarised cash flows	Automotive Stampings and Assemblies Limited		Ryhpez Holding (Sweden) AB		Tata Toyo Radiator Limited		Tata AutoComp Hendrickson Suspension Private Limited	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows (used in)/generated from operating activities	4,382.41	422.76	2,573.83	52,395.78	4,697.63	6,273.00	4,379.40	5,874.90
Cash flows (used in)/generated from investing activities	9,060.97	288.30	(15,274.55)	(5,165.53)	2,394.32	(2,137.00)	5,392.52	(3,109.35)
Cash flows (used in)/generated from financing activities	(13,088.87)	(749.47)	6,165.85	(42,153.90)	(6,917.03)	(4,193.62)	(9,920.90)	(149.51)
Net increase/(decrease) in cash and cash equivalents	354.51	(66.39)	(6,534.87)	5,056.06	114.92	(57.62)	(148.98)	2,616.04





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 46 : Interests in other entities (continued)
(c) Interests in joint ventures

Set out below are the joint ventures of the group as at 31 March 2022.

Name of entity	Place of business	% of ownership	Relationship	Accounting method	Carrying Value	
					As at March 31, 2022	As at March 31, 2021
Tata Ficosa Automotive Systems Private Limited ("TF")	India	50%	Joint venture	Equity method	5,128.86	3,206.54
Tata AutoComp GY Batteries Private Limited ("TGY")	India	50%	Joint venture	Equity method	3,841.20	3,768.43
Tata AutoComp Katcon Exhaust System Private Limited	India	50%	Joint venture	Equity method	1,766.22	1,305.23
TM Automotive Seating Systems Private Limited	India	50%	Joint venture	Equity method	3,076.19	1,842.83
Air International TTR Thermal Systems Private Limited (AITTR) (direct JV w.e.f. October 01, 2021)	India	50%	Joint venture	Equity method	1,147.12	774.81
Tata AutoComp SECO Powertrain Private Limited	India	50%	Joint venture	Equity method	2.50	2.50
TACO Prestolite Electric Private Limited (w.e.f. April 04, 2021)	India	50%	Joint venture	Equity method	1,062.21	-
Total					16,024.31	10,900.34

- 1 Tata Ficosa Automotive Systems Private Limited is engaged in the business of manufacture and sale of and trading in automotive parts like mirrors, washer systems, cables, gear shifters etc. Its product compliments the overall product portfolio of the group.
- 2 Tata AutoComp GY Batteries Private Limited is engaged in the business of manufacture, sale of and trading in lead acid storage batteries.
- 3 Tata AutoComp Katcon Exhaust System Private Limited provides products and services in the automotive industry to Indian and Global customers. The Company manufactures Catalytic Converters for Passenger Vehicles Segment which helps group in overall diversification in the auto components industry.
- 4 TM Automotive Seating Systems Private Limited designs, validates, manufacture and supply seating systems and related products for Commercial Vehicles Segment.
- 5 Air International TTR Thermal Systems Private Limited, joint venture of Tata Toyo Radiator, is presently engaged in development of product with plans to manufacture and sale of HVAC systems
- 6 The Holding Company had entered in to an agreement with SECO Powertrain Private Limited on November 26, 2019 and formed a joint venture company namely Tata AutoComp SECO Powertrain Private Limited. There have been no transactions entered by the newly formed joint venture since its inception and consequently the board of the joint venture filed for dormancy vide a resolution passed in the meeting dated March 30, 2021.
- 7 TACO Prestolite Electric Private Limited is a newly incorporated joint venture (w.e.f. April 04, 2021). It is into manufacturing of Stators & Alternators for Heavy Duty Segment and Electric Vehicle EV Integrated Electric Drive (motor + reducer + inverter) i.e. Traction Motors.
- 8 The Holding Company has entered into an agreement with Hefei Guoxuan High-Tech Power Energy Co. Ltd on February 26, 2019 to form a joint venture company namely Tata AutoComp Golion Green Energy Solutions Private Limited. The joint venture was incorporated on March 28, 2020. In the wake of outbreak of COVID 19, W.e.f. April 18, 2020, amendments have been made to para 3.1.1 of the FDI policy so as to compel any country which shares a border with India to obtain government approval prior to an investment. This covers inter alia China, Bangladesh and Pakistan. During the year, the JV partner has obtained the approval from the government and as on March 31, 2022, the Holding Company has not made any investment in share capital of the joint venture.

(f) Commitments and contingent liabilities in respect of joint ventures

Particulars	As at March 31, 2022	As at March 31, 2021
Commitments – joint ventures		
Commitment to provide funding for joint venture's capital commitments, if called	642.99	123.11
Contingent liabilities – joint ventures		
Share of joint venture's contingent liabilities in respect of a legal claim lodged against the entity	1,067.15	712.73





Tata AutoComp Systems Limited
Notes to consolidated financial statements (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 46 : Interests in other entities (continued)
(A) Reconciliation to carrying amounts

	Tata Ficoso Automotive Systems Private Limited		Tata AutoComp GY Batteries Private Limited		Tata AutoComp Kitecon Exhaust System Private Limited		TM Automotive Sealing Systems Private Limited		Tata AutoComp SECO Powertrain Private Limited		All International TTR Thermal Systems Private Limited		TACO Prestolite Electric Private Limited (refer note below)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Opening net assets	6,714.00	6,278.00	7,526.90	4,851.50	2,610.47	1,942.22	3,665.67	2,518.66	5.00	1,549.61	1,836.74	-	-	-
Capital invested	3,889.00	437.43	22.30	(493.41)	922.26	941.02	4,451.01	1,178.72	-	7.38	1,287.13	-	2,200.00	-
Profit/(loss) for the year	(13.00)	(1.00)	123.20	(10.27)	(0.32)	(263.59)	1.71	(1,166.00)	-	6.13	-	-	(72.87)	(2.71)
Other comprehensive income	(30.53)	(30.33)	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid (including DDT)	10,837.70	6,413.06	7,882.40	7,536.86	3,532.44	2,610.46	6,152.39	3,885.97	5.00	2,264.24	1,549.61	-	-	-
Change in net assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group's share in %	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Group's share in INR	5,128.86	3,206.51	3,841.20	3,768.43	1,768.22	1,305.23	3,076.15	1,842.83	2.50	1,147.12	774.80	-	-	1,962.21
Carrying amount	5,128.86	3,206.51	3,841.20	3,768.43	1,768.22	1,305.23	3,076.15	1,842.83	2.50	1,147.12	774.80	-	-	1,962.21

Note: Carrying amount of Rs. 1,062.21 lakhs includes Goodwill of Rs. 314.37 lakh. The pertains to excess of consideration paid over fair value of net assets of JV on the date of investment in TACO Prestolite Electric Private Limited.

The tables below provide summarised financial information for joint ventures. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not TACO's share of these amounts.

	Tata Ficoso Automotive Systems Private Limited		Tata AutoComp GY Batteries Private Limited		Tata AutoComp Kitecon Exhaust System Private Limited		TM Automotive Sealing Systems Private Limited		Tata AutoComp SECO Powertrain Private Limited		All International TTR Thermal Systems Private Limited		TACO Prestolite Electric Private Limited	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Summarised balance sheet														
Current assets	2,329.00	937.00	643.20	1,630.35	524.61	389.20	5,839.18	2,929.09	-	5.00	541.43	637.46	111.22	-
Cash and cash equivalents and other bank balances	10,005.00	11,597.42	14,272.10	11,740.22	8,159.46	6,725.66	6,611.60	5,126.06	-	-	7,271.54	2,532.81	16,584.61	-
Other assets	15,425.00	12,534.42	14,915.30	13,370.57	8,694.09	7,134.87	12,470.80	8,055.15	5.00	7,814.97	3,160.27	16,605.83	-	-
Total current assets	6,657.00	9,940.43	21,059.50	20,066.12	1,292.87	1,354.25	6,735.97	4,838.33	-	-	2,221.56	2,384.85	2914.4	-
Total non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current liabilities	1,268.22	2,896.02	8,947.60	4,779.91	196.11	65.53	763.37	535.72	-	-	662.17	209.00	1,026.47	-
Financial liabilities (excluding trade payables and other payables)	10,624.77	10,165.00	10,750.60	11,246.01	6,214.66	5,845.51	11,648.06	8,094.77	-	-	8,916.16	3,429.21	13,573.10	-
Other liabilities	11,993.00	12,899.00	19,706.50	16,013.82	8,410.77	5,721.03	12,411.42	8,030.49	-	-	7,378.33	3,687.23	10,899.27	-
Total current liabilities	1,721.77	2,525.00	7,690.60	9,222.67	46.60	103.87	451.23	419.58	-	-	107.96	249.84	1,486.84	-
Non-current liabilities	408.23	371.00	665.04	665.04	59.81	33.75	191.41	176.95	-	-	67.61	51.96	28.20	-
Financial liabilities (excluding trade payables and other payables)	2,430.00	2,886.00	8,586.00	9,887.01	118.41	137.82	642.84	596.53	-	-	178.57	311.81	1,515.04	-
Other liabilities	10,559.00	6,713.85	7,682.40	7,536.66	3,457.78	2,610.47	6,152.77	3,686.46	5.00	-	2,282.61	1,555.98	1,485.62	-
Total non-current liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Summarised statement of profit and loss

	Tata Ficoso Automotive Systems Private Limited		Tata AutoComp GY Batteries Private Limited		Tata AutoComp Kitecon Exhaust System Private Limited		TM Automotive Sealing Systems Private Limited		Tata AutoComp SECO Powertrain Private Limited		All International TTR Thermal Systems Private Limited		TACO Prestolite Electric Private Limited	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	45,785.00	27,556.88	53,826.00	47,140.53	29,123.62	25,737.13	62,632.10	23,924.73	-	-	17,366.07	6,947.43	6,798.3	-
Interest income	5.00	48.70	37.50	37.50	20.80	46.57	149.56	43.44	-	-	6.39	15.51	15.51	-
Depreciation and amortisation	1,112.00	986.94	1,381.10	1,029.90	1,708.68	1,342.00	782.40	559.95	-	-	636.49	463.00	319.38	-
Finance cost	525.00	516.00	1,523.20	980.20	20.35	150.82	272.26	149.43	-	-	96.06	102.00	184.82	-
Income tax expense	1,288.00	134.63	(4.30)	311.72	359.35	311.72	1,560.32	370.96	-	-	304.49	(101.62)	6.65	-
Profit/(loss) for the year	3,869.00	437.43	22.30	(493.41)	922.26	941.02	4,451.01	1,178.72	-	-	738.49	(279.92)	(72.87)	-
Other comprehensive income/(loss)	(13.00)	(1.00)	(0.32)	(10.27)	(0.32)	(263.59)	1.71	(1,166.00)	-	-	6.13	(27.71)	(2.71)	-
Total comprehensive income	3,976.00	436.43	145.50	(503.68)	921.94	677.43	4,452.71	1,167.01	-	-	744.62	(262.33)	(75.50)	-
Dividends received	65.46	210.00	-	-	-	-	983.00	-	-	-	-	-	-	-





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 47 : Additional information required by Schedule III

For the year ended March 31, 2022

Name of the entity in the group	Net Asset, i.e., total asset minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit & Loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Tata AutoComp Systems Limited	73.44%	1,24,501.47	63.59%	29,797.50	(58.14%)	(630.86)	60.84%	29,166.64
Subsidiaries :								
Automotive Stampings and Assemblies Ltd. ("ASAL")	(2.10%)	(3,571.42)	11.16%	5,230.86	6.41%	69.57	11.06%	5,300.53
Taco Engineering Services GmbH	0.05%	78.47	0.02%	7.61	-	-	0.02%	7.61
Nanjing Tata AutoComp Systems Limited	11.31%	19,189.71	4.13%	1,936.48	-	-	4.04%	1,936.48
Ryhpez Holding (Sweden)	6.25%	10,598.00	4.28%	2,004.13	62.64%	679.64	5.60%	2,683.77
Tata Toyo Radiator Limited ("TTR")	9.23%	15,658.00	12.42%	5,817.74	(0.52%)	(5.60)	12.12%	5,812.13
Tata AutoComp Hendrickson Suspensions Private Limited	6.77%	14,877.44	9.09%	4,257.91	0.44%	4.78	8.88%	4,262.70
Joint Ventures* :								
Tata Ficosa Automotive Systems Private Limited ("TF")	3.11%	5,279.50	4.26%	1,994.50	(0.60%)	(6.50)	4.15%	1,988.00
Tata AutoComp GY Batteries Private Limited ("TGY")	2.26%	3,841.20	0.02%	11.15	5.68%	61.60	0.15%	72.75
Tata AutoComp Katcon Exhaust System Private Limited	1.02%	1,723.89	0.98%	461.15	(0.01%)	(0.16)	0.96%	460.99
TM Automotive Seating Systems Private Limited	0.81%	3,076.39	4.75%	2,225.30	0.08%	0.86	4.64%	2,226.16
Tata AutoComp SECO Powertrain Private Limited	0.00%	2.50	-	-	-	-	-	-
Air International TTR Thermal Systems Private Limited	0.67%	1,141.31	0.79%	369.25	0.28%	3.07	0.78%	372.31
TACO Prestolite Electric Private Limited (w.e.f. April 04, 2021)	0.44%	747.81	(0.08%)	(36.44)	(0.12%)	(1.36)	(0.06%)	(37.79)
Sub total		1,97,244.26		54,077.23		175.04		54,252.26
Less: Adjustment on account of elimination / conversion of foreign operation	(16.26%)	(27,579.22)	(15.41%)	(7,221.12)	83.87%	910.04	(13.18%)	(6,311.07)
Total	100.00%	1,69,665.04	100.00%	46,856.11	100.00%	1,085.08	100.00%	47,941.19

* Share in net assets of joint ventures accounted using equity method

For the year ended March 31, 2021

Name of the entity in the group	Net Asset, i.e., total asset minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit & Loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Tata AutoComp Systems Limited	76.25%	95,434.84	(144.04%)	6,709.59	(22.25%)	(182.16)	(170.00%)	6,527.43
Subsidiaries :								
Automotive Stampings and Assemblies Limited ("ASAL")	(7.09%)	(8,872.07)	63.76%	(2,969.89)	(2.30%)	(18.85)	77.84%	(2,988.74)
Taco Engineering Services GmbH	0.06%	72.37	0.79%	(36.77)	-	-	0.96%	(36.77)
Nanjing Tata AutoComp Systems Limited	12.82%	16,042.01	(24.48%)	1,140.40	-	-	(29.70%)	1,140.40
Ryhpez Holding (Sweden) AB	5.45%	5,822.34	164.80%	(7,676.64)	(170.71%)	(1,397.34)	236.33%	(9,073.99)
Tata Toyo Radiator Limited ("TTR") (includes share of AITTR)	7.87%	9,844.23	75.98%	(3,539.43)	(2.69%)	(22.00)	92.75%	(3,561.43)
Tata AutoComp Hendrickson Suspensions Private Limited	14.61%	18,278.81	(45.78%)	2,132.73	(0.73%)	(6.01)	(55.39%)	2,126.71
Joint Ventures* :								
Tata Ficosa Automotive Systems Private Limited ("TF")	2.68%	3,356.93	(4.70%)	218.71	(0.06%)	(0.50)	(5.68%)	218.21
Tata AutoComp GY Batteries Private Limited ("TGY")	3.01%	3,768.44	5.30%	(246.71)	6.74%	55.13	4.99%	(191.58)
Tata AutoComp Katcon Exhaust System Private Limited	1.04%	1,305.24	(10.10%)	470.51	(0.56%)	(4.60)	(12.13%)	465.91
TM Automotive Seating Systems Private Limited	1.47%	1,843.23	(12.68%)	589.79	(0.72%)	(5.85)	(15.21%)	583.94
Tata AutoComp SECO Powertrain Private Limited	-	2.50	-	-	-	-	-	-
Sub total		1,47,898.84		(3,207.72)		(1,582.16)		(4,789.91)
Less: Adjustment on account of elimination / conversion of foreign operation	(18.17%)	(22,744.64)	31.14%	(1,450.42)	293.30%	2,400.71	(24.75%)	950.30
Total	100.00%	1,25,154.20	100.00%	(4,658.14)	100.00%	818.53	100.00%	(3,839.61)

* Share in net assets of joint ventures accounted using equity method





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 48 : Earnings per share

		Year ended March 31, 2022	Year ended March 31, 2021
Profit / (Loss) attributable to owners of the Company		40,969.92	(2,830.33)
Weighted average number of equity shares		20,12,81,358	20,12,81,358
Earnings per share (Basic and Diluted)	INR	20.35	(1.41)
Nominal value of an equity share	INR	10.00	10.00

Note 49 : Capital Commitments

(a) Capital commitments

	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances)	7,232.05	2,852.88

Note 50 : Movements in other provisions

For the year ended March 31, 2022

	Probable claims	Warranty	Other provisions	Indirect tax matters
Carrying amount at the beginning of the year	776.40	1,477.22	557.12	466.43
Additional provision made during the year	38.80	2,046.30	8,375.26	301.34
Amounts used / written back during the year	-	(1,223.72)	(3,365.21)	(357.51)
Foreign currency translation difference	-	(41.33)	128.65	-
Carrying amounts at the end of the year	815.20	2,258.47	3,695.82	410.26
Current	815.20	406.91	3,683.37	15.53
Non-Current	-	1,851.56	12.45	394.73

For the year ended March 31, 2021

	Probable claims	Warranty	Other provisions	Indirect tax matters
Carrying amount at the beginning of the year	737.80	1,734.85	480.37	183.75
Additional provision made during the year	38.60	487.49	95.11	282.68
Amounts used / written back during the year	-	(778.46)	(71.99)	-
Unwinding of discount	-	0.63	-	-
Foreign currency translation difference	-	32.71	53.63	-
Carrying amounts at the end of the year	776.40	1,477.22	557.12	466.43
Current	776.40	253.41	263.73	246.79
Non-Current	-	1,223.81	293.39	219.64

Brief description of the nature of the obligation and the expected timing of any resulting outflows of economic benefits :

i) Warranty :

Warranty cost are accrued at the time products are sold, based on percentage of accepted warranty claims to sales. The provision is discharged over the warranty period from the date of sale. Due to the very nature of such costs, it is not possible to estimate the timing/uncertainties relating to outflows of economic benefits.

ii) Probable claims :

Provision for probable claim includes a claim arising out of share purchase agreement between the Holding Company with its former joint venture partner, namely Yazaki Corporation in relation to sale of the Holding Company's shareholding in the former joint venture Tata Yazaki AutoComp Limited. As per the agreement, the Holding Company is liable to compensate Tata Yazaki AutoComp Limited (subsequently renamed as "Yazaki India Private Limited") in relation to an excise duty case involving a demand amounting to Rs 450 lakhs. Additionally, as per the demand order, the Holding Company is accruing interest on the said demand @ 10% p.a. since October 2012.

It is not practicable for the Holding Company to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

iii) Other Provisions

Other provisions relating to day to day business activities. It is not practicable for the Group to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

iv) Indirect tax matters

This represents provisions made by the Holding Company for probable liabilities / claims arising out of pending dispute / litigations with various regulatory authorities in respect of VAT and CST cases and provision made for disallowance of Service tax credit on GTA (Freight paid on Customer Delivery) for one of the subsidiary for the period Dec-14 to July -15 which has been disallowed by the said authority (including penalty) U/s 11 ac (1) (c) of Central Excise Act -1944. These provisions are affected by numerous uncertainties and management has taken all efforts to make the best estimates. Timing of outflow of resources will depend upon timing of decision of cases.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 51 : Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	As at March 31, 2022	As at March 31, 2021
Current		
Financial assets		
<i>First charge</i>		
Transferred receivables	11,387.18	10,499.32
Factored receivables	13,533.45	4,164.00
Cash and cash equivalents	1,994.15	263.95
Other receivables	378.87	8,487.52
Other current assets	37,066.28	20,126.15
Non-financial assets		
<i>First charge</i>		
Inventories	23,100.96	18,608.68
Total current assets pledged as security	87,460.90	62,349.72
Non-current		
<i>First charge</i>		
Plant and machinery	37,610.33	41,150.86
Land	104.76	321.42
Building	4,603.75	13,119.25
Intangible asset	-	110.00
Other assets	2,206.27	258.21
<i>Second charge</i>		
Land	-	23.55
Building	-	1,049.40
Total non-currents assets pledged as security	44,525.11	56,032.48
Investment in subsidiary pledged as security	36,920.57	35,676.61
Total assets pledged as security	1,31,986.01	1,18,382.21

Note 52 : Movement in financial liabilities

	As at March 31, 2022	As at March 31, 2021
Long term borrowings *:		
Opening balance	98,669.64	96,329.58
Amount borrowed during the year	78,796.29	10,252.21
Amount repaid during the year	(78,936.76)	(10,735.42)
Foreign currency translation difference	3,823.16	2,823.27
Closing balance	1,02,350.33	98,669.64
Short term borrowings:		
Opening balance	24,789.52	26,793.82
Amount borrowed during the year	36,466.71	53,174.51
Amount repaid during the year	(49,006.02)	(52,223.43)
Foreign currency translation difference	5,220.75	(2,955.36)
Closing balance	17,492.96	24,789.52

* Includes current maturities of long term borrowings.

Note 53 : Exceptional items

During the year ended March 31, 2022, the Group has recognized a net income of INR 11,719.91 lakhs as exceptional items in the consolidated financial statements on account of sale of land along with factory building by the Group's subsidiary Automotive Stampings And Assemblies Limited (ASAL) and Tata Toyo Radiator Limited which resulted in a gain of INR 5,998.42 lakhs and 5,721.49 lakhs respectively. (March 31, 2021- Nil)





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 54 : Managerial remuneration

(i) During the previous year, the total managerial remuneration accrued by the Holding Company to its Managing Director and CEO, Mr. Arvind Goel was in excess of the limits laid down under section 197 and Schedule V of the Companies Act, 2013 by Rs 122.14 lakhs. The Holding Company has obtained the approval from its shareholders at the Annual General Meeting held on June 08, 2021 for such excess remuneration. During the current year, the total managerial remuneration accrued by the Holding Company to its Managing Director and CEO, Mr. Arvind Goel is within the limits laid down under section 197 and Schedule V of the Companies Act, 2013.

(ii) During the current year, the total managerial remuneration accrued by one of the Group's subsidiaries viz. Tata Toyo Radiator Limited to its Chief Executive Officers is in excess of the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 by Rs. 23 lakhs (March 31, 2021 - Rs 56 lakhs). For previous year excess remuneration, the subsidiary during the current year has obtained the approval from its shareholders at the Annual General Meeting held on June 02, 2021. For current year excess, the subsidiary is in the process of obtaining approval from its shareholders at the forthcoming Annual General Meeting. Management of the subsidiary is reasonably certain that the approval will be received.

(iii) During the previous year, the total managerial remuneration accrued by one of the Group's subsidiaries viz. Automotive Stampings and Assemblies Ltd to their Chief Executive Officers was in excess of the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 by Rs.5.00 lakhs. During the year, the subsidiary company has obtained the approval from its shareholders at the Annual General Meeting held on May 28, 2021 for such excess remuneration.

Note 55 : Corporate Guarantees

1. During the current year, on account of refinancing of loan the financial guarantees given to bank in respect of term loans availed by one of subsidiaries stands withdrawn w.e.f. March 24, 2022 and the Holding Company has given the new financial guarantee to another bank effective from March 25, 2022.

As at March 31, 2022 following financial guarantees are given on account of loans and facilities availed by the subsidiary :

Particulars	Currency	Sanctioned limit	Guarantee amount	Loan outstanding As at March 31, 2022
Facility 1	USD	25.0	27.5	25.0
Facility A1 Tranche 1 – Term loan	USD	40.0	42.0	40.0
Facility A1 Tranche 2 – Term loan	Euro	36.4	36.2	35.4
Facility A2 Tranche 1 – Term Loan	USD	10.0	10.5	-
Facility A2 Tranche 2 – Term Loan	Euro	9.1	9.6	-
Facility B – Revolving loan facility *	USD	25.0	26.3	25.0

* The facility can be availed in equivalent euro

2. Surety bond amounting to SEK 73 million (March 31, 2021: SEK 73 million), in favour of pension fund administrator for one of its subsidiaries.

Note 56: In view of the recent amendments made in schedule III of the Companies Act 2013, below change has been done in the comparative period.

1. Current maturities of long-term borrowings Rs. 18,704.75 lakhs that were earlier disclosed under other current financial liabilities are now disclosed under short term borrowings.
2. Unbilled revenue of Rs 665.03 lakhs and Rs. 426.50 lakhs which was earlier disclosed under other financials assets and other current assets respectively is now disclosed under Trade receivable. The cash flow statement for the previous year has been reclassified accordingly.

Note 57: The Board of Directors of one of the subsidiary company viz. Automotive Stampings and Assemblies Limited (ASAL) approved the sale of the subsidiary's land along with building situated at Chakan in the board meeting held on April 05, 2021. The subsidiary has obtained an approval from the shareholders under section 180 (1) (a) of the Companies Act, 2013, through the postal ballot. As at March 31, 2022 the subsidiary has received entire consideration of INR 10,100 lakhs from the buyer and the sale deed for the said transaction has been executed on January 24, 2022. The subsidiary has taken building and portion of land on lease for 15 years on which the operations of the subsidiary will continue, consequently the right of use asset of Rs. 743.88 lakhs, lease liability of Rs.3,427.16 lakhs and net gain of Rs. 6,172.75 lakhs was recognised during the year. Net gain was recognised as exceptional item.





Tata AutoComp Systems Limited
Notes to consolidated financial statement (continued)
(All figures in INR Lakhs, unless otherwise stated)

Note 58: Other Statutory Information

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group do not have any transactions with companies struck off.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), 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
- (vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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,
- (vii) The Group have not any such 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.

Note 58: Previous year figures have been regrouped / reclassified wherever necessary to confirm with the current year's classification / disclosure.

As per our report of even date.

For B S R & Co, LLP
Chartered Accountants
Firm's Registration Number: 101248W / W-100022



Swapnil Dakshindas
Partner

Membership No. 113896
ICAI UDIN: 22113896AHZUCM7584

Place: Pune
Date: April 28, 2022

For and on behalf of the Board of Directors of
Tata AutoComp Systems Limited
CIN: U34100PN1995PLC158999



Praveen Kadle
Chairman
(DIN 00016814)



Hari Mundra
Director
(DIN 00287028)



Arvind Goo
Managing Director and CEO
(DIN 02300813)



Deepak Bastogi
Chief Financial Officer



Ashish Boradkar
Company Secretary

Place: Pune
Date: April 26, 2022