“FINANCIAL PERFORMANCE ANALYSIS OF TATA MOTORS”

Dissertation submitted to

Mahatma Gandhi University, Kottayam

In partial fulfilment of the requirement for the award of

DEGREE OF BACHELOR OF COMMERCE

Submitted by,

NOUFIYA K N [REG NO. 190021049121]

PAUL BABU [REG NO. 190021049122]

PETER PAUL [REG NO.190021049123]

Under the supervision and guidance of

Asst. Prof. JULIE P.J.

Department of Finance and Taxation

BHARATA MATA COLLEGE THRIKKAKARA

2019-2022

BHARATA MATA COLLEGE

DEPARTMENT OF COMMERCE

(AFFILIATED TO Mahatma Gandhi University, Kottayam)
THRIKKARKARA P.O KOCHI, KERALA

CERTIFICATE

This is to certify that this dissertation entitled **"FINANCIAL PERFORMANCE ANALYSIS OF TATA MOTORS"** has been prepared by **NOUFIYA K N, PAUL BABU, PETER PAUL** under my supervision and guidance in partial fulfilment of the requirement for the award of the Degree of Bachelor of Commerce of the Mahatma Gandhi University. It has not previously formed on the basis for the award of any degree, fellowship and associate-ship etc.

They are allowed to submit this project.

Asst. Prof JULIE P J | **Asst. Prof JULIE P J**

[Head of Department] | **[Project Guide]**

Place: Thrikkakara

Date: **EXTERNAL EXAMINER**

DECLARATION

We, **NOUFIYA K N, PAUL BABU, PETER PAUL,** hereby declare that the project entitled **FINANCIAL PERFORMANCE ANALYSIS OF TATA MOTORS”**, is a bona fide record of work done by us under the guidance and supervision of Prof. JULE.P.J department of commerce, BHARATA MATA COLLEGE, THRIKKAKARA. We also declare that this report embodies the findings based on our study and observation and has not been submitted earlier for the award of any degree or diploma to any institute or university.

Place: Thirikkakara

Date:

NOUFIYA K N

PAUL BABU

PETER PAUL

ACKNOWLEDGEMENT

At the outset, we bow before God the Almighty for his bountiful blessings without which we could not have completed this task successfully.

We remember with great pleasure and gratitude, the valuable suggestions given by Asst. Prof. Julie P.J, Head of the Department of commerce. In the task of preparing dissertation project report, we have been assisted by respected teachers of the Department of Commerce of Bharata Mata College Thrikkakara.

We gracefully acknowledge our indebtedness to our guide Prof. Julie P.J., faculty of Commerce Department, for her meticulous guidance and constantly encouragement throughout our project.

We also acknowledge the services of our friends and parents who encouraged and helped us in various ways to complete this project.

We again extend our sincere gratitude to all those who have directly and indirectly helped us during the course of our work.

NOUFIYA K N

PAUL BABU

PETER PAUL

INDEX

LIST OF TABLES

LIST OF FIGURES

CHAPTER 1

INTRODUCTION

Introduction

Finance is an integral aspect of every business. The project's title is "a study of Tata Motors Limited's financial performance." Trade creditors, bondholders, investors, employees, and management are only a few of the stakeholders in a company. Each group has a vested interest in monitoring a company's financial success. Financial performance is critical for every organisation because the majority of the organization's critical choices are based on financial data. Financial performance must be understood because it aids the company's decision-making process. The technique of determining a company's operating and financial features from accounting and financial statements is known as financial performance analysis. The purpose of this type of analysis is to determine the efficiency and success of the firm's management, as shown in the financial statements in the books. This chapter contains a review of the literature relevant to the research project. The goal of this section is to comprehend the findings of many previous studies in the relevant subject and to identify research gaps in the existing study reports.

To examine the solvency, liquidity, and profitability of the chosen company, ratio analysis, trend analysis, and comparative statements are used. Ratio analysis is a mathematical way of determining a company's liquidity, operational efficiency, and profitability by examining financial statements such as the balance sheet and income statement and profit and loss statement.

A comparison statement is a document that compares two things specific financial statement in comparison to previous statements. Previous financials are presented alongside the latest figures in side-by-side columns, enabling investors to identify trends, track a company's progress and compare it with industry rivals.

Statement of the problem

The effectiveness of financial performance entails making decisions in the organisation using a variety of analytical methods to determine profitability, solvency, and liquidity, as well as determining if the company's financial performance is effective. A company's ability to fulfil its obligations in a timely and proper manner. Here the problem is to study about the financial performance of Tata Motors Limited.

Scope of the study

The study was carried out at Tata Motors Ltd in order to determine the efficacy of the company's financial performance during the last five years, from 2016-2017 to 2020-2021, in order to have a clear and correct outline of the company's financial performance. Using a variety of analysis methods, examine the financial aspects of the company.

Significance of the study

- Evaluating the company's operational efficiency and managerial effectiveness
- Examining the company's financial strengths and shortcomings, as well as its creditworthiness
- Providing information on the company's cash position and the amount of debt it has in proportion to equity.
- Examining the fairness of the company's stock and debts

Objectives of the study

- To analyse the financial changes of Tata Motors Limited over a period of five years by assessing liquidity, solvency and profitability
- To analyse the financial statement of Tata Motors Limited by using financial tools

Research Methodology

Nature of data:

Secondary data is used in the study, as the study mainly depended on secondary data.

Source of data:

Secondary data is collected from company’s website.

Period of study:

The study is based on the current year and past four years. That is 2017-2021

Size of sample:

The sample size is limited to one company. The company selected is TATA Motors LMT

Tools of analysis

The data is analysed using secondary sources, particularly the company's financial statements, statistical methods such as ratio analysis and comparative balance sheet, and the results are interpreted using tables, bar diagrams and graphs

Limitations

- The study is limited to the automotive industry.
- The research is primarily based on secondary data.

CHAPTER 2

LITERATURE REVIEW

Daniel A Moses Joshunar (2013) It conducted a study to identify the financial strength and weakness of the Tata motors Ltd. Using past 5 year financial statements. Trend analysis & ratio analysis used to comment of financial status of company. Financial performance of company is satisfactory and also suggested to increase the loan levels of company for the better performance

Govind P. Shinde and Manisha Dubey (2011) It conducted research on important vehicle segments such as passenger, commercial, and utility vehicles, as well as two and three wheelersplayer's performance, as well as conducting a SWOT analysis and research on key players.The growth of the vehicle industry is influenced by a variety of factors.

Anu B. (2015) made an attempt to examine the relationship between capital structure indicators, market price per shares and also to test relationship between debt-equity and market price per share of selected companies in industry. The study concludes that all three companies support the hypothesis that there is relation between debt-equity and MPS.

Monika Sheoran, Dinesh Kumar (2018) This study focuses on understanding the impact of social media campaign and celebrity endorsement on the sales and brand awareness of Tata Tiago, a hatchback car offered by Tata Motors. Approach-This case tries to understand and analyse the marketing strategy adopted by Tata Motors for Tiago. The company mostly relied upon Celebrity endorsement and a tie up with a web series based entertainment channel The Viral Fever to segment, target and positioning it's new car.

Deepraj Mukherji (2022) Mergers and acquisitions are important tools used globally by firms to maintain a competitive advantage over their counterparts. Yet, a recent Harvard Business Review study reveals that between 80%-90% of mergers and acquisitions fail. This case study discusses an acquisition in the luxury car market to highlight the factors that can lead to a successful takeover. The study uses the acquisition of the premium British car brands of Jaguar and Land Rover by Tata Motors, an Indian automaker to answer a few related questions and provide future research avenues.

Saurav Snehvrat, Swarup Dutta (2018) The purpose of this paper is to explore the multi-faceted role of metaroutines in dealing with nested ambidexterity challenges experienced during new product introductions (NPIs) at Tata Motors, an Indian automotive giant.

Fernandez (2007) says through the study that those who lead to corporate finance everyday or are somehow related to this area, is important to have in mind all these methods and what are behind them. Valuation is not also essential for M&A opportunities but also to understand where the company is creating or destroying value.

Shaikh Salman Masood and Haitham Nobanee (2020) The purpose of this project is to financially study company Tata Motors Limited by doing ratio analyses and research. Both quantitative and qualitative methods were used for this report. Qualitative methods are introduction and literature review. Quantitative methods are analyses and charts. Information is taken from yahoo finance for three years: 2017,2018,2019. This report shows whether the changes are major or minor and the financial position of Tata Motors Limited.

Untwal (2020) The research was based on a principal component analysis of many variables that are thought to influence Tata Motors' working capital management. The primary component of the analysis has discovered the factor and is supposed to assist in identifying areas where they may improve their operation's financial performance. The variables CSR, CRROA, DTO, and ITO, all of which have communalities greater than 0.5, are included, and each variable is loaded on a separate component, enhancing the factor's interpretability.

Behzad pagheh (2015) This study aims to provide an analytical perspective on Tata Motors' financial performance. The financial status of Tata Motors between 2008 and 2012 is examined for this purpose. Profitability ratios establish a company's status in terms of several profitability metrics such as Operating Profit, Net Profitand Return on Net Worth. To understand the firm's success, a comparison study of annual increases in sales and profitability is conducted.

Manoharan and Paramashivam (2016) The study's goal was to look into the working capital management of a few Indian automakers. The findings show that Mahindra and Mahindra Maruti and Bajaj Auto Limited had positive working capital experiences throughout the study period, whereas Ashok Leyland and TVS had negative working capital for four years. Tata Motors has experienced negative working capital for the past years. In the case of Bajaj Auto Limited and Maruti Suzuki Limited, the current ratio was. judged to be good.

Hotwani Rakhi (2013) The author examines the profitability position and growth of the company in light of sales and profitability of Tata Motors for past ten years. Data's is analysed through ratios, standard deviations and coefficient of variance. The study reveals that there not exist a strong relationship between sales and profitability of the company

Kaur Harpreet (2016) tried to examine the qualities & quantities performer of Maruti Suzuki co. & how had both impact on its market share in India, For this study secondary data has been collected from annual reports, journals, report automobile sites. Result shows that MSL has been successfully leading automobile sector in India for last few years.

B Saranya, S Rajesh (2015) The impact of leverage analysis on the company's performance is investigated in this study EBIT- EPS analysis is used to calculate it. In this article, an attempt is made to study Tata Motors Limited's leverage analysis from 2009-2010 to 2013-2014 in order to better understand the factors that drove the company's leverage analysis decisions and the impact of those decisions on the company's profitability and performance. EBIT-EPS analysis used to assess the company's performance. The debt equity ratio rises as the amount of debt and net value rises. Every firm must make a critical decision, and the benefits and drawbacks of these decisions play a significant influence in defining the future of that business.

Swarup Kumar Dutta (2021) The goal of this study is to use a metaroutine lens to look at multilevel ambidexterity difficulties. Furthermore, when confronted with ambidexterity problems, it is discovered that what appears to be a paradox on one level can be viewed as tradeoffs on another. This paper employs an in-depth multi-level case study of Tata Motors, an Indian automotive behemoth, to explain how ambidexterity dynamics at the strategic, business unit, and functional levels are translated into manageable tradeoffs at the business unit/operational level. Additionally metaroutine ambidexterity discusses one method for promoting and managing multi-level ambidexterity within organisations.

Huda Salhe Meften & Manish Roy Tirkey (2014) It studied the financial analysis of Hindustan petroleum corporation Ltd. The study is based on secondary data. The company has got excellent gross profit ratio and trend is rising in with is appreciable indicating efficiency in production cost. The net profit for the year 2010-11 is excellent & it is 8 times past year indicating reduction in operating reduction in operating expenses and large proportion of net sales available to the shareholders of company.

Agarwal, Nidhi (2015) conducted a study focusing on the comparative financial performance of Maruti Suzuki and Tata motors ltd. The financial data and information required for the study are drawn from the various annual reports of companies. The liquidity and leverage analysis of both the firms are done. To analyse the leverage position four ratios are considered namely, capital gearing, debt-equity, total debt and proprietary ratio. The result shows that Tata motors Ltd has to increase the portion of proprietor's fund in business to improve long term solvency position.

Deepa Dawal, Swaranjeet Arora (2016) The direction, amplitude, and speed of price reactions of securities to an event are investigated in event studies, which are based on the theoretical framework of an efficient capital market. In this study, the Market Model Method was used to estimate cumulative abnormal returns (CAR) in a 90-day window following the announcement of the Tata Zest on Tata Motors Ltd stock prices. The study seeks to discover Tata Motors Ltd cumulative anomalous returns (CAR), compares projected and actual stock market returns, and examines the aftereffects of the Tata Zest launch.

Zafar S.M.Tariq & Khalid S.M (2012) They conducted a study and explored that ratios are calculated from financial statements which are prepared as desired policies adopted on depreciation and stock valuation by the management. Ratio is a simple comparison of numerator and a denominator that cannot produce complete and authentic picture of business. Results are manipulated and also may not highlight other factors which affect performance of firm by promoters

Devani (2010) It concluded that the study on relationship between dividend per share, earnings per share, price earnings, dividend yield and dividend cover with equity share prices leads to a concept that all the selected explanatory variable have a significant impact on the equity share prices except growth variable

Ashok Kumar M and Preetha R (2016) The study is to analyse factors determining profitability of Indian automobile Industry. The study provides that profitability of the Indian Automobile Industry is highly dependent on operating ratio and contributes 93.40 per cent to variation in Return on Sales.

Sowmya Rao T and Prasad, Vijasri G (2012) They identified 8 steps followed bye Tata Motors in planning the changes which indent creating agency, from a powerful coalition, create a vision for change, communicate the vision, remove obstacles, create short term wins, Build on the change anchor the change in corporate culture.

Surekha B. & Krishnalah K. Rama (2015) It undertook a study to reveal the prosperity of Tata Motors Company. It can be concluded that inner strength of company is remarkable. Company can further improve its profitability by optimum capital gearing, reduction in administration and financial expenses for the growth of company

CHAPTER 3

INDUSTRY AND COMPANY PROFILE

Industry Profile

The automotive industry is made up of a diverse group of businesses and organisations that are involved in the design, development, production, marketing, and sale of automobiles. It is one of the world's most profitable industries. The automotive sector excludes industries related to the transportation of goods, car maintenance after delivery to the end-user. Automobile repair shops and motor fuel filling stations are examples of businesses that need to be mentioned.

The term automotive refers to any type of self-powered vehicle and is derived from the Greek autos (self) and Latin motivus (motion). Elmer Sperry (1860-) coined the word. In 1898, it was used for the first time in relation to automobile.

Hundreds of manufacturers pioneered the horseless carriage in the 1860s, and the automobile industry was born. The United States was the world's largest producer of total automobiles for many decades. Prior to the Great Depression, in 1929, there was a time when there were 32,028,500 automobiles in use around the world, and the automobile industry in the United States accounted for about half of them. Over 90% of them were made by us.

There was one car for every 4.87 people in the United States at the time.Following 1945, the United States produced almost 75% of all automobiles in the globe production. Japan overtook the United States in 1980 and became the world's largest economy. In 1994, he was re-elected as leader. Japan narrowly passed the United States in production in 2006 and it remained there until 2009, when China overtook Japan with 13.8 million units. China nearly doubled its production in 2012, with 19.3 million units produced. The United State produced 10.3 million units, while Japan came in third with 9.9 million. From 1970 (140 models) to 2012 (684 models), the number of models has increased from 140 to 260.The number of automotive models in the United States has increased exponentially

Safety refers to the state of being safe from any risk, danger, damage, or injury. In the automobile sector, safety means that the motor vehicle poses no risk or danger to the users, operators, or manufacturers or any of its spare parts.The term "safety" refers to the absence of any risk of damage to the vehicles themselves.

The automotive sector places a premium on safety, which is why it is heavily regulated. Automobiles and other motor vehicles must adhere to a set of rules, both domestic and international, in order to be available on the market.

ISO 26262 is regarded as one of the greatest standard framework for ensuring functional safety in automobiles.

In the event of a safety concern, a hazard, a product flaw, or a defective method during the construction of a motor vehicle, the manufacturer has the option of returning a batch or the entire production run. Production recall is the term for this practice. Product recall is happen in every industry and can be production – related or stem from the Raw materials.

End-user security and safety, as well as compliance with automotive industry requirements, are ensured by product and operation testing and inspections at various levels of the value chain. However, product recall continue to be a source for the automobile sector. This has significant financial ramifications

Around 806 million automobiles and light trucks were on the road in 2007, consuming over 980 billion litres (980,000,000 m3) of gasoline and diesel fuel annually. For many developed countries, the automobile is the dominant form of mobility economies. The Boston consulting groups Detroit office forcasted that by 2020. In 2014 the 4 BRIC countries (Brazil, Russia, India and China) would account for one third of global demand. Russia, India, China are three of the world's most popular countries. In the meantime in industrialised countries the automobile industries growth has stagnated. This tendency is projected to continue, especially as younger generations (in highly urbanised countries) no longer desire to poses a car and prefer alternate modes of transportation. Iran and Indonesia are to more prospective car market. Emerging automobile markets are already purchasing more vehicles than developed economies markets that are well established.

Emerging markets, according to a J.D. Power study,In 2010, they accounted for 51% of global light-vehicle sales. This trend was predicted to accelerate, according to a 2010 study. Recent reports (2012), on the other hand, confirmed the reverse, namely, that the automotive industry was slowing even in BRIC countries. Vehicle sales in the United States are on the rise. In the year 2000, 17.8 million units were sold.

The automotive industry encompasses all businesses and activities involved in the production of automobiles, including the majority of their components, such as engines and bodywork, but omitting tyres, batteries, and fuel. The mainstay of the industry Passenger cars and light trucks, such as pickup trucks and vans, are among the items as well as sport utility vehicles. Commercial vehicles (such as delivery trucks and huge transport trucks, commonly referred to as semis) are secondary in importance to the sector. The design of modern automobiles is examined in this article. Automotive engines are found in automobiles, trucks, buses, and motorcycles.There are two types of engines: gasoline and diesel. The evolution of the rise of the vehicle is discussee in the history of transportation.

Although the automobile industry has always been transnatinal in its organisation and operation, a trend toward worldwide consolidation began in the 1980s and accelerated in the late 1990s. Larger powerful controlling interests in financially unstable companies were purchased by financially secure enterprises. Usually because the weaker firm produced a highly sought product, or because the weaker firm had access to markets not available to the larger organisation, or both. However, the outcomes were not as expected were a blend. As previously mentioned, Chrysler purchased AMC in 1987 in order to gain access to AMC's Jeep cars, then in 1998 it merged with Daimler-Benz, which needed Chrysler's expertise in high-volume manufacturing.Techniques for manufacturing and design Recognizing the necessity of penetrating closed systems.DaimlerChrysler acquired a controlling interest in the Japanese and South Korean markets in 2000.Mitsubishi Motors Corporation owns 34% of the company and has entered a collaboration agreement with it. Hyundai Motor Company is launching a trucking venture.

Deals like these haven't helped the economy.DaimlerChrysler was in financial trouble, and Chrysler was sold to an American company in 2007. a private equity company. Chrysler became a Fiat subsidiary seven years later.

Company profile

Tata Motors Limited, headquartered in Mumbai, Maharashtra, India, is an Indian multinational automotive manufacturing corporation. It is a subsidiary of the Tata conglomerate, an Indian multinational. Its vehicles include passenger cars, lorries, and buses,vans, coaches, buses, sports cars, construction equipment, and military vehicles are just a few examples.

Tata Motors, formerly Tata Engineering and Locomotive Company (TELCO), is a subsidiary of the Tata Group. Jamshedpur, pantnagar, Lucknow, Sanand and Dharwad are among Tata Motors auto manufacturing and assembly sites and Pune in India as well as Argentina, South Africa, the United kingdom and the United states and Thailand. It has research and development centres in Pune, Jamshedpur and New Delhi.

India's Lucknow and Dharwad, as well as South Korea, the United Kingdom, and the Netherlands. The English premium vehicle maker Jaguar Land Rover (the maker of Jaguar and Land Rover cars) and the South African premium car maker Tata Motors' main subsidiaries were purchased by Tata Motors' main subsidiaries.Tata Daewoo is a Korean commercial vehicle manufacturer. Tata Motors has a joint venture with Fiat Chrysler Automobiles to manufacture buses. Fiat Chrysler and Tata branded automobiles, as well as components. In addition, Tata OEMs in the automotive Industry offer a wide range of integrated, smart, and emobility solutions. Its cars are presently on the roads in over 125 . countries. The majority of the company revenue comes from international market.

Founded in 1945 as a locomotive maker, the firm produced its first commercial vehicle in 1954 in collaboration with Daimler-Benz AG, a partnership that lasted until 1969. In 1988, Tata Motors entered the passenger car market. In 1991, the Tata mobile was released, followed by the Tata Sierra become the first Indian business to be capable of manufacturing new products a competitively price indegenous vehicle. Tata introduced the Indica, India's first entirely indigenous passenger automobile, in 1998, and the Tata Nano, the world's cheapest car, in 2008. The South Korean vehicle was purchased .by Tata Motors. Daewoo commercial vehicles was founded in 2004 and is a manufacturer of commercial vehicles. In 2008, jaguar Land Rover was purchased from Ford.

Tata Motors is traded on the BSE (Bombay Stock Exchange), the National Stock Exchange of India, and the New York Stock Exchange. It is a constituent of the BSE SENSEX index. The firm is rated 265 th on the list. As of 2018, the Fortune Global 500 list includes the world’s largest firms. On Natarajan Chandrasekaran was appointed chairman of the board of directors on January 17.2017. Tata Group is a firm. Tata motors utility vehicle market share has risen to 12%. In financial year 2017 the increase will be over 8%.

Mission

Tata Motors ltd creates mobility solutions with a passion to improve people's lives.

Values

- Integrity
- Teamwork
- Accountability
- Customer Focus
- Excellence
- Speed

Vision

By FY 2024, we would have established ourselves as the most aspired Indian vehicle brand, constantly winning.

- generating higher financial rewards
- promoting long-term mobility solutions
- achieving customer satisfaction, and
- fostering a highly motivated workforce

Director List

The board of Directors include:

Mr Guenter Butscheck	CEO and Managing Director
Mr Ravindra pisharody	Executive Officer (commercial vehicles)
Mr Natarajan Chandrasekaran	Non-Executive director and chairman
Mr OP Bhatt	Non- Executive, Independent Director
Mr Mitshuiko Y Yamanishita	Non-Executive, Non-independent Director
Mr Girish Wagh	Executive Director

Products

- Tata Tiago
- Tata Nexon
- Tata Harrier
- Tata Altroz
- Tata Tigor
- Tata Safari
- Tata Tigor EV
- Tata Nexon EV
- Tata Altroz EV

SWOT Analysis

Strength:

- Tata Motors is a well-established company that is doing well in the automobile industry
- Tata Motors has a large and diverse distribution network, which it maintains successfully
- The taxi and condominium segments of the business have a high level of penetration.

Weakness:

- The company's global presence has shrunk, and it no longer does business on a global scale;
- The organisation is dealing with issues related to its sturdiness and excellent concerns.

Opportunities:

- The company may develop its business in the growing automobile market, where there is room for it and its competitors;
- The company can increase per capita earnings of its employees, and its purchasing power can be maintained based on plausible consumers.

Threats:

- A rise in the price of gasoline and other fuels might be a tremendous threat to the automobile industry;
- The company is up against a lot of big automotive companies and is dealing with a lot of issues.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

DATA ANALYSIS AND INTERPRETATION

Data analysis is a process of inspecting, cleansing, transforming, and modeling data with the goal of discovering useful information, informing conclusions, and supporting decision-making.

Data interpretation is the process of giving meaning to the processed and analyzed data. It enables us to develop informed and meaningful conclusions, infer the significance of variable correlations, and interpret data patterns.

The following ratios are used for the analysis in this study:

1.Current ratio

2. Liquid ratio

3. Super quick ratio

4. Debt equity ratio

5. Proprietary ratio

6. Solvency ratio

7. Fixed asset to net worth ratio

8. Capital gearing ratio

9. Net profit ratio

10. Operating cost ratio

1.Current Ratio

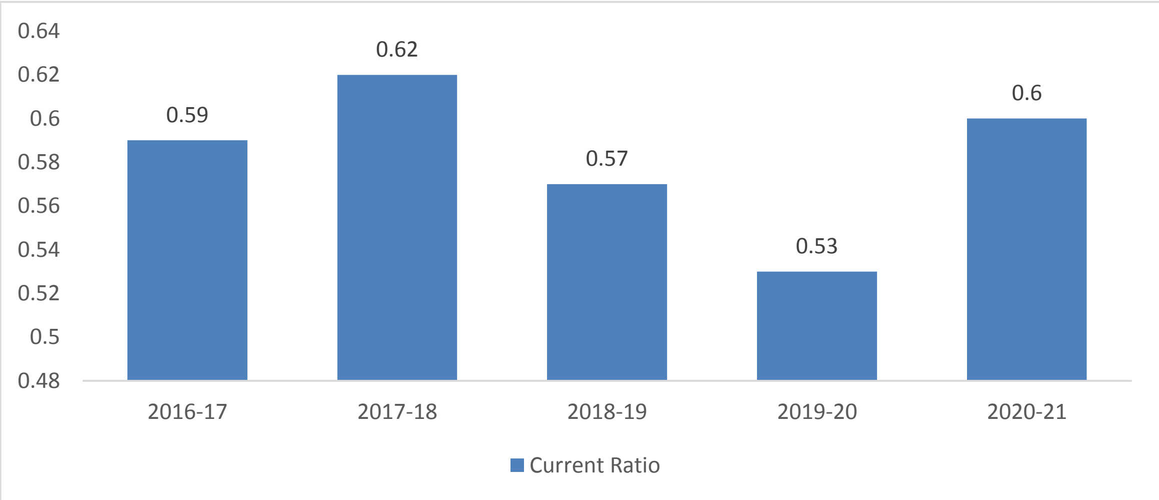
The current ratio is a liquidity ratio that evaluates a company's capacity to pay short-term or one-year obligations. It explains to investors and analysts how a firm might use current assets on its balance sheet to pay down current debt and other obligations.

Current ratio = current assets/current liabilities

Table 3.1 showing current ratio

Year	Current assets	Current liabilities	Current ratio
2017	12757.07	21538.35	0.59:1
2018	14971.66	24218.95	0.62:1
2019	13229.30	22940.81	0.57:1
2020	13568.76	25810.82	0.53:1
2021	15854.59	26251.55	0.60:1

Figure 3.1 showing current ratio



The above table shows the current ratio of the company. The ideal current ratio is 2:1. This ideal ratio means that the current assets shall be at least twice the current liability. The table shows that the current ratio of the company in past five years is below ideal ratio. It is almost consistent for the last five years. So the current ratio of the company is highly unsatisfied. That means it is not able to meet even the current liabilities of the company.

2.Liquid Ratio

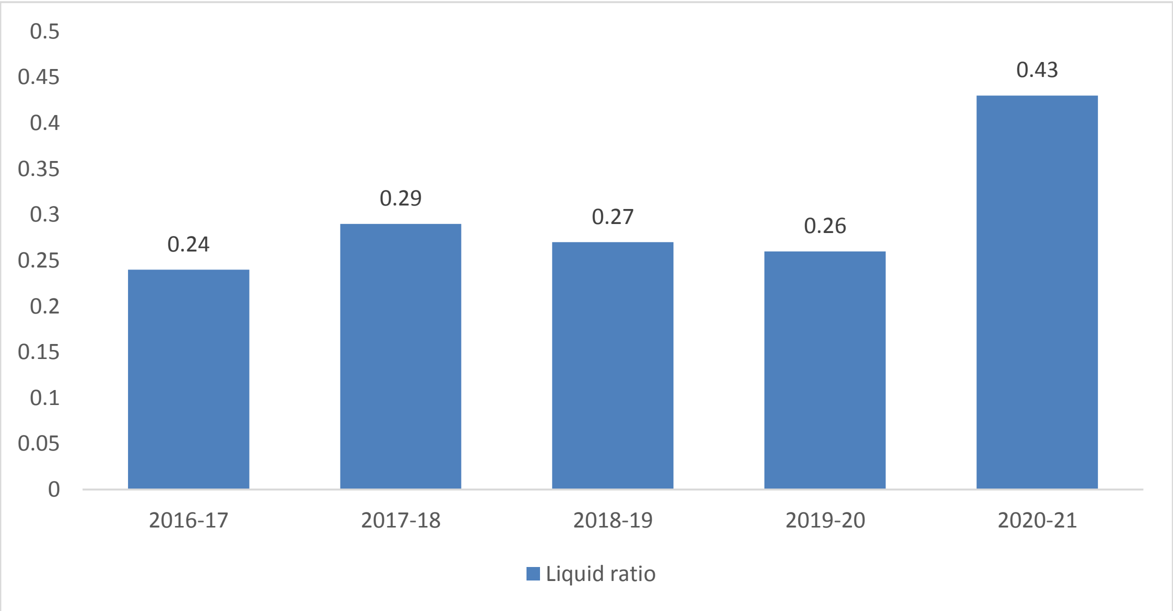
The quick ratio, also known as the acid-test ratio, measures the ability of a company to pay all of its outstanding liabilities when they come due with only assets that can be quickly converted to cash.

Liquid ratio = quick or liquid assets/current liabilities

Table 3.2 showing liquid ratio

Year	Liquid assets	Current liabilities	Liquid ratio
2016-17	5107.99	21538.35	0.24:1
2017-18	6918.31	24218.95	0.29:1
2018-19	6190.51	22940.81	0.27:1
2019-20	6627.7	25810.82	0.26:1
2020-21	11302.88	26251.55	0.43:1

Figure 3.2 showing liquid ratio



The above table shows the liquid ratio. The standard liquid ratio is 1:1. This means that liquid assets are just equal to the current liabilities. For this company the past five years show a less than liquid ratio, when compared to standard liquid ratio. It further means that, the company is not able to pay of its current liabilities.

3. Super quick ratio

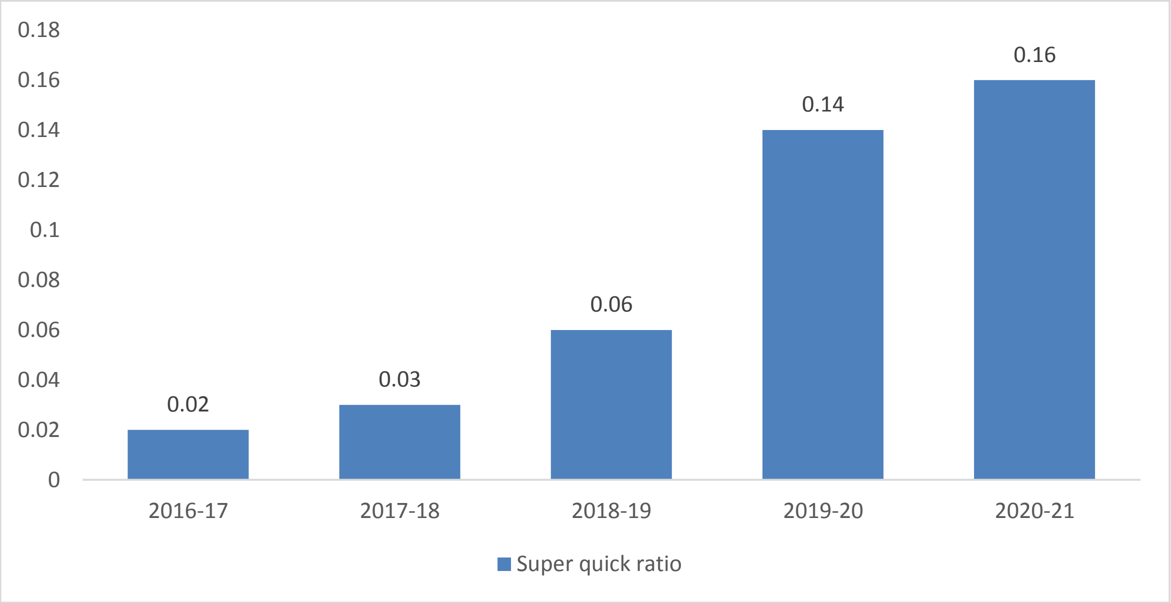
The Super Quick Ratio is considered when liquidity is restricted to cash and cash equivalents. It is estimated by dividing super quick assets by current liabilities for any business.

Super quick = super quick assets/current liability

Table 3.3 showing Super quick ratio

Year	Super quick assets	Current liabilities	Super quick ratio
2016-17	326.61	21538.35	0.02
2017-18	795.42	24218.95	0.03
2018-19	1306.61	22940.81	0.06
2019-20	3532.19	25810.82	0.14
2020-21	4318.94	26251.55	0.16

Figure 3.3 showing super quick ratio



The above table shows the Super quick ratio. The acceptable norm of super quick ratio is 0.5:1. Here, the company shows an increasing super quick ratio. But it is not satisfactory because it is lower than the ideal ratio of the super quick ratio.

4. Debt equity ratio

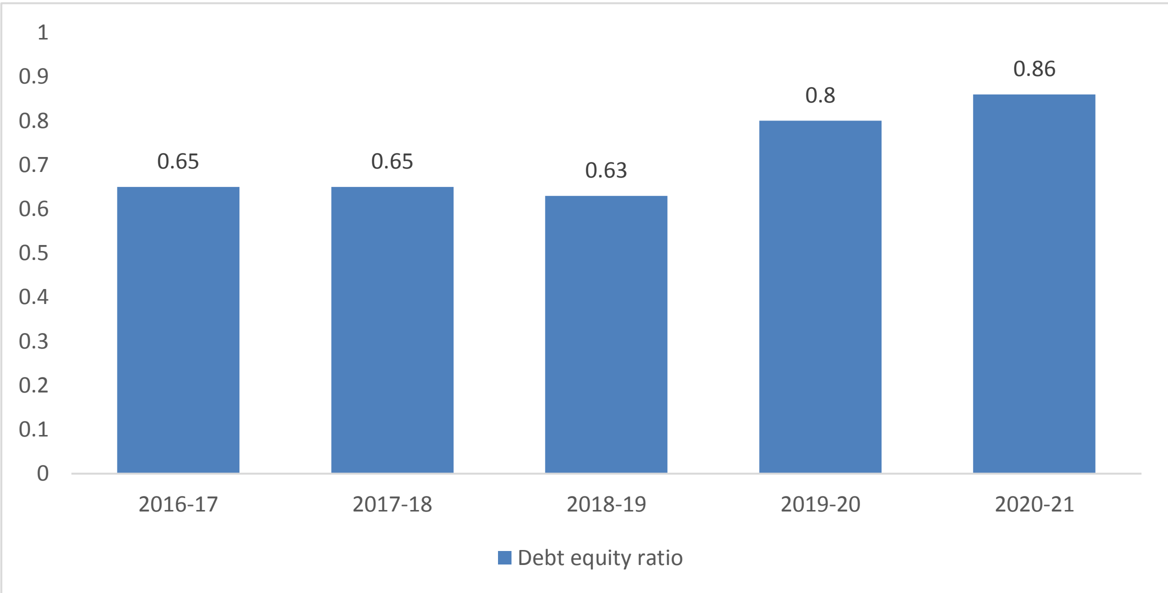
The debt-equity ratio is a measure of the creditors' and shareholders' or owners' proportionate contributions to the capital utilised in a corporation. Simply put, the debt-equity ratio is the ratio of a company's total long-term debt to equity capital.

Debt equity ratio = long term debt/shareholders fund

Table 3.4 showing Debt equity ratio

Year	Debt	Equity	Debt equity ratio
2016-17	13686.09	21162.61	0.65:1
2017-18	13155.91	20170.98	0.65:1
2018-19	13914.74	22162.52	0.63:1
2019-20	14776.51	18387.65	0.80:1
2020-21	16326.77	19055.97	0.86:1

Figure 3.4 showing Debt equity ratio



The above table shows debt equity ratio. The standard debt equity ratio is 1:1.Here the company shows the lower ratio for the past five years. It indicates that it is better for creditors. However, for shareholders, this lower ratio is unsatisfactory because it suggests that the company has not been able to control its earnings using outside funds.

5. Proprietary ratio

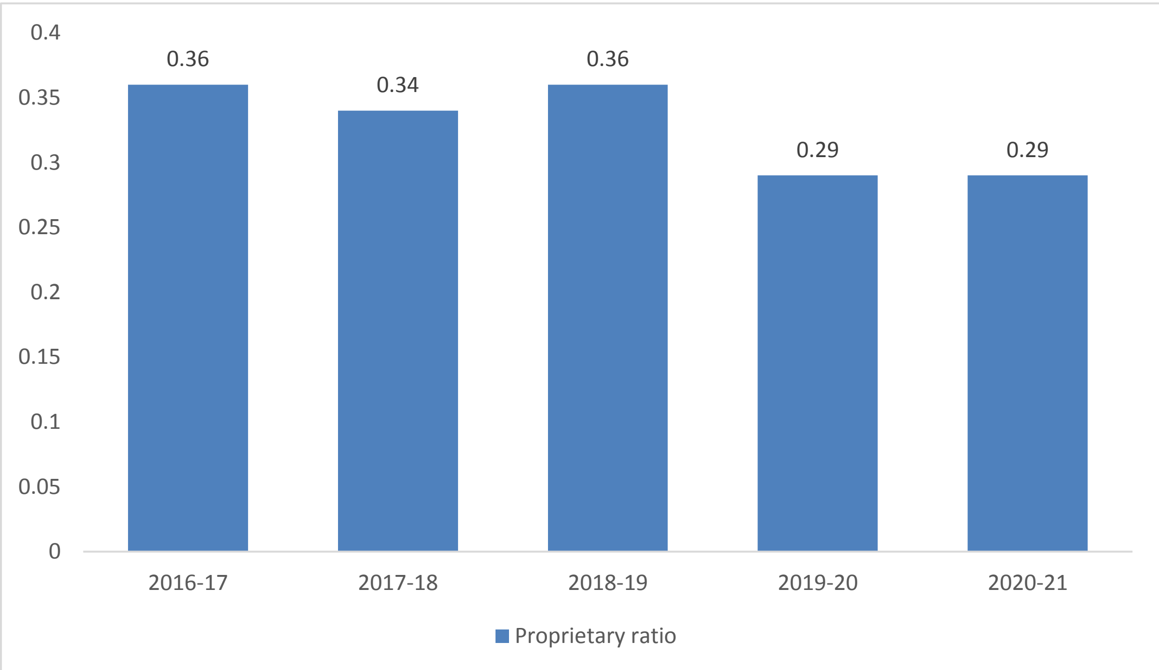
The proprietary ratio, also known as the equity ratio, is the proportion of owners' equity to total assets, and as such, it provides a general approximation of how much capital is currently being used to maintain a corporation.

Proprietary ratio = shareholders fund/total assets

Table 3.5 showing Proprietary ratio

Year	Shareholders fund	Total assets	Proprietary ratio
2016-17	21162.61	58878.28	0.36
2017-18	20170.98	59212.30	0.34
2018-19	22162.52	60909.63	0.36
2019-20	18387.65	62589.87	0.29
2020-21	19055.97	65059.66	0.29

Figure 3.5 showing Proprietary ratio



The above table shows the Proprietary ratio of the company. A ratio of 0.5:1 or above is considered as satisfactory. Here company shows the lower ratio for the past five years. In 2020 and 2021 the proprietary ratio remains constant.

6. Solvency ratio

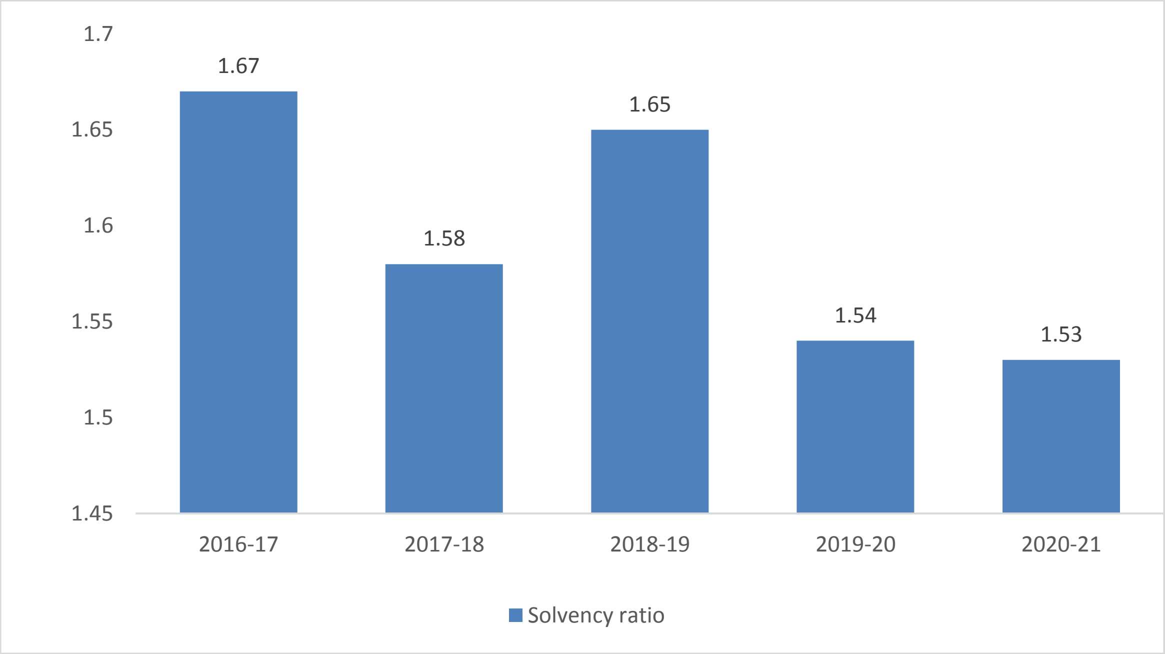
A solvency ratio is a key metric used to measure an enterprise's ability to meet its long-term debt obligations and is used often by prospective business lenders.

Solvency ratio = total assets/total debt

Table 3.6 showing solvency ratio

Year	Total assets	Total debt	Solvency ratio
2016-17	58878.28	35224.09	1.67
2017-18	59212.30	37374.86	1.58
2018-19	60909.63	36855.55	1.65
2019-20	62589.87	40587.33	1.54
2020-21	65059.66	42582.32	1.53

Figure 3.6 showing solvency ratio



The following table shows solvency ratio. If the ratio is more than 1 it is treated as satisfactory. The company has a greater ratio than the desirable ratio, indicating a stronger solvency and financial situation.

7. Fixed asset to net worth ratio

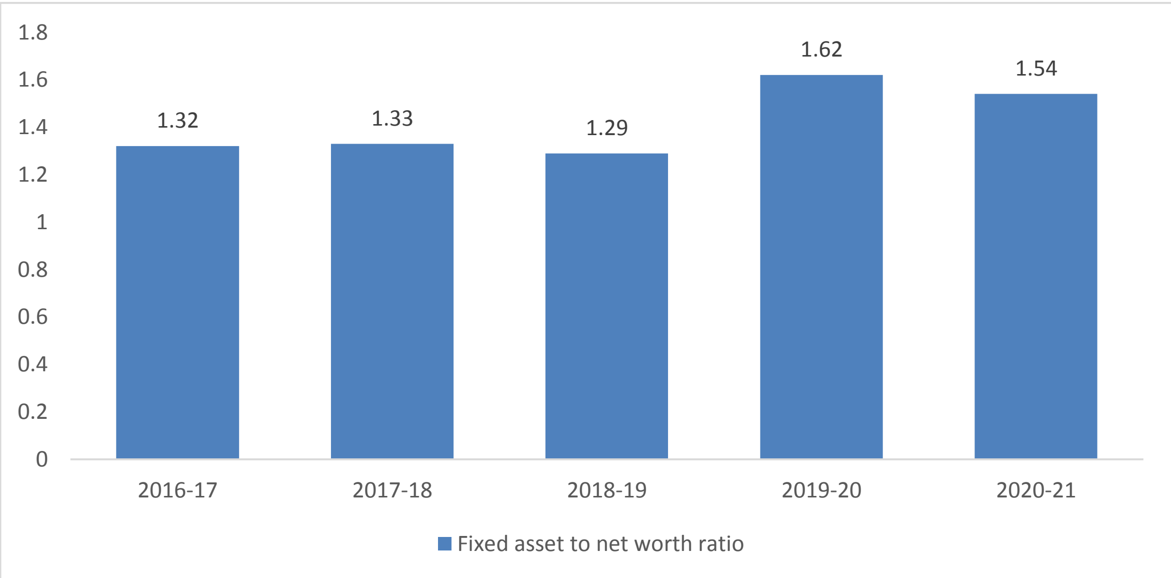
The fixed assets to net worth ratio, also referred to as the non-current assets to net worth ratio, is a simple calculation that tells us more about the solvency of a company.

Fixed asset - worth ratio=fixed assets/total shareholders fund

Table 3.7 showing fixed asset to net worth ratio

Year	Fixed asset	Total shareholders fund	Fixed asset to net worth ratio
2016-17	28043.92	21162.61	1.32
2017-18	26800.35	20170.98	1.33
2018-19	28573.42	22162.52	1.29
2019-20	29702.78	18387.65	1.62
2020-21	29429.56	19055.97	1.54

Figure 3.7 showing fixed asset to net worth ratio



The above table shows fixed asset to net worth ratio. The standard rate of the fixed asset to net worth ratio is 1. The company shows higher ratio for the past five years, when compared to the standard ratio. A higher ratio shows that the outsiders funds were used to acquire a portion of fixed assets.

8. Capital gearing ratio

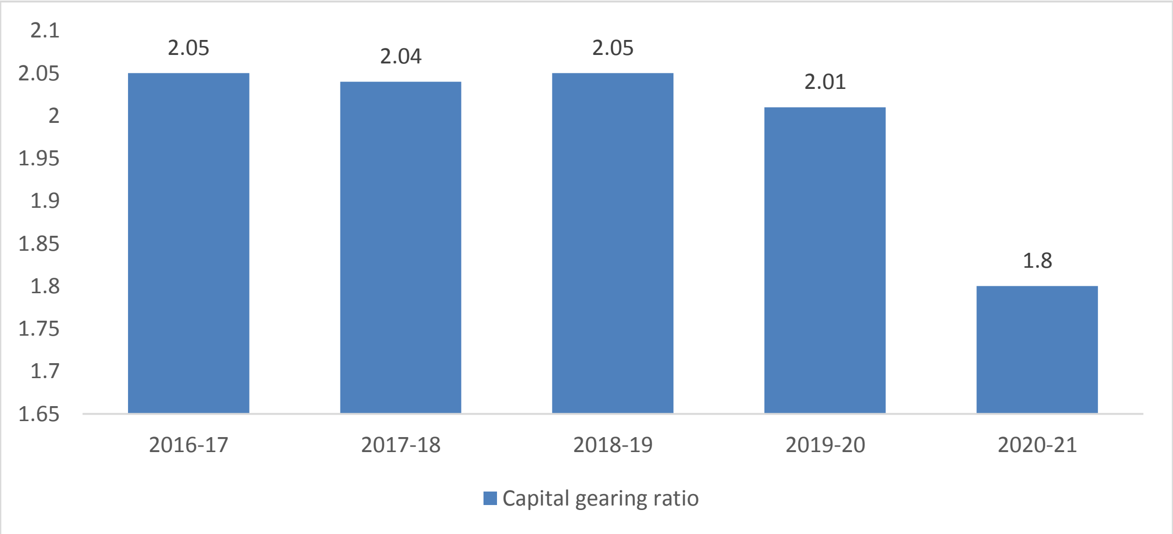
The term capital gearing refers to the ratio of debt a company has relative to equities. Capital gearing represents the financial risk of a company. It is also referred to as financial gearing or financial leverage.

Capital gearing ratio= fixed income bearing funds/equity shareholders fund

Table 3.8 showing capital gearing ratio

Year	Fixed income bearing funds	Equity share holders funds	Capital gearing ratio
2016-17	28043.92	13686.09	2.05
2017-18	26800.35	13155.91	2.04
2018-19	28573.42	13914.74	2.05
2019-20	29702.78	14776.51	2.01
2020-21	29429.56	16326.77	1.80

Figure 3.8 showing Capital gearing ratio



The above table shows capital gearing ratio. Here the company shows higher ratio than the standard ratio which is 1:1. This is indicates that the company is highly geared. That is, its equity capital is lower than its fixed-income-bearing funds, posing no risk to equity shareholders.

9. Net profit ratio

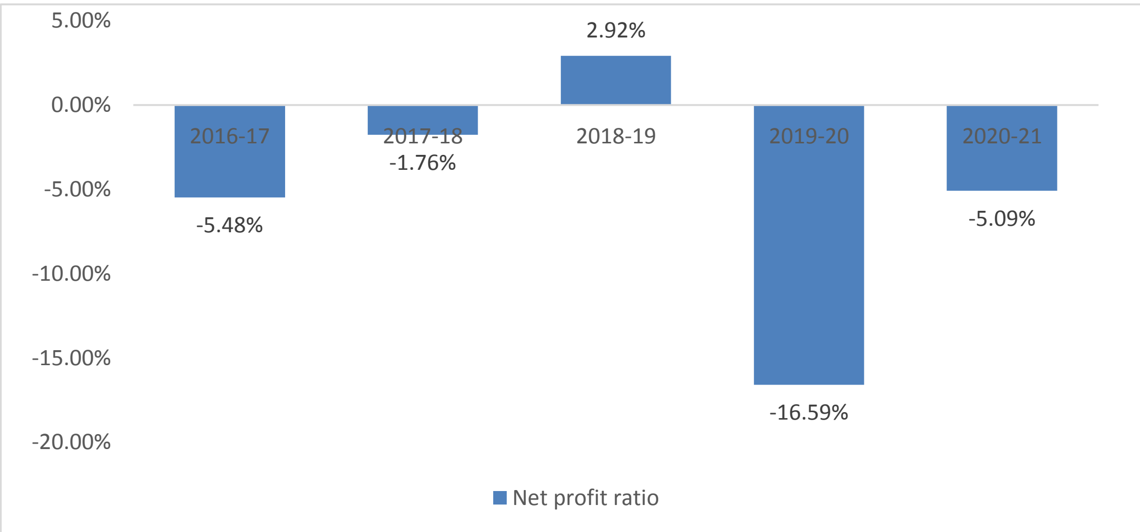
The Net Profit Ratio, also called the Net Profit Margin Ratio, is a profitability ratio that compares a company's profits to the overall amount of money it brings in. In other words, the net profit margin ratio represents the relationship between a company's net profit after taxes and net sales.

Net profit ratio =(net profit /revenue from operation)×100

Table 3.9 showing Net Profit ratio

Year	Net Profit after tax	Revenue from operation	Net profit ratio
2016-17	-2429.60	44316.34	-5.48%
2017-18	-1034.85	58831.41	-1.76%
2018-19	2020.60	69202.76	2.92%
2019-20	-7289.68	43928.17	-16.59%
2020-21	-2395.44	47031.47	-5.09%

Figure 3.9 showing Net Profit ratio



The above table shows the Net Profit ratio. The company shows lower profitability and lower return to the share holders of the company. Except for 2018-2019, the net profit ratio for the previous five years has been negative due to net losses.

10.Operating cost ratio

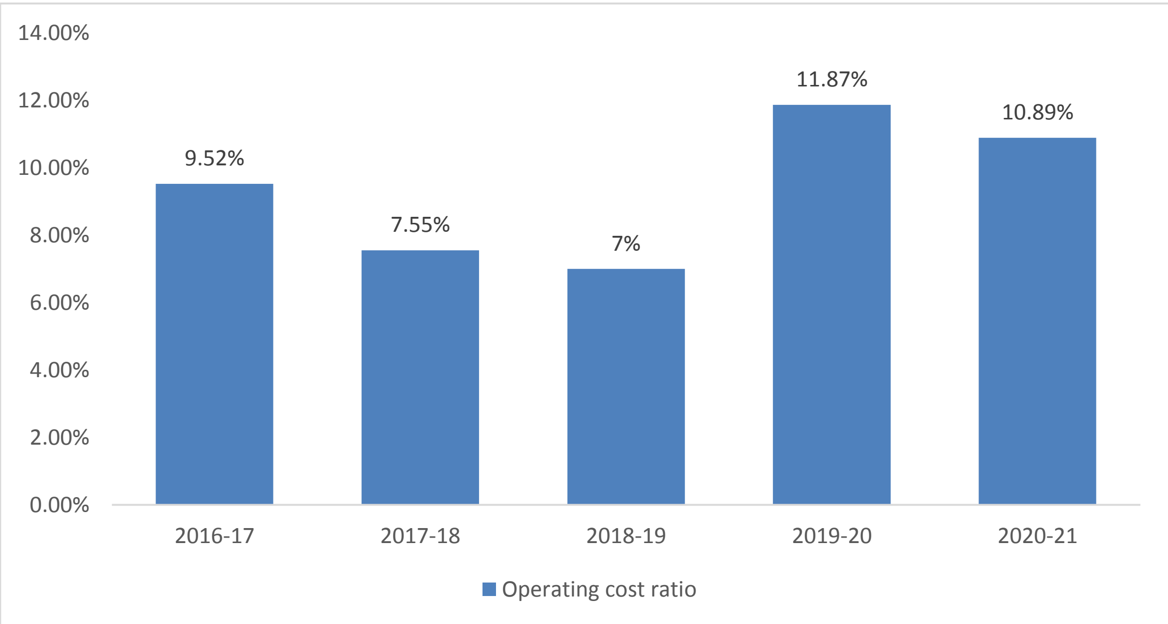
Operating cost ratio is computed by dividing operating expenses of a particular period by net sales made during that period.

Operating cost ratio = (operating cost/revenue from operation)×100

Table 3.10 showing Operating cost ratio

Year	Operating cost	Revenue from operation	Operating cost ratio
2016-17	4219.13	44316.34	9.52%
2017-18	4441.71	58831.41	7.55%
2018-19	4844.83	69202.76	7%
2019-20	5214.55	43928.17	11.87%
2020-21	5120.63	47031.47	10.89%

Figure 3.10 showing Operating cost ratio



The above table shows operating cost ratio. Here the company has lower ratio, which indicates that the expenses are decreasing. This is a positive sign for the company

CHAPTER V

FINDINGS, SUGGESTIONS AND CONCLUSIONS

Findings

- The ideal ratio is 2:1. The current ratio is lower than the ideal ratio, and it is decreasing.
- The ideal ratio is 1:1. The company's liquid ratio is unsatisfactory because it is lower than the standard ratio.
- The ideal ratio is 0.5:1. Super quick ratio is not satisfactory because it is lower than the ideal ratio of the super quick ratio
- Debt - equity ratio is unsatisfactory because it is lower than the ideal ratio that is 1:1.
- The ideal ratio is 0.5:1. It is not satisfactory.
- The ideal ratio is more than 1. The company's solvency is good since it has enough overall assets to cover its liabilities.
- The ideal ratio is 1. The company use shareholders fund and short term funds to finance the fixed assets.
- The ideal ratio is 1:1. The company's equity share capital is lower than a fixed-income bearing fund, which is a positive aspect for shareholders.
- The company is on loss for the past 5 years except 2018 to 2019 which means that the company is not able to pay the returns to shareholders
- The company shows lower ratio in operating cost ratio, which indicates that the expenses are decreasing so it is satisfactory.

Suggestions

The company needs to increase its working capital in order to enhance its short-term financial condition. It doesn't have enough cash to cover even short-term obligations.

For working capital, the corporation is reliant on creditors, which could result in additional obligations. Then a profit ratio shows negative balance for the past 4 years except 2018 - 2019,inorder to improve net profit ratio remedies are to be taken for the betterment of shareholders of the company.

Conclusions

The financial performance of Tata Motors Ltd is satisfactory, according to the report. To summarise, Tata Motors has demonstrated its impact on the industry. We can notice the company's decline, but this is to be expected given its size. Looking back over the last five years, 2019 is the strongest financial year of the bunch, as the company's profitability increased in 2019. It is projected that the company will recover from the loss if it controls its revenue from sales and assets.

BIBLIOGRAPHY

Reference

- Khan, M. and Jain, P., 2014. Financial management. New Delhi:McGraw Hill Education
- Business standard private ltd (n.d) Tata Motors LMT (TATA MOTORS LMT) - company history
- Palmer, J., 1983. Financial ratio analysis. New York, N.Y.: AmericanInstitute of Certified Public Accountants.
- The Hindu (2020, January 30) (THE PUBLISHING PVT LTD)
- Anna Tobin (2019, March 30) Forbes Retrieved from Forbes.
- Kotak securities (n.d) Bullish on Tata Motors. Is Tata Motors undervalued?

Websites

- https://en.m.wikipedia.org/wiki/Tata_Motors
- https://www.moneycontrol.com/financials/tatamotors/balance-sheetVI/TM03
- https://scholar.google.com/scholar?hl=en&as_sdt=0%2C5&q=review+of+literature+of++%22Tata+Motors%22++Limited&oq=#d=gs_qabs&u=%23p%3DIjxb4um2gmUJ
- https://investors.tatamotors.com/financials/75-ar-html/company-profile.html
- https://www.researchgate.net/publication/353680366_Tata_Motors_Limited_MD_WALIUDDIN_3LA16MBA12
- https://www.slideshare.net/PranabMishra10/tata-motors-thesis

ANNEXURE

Balance sheet as on March 31,2017

	Note	As at March 31, 2017	As at March 31, 2016
I. ASSETS			
1. NON-CURRENT ASSETS			
(a) Property, plant and equipment	3	**17,364.77**	17,573.25
(b) Capital work-in-progress		**1,870.93**	1,557.95
(c) Goodwill		**99.09**	99.09
(d) Other intangible assets	5	**2,773.69**	3,403.47
(e) Intangible assets under development		**5,366.03**	4,128.58
(f) Investments in subsidiaries, joint ventures and associates	6	**14,778.87**	14,590.41
(g) Financial assets			
(i) Investments	8	**528.37**	627.07
(ii) Loans and advances	10	**389.61**	252.93
(iii) Other financial assets	12	**196.32**	102.92
(h) Non-current tax assets (net)		**724.58**	799.63
(i) Other non-current assets	14	**1,856.28**	1,679.01
		45,948.54	44,814.31
2. CURRENT ASSETS			
(a) Inventories	16	**5,504.42**	5,117.92
(b) Investments in subsidiaries, joint ventures and associates	7	-	-
(c) Financial assets			
(i) Investments	9	**2,400.92**	1,745.84
(ii) Trade receivables	17	**2,128.00**	2,045.58
(iii) Cash and cash equivalents	19	**188.39**	427.07
(iv) Bank balances other than (iii) above	20	**97.67**	361.35
(v) Loans and advances	11	**231.35**	484.44
(vi) Other financial assets	13	**100.76**	125.20
(d) Current tax assets (net)		**129.49**	3.84
(e) Other current assets	15	**1,807.06**	1,550.45
		12,588.06	11,861.69
TOTAL ASSETS		**58,536.60**	56,676.00
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	21	**679.22**	679.18
(b) Other equity	22	**20,129.93**	22,582.93
		20,809.15	23,262.11
LIABILITIES			
1. NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	23	**13,686.09**	10,599.96
(ii) Other financial liabilities	25	**1,123.66**	2,911.84
(b) Provisions	27	**850.71**	750.89
(c) Deferred tax liabilities (net)	29	**97.95**	71.39
(d) Other non-current liabilities	30	**321.24**	378.07
		16,079.65	14,712.15
2. CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	24	**5,375.52**	3,654.72
(ii) Trade payables [includes dues of micro and small enterprises ₹**123.27** crores (as at March 31, 2016 ₹128.40 crores and as at April 1, 2015 ₹139.43 crores)]		**7,015.21**	5,141.17
(iii) Acceptances		**4,379.29**	3,887.28
(iv) Other financial liabilities	26	**2,465.14**	3,784.19
(b) Provisions	28	**467.98**	450.27
(c) Current tax liabilities (net)		**80.64**	79.27
(d) Other current liabilities	31	**1,864.02**	1,704.84
		21,647.80	18,701.74
TOTAL EQUITY AND LIABILITIES		**58,536.60**	56,676.00

Statement of profit and loss as on March 31,2017

(₹ in crores)

		Note	Year ended March 31, 2017	2016
I.	Income from operations	32	49,100.41	47,383.61
II.	Other Income	33	978.84	1,402.31
III.	Total Income (I + II)		50,079.25	48,785.92
IV.	Expenses:			
	(a) Cost of materials consumed		27,654.40	24,997.40
	(b) Purchases of products for sale		3,945.97	4,101.97
	(c) Changes in inventories of finished goods, work-in-progress, and products for sale		(251.43)	10.05
	(d) Excise duty		4,736.41	4,538.14
	(e) Employee benefits expense	34	3,558.52	3,188.97
	(f) Finance costs	35	1,590.15	1,592.00
	(g) Foreign exchange (gain)/loss (net)		(252.45)	222.91
	(h) Depreciation and amortisation expense		2,969.39	2,329.22
	(i) Product development/Engineering expenses		454.48	418.27
	(j) Other expenses	36	8,697.42	8,216.65
	(k) Amount capitalised		(941.55)	(1,034.40)
	Total Expenses (IV)		52,161.31	48,581.18
V.	Profit/(loss) before exceptional items and tax (III-IV)		(2,082.06)	204.74
VI.	Exceptional Items			
	(a) Provision for impairment of investments and cost associated with closure of operations of a subsidiary		-	97.86
	(b) Provision for impairment of investment in a subsidiary		123.17	-
	(c) Impairment of capitalised property, plant and equipment and other intangible assets		-	163.94
	(d) Employee separation cost		67.61	10.04
	(e) Others	37	147.93	-
VII.	Profit/(loss) before tax (V-VI)		(2,420.77)	(67.10)
VIII.	Tax expense/(credit) (net)	29		
	(a) Current tax		44.52	(7.34)
	(b) Deferred tax		14.70	2.54
	Total Tax Expense/(credit)		59.22	(4.80)
IX.	Profit/(loss) for the year from continuing operations (VII-VIII)		(2,479.99)	(62.30)
X.	Other comprehensive income/(loss):			
	A. (i) Items that will not be reclassified to profit or loss:			
	a. Remeasurement gains and (losses) on defined benefit obligations (net)		10.18	20.77
	b. Equity instruments fair value through other comprehensive income		73.84	81.19
	(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit or loss		(3.79)	(7.19)
	B. (i) Items that will be reclassified to profit or loss - gains and (losses) in cash flow hedges		23.32	(13.98)
	(ii) Income tax (expense)/credit relating to items that will be reclassified to profit or loss		(8.07)	4.68
	Total other comprehensive income/(loss), net of taxes		95.48	85.47
XI	Total comprehensive income/(loss) for the year (IX+X)		(2,384.51)	23.17
XII.	Earnings per equity share (EPS)	39		
	A. Ordinary shares (face value of ₹2 each):			
	(i) Basic	₹	(7.30)	(0.18)
	(ii) Diluted	₹	(7.30)	(0.18)
	B. 'A' Ordinary shares (face value of ₹2 each):			
	(i) Basic	₹	(7.30)	(0.18)
	(ii) Diluted	₹	(7.30)	(0.18)

Balance sheet as on March 31,2018

(₹ in crores)

	Notes	As at March 31, 2018	As at March 31, 2017
I. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, plant and equipment	3	18,192.52	17,897.12
(b) Capital work-in-progress		1,371.45	1,902.61
(c) Goodwill		99.09	99.09
(d) Other intangible assets	5 (a)	3,312.14	2,776.71
(e) Intangible assets under development	5 (b)	3,825.15	5,368.38
(f) Investments in subsidiaries, joint ventures and associates	6	13,950.60	14,330.02
(g) Financial assets			
(i) Investments	8	310.19	528.37
(ii) Loans and advances	10	143.96	391.46
(iii) Other financial assets	12	793.40	196.32
(h) Non-current tax assets (net)		695.75	772.67
(i) Other non-current assets	14	1,546.39	1,858.45
		44,240.64	**46,121.20**
(2) CURRENT ASSETS			
(a) Inventories	16	5,670.13	5,553.01
(b) Investments in subsidiaries and associate (held-for-sale)	7	681.91	-
(c) Financial assets			
(i) Investments	9	1,820.87	2,437.42
(ii) Trade receivables	17	3,479.81	2,128.00
(iii) Cash and cash equivalents	19	546.82	228.94
(iv) Bank balances other than (iii) above	20	248.60	97.67
(v) Loans and advances	11	140.27	215.96
(vi) Other financial assets	13	646.31	141.54
(d) Current tax assets (net)		73.88	129.49
(e) Assets classified as held-for-sale	47(iv)	223.33	-
(f) Other current assets	15	1,439.73	1,825.05
		14,971.66	**12,757.08**
TOTAL ASSETS		**59,212.30**	**58,878.28**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	21	679.22	679.22
(b) Other equity		19,491.76	20,483.39
		20,170.98	**21,162.61**
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	23	13,155.91	13,686.09
(ii) Other financial liabilities	25	211.28	1,130.23
(b) Provisions	27	1,009.48	892.18
(c) Deferred tax liabilities (net)		154.61	147.58
(d) Other non-current liabilities	30	291.09	321.24
		14,822.37	**16,177.32**
(2) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	24	3,099.87	5,158.52
(ii) Trade payables [includes dues of micro and small enterprises ₹ **141.59 crores** (as at March 31, 2017 ₹ 125.11 crores)]		9,411.05	7,082.95
(iii) Acceptances		4,814.58	4,379.29
(iv) Other financial liabilities	26	4,091.16	2,485.94
(b) Provisions	28	862.92	477.17
(c) Current tax liabilities (net)		21.77	83.68
(d) Other current liabilities	31	1,917.60	1,870.80
		24,218.95	**21,538.35**
TOTAL EQUITY AND LIABILITIES		**59,212.30**	**58,878.28**

Statement of profit and loss as on March 31,2018

(₹ in crores)

			Notes	Year ended March 31, 2018	Year ended March 31, 2017
I.	Revenue from operations		32	59,624.69	49,054.49
II.	Other Income		33	1,557.60	981.06
III.	**Total Income (I+II)**			**61,182.29**	**50,035.55**
IV.	Expenses				
	(a)	Cost of materials consumed		37,080.45	27,651.65
	(b)	Purchases of products for sale		4,762.41	3,945.97
	(c)	Changes in inventories of finished goods, work-in-progress and products for sale		842.05	(252.14)
	(d)	Excise duty	32(2)	793.28	4,738.15
	(e)	Employee benefits expense	34	3,966.73	3,764.35
	(f)	Finance costs	35	1,744.43	1,569.01
	(g)	Foreign exchange (gain)/loss (net)		17.14	(252.78)
	(h)	Depreciation and amortisation expense		3,101.89	3,037.12
	(i)	Product development/Engineering expenses		474.98	454.48
	(j)	Other expenses	36	9,234.27	8,335.90
	(k)	Amount capitalised		(855.08)	(941.60)
	Total Expenses (IV)			**61,162.55**	**52,050.11**
V.	Profit/(loss) before exceptional items and tax (III-IV)			19.74	(2,014.56)
VI.	Exceptional items				
	(a)	Provision for impairment of investment in a subsidiary		-	123.17
	(b)	Employee separation cost		3.68	67.61
	(c)	Provision for impairment of capital work-in-progress and intangibles under development	37(a)	962.98	-
	(d)	Others	37(b)	-	147.93
VII.	Profit/(loss) before tax (V-VI)			**(946.92)**	**(2,353.27)**
VIII.	Tax expense/(credit) (net)				
	(a)	Current tax		92.63	57.06
	(b)	Deferred tax		(4.70)	19.27
	Total tax expense/(credit)			**87.93**	**76.33**
IX.	Profit/(loss) for the year from continuing operations (VII-VIII)			**(1,034.85)**	**(2,429.60)**
X.	Other comprehensive income/(loss):				
	(A) (i)	Items that will not be reclassified to profit and loss:			
		(a) Remeasurement gains and (losses) on defined benefit obligations (net)		18.24	8.24
		(b) Equity instruments at fair value through other comprehensive income		44.04	73.84
	(ii)	Income tax (expense)/credit relating to items that will not be reclassified to profit or loss		(6.27)	(3.12)
	(B) (i)	Items that will be reclassified to profit or loss - gains and (losses) in cash flow hedges		(19.56)	23.32
	(ii)	Income tax (expense)/credit relating to items that will be reclassified to profit or loss		6.77	(8.07)
	Total other comprehensive income/(loss), net of taxes			**43.22**	**94.21**
XI.	Total comprehensive income/(loss) for the year (IX+X)			**(991.63)**	**(2,335.39)**
XII.	Earnings per equity share (EPS)		39		
	(A)	Ordinary shares (face value of ₹ 2 each) :			
		(i) Basic	₹	(3.05)	(7.15)
		(ii) Diluted	₹	(3.05)	(7.15)
	(B)	'A' Ordinary shares (face value of ₹ 2 each) :			
		(i) Basic	₹	(3.05)	(7.15)
		(ii) Diluted	₹	(3.05)	(7.15)

Balance sheet as on March 31, 2019

(₹ in crores)

	Notes	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, plant and equipment	3	18,316.61	18,192.52
(b) Capital work-in-progress		2,146.96	1,371.45
(c) Goodwill		99.09	99.09
(d) Other intangible assets	5 (a)	3,871.13	3,312.14
(e) Intangible assets under development	5 (b)	4,139.63	3,825.15
(f) Investments in subsidiaries, joint ventures and associates	6	14,770.81	13,950.60
(g) Financial assets			
(i) Investments	8	663.38	310.19
(ii) Loans and advances	10	143.13	143.96
(iii) Other financial assets	12	994.39	793.40
(h) Non-current tax assets (net)		715.30	695.75
(i) Other non-current assets	14	1,819.90	1,546.39
		47,680.33	**44,240.64**
(2) CURRENT ASSETS			
(a) Inventories	16	4,662.00	5,670.13
(b) Investments in subsidiaries and associate (held-for-sale)	7	257.81	681.91
(c) Financial assets			
(i) Investments	9	1,175.37	1,820.87
(ii) Trade receivables	17	3,250.64	3,479.81
(iii) Cash and cash equivalents	19	487.40	546.82
(iv) Bank balances other than (iii) above	20	819.21	248.60
(v) Loans and advances	11	200.08	140.27
(vi) Other financial assets	13	1,279.68	646.31
(d) Current tax assets (net)		-	73.88
(e) Assets classified as held-for-sale	38 (c)	162.24	223.33
(f) Other current assets	15	934.87	1,439.73
		13,229.30	**14,971.66**
TOTAL ASSETS		**60,909.63**	**59,212.30**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	21	679.22	679.22
(b) Other equity		21,483.30	19,491.76
		22,162.52	**20,170.98**
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	23	13,919.81	13,155.91
(ii) Other financial liabilities	25	180.80	211.28
(b) Provisions	27	1,281.59	1,009.48
(c) Deferred tax liabilities (net)		205.86	154.61
(d) Other non-current liabilities	30	218.24	291.09
		15,806.30	**14,822.37**
(2) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	24	3,617.72	3,099.87
(ii) Trade payables			
(a) Total outstanding dues of micro and small enterprises		126.96	141.59
(b) Total outstanding dues of creditors other than micro and small enterprises		10,281.87	9,269.46
(iii) Acceptances		3,093.28	4,814.58
(iv) Other financial liabilities	26	2,237.98	4,091.16
(b) Provisions	28	1,148.69	862.92
(c) Current tax liabilities (net)		78.30	21.77
(d) Other current liabilities	31	2,356.01	1,917.60
		22,940.81	**24,218.95**
TOTAL EQUITY AND LIABILITIES		**60,909.63**	**59,212.30**

Statement of profit and loss as on March 31,2019

(₹ in crores)

		Notes	Year ended March 31, 2019	Year ended March 31, 2018
	Revenue from operations			
	Revenue		68,764.88	58,234.33
	Other operating revenue		437.88	455.48
I.	Total revenue from operations	32	69,202.76	58,689.81
II.	Other Income	33	2,554.66	2,492.48
III.	**Total Income (I+II)**		**71,757.42**	**61,182.29**
IV.	Expenses			
	(a) Cost of materials consumed		43,748.77	37,080.45
	(b) Purchases of products for sale		6,722.32	4,762.41
	(c) Changes in inventories of finished goods, work-in-progress and products for sale		144.69	842.05
	(d) Excise duty	32(2)	-	793.28
	(e) Employee benefits expense	34	4,273.10	3,966.73
	(f) Finance costs	35	1,793.57	1,744.43
	(g) Foreign exchange loss (net)		215.22	17.14
	(h) Depreciation and amortisation expense		3,098.64	3,101.89
	(i) Product development/Engineering expenses		571.76	474.98
	(j) Other expenses	36	9,680.46	9,234.27
	(k) Amount transferred to capital and other accounts	37	(1,093.11)	(855.08)
	Total Expenses (IV)		**69,155.42**	**61,162.55**
V.	Profit before exceptional items and tax (III-IV)		2,602.00	19.74
VI.	Exceptional items			
	(a) Employee separation cost		4.23	3.68
	(b) Write off/provision of capital work-in-progress and intangibles under development (net)	38 (a)	180.66	962.98
	(c) Provision for impairment of investments in subsidiary companies		241.86	-
	(d) Profit on sale of investment in a subsidiary company	38 (b)	(332.95)	-
	(e) Others	38 (c)	109.27	-
VII.	Profit/(loss) before tax (V-VI)		**2,398.93**	**(946.92)**
VIII.	Tax expense/(credit) (net)	29		
	(a) Current tax (including Minimum Alternate Tax)		294.66	92.63
	(b) Deferred tax		83.67	(4.70)
	Total tax expense		**378.33**	**87.93**
IX.	Profit/(loss) for the year from continuing operations (VII-VIII)		**2,020.60**	**(1,034.85)**
X.	Other comprehensive income/(loss):			
	(A) (i) Items that will not be reclassified to profit and loss:			
	(a) Remeasurement gains and (losses) on defined benefit obligations (net)		(67.14)	18.24
	(b) Equity instruments at fair value through other comprehensive income		55.44	44.04
	(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit or loss		18.07	(6.27)
	(B) (i) Items that will be reclassified to profit or loss - gains and (losses) in cash flow hedges		(45.72)	(19.56)
	(ii) Income tax (expense)/credit relating to items that will be reclassified to profit or loss		15.92	6.77
	Total other comprehensive income/(loss), net of taxes		**(23.43)**	**43.22**
XI.	Total comprehensive income/(loss) for the year (IX+X)		**1,997.17**	**(991.63)**
XII.	Earnings per equity share (EPS)	40		
	(A) Ordinary shares (face value of ₹ 2 each):			
	(i) Basic	₹	5.94	(3.05)
	(ii) Diluted	₹	5.94	(3.05)
	(B) 'A' Ordinary shares (face value of ₹ 2 each):			
	(i) Basic	₹	6.04	(3.05)
	(ii) Diluted	₹	6.04	(3.05)

Balance sheet as on March 31, 2020

(₹ in crores)

	Notes	As at March 31, 2020	As at March 31, 2019
I. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, plant and equipment	3	18,870.67	18,316.61
(b) Capital work-in-progress		1,755.51	2,146.96
(c) Right of use assets	4 (a)	669.58	-
(d) Goodwill		99.09	99.09
(e) Other intangible assets	5 (a)	5,568.64	3,871.13
(f) Intangible assets under development	5 (b)	2,739.29	4,139.63
(g) Investments in subsidiaries, joint ventures and associates	7	15,182.29	14,770.81
(h) Financial assets			
(i) Investments	9	548.57	663.38
(ii) Loans and advances	11	138.46	143.13
(iii) Other financial assets	13	1,512.96	994.39
(i) Non-current tax assets (net)		727.97	715.30
(j) Other non-current assets	15	1,208.08	1,819.90
		49,021.11	**47,680.33**
(2) CURRENT ASSETS			
(a) Inventories	17	3,831.92	4,662.00
(b) Investments in subsidiaries and associate (held for sale)	8	-	257.81
(c) Financial assets			
(i) Investments	10	885.31	1,175.37
(ii) Trade receivables	18	1,978.06	3,250.64
(iii) Cash and cash equivalents	20	2,145.30	487.40
(iv) Bank balances other than (iii) above	21	1,386.89	819.21
(v) Loans and advances	12	232.14	200.08
(vi) Other financial assets	14	1,546.56	1,279.68
(d) Assets classified as held for sale	50 (iv)	191.07	162.24
(e) Other current assets	16	1,371.51	934.87
		13,568.76	**13,229.30**
TOTAL ASSETS		**62,589.87**	**60,909.63**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	22	719.54	679.22
(b) Other equity		17,668.11	21,483.30
		18,387.65	**22,162.52**
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	24	14,776.51	13,914.74
(ii) Lease liabilities		522.24	5.07
(iii) Other financial liabilities	26	854.74	180.80
(b) Provisions	28	1,769.74	1,281.59
(c) Deferred tax liabilities (net)		198.59	205.86
(d) Other non-current liabilities	31	269.58	218.24
		18,391.40	**15,806.30**
(2) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	25	6,121.36	3,617.72
(ii) Lease liabilities		83.30	3.64
(iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises		101.56	134.12
(b) Total outstanding dues of creditors other than micro and small enterprises		8,000.69	10,274.71
(iv) Acceptances		2,741.69	3,093.28
(v) Other financial liabilities	27	5,976.35	2,234.34
(b) Provisions	29	1,406.75	1,148.69
(c) Current tax liabilities (net)		31.49	78.30
(d) Other current liabilities	32	1,347.63	2,356.01
		25,810.82	**22,940.81**
TOTAL EQUITY AND LIABILITIES		**62,589.87**	**60,909.63**

Statement of profit and loss as on March 31,2020

(₹ in crores)

		Notes	Year ended March 31, 2020	Year ended March 31, 2019
	Revenue from operations			
	Revenue		43,485.76	68,764.88
	Other operating revenue		442.41	437.88
I.	Total revenue from operations	33	43,928.17	69,202.76
II.	Other Income	34	1,383.05	2,554.66
III.	Total Income (I+II)		**45,311.22**	**71,757.42**
IV.	Expenses			
	(a) Cost of materials consumed		26,171.85	43,748.77
	(b) Purchases of products for sale		5,679.98	6,722.32
	(c) Changes in inventories of finished goods, work-in-progress and products for sale		722.68	144.69
	(d) Employee benefits expense	35	4,384.31	4,273.10
	(e) Finance costs	36	1,973.00	1,793.57
	(f) Foreign exchange loss (net)		239.00	215.22
	(g) Depreciation and amortisation expense		3,375.29	3,098.64
	(h) Product development/Engineering expenses		830.24	571.76
	(i) Other expenses	37	7,720.75	9,680.46
	(j) Amount transferred to capital and other accounts	38	(1,169.46)	(1,093.11)
	Total Expenses (IV)		**49,927.64**	**69,155.42**
V.	Profit/(loss) before exceptional items and tax (III-IV)		(4,616.42)	2,602.00
VI.	Exceptional items			
	(a) Employee separation cost		2.69	4.23
	(b) Write off/(reversal) of provision/ impairment of capital work-in-progress and intangibles under development (net)	39 (a)	(73.03)	180.66
	(c) Provision for loan given to/investment in subsidiary companies/joint venture		385.62	241.86
	(d) Profit on sale of investment in a subsidiary company	39 (b)	-	(332.95)
	(e) Provision for impairment of Passenger Vehicle Business	6 (a)	1,418.64	-
	(f) Provision for Onerous Contracts	6 (b)	777.00	-
	(g) Others	39 (c)	-	109.27
VII.	Profit/(loss) before tax (V-VI)		(7,127.34)	2,398.93
VIII.	Tax expense (net)	30		
	(a) Current tax		33.05	294.66
	(b) Deferred tax		129.24	83.67
	Total tax expense		**162.29**	**378.33**
IX.	Profit/(loss) for the year from continuing operations (VII-VIII)		**(7,289.63)**	**2,020.60**
X.	Other comprehensive income/(loss):			
	(A) (i) Items that will not be reclassified to profit or loss:			
	(a) Remeasurement losses on defined benefit obligations (net)		(105.32)	(67.14)
	(b) Equity instruments at fair value through other comprehensive income		(115.72)	55.44
	(ii) Income tax credit relating to items that will not be reclassified to profit or loss		33.71	18.07
	(B) (i) Items that will be reclassified to profit or loss - losses in cash flow hedges		(294.19)	(45.72)
	(ii) Income tax credit relating to items that will be reclassified to profit or loss		102.80	15.92
	Total other comprehensive loss, net of taxes		(378.72)	(23.43)
XI.	Total comprehensive income/(loss) for the year (IX+X)		**(7,668.35)**	**1,997.17**
XII.	Earnings per equity share (EPS)	41		
	(A) Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	(21.06)	5.94
	(ii) Diluted	₹	(21.06)	5.94
	(B) 'A' Ordinary shares (face value of ₹ 2 each) :			
	(i) Basic	₹	(21.06)	6.04
	(ii) Diluted	₹	(21.06)	6.04

Balance sheet as on March 31,2021

(₹ in crores)

	Notes	As at March 31, 2021	As at March 31, 2020
I. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, plant and equipment	3 (a)	19,153.47	18,870.67
(b) Capital work-in-progress	3 (b)	1,400.82	1,755.51
(c) Right of use assets	4	768.59	669.58
(d) Goodwill		99.09	99.09
(e) Other intangible assets	5 (a)	6,401.95	5,568.64
(f) Intangible assets under development	5 (b)	1,605.64	2,739.29
(g) Investments in subsidiaries, joint ventures and associates	7	15,147.26	15,182.29
(h) Financial assets			
(i) Investments	8	967.65	548.57
(ii) Loans and advances	10	126.05	138.46
(iii) Other financial assets	12	1,631.83	1,512.96
(i) Non-current tax assets (net)		715.31	727.97
(j) Other non-current assets	14	1,187.41	1,208.08
		49,205.07	**49,021.11**
(2) CURRENT ASSETS			
(a) Inventories	16	4,551.71	3,831.92
(b) Financial assets			
(i) Investments	9	1,578.26	885.31
(ii) Trade receivables	17	2,087.51	1,978.06
(iii) Cash and cash equivalents	19	2,365.54	2,145.30
(iv) Bank balances other than (iii) above	20	1,953.40	1,386.89
(v) Loans and advances	11	185.42	232.14
(vi) Other financial assets	13	1,745.06	1,546.56
(c) Assets classified as held for sale	49 (iv)	220.80	191.07
(d) Other current assets	15	1,166.89	1,371.51
		15,854.59	13,568.76
TOTAL ASSETS		**65,059.66**	**62,589.87**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	21	765.81	719.54
(b) Other equity		18,290.16	17,668.11
		19,055.97	**18,387.65**
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	23	16,326.77	14,776.51
(ii) Lease liabilities		593.74	522.24
(iii) Other financial liabilities	25	659.64	854.74
(b) Provisions	27	1,371.94	1,769.74
(c) Deferred tax liabilities (net)		266.50	198.59
(d) Other non-current liabilities	30	533.55	269.58
		19,752.14	**18,391.40**
(2) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	24	2,542.50	6,121.36
(ii) Lease liabilities		96.47	83.30
(iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises		167.23	101.56
(b) Total outstanding dues of creditors other than micro and small enterprises		7,947.78	8,000.69
(iv) Acceptances		7,873.12	2,741.69
(v) Other financial liabilities	26	4,255.57	5,976.35
(b) Provisions	28	1,043.54	1,406.75
(c) Current tax liabilities (net)		37.84	31.49
(d) Other current liabilities	31	2,287.50	1,347.63
		26,251.55	**25,810.82**
TOTAL EQUITY AND LIABILITIES		**65,059.66**	**62,589.87**

Statement of profit and loss as on March 31, 2021

(₹ in crores)

				Notes	Year ended March 31, 2021	Year ended March 31, 2020
	Revenue from operations					
	Revenue				46,559.39	43,485.76
	Other operating revenue				472.08	442.41
I.	Total revenue from operations			32	**47,031.47**	**43,928.17**
II.	Other Income			33	842.96	1,383.05
III.	Total Income (I+II)				**47,874.43**	**45,311.22**
IV.	Expenses					
	(a)	Cost of materials consumed			30,010.61	26,171.85
	(b)	Purchases of products for sale			5,490.67	5,679.98
	(c)	Changes in inventories of finished goods, work-in-progress and products for sale			(69.02)	722.68
	(d)	Employee benefits expense		34	4,212.99	4,384.31
	(e)	Finance costs		35	2,358.54	1,973.00
	(f)	Foreign exchange loss (net)			1.67	239.00
	(g)	Depreciation and amortisation expense			3,681.61	3,375.29
	(h)	Product development/Engineering expenses			907.64	830.24
	(i)	Other expenses		36	5,801.90	7,720.75
	(j)	Amount transferred to capital and other accounts		37	(817.53)	(1,169.46)
	Total Expenses (IV)				**51,579.08**	**49,927.64**
V.	Profit/(loss) before exceptional items and tax (III-IV)				(3,704.65)	(4,616.42)
VI.	Exceptional items					
	(a)	Employee separation cost			215.97	2.69
	(b)	Write off/provision (reversal) for tangible/intangible assets (including under development)		38	114.00	(73.03)
	(c)	Provision/(reversal) for loan given to/investment and cost of closure in subsidiary companies/joint venture (net)			123.36	385.62
	(d)	Impairment losses/(reversal) in passenger vehicle business		6 (a)	(1,182.41)	1,418.64
	(e)	Provision/(reversal) for Onerous Contracts and related supplier claims		6 (b)	(663.00)	777.00
VII.	Profit/(loss) before tax (V-VI)				(2,312.57)	(7,127.34)
VIII.	Tax expense (net)			29		
	(a)	Current tax			82.31	33.05
	(b)	Deferred tax			0.56	129.24
	Total tax expense				82.87	162.29
IX.	Profit/(loss) for the year from continuing operations (VII-VIII)				**(2,395.44)**	**(7,289.63)**
X.	Other comprehensive income/(loss):					
	(A)	(i)	Items that will not be reclassified to profit and loss:			
			(a) Remeasurement losses on defined benefit obligations (net)		(23.62)	(105.32)
			(b) Equity instruments at fair value through other comprehensive income		365.84	(115.72)
		(ii)	Income tax credit/(expense) relating to items that will not be reclassified to profit and loss		(8.60)	33.71
	(B)	(i)	Items that will be reclassified to profit and loss - gains/(losses) in cash flow hedges		168.12	(294.19)
		(ii)	Income tax credit/(expense) relating to items that will be reclassified to profit and loss		(58.75)	102.80
	Total other comprehensive income/(loss), net of taxes				442.99	(378.72)
XI.	Total comprehensive income/(loss) for the year (IX+X)				**(1,952.45)**	**(7,668.35)**
XII.	Earnings/(loss) per share (EPS)			40		
	(A)	Ordinary shares (face value of ₹2 each) :				
		(i)	Basic	₹	(6.59)	(21.06)
		(ii)	Diluted	₹	(6.59)	(21.06)
	(B)	'A' Ordinary shares (face value of ₹2 each) :				
		(i)	Basic	₹	(6.59)	(21.06)
		(ii)	Diluted	₹	(6.59)	(21.06)