

# **TML BUSINESS SERVICES LIMITED**

**CIN: U72100MH1972PLC015561**

## **ANNUAL REPORT 2019-20**

*CONCORDE MOTORS (INDIA) LIMITED  
[CIN:U24110MH1972PLC015561] WAS  
RENAMED AS TML BUSINESS SERVICES  
LIMITED [CIN:U72100MH1972PLC015561]  
WITH EFFECT FROM MARCH 31, 2020*

**A SUBSIDIARY OF TATA MOTORS LIMITED**

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BOARD OF DIRECTORS	
<b>MR MAYANK PAREEK</b> (NON-EXECUTIVE CHAIRMAN UPTO SEPTEMBER 28, 2019)  <b>MR HOSHANG SETHNA</b> (NON-EXECUTIVE DIRECTOR UPTO SEPTEMBER 28, 2019)  <b>MR SIBENDRA BARMAN</b> (NON-EXECUTIVE DIRECTOR UPTO SEPTEMBER 28, 2019)  <b>MR ROHIT SURI</b> (NON-EXECUTIVE DIRECTOR UPTO SEPTEMBER 13, 2019)  <b>MR VIJAY SOMAIYA</b> (NON-EXECUTIVE DIRECTOR; BOARD CHAIRMAN FROM SEPTEMBER 28, 2019)	<b>DR VAIJAYANTI PANDIT</b> (INDEPENDENT DIRECTOR UPTO APRIL 30, 2019)  <b>MR VINESH KUMAR JAIRATH</b> (INDEPENDENT DIRECTOR UPTO MAY 7, 2019)  <b>MR MOHINDER PAL BANSAL</b> (INDEPENDENT DIRECTOR UPTO MAY 7, 2019)  <b>MS SMRITI GOYAL</b> (NON-EXECUTIVE DIRECTOR FROM JUNE 20, 2019)  <b>MR SHYAM MANI</b> (MANAGING DIRECTOR FROM JUNE 20, 2019)

SENIOR MANAGEMENT	
<b>CHIEF EXECUTIVE OFFICER &amp; MANAGER</b> (UPTO JUNE 20, 2019)	<b>MR RISHI GOEL</b>
<b>MANAGING DIRECTOR</b> (FROM JUNE 20, 2019)	<b>MR SHYAM MANI</b>
<b>CHIEF EXECUTIVE OFFICER</b> (FROM JUNE 20, 2019 UPTO AUGUST 13, 2020)	<b>MR VINU NAIR</b>
<b>CHIEF FINANCIAL OFFICER</b>	<b>MR TUKARAM DAUNDKAR</b>
<b>COMPANY SECRETARY</b>	<b>MS KAYNAZ SARBHANWALA</b>

REGISTERED OFFICE ADDRESS	CORPORATE OFFICE ADDRESS
<b>3<sup>RD</sup> FLOOR, NANAVATI MAHALAYA, 18, HOMI MODY STREET, HUTATMA CHOWK, MUMBAI 400 001</b>	<b>DAIRY CIRCLE, 9/8, DAIRY CIRCLE, HOSUR ROAD, OPP. CHRIST COLLEGE, BANGALORE 560029</b>

<b>CONCORDE MOTORS (INDIA) LIMITED</b> <b>CIN: U24110MH1972PLC015561</b>	<b>TML BUSINESS SERVICES LIMITED</b> <b>CIN: U72100MH1972PLC015561</b>
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BUSINESS UNIT PRESENCE			
<b>BANGALORE</b> <b>CHENNAI</b>	<b>COCHIN</b> <b>DELHI</b>	<b>HYDERABAD</b> <b>MUMBAI</b>	<b>THANE</b> <b>PUNE</b>

AUDITORS	
<b>STATUTORY AUDITOR:</b> <b>M/S. B S R &amp; CO. LLP</b>	<b>SECRETARIAL AUDITOR:</b> <b>M/S. PARIKH &amp; ASSOCIATES</b>

# NOTICE

[Pursuant to Section 101 of the Companies Act, 2013]

Dear Member,

NOTICE IS HEREBY GIVEN THAT THE 49<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF TML BUSINESS SERVICES LIMITED (*Name changed from Concorde Motors (India) Limited with effect from March 31, 2020*) will be held on Tuesday, December 29, 2020 from 2:00 p.m. to 2:30 p.m. at the Registered office of the Company, 3<sup>rd</sup> Floor, Conference Room, of Nanavati Mahalya, 18, Homi Mody Street, Mumbai 400 001, to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Ms Smrit Goyal (DIN: 08488684) who retires by rotation and being eligible, offers herself for re-appointment.

By Order of the Board of Directors  
TML Business Services Limited

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Kaynaz Sarbhanwala  
Company Secretary  
ACS No.: A34947

Mumbai, December 29, 2020

### Registered Office:

3<sup>rd</sup> Floor, Nanavati Mahalaya, 18, Homi Mody Street, Hutatma Chowk, Mumbai 400 001  
Tel: 6667 8200 / 01 / 02 / 03  
CIN: U72100MH1972PLC015561

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## NOTES:

- a. The details of Director seeking re-appointment at this Annual General Meeting ("AGM"/ "the Meeting"), as prescribed under the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India is annexed to the Notice.
- b. 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.

The duly completed and signed instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than forty-eight hours before the time for holding the AGM. Proxies submitted on behalf of limited companies, must be supported by appropriate resolution/authority, as applicable, issued by the member organization.

A person can act as a proxy on behalf of Members (not exceeding 50 Members) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the

Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member.

- c. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the AGM.
- d. Attendance Slip, Proxy Form and the route map showing directions to reach the venue of the AGM are annexed hereto.
- e. The Register of Directors and Key Managerial Personnel and their shareholding as maintained under Section 170 of the Act, the Register of Contracts or Arrangement in which the Directors are interested as maintained under Section 189 of the Act and relevant documents referred to in the Notice and the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the meeting and also at the venue during the meeting.

**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT  
AT THE ANNUAL GENERAL MEETING**

*[Pursuant to Secretarial Standards on General Meetings – (SS-2)]*

Particulars	Ms Smriti Goyal
Director Identification Number (DIN)	08488684
Date of Birth (Age)	August 29, 1977 (42 years)
Date of First Appointment	June 20, 2019
Educational Qualifications	B.Com (Hons), CA & MMDP – IIM, Ahmedabad
Experience	Over 18 years of experience at Tata Motors Limited, presently designated as the Senior GM, Accounting & Reporting
Expertise in specific functional areas	Accounting & Reporting expertise
Directorships held in other companies	TML Business Analytics Services Limited
Memberships / Chairmanships of statutory committees across companies (i.e. Audit Committee & Stakeholders' Relationship Committee)	TML Business Services Limited ( <i>formerly Concorde Motors (India) Limited</i> ) – Audit Committee Member
Relationship with other Directors / KMP	Not related to any Director / KMP of the Company.
No. of Shares held in the Company	Nil

For other details, such as number of meetings of the Board/Committees attended during the year, remuneration drawn / sitting fees received in respect of the above director please refer to the Board's Report.

By Order of the Board of Directors  
TML Business Services Limited

\_\_\_\_\_  
Kaynaz Sarbhanwala  
Company Secretary  
ACS No.: A34947

Mumbai, December 29, 2020

**Registered Office:**

3<sup>rd</sup> Floor, Nanavati Mahalaya, 18, Homi Mody Street, Hutatma Chowk, Mumbai 400 001

Tel: 6667 8200 / 01 / 02 / 03

CIN: U72100MH1972PLC015561

## TML BUSINESS SERVICES LIMITED

*Name changed from Concorde Motors (India) Limited with effect from March 31, 2020*

Registered Office: 3<sup>rd</sup> Floor, Nanavati Mahalaya, 18, Homi Mody Street, Hutatma Chowk, Mumbai 400 001 Tel:

6667 8200 / 01 / 02 / 03

CIN: U72100MH1972PLC015561

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013, Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

49<sup>th</sup> Annual General Meeting – **Tuesday**, December 29, 2020

Name of the Member(s) : \_\_\_\_\_

Registered address : \_\_\_\_\_

E-mail ID. : \_\_\_\_\_ Folio No.: \_\_\_\_\_

I / We, being the Member(s) of \_\_\_\_\_ Shares of TML Business Services Limited, hereby appoint:

1. Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

2. Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

3. Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 49<sup>th</sup> Annual General Meeting of the Company to be held on **Tuesday**, December 29, 2020 from 2:00 p.m. to 2:30 p.m. at the Registered Office of the Company situated at 3<sup>rd</sup> Floor, Nanavati Mahalaya, 18, Homi Mody Street, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated hereinafter:

Item No.	Subject Matter	Type of Resolution	For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon.	Ordinary		
2	To appoint a Director in place of Ms Smriti Goyal (DIN: 08488684) who retires by rotation and being eligible, offers herself for re-appointment.	Ordinary		

Signed this .....day of ..... 2020

Signature of Member \_\_\_\_\_ Signature of Proxyholder \_\_\_\_\_

Affix  
Revenue  
Stamp

#### NOTES:

1. A Member may vote 'for' or 'against' each resolution. Please put a ☒ in the Box in the appropriate column either 'for' or 'against' the respective resolutions. If you leave the 'For' or 'Against' column blank in respect of any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

2. A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.

3. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 3<sup>rd</sup> Floor Nanavati Mahalaya, 18, Homi Mody Street, Mumbai-400 001, not less than 48 hours before the commencement of the Meeting.

4. Those Members who have multiple folios with different joint holders may use copies of this Proxy.

## TML BUSINESS SERVICES LIMITED

*Name changed from Concorde Motors (India) Limited with effect from March 31, 2020*

Registered Office: 3<sup>rd</sup> Floor, Nanavati Mahalaya, 18, Homi Mody Street, Hutatma Chowk, Mumbai 400 001

Tel: 6667 8200 / 01 / 02 / 03

CIN: U72100MH1972PLC015561

### Attendance Slip

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

#### 49<sup>th</sup> Annual General Meeting – **Tuesday**, December 29, 2020

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 49<sup>TH</sup> ANNUAL GENERAL MEETING of the Company held on Tuesday, December 29, 2020 from 2:00 p.m. to 2:30 p.m. at the Registered Office of the Company, situated at 3<sup>rd</sup> Floor, Nanavati Mahalaya, 18, Homi Mody Street, Mumbai – 400 001.

Folio No.: \_\_\_\_\_

Name of the Member: \_\_\_\_\_

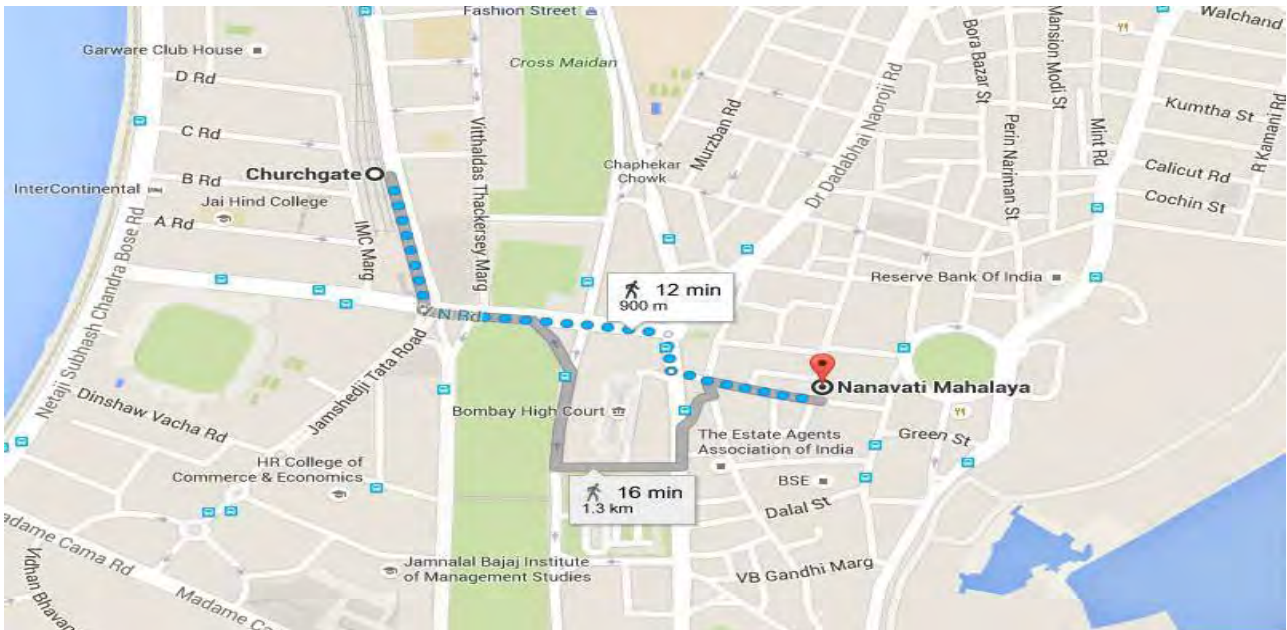
Signature: \_\_\_\_\_

Name of the Proxyholder: \_\_\_\_\_

Signature: \_\_\_\_\_

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.
3. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip.

#### A ROUTE MAP SHOWING DIRECTIONS TO REACH THE VENUE OF THE MEETING





# BOARD'S REPORT

## TO THE MEMBERS

### TML BUSINESS SERVICES LIMITED (FORMERLY CONCORDE MOTORS (INDIA) LIMITED)

On behalf of the Board of Directors, it is our pleasure to present the 49<sup>th</sup> Annual Report together with the Audited Financial Statements of **TML Business Services Limited** (Name changed from Concorde Motors (India) Limited with effect from March 31, 2020) ("the Company") bearing Corporate Identification Number (CIN) U72100MH1972PLC015561 for the financial year ended March 31, 2020.

## FINANCIAL PERFORMANCE SUMMARY

The summarized standalone results of the Company are given in the table below:

Particulars		(Rs. in Lakhs)	
		FY 2019-20	FY 2018-19
i	Revenue from operations	62,975.77	1,22,961.77
ii	Other Income	1,449.42	653.35
iii	Total Income / Revenue	64,425.19	1,23,615.12
iv	Less: Cost of Sales	59,835.98	1,09,570.17
v	Gross Profit	4,589.21	14,044.95
vi	Less: Overheads	15,856.50	21,098.79
vii	Earnings before Exceptional items, Interest, Depreciation and Tax (EBIDTA)	(11,267.29)	(7,053.84)
viii	Interest	6,121.54	5,495.15
ix	Depreciation and amortization	2,276.53	765.60
x	Profit / (Loss) Before Exceptional items and Tax	(19,665.36)	(13,314.59)
xi	Exceptional items	22,083.21	0.00
xii	Provision for Tax	835.38	(56.82)
xiii	Profit / (Loss) After Tax	1,582.47	(13,257.77)
xiv	Profit / (Loss) brought forward (Net of Adjustment)	(29,300.36)	(16,042.59)
xv	Profit available for Appropriation	(27,717.89)	(29,300.36)
<b>APPROPRIATIONS</b>			
	Profit / (Loss) carried forward to Balance Sheet	(27,717.89)	(29,300.36)

## DIVIDEND

In view of the losses and in accordance with a covenant as mentioned in one of the Company's borrowings, the Board of Directors have not recommended any dividend for the year under review for equity shares (previous year – Nil) and 7% Cumulative Redeemable Preference Shares (previous year - Nil).

## SUMMARY OF OPERATIONS & CHANGE IN THE NATURE OF BUSINESS

During the year, the Net Revenue from operations of your Company decreased by 48.78%, from Rs.1,229.62 crores in FY18-19 to Rs.629.76 crores. For FY19-20, the Company's Loss before

exceptional items and tax stood at Rs.196.65 crores vis-à-vis loss of Rs.133.14 crores in the previous year. During the year the Company:

- Sold its land and building situated at Worli to Tata Motors Limited ('TML') and realized a profit of Rs.237.42 crores.
- Sold inventory of Vehicles, Spare parts, Accessories and other fixed assets (other than land and building) to the dealers appointed by TML at various locations and incurred a loss of Rs.35.95 crores.

Furthermore, consequent to the sale and closure of the Company's erstwhile business operations, the main Objects Clause contained in the Memorandum and Articles of Association of the Company have been amended, with the approval of the Shareholders at the Extraordinary General Meeting No.1/FY2019-20 held on March 19, 2020, to incorporate the following:

- To provide outsourcing services, which would include business processes and sub-processes, services in the areas of Information Technology, Knowledge services, Software development and Application support services.
- Finance automotive and their parts and accessories through various modes.
- Own, manage, run owned or leased immovable properties for commercial purpose.
- Carry on business of automotive dealership, including offering services and refurbishments.
- To carry on the business of agency in insurance of automotive and stockiest/franchise for all kinds of automotive, accessories and components.
- Business of management consulting, selling and license programming, conducting training facility, and providing E-commerce services of all kinds

Thereafter, based on the financial status of the Company, its future plans and discussions with TML and with reference to the approval of the Shareholders vide passing of Special Resolutions at the Extraordinary General Meeting No.1/FY2019-20 held on March 19, 2020 approving change in name of the Company from Concorde Motors (India) Limited to TML Business Services Limited with effect from March 31, 2020 and the main objects clause under the Memorandum of Association of the Company, the Board of Directors at its meeting held on March 27, 2020 had accorded its approval for the Company to enter into a Business Transfer Agreement with TML, for transferring the Global Delivery Centre (GDC) business to the Company with effect from October 1, 2020.

## **TRANSFER TO RESERVES**

The Company does not propose to carry any amount to the general reserve.

## **BUSINESS REVIEW**

During the year, the Company was engaged in the business of selling cars, parts, accessories, and servicing of cars in India only, thus it has only one segment on the basis of operational and geographical context.

During the year, the Company has decided to close down its sales and service of vehicles business and thus sold its fixed assets (other than Land and Building situated at Bangalore and Hyderabad), inventories of vehicles, spare parts and accessories to other dealerships appointed by TML. Employees have been transferred on continuation of service to these dealerships.

The Company's sales have drastically declined during FY 2019-20, taking into consideration its decision to shut down business operations.

Total turnover of Rs.621.42 crores was realized from vehicle sales and servicing during the financial year as compared to Rs.1,203.17 crores during the previous year. Out of the current year's total turnover of Rs.621.42 crores, Rs.50.43 crores was attributed to sales of various units to dealership appointed by TML.

Manpower strength as on March 2019 was 2,257 personnel and by March 2020 it had been reduced down to only 40 personnel. Employees were transferred to the respective dealerships, who purchased the Company's business units situated at Mumbai, Thane, Pune, Delhi, Hyderabad, Cochin, Chennai and Bangalore.

There have been no material changes or commitments, affecting the financial position of the Company, having occurred since the end of the financial year and till the date of this Board's Report.

## BUSINESS OUTLOOK

The Company is a wholly owned subsidiary of Tata Motors Limited in accordance with the provisions of the Indian Accounting Standards, formed in 1997-98 selling the entire range of cars and utility vehicles of Tata Motors Passenger Vehicle Business Unit in eight major cities - Bangalore, Chennai, Cochin, Delhi, Hyderabad, Mumbai, Thane and Pune. During year under review, the Company has closed down its business operations of sale and service of passenger vehicles of TML in all the above mentioned locations.

The Company has entered into a Business Transfer Agreement for purchase of the Global Delivery Centre (shared services) from TML. The transaction has been concluded on October 1, 2020.

Furthermore, the Company incorporated a wholly owned subsidiary with effect from April 4, 2020, named TML Business Analytics Services Limited ('TMLBASL'), bearing CIN: U72900MH2020PLC339230 with an Authorised and Paid-up Capital of ₹15 lakhs, with the first Directors being Mr Shyam Mani, Mr Vijay B Somaiya and Ms Smriti Goyal. TMLBASL shall carry on the business of Analytics which is supplementary to the Company's business as a Global Delivery Centre ('GDC') for the TML Group, but requires specialised knowledge and expertise which is different to that required for GDC operations.

## SHARE CAPITAL & DEBT STRUCTURE

Particulars as on March 31, 2020	(Amount in Rs.)	
<b>Authorised Share Capital</b>		
Equity Share Capital (Face Value of Rs.10/- each)		1,75,00,00,000
7% Cumulative Redeemable Preference Share Capital (Face Value of Rs.100/- each)		25,00,00,000
<b>Total Authorised Share Capital</b>		<b>2,00,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>		
Equity Share Capital		163,69,76,940
7% Cumulative Redeemable Preference Share Capital		
Tata Motors Limited	13,54,19,500	
Tata Industries Limited	10,80,80,500	
		24,35,00,000
<b>Total Issued, Subscribed and Paid-up Share Capital</b>		<b>1,88,04,76,940</b>

The Company has not 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 March 31, 2020, none of the Directors of the Company hold shares of the Company in their individual capacity.

TMF Holdings Limited ('TMFHL'), a wholly owned subsidiary of TML holds 100,000,000 Unrated, Unlisted, Unsecured, 5% Coupon bearing Compulsorily Convertible Debentures ('CCDs') of face value Rs.10/- each issued and allotted at par and for cash, on private placement basis with a conversion ratio of 1:1, exercisable at the end of a 5-year tenure from the deemed date of allotment in TML Business Services Limited. During the year under review the Board of Directors at its meeting held on March 27, 2020 *in principle* approved the transfer of these CCDs from TMFHL to TML Distribution Company Limited, also a wholly owned subsidiary of TML, for a consideration of principal amount of Rs.100 crores along with unpaid accrued interest, if any thereon and put premium of 4.5% p.a. compounded annually till the date of payment. Due to the Coronavirus Pandemic the offices of the Depository - NSDL were not functional and therefore the transfer of securities in dematerialized form would be undertaken once the NSDL Offices opened.

The Company vide its Letter of Offer dated March 22, 2019 had issued 10,00,00,000 Equity Shares of face value of Rs.10/- each, for cash and at par, on Rights Issue basis, with the total issue size aggregating to Rs.100,00,00,000/- (Rupees Hundred Crores Only). Against receipt of the full subscription amount of Rs.100,00,00,000/- (Rupees Hundred Crores Only) from TML on March 31, 2019 the Company allotted the Equity Rights Issue Shares on May 28, 2019 to TML.

#### **INVESTOR EDUCATION & PROTECTION FUND (IEPF)**

During the year under review, the Company was not liable to make any contributions to the IEPF, on account of the following or otherwise:

- (i) amount of unclaimed/unpaid dividend and the corresponding shares;
- (ii) redemption amount of preference shares;
- (iii) amount of matured deposits, for companies other than banking companies, along with interest accrued thereon;
- (iv) amount of matured debentures along with interest accrued thereon;
- (v) application money received for allotment of any securities and due for refund along with interest accrued;
- (vi) sale proceeds of fractional shares arising out of issuance of bonus shares, merger and amalgamation;

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals or Statutory and quasi-judicial bodies impacting the going concern status and the Company's future operations.

#### **RISK MANAGEMENT**

The Audit Committee oversees the Company's processes and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

No significant threat is perceived by the Board, which may threaten the existence of the Company. The Company is venturing into new line of business through acquisition. The new business has established list of clients (TML, its domestic and international subsidiaries) with reasonable assurance of business continuity. The Company is also planning for a go to market strategy. Considering cost effective solution more processes are likely to be procured from TML and its subsidiaries.

## **INTERNAL FINANCIAL CONTROLS**

The Board has adopted policies and procedures for governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company's internal control systems commensurate with the nature of its business, the size and complexity of its operations. The Company has an independent in-house Internal Audit ('IA') department headed by Mr Shirish Kulkarni that functionally reports to the Chairman of the Audit Committee, thereby maintaining its objectivity. Remediation of deficiencies by the IA department has resulted in a functional framework for internal controls.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, secretarial auditors and external consultant(s), 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 inadequate and ineffective in few areas as described below during FY19-20.

During FY19-20, there was:

- i) absence of certain entity level controls like annual / periodic review of policies and procedures, user access review including review of segregation of duties, etc;
- ii) inadequate maintenance of complete records and documentation over revenue from operations and resultant trade receivables, timely and accurately recording of receipt of collections from customers and carrying out periodic reconciliation of trade receivable balances; and
- iii) Inadequate reconciliation controls around loans and advances, other current assets, trade receivables, and other financial assets, which would evidence recording of transactions in the correct periods. In case of property, plant and equipment, inadequate controls for timely reconciliation which would evidence the impact of the reconciliation in the correct periods

The Management is undertaking efforts to further strengthen internal controls in the above areas.

## **HUMAN RESOURCES**

An organization is as good as its people. Employees are the most valuable asset for any organization and hence a constant and continuous effort has been made to attract, retain and develop the best talent to achieve our goals and objectives. The prime focus at the Company, in terms of HR practices is on people development and growth, and good employee relations, which means a culture of caring for our people. Since the Company has shut down its business operations and has handed over its business units to co-dealers identified and appointed by TML, the employees at these business units have been absorbed by these co-dealers, reaping the benefit of continuity in service.

The Company observed cordial employee relations during the year.

## PREVENTION OF SEXUAL HARASSMENT

Your Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at the workplace, including the constitution of an Internal Complaints Committee, in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at the workplace.

The Company received one complaint on sexual harassment during FY19-20. This complaint was duly investigated and suitable Management action was taken based on the findings and recommendations mentioned in the investigative report within the stipulated timeframe. As on date, all the aforementioned complaint has been resolved.

## FIXED DEPOSITS

Your Company has not accepted any fixed / public deposits during the financial period under review.

## EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) and 134(3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the annual return in the prescribed Form MGT-9 is annexed as **Annexure 1**.

## ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgoing stipulated under Section 134(3)(m) of the Act, read along with Rule 8 of the Companies (Accounts) Rules, 2014, is not applicable to the Company.

## HOLDING, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Your Company continues to be a wholly owned Subsidiary of TML in accordance with the provisions of the Indian Accounting Standards. During the year under review, the Company incorporated a wholly owned subsidiary with effect from April 4, 2020, named TML Business Analytics Services Limited ('TMLBASL'), bearing CIN: U72900MH2020PLC339230 with an Authorised and Paid-up Capital of ₹15 lakhs, with the first Directors being Mr Shyam Mani, Mr Vijay B Somaiya and Ms Smriti Goyal. TMLBASL shall carry on the business of Analytics which is supplementary to the Company's business as a Global Delivery Centre ('GDC') for the TML Group, but requires specialised knowledge and expertise which is different to that required for GDC operations.

## BOARD OF DIRECTORS

Sr. No.	Name of Director	DIN	Category	Date of Appointment	Date of Cessation
1.	Mr Mayank Pareek	00139206	Non-Executive Director	March 31, 2015	September 28, 2019

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Category</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>
2.	Mr Hoshang Sethna	00091532	Non-Executive Director	January 21, 2008	September 28, 2019
3.	Mr Sibendra Barman	07605227	Non-Executive Director	September 20, 2016	September 28, 2019
4.	Mr Rohit Suri	03394169	Non-Executive Director	January 24, 2011	September 13, 2019
5.	Mr Vinesh Kumar Jairath	00391684	Independent Director	March 31, 2015	May 7, 2019
6.	Mr Mohindra Pal Bansal	01626343	Independent Director	March 31, 2015	May 7, 2019
7.	Dr Vaijayanti Pandit	06742237	Independent Director	May 11, 2016	April 30, 2019
8.	Mr Vijay Somaiya	03185227	Non-Executive Director	January 17, 2014	-
9.	Ms Smriti Goyal	08488684	Non-Executive Director	June 20, 2019	-
10.	Mr Shyam Mani	00273598	Managing Director	June 20, 2019	-

The aforementioned table summarises the change in Board Composition of the Company, during FY19-20. As on March 31, 2020, the Board of Directors comprises 2 Non-Executive Directors and 1 Managing Director, namely, Mr Vijay Somaiya, Chairman, Ms Smriti Goyal and Mr Shyam Mani, Managing Director.

As a good governance practice, the Board has adopted the Tata Code of Conduct, which represents the values and core principles that guide the conduct of every Tata business. The ethical standards laid down under the Code are adhered to by all Tata Colleagues, including Directors and Key Managerial Personnel of the Company.

Both, Mr Bansal and Mr Jairath stepped down as Independent Directors from the Board of Directors and its Board constituted committees with effect from May 7, 2019. Dr Pandit ceased to be an Independent Director of the Company on April 30, 2019 upon completion of her tenure as an Independent Director on the Board of Directors of the Company. Mr Suri tendered his resignation from the Board of Directors on September 13, 2019. TML, the holding company, withdrew the candidature of directorship of Mr Mayank Pareek, Mr Hoshang Sethna and Mr Sibendra Barman, accordingly they ceased to be Non-Executive Directors on the Board of Directors and Board constituted Committees of the Company with effect from September 28, 2019.

Ms Smriti Goyal (DIN: 08488684) was appointed in the capacity of a Non-Executive Additional Director on the Board of Directors of the Company with effect from June 20, 2019. Mr Shyam Mani (DIN:00273598) was appointed by the Board of Directors of the Company, subject to Shareholder approval, as the Managing Director of the Company for a period of 3 years commencing from June 20, 2019. The Shareholders at the 48<sup>th</sup> Annual General Meeting (AGM) held on September 30, 2019, approved the appointment of Ms Goyal as a Non-Executive Director and that of Mr Mani, as Managing Director, by respectively passing an ordinary and special resolution.



In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Ms Smriti Goyal, Director of the Company is liable to retire by rotation at the forthcoming AGM of the Company and is eligible for reappointment.

Attention of the Members is invited to the relevant items in the Notice of the 49<sup>th</sup> AGM, scheduled to be held on December 29, 2020, on account of the ensuing corona virus pandemic.

## **KEY MANAGERIAL PERSONNEL**

During the year, the Key Managerial Personnel (KMP) consisted of:

- Mr Rishi Goel, Chief Executive Officer and Manager (till June 20, 2019);
- Mr Vinu Nair, Chief Executive Officer and Manager (from June 20, 2019);
- Mr Shyam Mani, Managing Director (From June 20, 2019);
- Mr Tukaram Daundkar, Chief Financial Officer; and
- Ms Kaynaz Sarbhanwala, Company Secretary.

During the year, there was no change in the position of the Chief Financial Officer and the Company Secretary of the Company, both of whom, are on deputation from TML and do not receive any remuneration from the Company.

However, the Board of Directors, based on a letter received from TML, the holding company and the recommendation of the Nomination and Remuneration Committee of the Company, approved the withdrawal of nomination of Mr Rishi Goel, a KMP of the Company, functioning in the capacity of a Chief Executive Officer and Manager, with effect from June 20, 2019.

Furthermore, pursuant to the provisions of Sections 2(51), 178, 179(3), 203, read with Schedule V and other enabling provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed thereunder, and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on June 20, 2019 had, approved, the appointment of Mr Vinu Nair, as a KMP of the Company, to perform in the capacity of Chief Executive Officer ('CEO') on an whole time employment basis, for a period of 3 years.

TML, being the holding company of both Tata Motors Finance Solutions Limited ('TMFSL') as well as the Company, had deputed Mr Nair, an employee of TMFSL, to perform in the capacity of the CEO of the Company, on an whole time employment basis, vide its letter dated June 19, 2019. Mr Nair's appointment is on existing terms and conditions entered into with TMFSL, including payment of remuneration. Mr Nair does not draw any remuneration from the Company. However, the Company suitably reimburses TMFSL for the services rendered by Mr Nair on deputation to the Company, on an whole time employment basis, valued on an arm's length basis, within the limits permissible under Section 197 read together with Section II of Part II of Schedule V of the Act and any other enabling provisions of the Act and the Rules framed thereunder. If at any time, Mr Nair ceases to be an employee of TMFSL, for any cause whatsoever, he would also cease to be the CEO of the Company.

Also during the year, pursuant to the provisions of Section 2(51), 2(54), 179, 196, 197, 203 read with Schedule V and other enabling provisions, if any, of the Act and the Rules framed thereunder and based on the recommendation of the Nomination and Remuneration Committee and subject to Members' approval, the Board of Directors of the Company had approved the appointment of Mr Shyam Mani (DIN:00273598) as a KMP of the Company, to perform in the professional capacity of Managing Director of the Company, in addition to him being the Managing Director of TMF Holdings Limited (TMFHL) and consequent to the approval of the Board of Directors of TMFHL, accorded at its meeting held on March 20, 2019 for a period of 3 years.



Mr Mani's appointment is on existing terms and conditions entered into by him with TMFHL, including receipt of remuneration. Mr Mani does not draw any remuneration from the Company. However, the Company proportionately reimburses TMFHL for the services rendered by Mr Mani on deputation to the Company by TML, valued on an arm's length basis, within the limits permissible under Section 197 read together with Section II of Part II of Schedule V of the Act and any other enabling provisions of the Act and the Rules framed thereunder.

The Shareholders vide passing of a Special Resolution at the 48<sup>th</sup> AGM of the Company held on September 30, 2019, have approved of Mr Mani's appointment as Managing Director of the Company.

All the aforementioned KMPs are on deputation from TML or its Group of Companies, and do not receive any remuneration from the Company.

## **GOVERNANCE GUIDELINES ON BOARD EFFECTIVENESS**

The Company adopted Governance Guidelines on Board Effectiveness, based on the recommendation of the Nomination and Remuneration Committee. The Governance Guidelines cover aspects relating to the composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, the term/ tenure of a Director, retirement age criteria and constitution of various Committees of the Board. It also prescribes guidelines for nomination, appointment, induction and development of Directors, Directors' remuneration, Code of Conduct, Board Effectiveness review and mandates for Board Committees.

## **SELECTION AND PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTORS**

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee is responsible for reviewing and vetting the resumes of potential candidates vis-à-vis the required competencies (undertake a reference, due diligence and meeting potential candidates, prior to making recommendations of their nomination to the Board).

## **CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR**

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of Section 178 (3) of the Act, which is annexed as **Annexure 2**.

## **REMUNERATION POLICY**

The Company has in place a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act, which is annexed as **Annexure 3**.

During FY19-20 sitting fee of Rs.50,000/- for attendance at each meeting of the Board, Audit Committee and Nomination and Remuneration Committee and Rs.20,000/- for participating in the annual Independent Directors Meeting as well as other special need based committees, is paid

to Independent Directors. The Company also reimburses out-of-pocket expenses to Directors attending meetings held at a city other than the one in which the Directors resides.

No sitting fees were paid to Independent Directors for FY19-20, kindly refer to **Annexure 1** of the Board's Report.

## **CORPORATE GOVERNANCE – DISCLOSURES**

Pursuant to the provisions of Schedule V of the Companies Act, 2013 and consequent to the appointment of Mr Vinu Nari as the CEO of the Company and Mr Shyam Mani as the Managing Director of the Company, for a period of 3 years commencing from June 20, 2019 and for the details pertaining to all elements of the Directors remuneration package, including details of the fixed component and performance linked incentives along with the performance criteria, as well as the terms of the service contract, notice period, severance fees, if any, you are requested to kindly refer to **Annexure 1 and 3** of the Board's Report.

The Company does not have an Employee Stock Option Scheme for any of its employees or directors.

## **BOARD EVALUATION**

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees through structured self-assessment questionnaires and meetings held on March 22, 2019.

The structured questionnaires sent to all Directors for the purpose of Board evaluation, covered various aspects of the functioning of the Board and Committees thereof, including contribution and monitoring of corporate governance practices, such as degree of fulfilment of key responsibilities, its structure and composition of the Board and Committees, effectiveness of its processes, information and functioning, its culture and dynamics, quality of its relationship with the Management.

Similarly, self-assessment questionnaires sent to individual Directors, covered various aspects for evaluating attendance, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior / judgement and contribution at the Meetings and guidance / support to the management outside Meetings. In addition, the Chairman of the Board was also evaluated on key aspects of his role.

The Chairman of the Board had one-on-one meetings with the Directors. The Nomination and Remuneration Committee reviewed the performance of individual Directors.

As mandated under Schedule IV of the Act the Company held a separate meeting of Independent Directors on March 22, 2019, attended by all Independent Directors of the Company, wherein performance of Non-Independent Directors, performance of the Board as a whole and performance of the Board Chairman was evaluated, taking into account the views of Non-Executive Directors. The Board of Directors is of the opinion that the Independent Directors of the Company are persons of integrity, possessing relevant expertise / experience, including proficiency and fulfilling the conditions specified in the Act for appointment as Independent Directors and are independent of the Management.

This was followed up by a Board meeting, at which the feedback received from the Directors on the performance of the Board, its Committees and individual Directors was also discussed. The

Board also discussed the relevant feedback received from the Directors with respect to the management on certain areas of improvement that the management could undertake for having a more cohesive and effective Board. Due to the Coronavirus pandemic, the Board Evaluation for FY2019-20 shall be conducted upon cessation of the current lockdown.

## BOARD MEETINGS

During the year, nine Board meetings were held on June 20, 2019, September 13, 2019, September 23-28, 2019, November 22, 2019, December 20, 2019, December 27, 2019, January 29, 2020, March 19, 2020 and March 27, 2020. The details of Board composition and attendance of the Directors at Board Meetings and other relevant details are as given below:

Sr. No.	Name	Designation	Meetings attended
1	Mr Mayank Pareek <sup>1</sup>	Non-Executive Chairman	1
2	Mr Hoshang Sethna <sup>1</sup>	Non-Executive Director	2
3	Mr Sibendra Nath Barman <sup>1</sup>	Non-Executive Director	0
4	Mr Rohit Suri <sup>2</sup>	Non-Executive Director	1
5	Mr Vijay Somaiya	Non-Executive Chairman	9
6	Ms Smriti Goyal <sup>3</sup>	Non-Executive Director	8
7	Mr Shyam Mani <sup>3</sup>	Managing Director	9

1. Withdrawal of candidature of directorship by TML on September 28, 2019.

2. Resigned with effect from September 13, 2019

3. Appointed with effect from June 20, 2019

The maximum time-gap between any 2 consecutive meetings did not exceed 120 days.

## COMMITTEES OF BOARD

The Company continued to prioritise its role as a corporate citizen and continued to adopt the good practices and standards of Corporate Governance through transparency in business ethics, accountability to its customers, government and others.

The Board has constituted various Committees with specific terms of reference / scope to focus effectively on issues and ensure expedient resolution of diverse matters. The Committees operate as empowered agents of the Board as per their Charter/terms of reference. Targets set by them as agreed with the management are being reviewed periodically and mid-course corrections are carried out. The Board of Directors and the Committees also take decisions by the Circular Resolutions which are noted at the next Committee meeting. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions / noting.

The details of Committee composition and meetings held during the year are as under:-

### A. AUDIT COMMITTEE

The Audit Committee was constituted and functioned, in accordance with the provisions of Section 177 of the Act. However, consequent to the cessation of Mr Bansal and Dr Pandit as Members of the Board of Directors as well as from the relevant Board constituted Committees and taking into consideration the amended provisions of Rule 4 under the Companies (Appointment and Qualification of Directors) Rules, 2014 issued vide MCA Notification No. GSR 839(E) dated July 5, 2017, exempting all unlisted public companies, being wholly owned subsidiaries of listed companies, from the requirement of appointing Independent Directors on its Board of Directors or on its Board constituted Committees, the Audit Committee was reconstituted via Board Circular Resolution No. BCR 1/FY19-20 dated May 9, 2019, to comprise Mr Vijay Somaiya, Chairman, Mr

Hoshang Sethna and Mr Mayank Pareek as Members. Thereafter, the Audit Committee was again reconstituted by the Board of Directors at its Meeting held on June 20, 2019, to comprise Mr Vijay Somaiya, Chairman, Mr Sethna and Ms Goyal as Members.

The Committee presently comprises of 2 Non-Executive Directors, namely, Mr Vijay Somaiya, Chairman and Ms Smriti Goyal as a Member, both of whom are financially literate having relevant finance and/or audit exposure. The quorum of the Committee is two members or one-third of its members, whichever is greater. The Chairman of the Audit Committee briefs the Board members about the significant discussions at the Audit Committee meetings.

During the year, the Committee held 5 meetings on June 20, 2019, September 13, 2019, September 23-28, 2019, March 19, 2020 and March 27, 2020. The Chairman of the Audit Committee also attended the last AGM of the Company. The composition of the Audit Committee during the year under review and attendance at its meetings is as follows:

Sr. No.	Name	Chairman/ Members	Meetings attended
1	Mr Mohinder Bansal <sup>1</sup>	Independent Director, Chairman	NA
2	Dr Vaijayanti Pandit <sup>2</sup>	Independent Director	NA
3	Mr Mayank Pareek <sup>3</sup>	Non-Executive Director, Member	1
4	Mr Hoshang Sethna <sup>4</sup>	Non-Executive Director, Member	2
5	Mr Vijay Somaiya <sup>5</sup>	Non-Executive Director, Chairman	5
6	Ms Smriti Goyal <sup>6</sup>	Non-Executive Director, Member	4

1. Ceased to be a Member consequent to his resignation as an Independent Director with effect from May 7, 2019.

2. Ceased to be an Independent Director on April 30, 2019 at the end of her 3-year term of appointment.

3. Appointed with effect from May 9, 2019 and ceased to be a Member on June 20, 2019.

4. Ceased to be a Member upon his cessation as a Non-Executive Director on the Board with effect from September 28, 2019.

5. Appointed as Chairman of the audit Committee with effect from May 9, 2019.

6. Appointed as a Member with effect from June 20, 2019.

The Committee meetings are attended by the Managing Director, CEO / CEO & Manager, Chief Financial Officer, Head of Accounts, HR Head, Internal Auditor and Statutory Auditor. The Company Secretary acts as the Secretary to the Audit Committee and all other Board constituted committees of the Company. Further, during the year under review, all recommendations made by the Audit Committee have been accepted by the Board.

**Vigil Mechanism:** The Board of Directors have established a Vigil Mechanism and adopted a Whistle-Blower Policy, which provides a formal mechanism for all employees and directors of the Company to approach the Management of the Company and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The disclosures reported, are addressed in the manner and within the time frames prescribed in the Policy.

## B. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") of the Board, was constituted and functioned, in accordance with the provisions of Section 178 of the Act. However, consequent to the cessation of Mr Bansal, Mr Jairath and Dr Pandit as Members of the Board of Directors as well as from the relevant Board constituted Committees and taking into consideration the amended provisions of Rule 4 under the Companies (Appointment and Qualification of Directors) Rules, 2014 issued vide MCA Notification No. GSR 839(E) dated July 5, 2017, exempting all unlisted public companies, being wholly owned subsidiaries of listed companies, from the requirement of appointing Independent Directors on its Board of Directors or on its Board constituted Committees, the NRC was reconstituted via Board Circular Resolution No. BCR 1/FY19-20 dated May 9, 2019, to comprise Mr Sethna, Chairman, Mr Pareek and Mr Somaiya as

Members. Once again the NRC was reconstituted by the Board of Directors, at its Meeting held on June 20, 2020, to comprise Mr Sethna, Chairman, Ms Goyal and Mr Somaiya and thereafter the NRC was dissolved by the Board of Directors at its meeting held on September 13, 2020, pursuant to the provisions of Section 178 read together with amended provisions of Rule 4 under the Companies (Appointment and Qualification of Directors) Rules, 2014 vide MCA Notification No. GSR 839(E) dated July 5, 2017, exempting all unlisted public company's, being wholly owned subsidiaries of listed companies, from the requirement of appointing Independent Directors on its Board of Directors and from the requirement of constituting a NRC of the Board of Directors. The quorum of the Committee is two members or one-third of its members, whichever is greater. The Chairman of the NRC briefs the Board members about the significant discussions that transpired at the Committee meetings.

During the year, the Committee held 2 meetings on June 20, 2019 and September 13, 2019. The Chairperson of the Committee also attended the last AGM of the Company. The composition of the NRC during the year under review and attendance at its meetings is as follows:

Sr. No.	Name	Chairman/ Members	Meetings attended
1	Ms Smriti Goyal <sup>1</sup>	Non-Executive Director, Chairperson	1
2	Mr Hoshang Sethna <sup>2</sup>	Non-Executive Director, Member	1
3	Mr Mayank Pareek <sup>3</sup>	Non-Executive Director, Member	1
4	Mr Vijay Somaiya <sup>4</sup>	Non-Executive Director, Member	2

1. Appointed as a Member with effect from June 20, 2019.

2. Ceased to be a Member upon his cessation as a Non-Executive Director on the Board with effect from September 28, 2019.

3. Ceased to be a Member with effect from June 20, 2019.

4. Appointed as a Member with effect from May 9, 2019.

## C. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board of Directors at its meeting held on May 16, 2017 constituted the CSR Committee, pursuant to the provisions of Section 135 of the Act, to formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act, to recommend the amount of expenditure to be incurred on the CSR activities, to monitor the CSR Policy of the Company from time to time and to ensure that the activities as are included in the CSR Policy of the Company are undertaken by the Company.

The Committee at its meeting held on November 3, 2017, had formulated and recommended the adoption of a CSR Policy to the Board of Directors. The Board of Directors at its meeting held on November 3, 2017 adopted the CSR Policy duly recommended by the Committee.

The Members are requested to note that because of non-profitability during the past three financial years, the Company was not liable to undertake any CSR expenditure during FY19-20. As on March 31, 2020 the composition of the CSR Committee comprised of Mr Vijay Somaiya as Chairman, Ms Smriti Goyal and Mr Shyam Mani as Members. Also, during the year no meetings of the CSR Committee were conducted.

However, pursuant to the provisions of Section 135 of the Act read together with the Companies (CSR Policy) Rules, 2014, the brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in the Annual Report on CSR Activities, appended herein as **Annexure 7 and 8** to this Report.

#### **D. OTHER COMMITTEES AND POLICY MATTERS OF THE BOARD ARE AS UNDER:**

**Allotment Committee:** During the year a meeting of the Allotment Committee was held on May 28, 2019, comprising of Mr V B Somaiya, Chairman, Mr Mayank Pareek and Mr Sibendra Barman, as Members, for the purpose of allotting 10,00,00,000 Equity Shares on Right issue basis of face value Rs.10/- each, fully paid-up and issued at par, to Tata Motors Limited with immediate effect, against receipt of the entire subscription amount on March 31, 2019 of Rs.100 crores.

The Company has formed an **Apex Committee** in line with the Tata Code of Conduct to address issues of sexual harassment at the work place.

The Company abides by the Tata Code of Conduct and as a good corporate governance practice.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

#### **RELATED PARTY TRANSACTIONS**

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business, priced on an arm's length basis and in compliance with the applicable provisions of the Act, except for those mentioned herein below, which were not in the ordinary course of business but were valued on an arm's length basis:

- i. Sale of Immovable Property situated at Worli, Mumbai to Tata Motors Limited (Holding Company), pursuant to the provisions of Section 188 and 180(1)(a) of the Act, valued at Rs.286.4 crores by Knight Frank (India) Pvt. Ltd.
- ii. Purchase and valuation the Global Delivery Centre (GDC) business from TML, the holding Company, based on the Valuation report by an independent valuer, the value of such business transfer was derived at ₹10.30 crores using the DCF method.

The above Related Party Transactions have been approved by the Board of Directors at its meetings held on March 19, 2020 and March 27, 2020 as well as by the Shareholders vide passing of Special Resolution at the Extraordinary General Meeting No.1/FY2019-20 held on March 19, 2020.

A reference may please be made to Note 29 of Schedule to the Financial Statements which shows the information regarding related parties and transactions with them.

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.

All Related Party Transactions are placed before the Audit Committee for approval. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

There have been no materially significant related party transactions between the Company and Directors, the Management or their relatives. The particulars of transactions required to be reported in Form AOC-2 is contained in **Annexure 4**.

#### **AUDITORS**

##### **STATUTORY AUDITORS**



M/s. BSR & Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company, to examine and audit the accounts of the Company for a period of five years to hold office from the conclusion of 46<sup>th</sup> AGM held on September 26, 2017, untill the conclusion of the 51<sup>st</sup> AGM of the Company to be held in the year 2022. M/s. BSR & Co. LLP, have, under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility and consent for appointment.

The report of the Statutory Auditors along with notes to Schedules is enclosed in this annual report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

#### **DIRECTORS REPLY ON QUALIFICATIONS IN THE AUDITORS REPORT**

<b>Statutory Auditor's Report</b>	<b>Company's Reply</b>
A. We were unable to obtain sufficiently appropriate audit evidence with respect to revenue from operations for the year as reported in the financial statements since the Company was not able to provide us the supporting documentation for our verification. Further, underlying evidences on collections have also not been made available to us for our verification. Accordingly, we are unable to comment on completeness, existence and accuracy of Revenue from operations for the year ended 31 March 2020 of Rs.58,679.32 lakhs, Trade receivables and Advance from customers as at 31 March 2020 aggregating to Rs.961.27 lakhs and Rs.1,027.85 lakhs respectively and consequently its impact on the Goods and Services Tax liability, profit for the year and the carrying value of Reserves and Surplus as at the year end, if any and corresponding disclosures in the financial statements. Our opinion on the previous year's financial statements was also qualified on this matter.	The Company has sold its sale and service of passenger vehicles operations. Efforts are being made to complete the collection of trade receivables.
B. As explained in note 21(6)(a), consequent to the completion of reconciliation between physically verified property, plant and equipment and the book records, the Company has written off during the year assets with a written down value aggregating to Rs.697.91 lakhs as they were unable to physically locate these assets or that some of these assets were not in usable condition. In the absence of reconciliation in the previous year, we are unable to verify whether the amounts that have been written-off in the current year's Statement of Profit and Loss are recorded in an appropriate period and consequently its impact on the profit for the year and comparative information.	100% verification and reconciliation has been completed in FY 2019-20
C. During the year, the Company has written-off balances in non-current and current loans and advances, non-current and other current assets, trade receivables, and current portion of other financial assets aggregating to Rs.2,547.97 lakhs as fully explained in note 21(6)(b) of the financial statements. Since the balances as mentioned above were not reconciled both in the previous year and current year, we are unable to verify whether the amounts that have been written-off in the current year's Statement of Profit and Loss are recorded in the appropriate period and consequently its impact profit for the year and the comparative information.	Full review of all payables and receivables has been done during FY 2019-20, resulting in these write offs.

## SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Parikh & Associates, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as **Annexure 5**.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

## COST AUDIT

Pursuant to the provisions of Section 148(1) of the Act read together with amendments in the Companies (Cost Records and Audit) Rules, 2014 ("the Rules") issued by the Ministry of Corporate Affairs (MCA) vide notification dated December 31, 2014, the Company is not required to maintain and submit cost records for FY19-20.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS, BY THE COMPANY

The details of Loans, Guarantees or Investments obtained during the year are given below:

(Rs. in lakhs)					
Sr. No.	Name of Companies	Nature of Transaction	Loans	Guarantees	Investments
1	Tata Capital Financial Services Ltd.	Trade Advance Facility	18,000.00	-	-
2	HDFC Bank Limited	Working Capital Demand Loan	3,000.00	150.28	-
3	HDFC Bank Limited	Cash Credit	1,000.00	-	-
4	Tata Motors Finance Solutions Ltd	Trade Advance Facility	2,500.00	-	-
5	TML Distribution Company Limited	Inter-Corporate Deposits (ICD)	12,500.00	-	-
6	IDFC Bank Limited	Working Capital Demand Loan	11,000.00	-	-
7	Axis Bank Limited	Working Capital Demand Loan	11,000.00	-	-
8	Kotak Mahindra Bank Limited	Working Capital Demand Loan	2,500.00	-	-

During the year the Company has fully repaid all its borrowings, except for the ICD from TML Distribution Company limited.

During FY19-20 the Company has not given any loans, guarantees or made any investments in any other Company, other than investment by way of Inter Corporate Deposit given to Tata Motors Limited, pursuant to the provisions of Section 186 of the Act.

## SECRETARIAL STANDARDS

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

## PARTICULARS OF EMPLOYEES

A statement containing the particulars of top 10 employees and employees drawing remuneration of more than Rs.1.02 crores during the year or Rs.8.5 lakhs per month during any part of the said year as 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 herewith as **Annexure 6**. None of the employees listed in the said Annexure hold any Equity Shares in the Company nor are related to any Director or Manager of the Company.

## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis comprising of an overview of the financial results, operations / performance and the future prospects of the Company is included under 'Financial Performance', 'Summary of operations', 'Industry Scenario', 'Business Review' and 'Business Outlook', of this Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## ACKNOWLEDGEMENT

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments as well as other statutory authorities for their continued support.

On behalf of the Board of Directors  
TML Business Services Limited

Mr Vijay Somaiya  
Chairman  
DIN: 03185227

Date : November 4, 2020  
Place : Mumbai

**FORM No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**AS ON THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

[Pursuant to Section 92(1) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : U72100MH1972PLC015561
- ii) Registration Date : 18/01/1972
- iii) Name of the Company : TML Business Services Limited (Name changed from Concorde Motors (India) Limited with effect from March 31, 2020)
- iv) Category / Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered Office and contact details : 3<sup>rd</sup> Floor, Nanavati Mahalaya, 18, Homi Mody Street, Hutatma Chowk, Mumbai – 400 001
- vi) Whether listed company : No
- vii) Name, Address and contact details of Registrar & Transfer Agents (RTA), if any : NSDL Database Management Limited for the Compulsory Convertible Debentures (CCDs)

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product/ Service	% to total turnover
1.	Trading of motor vehicle principally designed for transport of person and trading in parts and accessories	87032291	91.97%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	<b>Tata Motors Limited</b> Bombay House, 24, Homi Mody Street, Mumbai – 400 001	L28920MH194 5PLC004520	Holding	100%	2(46)
2.	<b>TML Business Analytics Services Limited</b> Floor 3, 4, Plot-18, Nanavati Mahalaya, Mudhana Shetty Marg, BSE, Fort, Mumbai Mumbai 400001	U72900MH2020 PLC339230	Subsidiary	100%	2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital as percentage of Total Equity)**

**(i) CATEGORY-WISE SHARE HOLDING**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year %				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/HUF									
(b) Central Govt									
(c) State Govt (s)									
(d) Bodies Corp.	Nil	636,97,694	636,97,694	100%	Nil	1636,97,694	1636,97,694	100%	157%
(e) Banks / FI									
(f) Any Other....									
<b>Sub-total(A) (1):-</b>	<b>Nil</b>	<b>636,97,694</b>	<b>636,97,694</b>	<b>100%</b>	<b>Nil</b>	<b>1636,97,694</b>	<b>1636,97,694</b>	<b>100%</b>	<b>157%</b>
<b>(2) Foreign</b>									
(a) NRIs Individuals									
(b) Other Individuals									
(c) Bodies Corp.									
(d) Banks / FI									
(e) Any Other....									
<b>Sub-total (A) (2):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>Nil</b>	<b>636,97,694</b>	<b>636,97,694</b>	<b>100%</b>	<b>Nil</b>	<b>1636,97,694</b>	<b>1636,97,694</b>	<b>100%</b>	<b>157%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds									
(b) Banks / FI									
(c) Central Govt									
(d) State Govt(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIs									
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
<b>Sub-total (B)(1):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>2. Non Institutions</b>									
(a) Bodies Corp.									
(i) Indian									
(ii) Overseas									
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh									
(c) Others (specify)									
<b>Sub-total (B)(2):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Grand Total (A+B+C)</b>	<b>Nil</b>	<b>636,97,694</b>	<b>636,97,694</b>	<b>100%</b>	<b>Nil</b>	<b>1636,97,694</b>	<b>1636,97,694</b>	<b>100%</b>	<b>157%</b>

**(ii) SHAREHOLDING OF PROMOTERS**

Sr. No.	Shareholders Name	Shareholding at the beginning of the year i.e. April 1, 2019			Shareholding at the end of the year i.e. March 31, 2020			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Tata Motors Limited	636,97,634	99.999%	Nil	1636,97,634	99.999%	Nil	157%
2.	Tata Motors Ltd. jointly with Mr H K Sethna	10	0.001%	Nil	10	0.001%	Nil	Nil
3.	Tata Motors Ltd. jointly with Mr Vispi Patel	10		Nil	10		Nil	Nil
4.	Tata Motors Ltd. jointly with Mr Ashokkumar Koyari	10		Nil	10		Nil	Nil
5.	Tata Motors Ltd. jointly with Mr Girish Wagh	10		Nil	10		Nil	Nil
6.	Tata Motors Ltd. jointly with Mr Pathamadia Balaji	10		Nil	10		Nil	Nil
7.	Tata Motors Ltd. jointly with Mr Asim Mukhopadhyay	10		Nil	10		Nil	Nil
	<b>Total</b>	<b>636,97,694</b>	<b>100%</b>	<b>Nil</b>	<b>1636,97,694</b>	<b>100%</b>	<b>Nil</b>	<b>157%</b>

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING**

Sr. No.	Particulars	Shareholding at the beginning of the year i.e. April 1, 2019		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	636,97,694	100%	636,97,694	100%
2.	Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	10,00,00,000	57%	10,00,00,000	157%
3.	At the end of the year	1636,97,694	100%	1636,97,694	100%

**(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable.**

**(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sr. No.	For Each of the Directors and Key Managerial Personnel (KMP)	At the beginning of the year	Increase / Decrease in Shareholding	Cumulative Shareholding during the year
---------	--	------------------------------	-------------------------------------	---

		No. of shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company	No. of shares	% of total shares of the Company
<b>A.</b>	<b>Directors:</b>						
1	Tata Motors jointly with Mr Hoshang Sethna	10	0%	-	-	10	0%
<b>B.</b>	<b>KMPs:</b>	Nil	Nil	Nil	0%	Nil	Nil

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. in lakhs)

Sr. No.	Particulars	Secured Excluding Deposit	Unsecured	Deposit	Total
1	<b>Indebtedness at the beginning of the financial year</b>				
	i) Principal Amount	34,797.89	23,232.14	-	58,415.18
	ii) Interest due but not paid	-	-	-	0.00
	iii) Interest accrued but not due	245.72	1239.79	-	1,485.51
	<b>Total (i+ii+iii)</b>	<b>35,043.61</b>	<b>24,471.93</b>	<b>-</b>	<b>59,900.69</b>
2	<b>Change in Indebtedness during the financial year</b>				
	• Addition	-	-	-	0.00
	• Reduction	(35,03.61)	(7,639.62)	-	(42,683.23)
	<b>Net Change</b>	<b>(35,043.61)</b>	<b>(7,639.62)</b>	<b>-</b>	<b>(42,683.23)</b>
3	<b>Indebtedness at the end of the financial year</b>				
	i) Principal Amount	-	15,852.79	-	15,852.79
	ii) Interest due but not paid	-	-	-	0.00
	iii) Interest accrued but not due	-	1,364.67	-	1,364.67
	<b>Total (i+ii+iii)</b>	<b>-</b>	<b>15,852.79</b>	<b>-</b>	<b>17,217.46</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Mr Rishi Goel, CEO & Manager	Mr Shyam Mani, MD	Mr Vinu Nair, CEO	
1.	Gross salary				
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil	Nil
	- as % of profit				
	- others, specify				
5.	Others, please specify	All of the above were /are on deputation from Tata Motors Limited (the parent company) and do not draw a salary from the Company. Their remuneration amount is being paid as per their individual terms of appointment.			
	<b>Total (A)</b>	<b>Nil</b>			<b>Nil</b>
	<b>Ceiling as per Schedule V of the Act</b>	<b>Not Applicable</b>			

### B. REMUNERATION TO OTHER DIRECTORS:

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
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		Mr Vinesh Kumar Jairath		Mr Mohinder Pal Bansal			Dr Vaijayanti Pandit		
1.	Independent Directors								
	• Fee for attending Board / Committee meetings	Nil		Nil			Nil		Nil
	• Commission	Nil		Nil			Nil		Nil
	Others, please specify	Nil		Nil			Nil		Nil
	Total (1)	Nil		Nil			Nil		Nil
		Mr Mayank Pareek	Mr H K Sethna	Mr V B Somaiya	Mr Rohit Suri	Ms Smriti Goyal	Mr Sibendra Barman		
2	Other Non-Executive Directors • Fee for attending Board / Committee meetings • Commission Others, please specify	During FY19-20 no remuneration was remitted to other Non-Independent Non-Executive Directors of the Company							
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil		
	Total (B)=(1+2)	Nil							Nil
	Total Managerial Remuneration (A+B)	Nil							Nil
	Overall Ceiling as per the Act	Not Applicable							

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (KMP)			
		CEO	CS	CFO	Total
		Vinu Nair	Kaynaz Sarbhanwala	Tukaram Daundkar	
1	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b. Value of perquisites u/s 17(2) Income-tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	All KMPs are on deputation from Tata Motors Limited (the parent company) and are not drawing a salary from the Company. Their remuneration amount is being paid as per their individual terms of appointment.			
	<b>Total</b>	Nil	Nil	Nil	Nil

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NCLT / COURT]	Appeal made, if any
<b>A.COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NCLT / COURT]	Appeal made, if any
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

On behalf of the Board of Directors  
TML Business Services Limited

Mr Vijay Somaiya  
Chairman  
DIN: 03185227

Date : November 4, 2020  
Place : Mumbai

## Criteria for determining Qualifications, Positive Attributes and Independence of Directors

*[Pursuant to Section 178 (3) of the Companies Act, 2013]*

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### 1. DEFINITION OF INDEPENDENCE

“An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) who, neither himself nor any of his relatives -
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or who possesses such other qualifications as may be prescribed.”

Current and ex-employees of a Tata Company may be considered as independent only if he/she has or has had no pecuniary relationship with any Tata company (due to employment/receipt of monthly pension by way of Special Retirement Benefits/holding consultant or advisor positions) during the two immediately preceding financial year.



## 2. QUALIFICATIONS OF DIRECTORS

- 1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- 2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- 3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- 4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :
  - (a) the term of appointment;
  - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
  - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
  - (d) provision for Directors and Officers (D and O) insurance, if any;
  - (e) the Code of Business Ethics that the company expects its directors and employees to follow;
  - (f) the list of actions that a director should not do while functioning as such in the company; and
  - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- 5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- 6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

## 3. POSITIVE ATTRIBUTES OF DIRECTORS

Directors are expected to comply with duties as provided in the Act. For reference the duties of the Directors as provided by the Act are as follows:

- 1) *"Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.*
- 2) *A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.*
- 3) *A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.*
- 4) *A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.*
- 5) *A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.*

- 6) *A director of a company shall not assign his office and any assignment so made shall be void.*
- 7) *If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.”*

Additionally, the Directors on the Board of a Tata Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal skills and soundness of judgment.

Independent Directors are also expected to abide by the ‘Code for Independent Directors’ as outlined in Schedule IV to section 149(8) of the Act. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows:

“An independent director shall:

1. *uphold ethical standards of integrity and probity;*
2. *act objectively and constructively while exercising his duties;*
3. *exercise his responsibilities in a bona fide manner in the interest of the company;*
4. *devote sufficient time and attention to his professional obligations for informed and balanced decision making;*
5. *not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;*
6. *not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;*
7. *refrain from any action that would lead to loss of his independence;*
8. *where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;*
9. *assist the company in implementing the best corporate governance practices.”*

On behalf of the Board of Directors  
TML Business Services Limited

Mr Vijay Somaiya  
Chairman  
DIN: 03185227

Date : November 4, 2020  
Place : Mumbai

## REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

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The philosophy for remuneration of directors, Key Managerial Personnel (“KMP”) and all other employees of TML Business Services Limited (Formerly known as Concorde Motors (India) Limited) (“the company”) is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 (“**Act**”). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee (“**NRC**”) shall consider the factors laid down under Section 178(4) of the Act, which are as under:

*“(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;*

*(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and*

*(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.”*

**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<sup>1</sup>**

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 re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
  - The company provides 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; and
    - Performance of the individual.

<sup>1</sup> Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long-term settlements or contracts.

- 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.

On behalf of the Board of Directors  
TML Business Services Limited

Mr Vijay Somaiya  
Chairman  
DIN: 03185227

Date : November 4, 2020  
Place : Mumbai

## FORM No. AOC - 2

**[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 9(2) of the Companies (Accounts) Rules, 2014]**

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

1. Details of contracts or arrangements or transactions not at Arms' Length basis - Nil

2. Details of material contracts or arrangements or transactions at Arms' length basis : #

Sr. No.	Name(s) of the Related Party and nature of relationship	Nature of contract/ arrangement/ transaction	Duration of contract/ arrangement/ transaction	Salient terms including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Tata Motors Limited - Holding Company	Purchase of Goods	April 1, 2019 to March 31, 2020	Vehicle and spare part Rs.42,444.04 Lakhs	NA	NIL
2	Tata Motors Limited - Holding Company	Rendering of services	April 1, 2019 to March 31, 2020	AMC / Warranty service and Incentive claim Rs.1,177.88 Lakhs	NA	NIL
3	Tata Motors Limited - Holding Company	Management contracts, including deputation of employees	April 1, 2019 to March 31, 2020	Rs.601.19 Lakhs	NA	NIL
4	Tata Motors Limited - Holding Company	Rent received on leased property	9 years, upto March 31, 2020	Rs.419.92 Lakhs	NA	NIL
5	Tata Motors Limited - Holding Company	Rent paid on leased property	5 years, December 2020	Rs.72 Lakhs	NA	NIL
6	Tata Motors Limited - Holding Company	Interest paid on corporate deposits / delayed payments and other expenses	April 1, 2019 to March 31, 2020	Rs.113.13 Lakhs	NA	NIL
7	Tata Motors Limited - Holding Company	Sale of fixed assets	April 1, 2019 to March 31, 2020	Rs.28,654.90 Lakhs	NA	NIL

# Pursuant to Notification dated August 14, 2014 issued by the Ministry of Corporate Affairs, New Delhi [G.S.R. 590 (E)]

On behalf of the Board of Directors  
TML Business Services Limited

Mr Vijay Somaiya  
Chairman  
DIN: 03185227

Date : November 4, 2020  
Place : Mumbai

**FORM No. MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

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

To,  
The Members,  
TML Business Services Limited  
(formerly Concorde Motors (India) Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TML Business Services Limited (formerly Concorde Motors (India) Limited) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

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

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (ii) Other laws specifically applicable to the Company namely:

The Motor Vehicle Act, 1988 and the Rules made thereunder.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.  
During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.



We further report that:

The Board of Directors of the Company is duly constituted and witnessed the cessation of independent directors and related compliances thereto. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Decisions at the Board Meetings were taken unanimously.

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

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

- A. The Company vide Letter of Offer dated March 22, 2019 issued 10,00,00,000 Equity Shares of face value of Rs.10/- each, for cash and at par, on Rights Issue basis, with the total issue size aggregating to Rs.100,00,00,000/- (Rupees Hundred Crores Only). The Equity Rights Issue Shares were allotted to Tata Motors Limited on May 28, 2019 against receipt of the full subscription amount of Rs.100,00,00,000/- (Rupees Hundred Crores Only) on March 31, 2019 by the Company.

**For Parikh & Associates**  
Company Secretaries

Place: Mumbai  
Date: 04.11.2020

Signature:

Jeenal Jain  
ACS No: 43855 CP No: 21246

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

**‘Annexure A’**

To,  
The Members  
TML Business Services Limited  
(Formerly Concorde Motors (India) Limited)

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

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

**For Parikh & Associates**  
Company Secretaries

Place: Mumbai  
Date: 04.11.2020

Signature:

Jeenal Jain  
ACS No: 43855 CP No: 21246

## ANNEXURE 6

### Details of Employees pursuant to Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming a part of the Board's Report for the year ended March 31, 2020

Sr. No.	Name of Employee	Designation of the Employee	Age	Nature of employment	Qualification	Experience in years	Date of commencement of employment	Last employment held, before joining the company	Remuneration Received (Gross Salary) (Rs. in Lakhs)
1	Ravi Kiran Yedida	Head of Hyderabad	57	Permanent	Graduate	32	07-08-2017	Gem Automobiles	29
2	Vikram Raghunath Gulavani	Head of Pune Business Unit	52	Permanent	Graduate	25	11-03-2019	Landmark Nissan as CEO	25
3	Sushmita Biswas	Vice President Operations	43	Permanent	Advance Diploma in Business Management	17	09-11-2018	Prime Motors (Dehradun)	18
4	Rajendra Balwant Bokil	GM Finance	53	Permanent	CA	30	05-07-2017	Oman Insurance and Piramal group	18
5	Thenappan L	Head of Chennai	48	Permanent	BE (Electronics)	26	07-12-2018	India Garage – VST Group	16
6	Hitesh Shantilal Jain	Head Corporate Finance	36	Permanent	CA	10	07-09-2018	Shubhalakshmi Polyesters Ltd.	16
7	Rishikesh Hemant Potdar	GM Sales	37	Permanent	MBA in Marketing & Operation	16	01-06-2019	Nissan Motors India Pvt. Ltd.	15
8	Bharat Adinath Mone	Head Sales	38	Permanent	Graduate	16	25-04-2014	Kundan Motors	15
9	Mohit Chhabra	Head Sales	50	Permanent	Graduate	24	14-03-2018	SK Wheels Pvt. Ltd.	15
10	Mahesh Dilip Lunkad	Sr Manager Accounts	33	Permanent	CA	7	23-07-2018	Fedrlmogul Ltd.	15

Note: None of the above Employees hold any Equity Shares in the Company and none of the above employees are related to any Director or Manager of the Company.

On behalf of the Board of Directors  
TML Business Services Limited

Mr Vijay Somaiya  
Chairman  
DIN: 03185227

Date : November 4, 2020  
Place : Mumbai

## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

As an integral part of our commitment to Good Corporate Citizenship, we at Concorde Motors (India) Limited (“the Company”) believe in actively assisting in the improvement of the quality of life of the people in the communities, giving preference to local areas around our business operations. We shall continue to, relentlessly strive in our endeavor of nation-building, sustainable development, accelerated inclusive growth and social equity.

The Company is a part of the Tata Group, which is a global force, for not only doing good business, but being in the business of doing good for society. We shall strategically integrate the shouldering of our Social Responsibility with our pursuit of Business Excellence. Towards achieving long-term stakeholder value creation, the Company shall always continue to respect the interests of and be responsive towards its key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized; focused on *inter alia* the Scheduled Castes and Scheduled Tribes, and the society at large.

In our CSR journey towards achieving human development and excellence, we shall endeavor to deploy TATA Group CSR Programs (GCP's) and drive Affirmative Action (AA) agenda and other international development goals like Sustainable Development Goals (SDGs), in line with Schedule VII of the Companies Act, 2013 as recommended by the CSR Committee of the Board and approved by the Board from time to time.

In order to leverage the demographic dividend of our country, the Company's CSR efforts shall focus on Health, Education, Employability and Environment interventions for relevant target groups, ensuring diversity and giving preference to needy and deserving communities inhabiting urban India.

The corpus to be spent by the Company on CSR shall include atleast 2% of the average net profits of its operations for preceding three financial years. Any surplus arising out of the CSR projects or programs or activities shall not form part of business profits of the Company.

CSR at the Company shall be underpinned by 'More from Less for More People' philosophy which implies striving to achieve greater impacts, outcomes and outputs of our CSR projects and programmes by judicious investment and utilization of financial and human resources, engaging in like-minded stakeholder partnerships for higher outreach benefitting more lives.

We shall continue to nurture a vibrant culture of volunteering in our aspiration to leverage our core competencies and managerial, technological capabilities for CSR. We shall strive to bring innovation to our CSR initiatives and optimize their effectiveness while seeking to create a measurable impact of our CSR activities.

Mr Vijay Somaiya  
Board Chairman  
DIN: 03185227

Date : November 4, 2020  
Place : Mumbai

In case of Profitability the proposed CSR Programs and Projects along-with modality and schedule are:-

Cat.	CSR Programs	Sr. No.	CSR Projects	Reference Sr. No. of Schedule VII	Implementation Modality	Implementation Schedule			
						Q1	Q2	Q3	Q4
A	EMPLOYABILITY Kaushalya* (3)	1	Training in Technical & Automotive Trades	ii	DIR, TIAI, TIAE	•	•	•	•
		2	Training in Agriculture & allied trades	ii	TIAI, TIAE	•	•	•	•
		3	Training in Non-Automotive Trades	ii	TIAE	•	•	•	•
B	EDUCATION Vidyadhanam* (5)	4	Scholarships for secondary education / Financial Aid to Engineering students	ii	DIR, TIAE, BP	•	•		
		5	Special coaching classes for secondary education & competitive entrance exams such as IIT-JEE	ii	TIAI, TIAE	•	•	•	•
		6	Co-Curricular activities	ii	TIAI, TIAE		•	•	
		7	School Infrastructure improvement	ii	DIR, TIAE		•	•	
		8	School Fee Subsidy	ii	DIR, TIAI	•	•	•	•
C	HEALTH Aarogya (4)	9	Combating Infant and Child Malnutrition	i	TIAI, TIAE	•	•	•	•
		10	Health awareness program for women	i	TIAI, TIAE		•	•	•
		11	Preventive and curative health services	i	DIR, TIAI, TIAE	•	•	•	•
		12	Drinking Water - SMDF – Amrutdhara	i	TIAI	•		•	•
D	ENVIRONMENT Vasundhara (2)	13	Tree Plantation	iv	DIR, TIAE		•	•	
		14	Creating Environmental Awareness	iv	DIR, TIAE		•	•	
E	OTHERS	15	Need Based (Contribution to Prime Ministers National Relief Fund); Contribute to Tata Relief Committee for Disaster Response & aligning to	viii	DIR or TIAI or TIAE or BP	•	•	•	•

Abbreviation	Description
DIR	Direct: The Company
TIAI	Through Implementation Agency Internal: Company promoted Trust, Society
TIAE	Through Implementation Agency External: NGOs - Trusts, Societies, Section 8 Companies, Academic & Research Institutes, Skill Development Agency, Other
BP	Business Partners: Dealers, Vendors, Service Providers

NOTE \* TATA Affirmative Action Program (TAAP) is focused on reducing inequalities faced by socially backward groups (Ref. Sr. No. iii of Schedule VII of the Companies Act, 2013)

### ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

A brief outline of the company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes:

#### 1. Overview:

(i) **Outline of CSR Policy:** As an integral part of our commitment to good corporate citizenship, the Company believes in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long-term stakeholder value creation, the Company shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized; focused on *inter alia* the Scheduled Castes and Scheduled Tribes, and the society at large. In order to leverage the demographic dividend of our country, the Company's CSR efforts shall focus on Health, Education and Employability interventions for relevant target groups, ensuring diversity and giving preference to needy and deserving communities inhabiting urban India. CSR at the Company shall be underpinned by 'More from Less for More People' philosophy which implies striving to achieve greater impacts, outcomes and outputs of its CSR projects and programmes by judicious investment and utilization of financial and human resources, engaging in like-minded stakeholder partnerships for higher outreach benefitting more lives.

(ii) **CSR Projects:** The Company was not liable to undertake any CSR Projects during FY19-20, due to non-profitability during the last 3 financial years.

**2. The Composition of the CSR Committee:** The CSR Committee of the Board of the Company comprises (i) Mr Vijay Somaiya, Non-Executive, Non-Independent Director (Chairman of the Committee); (ii) Ms Smriti Goyal, Non-Executive, Non-Independent Director (Member of the Committee); and (iii) Mr Shyam Mani, Managing Director (Member of the Committee).

**3. Average Net Profit of the company for last three financial years:** Nil.

**4. Prescribed CSR expenditure (two percent of amount as in item 3 above):** Nil.

**5. Details of CSR activities/projects undertaken during the year:**

- a) **Total amount to be spent for the financial year:** Not applicable.
- b) **Amount unspent, if any:** Nil
- c) **Manner in which the amount spent during financial year is detailed below:**

1	2	3	4	5	6	7	8
Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/Programs 1.Local area/others 2.Specify the State and district where projects / programme was undertaken	Amount outlay (budget) project/ programs wise	Amount spent on the projects/ programme <u>Sub-heads:</u> 1.Direct expenditure on projects/ programs. 2.Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct/ through implementing agency*
1	NOT APPLICABLE						
	TOTAL						

\*Give details of implementing Agency.

**6. In case the company has failed to spend the two percent of the average net profit of the last 3 financial years or any part thereof, the Company shall provide the reasons for not spending the amount:** Not applicable.

**7. A responsibility statement of the CSR Committee of Board:** The CSR Committee of the Board states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

On behalf of the Board of Directors  
TML Business Services Limited

TML Business Services Limited

Mr Shyam Mani  
Managing Director  
DIN: 00273598

Mr Vijay Somaiya  
CSR Committee Chairman  
DIN: 03185227

Date : November 4, 2020  
Place : Mumbai

## **Independent Auditors' Report**

### **To the Members of TML Business Services Limited** *(formerly known as Concorde Motors (India) Limited)*

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

#### **Qualified Opinion**

We have audited the financial statements of TML Business Services Limited (formerly known as Concorde Motors (India) Limited) ("the Company"), which comprise the balance sheet as at 31 March 2020, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the 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, except for the possible effects of the matters discussed in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements 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 2020, its profit, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

- A. We were unable to obtain sufficient appropriate audit evidence with respect to revenue from operations for the year as reported in the financial statements since the Company was not able to provide us the supporting documentation for our verification. Further, underlying evidences on collections have also not been made available to us for our verification. Accordingly, we are unable to comment on completeness, existence and accuracy of Revenue from operations for the year ended 31 March 2020 of Rs. 58,679.32 lacs, Trade receivables and Advance from customers as at 31 March 2020 aggregating to Rs. 961.27 lacs and Rs 1,027.85 lacs respectively and consequently its impact on the Goods and Services Tax liability, profit for the year and the carrying value of Reserves and Surplus as at the year end, if any and corresponding disclosures in the financial statements. Our opinion on the previous year's financial statements was also qualified on this matter.
- B. As explained in note 21(6)(a), consequent to the completion of reconciliation between physically verified property, plant and equipment and the book records, the Company has written off during the year assets with a written down value aggregating to Rs. 697.91 lacs as they were unable to physically locate these assets or that some of these assets were not in usable condition. In the absence of reconciliation in the previous year, we are unable to verify whether the amounts that have been written off in the current year's Statement of Profit and Loss are recorded in an appropriate period and consequently its impact on the profit for the year and comparative information.



## **Independent Auditors' Report (*Continued*)**

### **TML Business Services Limited**

*(formerly known as Concorde Motors (India) Limited)*

- C. During the year, the Company has written off balances in non-current and current loans and advances, non-current and other current assets, trade receivables, and current portion of other financial assets aggregating to Rs. 2,547.97 lacs as fully explained in note 21(6)(b) of the financial statements. Since the balances as mentioned above were not reconciled both in the previous year and current year, we are unable to verify whether the amounts that have been written off in current year's Statement of Profit and Loss are recorded in the appropriate period and consequently its impact profit for the year and the comparative information.

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 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 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 Qualified opinion.

#### **Other Information**

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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. As described in the *Basis for Qualified Opinion* section above, we are unable to obtain sufficient appropriate audit evidence about items referred to therein. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

#### **Management's and Board of Directors' Responsibility for the 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 financial statements that give a true and fair view of the state of affairs, profit/loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Independent Auditors' Report (*Continued*)**

### **TML Business Services Limited**

*(formerly known as Concorde Motors (India) Limited)*

#### **Management's and Board of Directors' Responsibility for the Financial Statements *Continued***

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

## **Independent Auditors' Report (*Continued*)**

### **TML Business Services Limited**

*(formerly known as Concorde Motors (India) Limited)*

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - f) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

## **Independent Auditors' Report (*Continued*)**

### **TML Business Services Limited**

*(formerly known as Concorde Motors (India) Limited)*

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

- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its financial statements - Refer Note 23(1) to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

(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) which are required to be commented upon by us.

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

*Chartered Accountants*

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

Mumbai  
4 November 2020

**Siddhartha Guha**  
Partner  
Membership No: 124042  
UDIN: 20124042AAAACR3370

# TML Business Services Limited

*(formerly known as Concorde Motors (India) Limited)*

## **Annexure B to the Independent Auditors' report on the financial statements of TML Business Services Limited (Formerly known as Concorde Motors (India) Limited) for the year ended 31 March 2020.**

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

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

### **Adverse Opinion**

We have audited the internal financial controls with reference to financial statements of TML Business Services Limited (Formerly known as Concorde Motors (India) Limited) ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2020:

- A. The Company did not have appropriate internal controls with respect to maintenance of complete records and documentation over revenue from operations and resultant trade receivables, timely and accurately recording receipt of collections from customers and carrying out periodic reconciliation of trade receivable balances.
- B. The Company did not have appropriate reconciliation controls around loans and advances, other assets, trade receivables, and other financial assets, which would evidence recording of transactions in the correct periods. Similarly, in case of property, plant and equipment, the Company did not have controls for timely reconciliation which would evidence the impact of the reconciliation in the correct periods.
- C. Absence of monitoring controls related to entity level controls like annual/ periodic review of policies and procedures, user access review including review of segregation of duties etc.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the effect of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has not maintained adequate and effective internal financial controls with reference to financial statements as of March 31, 2020, based on the internal control over financial reporting 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 financial statements of the Company, and these material weaknesses have affected our opinion on the financial statements of the Company and we have issued a qualified opinion on the financial statements.

## TML Business Services Limited

*(formerly known as Concorde Motors (India) Limited)*

### **Annexure B to the Independent Auditors' report on the financial statements of TML Business Services Limited (Formerly known as Concorde Motors (India) Limited) for the year ended 31 March 2020. (Continued)**

#### **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 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 (Continued)**

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

# TML Business Services Limited

*(formerly known as Concorde Motors (India) Limited)*

## **Annexure B to the Independent Auditors' report on the financial statements of TML Business Services Limited (Formerly known as Concorde Motors (India) Limited) for the year ended 31 March 2020. (Continued)**

### **Meaning of Internal Financial controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial controls with Reference to Financial Statements**

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

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

*Chartered Accountants*

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

Mumbai  
4 November 2020

**Siddhartha Guha**

*Partner*

Membership No: 124042

UDIN: 20124042AAAACR3370

## **TML Business Services Limited**

*(formerly known as Concorde Motors (India) Limited)*

### **Annexure A to the Independent Auditors' Report – 31 March 2020**

(Referred to in our report of even date)

- i.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, except the effect, if any, of the matter as discussed in the paragraph (B) of the Basis for Qualified Opinion of our audit report.
  - (b) The Company has a regular program of physical verification of its fixed assets by which its fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. During the year, the Company has performed physical verification of fixed assets across all categories at all its locations. Material discrepancies were noticed on such verification and as discussed in paragraph (B) of Basis for Qualified Opinion of our audit report, assets not found or not usable have been written off during the current year in the books of account.
  - (c) In our opinion and according to the information and explanation given to us and on the basis of our examination of the registered sale deed /transfer deed /conveyance deed of the Company, we report that, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has granted unsecured loan to one of the company, being a party covered in the Register maintained under Section 189 of the Companies Act, 2013, in respect of which:
  - a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - b) The loan is repayable on demand and interest is payable on quarterly basis and is not due.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans. The Company has not made any investment or provided any guarantees and securities.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public as per the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for the activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.



## TML Business Services Limited

*(formerly known as Concorde Motors (India) Limited)***Annexure A to the Independent Auditors' Report – 31 March 2020**  
**(Continued)**

- vii. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, income tax, Goods and Service Tax, Cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. However, in case of Goods and Services Tax, reference is drawn to paragraph A in the Basis for Qualified opinion of our audit report. As explained to us, the Company does not have dues on account of Duty of customs.

In our opinion and according to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Cess and any other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable. In case of Employees' State Insurance dues of Rs 3.80 lacs and Professional Tax of Rs 1.21 lacs has not been paid for a period of more than six months from the date they became payable. We draw attention to note 23(4) to the financial statements which more fully explains the matter regarding non-payment of provident fund contribution pursuant to Supreme Court judgment dated 28 February 2019.

- (b) According to the information and explanations given to us, there are no dues of Goods and Service tax, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of income tax, sales tax and service tax have not been deposited as on 31 March 2020 by the Company on account of dispute:

Name of the Statute	Nature of dues	Rs. in lakhs	Period to which amount relates	Forum where dispute is pending
Sales Tax Laws	Sales Tax	11.12	2004-2005	Additional Commissioner
Sales Tax Laws	Central Sales Tax	262.76	2014-2015, 2015-2016	Assistant Commissioner
Sales Tax Laws	Sales Tax	37.06	2011-2014, 2014-2015	Deputy Commissioner
Sales Tax Laws	Sales Tax	9.52	2007-2008, 2008-2009	High Court
Sales Tax Laws	Sales Tax	77.80	2007-2008, 2008-2009, 2009-2010	Joint Commissioner
Sales Tax Laws	Sales Tax	5.16	2010-2011, 2011-2012, 2012-2013	Joint Commissioner
Sales Tax Laws	Sales Tax	14.63	2013-2014, 2014-2015, 2015-2016	Joint Commissioner
Commercial Tax	Commercial Tax	12.21	2013-2014	Deputy Commissioner
The Finance Act, 1994	Service tax	248.99	2008 - 2013	CESTAT

# TML Business Services Limited

*(formerly known as Concorde Motors (India) Limited)*

## Annexure A to the Independent Auditors' Report – 31 March 2020 (Continued)

Name of the Statute	Nature of dues	Rs. in lakhs	Period to which amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax	1.59	2015-16	Commissioner
The Finance Act, 1994	Service tax	13.47	2001-2002, 2002-2003, 2003-2004	High Court
Vat Tax Laws	VAT	173.00	2012-2013, 2014-2015, 2015-2016	Assistant Commissioner
Vat Tax Laws	VAT	36.83	2005-2010, 2010-2011	Deputy Commissioner
Vat Tax Laws	VAT	387.87	2014-2015	Joint Commissioner
Vat Tax Laws	VAT	186.86	2010-2011, 2012-2013, 2013-2014	Sales Tax Tribunal
Vat Tax Laws	VAT	30.04	2005-2006, 2006-2007, 2007-2008	Sales Tax Tribunal

# Net of amount deposited with the Authorities Rs. 418.78 lakhs

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institution and banks. The Company did not have any outstanding dues to the government and debenture holders during the year.
- ix. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. Attention is invited to Note 31 in the financial statements in relation to accounting irregularities observed in the previous year and Basis for Qualified Opinion section of our audit report.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act, for the year ended 31 March 2020.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or partly convertible debentures during the year.

**TML Business Services Limited**

*(formerly known as Concorde Motors (India) Limited)*

**Annexure A to the Independent Auditors' Report – 31 March 2020**  
***(Continued)***

- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with such directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

Mumbai  
4 November 2020

**Siddhartha Guha**  
*Partner*  
Membership No: 124042  
UDIN: 20124042AAAACR3370

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Balance Sheet as on March 31, 2020**

(₹ in Lakhs)

	Notes	As at 31st March 2020	As at March 31, 2019
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3&3a	11,945.91	19,881.17
(b) Capital work-in-progress		-	9.21
(c) Other Intangible assets	4	-	154.88
(d) Financial assets:			
(i) Loans and advances	5	-	1,089.70
(ii) Other financial assets	6	10.76	10.76
(e) Non-Current tax assets (net)		1,005.17	1,204.87
(f) Other non-current assets	7	418.79	731.82
		<b>13,380.63</b>	<b>23,082.41</b>
<b>(2) Current assets</b>			
(a) Inventories	8	969.46	26,171.45
(b) Financial assets:			
(i) Trade receivables	9	961.27	9,112.32
(ii) Cash and cash equivalents	10	202.37	10,831.48
(iii) Loans and advances	5	6,377.46	59.14
(iv) Other financial assets	6	317.87	3,482.38
(v) Others-Receiveable sale of business	21(5b)	2,284.12	-
(c) Other current assets	7	146.20	2,951.76
		<b>11,258.75</b>	<b>52,608.53</b>
<b>TOTAL ASSETS</b>		<b>24,639.38</b>	<b>75,690.94</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	11	16,369.77	6,369.77
(b) Other equity		(15,891.86)	(18,404.89)
		<b>477.91</b>	<b>(12,035.12)</b>
<b>(2) Share application money pending allotment</b>		-	10,000.00
<b>(3) Non-current liabilities</b>			
(a) Financial liabilities:			
(i) Borrowings	12	2,930.18	6,933.99
(ii) Other financial liabilities	13	294.21	273.96
(b) Other non-current liabilities	14	-	842.68
(c) Provisions	15	-	71.76
		<b>3,224.39</b>	<b>8,122.39</b>
<b>(4) Current liabilities</b>			
(a) Financial liabilities:			
(i) Borrowings	12	12,500.00	49,684.96
(ii) Trade payables			
(a) Dues to Micro and Small Enterprises	22	11.29	17.29
(b) Dues to others		3,268.76	6,525.72
(iii) Other financial liabilities	13	2,418.25	4,591.64
(b) Provisions	15	175.93	4.92
(c) Other current liabilities	14	2,181.15	8,779.14
(d) Current tax liability (Net)		381.70	-
		<b>20,937.08</b>	<b>69,603.67</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>24,161.47</b>	<b>77,726.06</b>
		<b>24,639.38</b>	<b>75,690.94</b>

Significant accounting policies

2

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

3-33

In terms of our report of even date attached  
For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors  
**TML Business Services Limited**  
(formerly known as Concorde Motors (India) Limited)  
**CIN - U24110MH1972PLC015561**

**Siddhartha Guha**  
Partner  
Membership No. 124042

**Shyam Mani**  
(DIN:273598)  
Managing Director

**VB Somaiya**  
(DIN:3185227)  
Director

**Smriti Goyal**  
(DIN:8488684)  
Director

**T R Daundkar**  
Chief Financial Officer

**Kaynaz Sarbhanwala**  
Company Secretary

Mumbai, 04 November 2020

Mumbai, 04 November 2020

Mumbai, 04 November 2020

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Statement of Profit and Loss for the year ended March 31, 2020**

		(₹ in Lakhs)	
Particulars	Notes	Year Ended 31st March 2020	Year Ended 31st March 2019
I. Revenue from operations	16	62,975.77	1,22,961.77
II. Other income	17	1,449.42	653.35
III. <b>Total Income (I + II)</b>		<b>64,425.19</b>	<b>1,23,615.12</b>
IV. Expenses :			
(a) Purchases of stock-in-trade	21(1)	34,633.99	1,10,506.03
(b) Changes in inventories of stock-in-trade	21(2)	25,201.99	(935.86)
(c) Employee benefits expense	18	5,655.88	7,321.51
(d) Finance costs	19	6,121.54	5,495.15
(e) Depreciation and amortisation expense	3 & 4	2,276.53	765.60
(f) Other expenses	20	10,200.62	13,777.28
<b>Total Expenses (IV)</b>		<b>84,090.55</b>	<b>1,36,929.71</b>
V. <b>Loss before tax and Exceptional items (III - IV)</b>		<b>(19,665.36)</b>	<b>(13,314.59)</b>
VI. <b>Exceptional items</b>	21(5)		
(a) Profit on sale of asset (Land and Building)		23,741.81	-
(b) Loss on sale of business (Fixed assets)		1,264.74	-
(c) Cost of closure Termination costs		393.86	-
VII. <b>Profit / (Loss) before tax and after Exceptional items (V - VI)</b>		<b>2,417.85</b>	<b>(13,314.59)</b>
VIII. <b>Tax expense/(credit) :</b>			
(a) Short/(Excess) provision of earlier years		15.38	(56.82)
(b) Current tax		820.00	-
IX. <b>Profit / (Loss) after tax (VII - VIII)</b>		<b>1,582.47</b>	<b>(13,257.77)</b>
X. <b>Other comprehensive income</b> Items that will not be reclassified to profit and loss:			
(a) Remeasurements (gain)/loss on defined benefit obligations (net)		17.73	(19.31)
XI. <b>Total comprehensive income/(loss) for the year (IX+X)</b>		<b>1,600.20</b>	<b>(13,238.46)</b>
XII. <b>Earnings per equity share (EPS):</b>	25		
Ordinary shares (face value ₹ 10 each)			
(i) Basic		1.07	(20.04)
(ii) Diluted		0.68	(20.04)
<b>Significant accounting policies</b>	2		
<b>The notes referred to above form an integral part of the financial statements</b>	3-33		

In terms of our report of even date attached

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

For and on behalf of the Board of Directors  
**TML Business Services Limited**  
(formerly known as Concorde Motors (India) Limited)  
**CIN - U24110MH1972PLC015561**

**Siddhartha Guha**  
Partner  
Membership No. 124042

**Shyam Mani**  
(DIN:273598)  
Managing Director

**VB Somaiya**  
(DIN:3185227)  
Director

**Smriti Goyal**  
(DIN:8488684)  
Director

**T R Daundkar**  
Chief Financial Officer

**Kaynaz Sarbhanwala**  
Company Secretary

Mumbai, 04 November 2020

Mumbai, 04 November 2020

Mumbai, 04 November 2020

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Cash Flow Statement for the year ended March 31, 2020**

(₹ in Lakhs)

	Year Ended March 31, 2020	For the year ended March 31, 2019
<b>Cash flows from operating activities</b>		
Loss before tax and after exceptional items	2,417.85	(13,314.59)
Adjustments for:		
Depreciation and amortisation expense	2,276.53	765.60
Exceptional item-Loss on sale of business	1,264.74	-
Profit on sale of PPE	23,741.81	-
Property, Plant and equipment written-off	697.91	110.55
Loss on sale of assets (net)	74.45	71.08
Allowance for inventory writedown	1,295.56	13.84
Interest expense	5,916.05	5,290.00
Interest income	(66.37)	(124.56)
Bad debt written-off	1,053.74	-
Amounts no longer required written back	(1,114.85)	(212.70)
Amounts not recoverable written off	-	756.80
Effect of amortisation of financial assets valued at amortised cost	8.78	104.94
Provision for preference dividend	205.49	205.15
Allowance for capital work-in-progress	-	72.40
Allowance made/(written-back) for trade and other receivables (net)	77.67	2,129.22
	<b>35,431.51</b>	<b>9,182.32</b>
<b>Cash flows from operating activities before changes in following assets and liabilities</b>	<b>37,849.37</b>	<b>(4,132.27)</b>
(Increase)/Decrease in Inventories	23,906.43	(949.70)
(Increase)/Decrease in Trade receivables	7,019.64	(2,291.49)
(Increase)/Decrease in loans and advances	(5,228.62)	55.99
Decrease in Short term other financial assets	880.39	2,301.64
Decrease in Other current assets	2,805.56	29.01
Decrease in Other non-current assets	313.03	501.15
Decrease in Trade payables	(2,148.11)	(888.26)
(Decrease)/Increase in other financial liabilities	(449.06)	300.12
(Decrease)/Increase in Other current Liabilities	(6,597.99)	1,296.28
(Decrease)/Increase in Other non-current Liabilities	(851.46)	53.93
Increase in Provisions	136.62	3.45
	<b>19,786.43</b>	<b>412.12</b>
<b>Cash expended in operations</b>	<b>57,635.80</b>	<b>(3,720.15)</b>
Income taxes refund/ (paid) (net)	(253.99)	(118.21)
<b>Net cash used in operating activities</b>	<b>57,381.81</b>	<b>(3,838.36)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, other intangible assets and capital work-in-progress	-	(457.94)
Sale of property, plant and equipment and other intangible assets	(18,452.63)	138.00
Deposits with banks	-	(19.53)
Interest received	66.37	123.85
<b>Net cash used in investing activities</b>	<b>(18,386.26)</b>	<b>(215.62)</b>
<b>Cash flows from financing activities</b>		
Proceeds from share capital application money	-	10,000.00
Repayment of long-term borrowings	(5,377.43)	(1,690.29)
Proceeds from short-term borrowings	-	2,59,721.88
Repayment of short-term borrowings	(37,184.96)	(2,51,221.63)
Repayment of lease liabilities	(1,784.87)	-
Interest paid	(5,277.40)	(5,232.16)
<b>Net cash from financing activities</b>	<b>(49,624.66)</b>	<b>11,577.81</b>
Net increase in cash and cash equivalents	<b>(10,629.11)</b>	<b>7,523.82</b>
Cash and cash equivalents at the beginning of the year	<b>10,831.48</b>	<b>3,307.66</b>
<b>Cash and cash equivalents at the end of the year (Refer note 10)</b>	<b>202.37</b>	<b>10,831.48</b>

## (i). Debt Reconciliation statement:

Particulars	April 01, 2019	Cash Flows Inflows/(Outflows)	Non-Cash changes			March 31, 2020
			Acquisition	Foreign exchange management	Fair Value changes	
Long-term Borrowings (Including current maturities of long term debt)	8,730.22	(5,377.43)	-	-	-	3,352.79
Short-term Borrowings	49,684.95	(37,184.96)	-	-	-	12,499.99
<b>Total liabilities from financing activities</b>	<b>58,415.17</b>	<b>(42,562.39)</b>	-	-	-	<b>15,852.78</b>

In terms of our report of even date attached  
For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors  
**TML Business Services Limited**  
(formerly known as Concorde Motors (India) Limited)  
**CIN - U24110MH1972PLC015561**

**Siddhartha Guha**  
Partner  
Membership No. 124042

**Shyam Mani**  
(DIN:273598)  
Managing Director

**VB Somaiya**  
(DIN:3185227)  
Director

**Smriti Goyal**  
(DIN:8488684)  
Director

**T R Daundkar**  
Chief Financial Officer

**Kaynaz Sarbhanwala**  
Company Secretary

Mumbai, 04 November 2020

Mumbai, 04 November 2020

Mumbai, 04 November 2020

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Statement of Changes in Equity for the year ended March 31, 2020**

**(A) Equity share capital**

(₹ in Lakhs)	
Particulars	Equity share capital
Balance as at April 1, 2019	6,369.77
Proceeds from issue of shares	10,000.00
Balance as at March 31, 2020	16,369.77

**(B) Other equity**

Particulars	Equity portion of compound instrument	Reserves and surplus			Other comprehensive income	Total
		Securities premium account	General reserve	Retained earnings		
Balance as at April 1, 2019	8,048.05	1,896.90	942.91	(29,300.36)	7.61	(18,404.89)
Adjustment pursuant to adoption of Ind AS 116	-	-	-	912.83	-	912.83
Profit for the year	-	-	-	1,582.47	-	1,582.47
Other comprehensive income	-	-	-	-	17.73	17.73
Balance as at March 31, 2020	8,048.05	1,896.90	942.91	(26,805.06)	25.34	(15,891.86)

**Note (i)**

The Company has issued compulsorily convertible debentures (CCDs) aggregating to ₹ 7,800 lakhs in March 2017 and ₹ 2,200 lakhs in July 2017. These unsecured CCDs carry a coupon of 5% interest payable semi annually. The debentures are compulsorily convertible to equity shares after period of 5 years from the date of allotment and each CCD shall be converted into one equity share. The equity portion embedded in the above CCDs have been determined as the difference between the

(a) aggregate monies received on issue of CCDs; and

(b) the present value of liabilities towards the coupon rate of interest, payable over the tenor of the CCDs.

The present value of the expected interest pay-outs is disclosed as a financial liability under the head CCDs:

Current portion of CCDs ₹ 422.61 Lakhs (as at March 31, 2019 : ₹ 385.15 lakhs)

Non-current portion ₹ 495.18 Lakhs (as at March 31, 2019 : ₹ 917.80 lakhs)

**Note (ii)**

The Company has elected to apply Ind AS 116 in accordance with para C5(b) where the Company being lessee is not required to re-state the comparative information. The Company has recognised the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings at the date of initial application.

Significant accounting policies

2

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

3-33

In terms of our report of even date attached

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

**Chartered Accountants**

ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors

**TML Business Services Limited**

(formerly known as Concorde Motors (India) Limited)

**CIN - U24110MH1972PLC015561**

**Siddhartha Guha**

Partner

Membership No. 124042

**Shyam Mani**

(DIN:273598)

Managing Director

**VB Somaiya**

(DIN:3185227)

Director

**Smriti Goyal**

(DIN:8488684)

Director

**TR Daundkar**

Chief Financial Officer

**Kaynaz Sarbhanwala**

Company Secretary

Mumbai, 04 November 2020

Mumbai, 04 November 2020

Mumbai, 04 November 2020



**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Statement of Changes in Equity for the year ended March 31, 2019**

**(A) Equity share capital**

(₹ in Lakhs)	
Particulars	Equity share capital
Balance as at April 1, 2018	6,369.77
Proceeds from issue of shares	-
Balance as at March 31, 2019	6,369.77

**(B) Other equity**

Particulars	Equity portion of compound instrument	Reserves and surplus			Other comprehensive income	Total
		Securities premium account	General reserve	Retained earnings		
Balance as at April 1, 2018	8,048.05	1,896.90	942.91	(16,042.59)	(11.70)	(5,166.43)
Equity portion included under compulsorily convertible debentures (CCDs) [Refer Note(ii)]	-	-	-	-	-	-
Loss for the year	-	-	-	(13,257.77)	-	(13,257.77)
Other comprehensive income	-	-	-	-	19.31	19.31
Balance as at March 31, 2019	8,048.05	1,896.90	942.91	(29,300.36)	7.61	(18,404.89)

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements 3-33

In terms of our report of even date attached

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

For and on behalf of the Board of Directors  
**TML Business Services Limited**  
(formerly known as Concorde Motors (India) Limited)  
**CIN - U24110MH1972PLC015561**

**Siddhartha Guha**  
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Director

**Smriti Goyal**  
**(DIN:8488684)**  
Director

**TR Daundkar**  
Chief Financial Officer

**Kaynaz Sarbhanwala**  
Company Secretary

Mumbai, 04 November 2020

Mumbai, 04 November 2020

Mumbai, 04 November 2020

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

**1. Background and operations**

Concorde Motors (India) Limited ('CMIL') was incorporated in January 1972 under the Companies Act, 1956. The Company is primarily engaged in the business of sales and servicing of passenger cars and sale of automobile parts and accessories. The name of the company has been changed to TML Business Services Limited with effect from March 31, 2020. Its parent and ultimate holding company is Tata Motors Limited.

**2. Significant accounting policies**

**(i) Statement of compliance**

These financial statements have been prepared in accordance with accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2016 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The financial statements were authorised for issue by the Company's Board of Directors on 4th November 2020.

**(ii) Functional and Presentation Currency**

The 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 lakhs, unless otherwise indicated.

**(iii) Basis of preparation and presentation**

The financial statements have been prepared on historical cost basis except for certain financial instruments measured at fair value at the end of each reporting period. 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.

**(iv) Use of estimates and judgments**

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

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

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

- i) Property, plant and equipment
- ii) Assets and obligations relating to employee benefits
- iii) Provision for bad and doubtful debts

**(v) Going concern**

The Company has Rs. 20,937.08 lakhs current liabilities which are in excess of its current assets of Rs 11,258.75 lakhs. The Company is re-structuring its business activities post closure of its sale and servicing of passenger car business. The Company has executed a business transfer agreement with Tata Motors Limited ('TML' or 'the parent company') for the sale and transfer of its Global Delivery Centre (GDC)/ Process Shared Service business (GDC Business) as a going concern and on a slump sale basis in April 2020, which has been effective from October 1, 2020. Consequently, TML has provided a support letter to the Company, that it will provide financial support to the Company to meet all its financial obligations for a period of not less than 12 months from the date of these financial statements. The financial statements have thus been prepared on a "Going concern" basis.

**(vi) Revenue recognition**

Revenue is measured at fair value of consideration received or receivable.

**a) Sale of products**

The Company recognizes revenues on the sale of products, net of discounts, when control including risks and rewards and title of ownership pass to the customer.

Revenues are recognized when collectability of the resulting receivable is reasonably assured.

**b) Rendering of Services**

Revenues from services are recognized when services are rendered and related costs are incurred.

**c) Commission from finance arrangement and insurance**

Commission from finance arrangement is recognised as and when loan is disbursed and with respect to commission from insurance company, the same is recognised on policy purchase and renewal.

**d) Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest Income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**(vii) Cost recognition**

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

**(viii) Provisions and Contingent Liabilities**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

**(ix) Income taxes**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit or loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss.

Current income taxes are determined based on respective taxable income and tax rules applicable for Indian jurisdiction.

Deferred Tax Assets include minimum Alternate Tax (MAT) paid in accordance with tax laws in India, which is likely to give future economic benefit in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as an deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**(x) Earnings per share**

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

**(xi) Inventories**

Inventories of cars, demo cars, accessories and parts are valued at lower of cost and net realizable value. Cost represents actual cost of purchase in case of cars and weighted average cost in case of accessories, parts, stores and spares adjusted for recoverable indirect taxes. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**(xii) Property, plant and equipment**

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

Freehold land is measured at cost and is not depreciated.

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

**(b)** Depreciation is provided on the Straight Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support. Taking into account these factors, the Company has decided to retain the useful life hitherto adopted for various categories of fixed assets, which are different from those prescribed in Schedule II of the Act. Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life
Leasehold Land	amortized over the period of the lease
Buildings,	3 to 50 years
Plant, machinery and equipment other than Computer Hardware	Over 20 years
Computers and other IT assets	4 years
Vehicles	4 years
Furniture, fixtures and office appliances	4 to 15 years
Computer software	3-5 years

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

**(xiii) Intangible assets**

Intangible assets purchased are measured at cost of acquisition where applicable less accumulated amortization and accumulated impairment, if any.

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

Tangible assets and Software not exceeding ₹5,000 are charged off to the Statement of Profit and Loss as and when required.

**(xiv) Leases**

The Company determines that a contract is or contains a lease, if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration. At the inception of a contract which is or contains a lease, the Company recognises lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature, except for lease of low value items. The future lease payments for such non-cancellable period is discounted using the Company's incremental borrowing rate. Lease payments include fixed payments, i.e. amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option, if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease, if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset, which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

Right of use assets is amortised over the period of lease.

Payment made towards short term leases (leases for which non cancellable term is 12 months or lesser) and low value assets are recognised in the statement of Profit and loss as rental expenses over the tenor of such leases

**(xv) Impairment**

***Property, plant and equipment and other intangible assets***

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

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

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

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

**(xvi) Employee benefits**

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences.

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

**a) Defined Benefit Plan**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Annual contributions to Liability for gratuity are funded with Life Insurance Corporation of India (LIC). The Company's obligation in respect of gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method.

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

**b) Defined Contribution Plan**

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, as specified under the law, are made to the provident fund and pension fund. These amounts are charged to statement of profit and loss in the period in which the employee renders services.

**c) Compensated Absence**

The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial

**(xvii) Segments**

The Company is engaged mainly in the business of selling of cars, parts, accessories, facilitating vehicle finance and servicing of cars in India, which have similar risks and returns. These in the context of Ind AS 108 - operating segments reporting are considered to constitute one reportable segment. Income from facilitating finance and other services cater to the same customers to whom cars are sold and therefore do not have risk and rewards which are different from business of selling of cars and hence forms the part of the same segment i.e. selling of cars, parts, accessories, etc.

The Company sells its products and services only in India and as such separate information on geographical segment is not provided.

**(xviii) Financial instruments**

**Classification, initial recognition and measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and held at amortized cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

**Financial assets**

The Company has various financial assets like Trade Debtors, Deposits and Bank Balances. The Company categorizes these instruments in accordance with the following principles.

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

**Financial assets (other than equity investments) held at fair value through other comprehensive income:** Financial assets (other than equity investments) having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is achieved by both collecting such contractual cash flows and selling such assets are classified in this category. Subsequently, these are measured at fair value and changes therein, other than impairment losses are recognized directly in other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss is transferred to the statement of profit and loss.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

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

The Company does not have any financial asset carried at fair value through profit and loss as on the balance sheet date.

Equity instruments – Equity instruments are designated as fair value through P&L or fair value through other comprehensive income upon initial recognition. The Company does not have any investments in equity instrument as on the balance sheet date.

**Financial liabilities**

The Company has financial liabilities such as bank and other borrowings, trade creditors and security deposits. These liabilities are categorized as held at amortized cost using the effective interest method. The Company does not have any financial liabilities carried at fair value through profit and loss as on balance sheet date.

**Derecognition of financial assets and financial liabilities:**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

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

**Impairment of financial assets:**

The Company recognizes a loss allowance for expected credit losses on a financial asset that is held at amortized cost or carried at fair value through other comprehensive income.

Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

**Fair Value Hierarchy:**

For Financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company does not have any financial assets or liabilities for which fair value has been measured hence fair value hierarchy has not been used.

**(xix) Recent accounting pronouncements**

**i) New accounting standards adopted during the year**

**Ind AS 116 – Leases**

The Company Ind AS 116 with a modified retrospective approach with effect from April 1, 2019. In accordance with Ind AS 16, at the inception of a contract, the Company assesses whether the contract is or contains a lease. The Company determines that a contract is or contains a lease, if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration. At the inception of a contract which is or contains a lease in accordance with Ind AS 16, the Company recognises lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature except for lease of low value items. The future lease payments for such non-cancellable period is discounted using the Company's incremental borrowing rate. Lease payments include fixed payments, in substance fixed payments, i.e. amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

Right of use assets is amortised over the period of lease.

The Company will use the exemption option available for existing leases and apply the available exemptions regarding the recognition of short term leases and low value leasing assets. Basis assessment, the Company arrangements under operating leases, which are currently off Balance sheet, will be recorded as right to use assets and the future obligations in respect of such leases will be recorded as a liability in the Balance sheet as at April 1, 2019.

The Company used the following practical expedients of Ind AS 116 at the date of initial application:

1. With leases previously classified as operating leases according to Ind AS 17, the lease liability will be measured at the present value of the outstanding lease payments, discounted by the incremental borrowing rate at April 1, 2019. The respective right-of-use asset is generally recognized at an amount equal to the lease liability;
  2. An impairment review is not performed for right of use assets. Instead, right-of-use asset is adjusted by the amount of any provision for onerous leases recognized in the Balance sheet.
  3. Regardless of their original lease term, leases for which the lease term ends latest on March 31, 2020, are recognized as short-term leases;
  4. At the date of initial application, the measurement of a right-to-use asset excludes the initial direct costs ;and
  5. Hindsight is considered when determining the lease term if the contract contains options to extend or terminate the leases.
- Lease payments of short term leases and leases of low value items are recognized as expense equally over the period of lease. Any lease for which non-cancellable period is less than 12 months is classified as short term lease.

Company has recognised Right of Use assets at the date of initial application for leases previously classified as an operating lease applying Ind AS 17. The Company has measured the right of use assets at an amount equal to lease liability, adjusted by the amount of any accrued or prepaid lease payments relating to that lease recognised in the Balance Sheet immediately before the date of initial application. The Company has applied Ind AS 116 for the first three quarter of the current year and subsequently on account of closure of business and cancellation of leases, the net liability has been reversed.

**ii) Amendments done by MCA**

**New Accounting pronouncements affecting amounts reported and /or disclosures in the financial statements**

i) Amendments to Ind AS 109, Financial Instruments: Prepayment of loans. The amendments notified in Ind AS 109 pertain to classification of a financial instruments with prepayment feature with negative compensation. Negative compensation arises where the terms of the contract of the financial instrument permit the holder to make repayment or permit the lender or issuer to put the instrument to the borrower for repayment before the maturity at an amount less than the unpaid amounts of principal and interest. Earlier, there was no guidance on classification of such instruments. According to the amendments, these types of instruments can be classified as measured at amortised cost, or measured at fair value through profit or loss, or measured at fair value through other comprehensive income by the lender or issuer if the respective conditions specified under Ind AS 109 are satisfied. Similarly, the holder may classify them either measured at fair value through profit or loss or measured at amortised cost in accordance with conditions of Ind AS 109.

ii) Amendments to Ind AS 19, Employee Benefits: Changes in Employee benefit plan. When a change to a plan by way of either an amendment, curtailment or settlement takes place, Ind AS 19 requires a Company to re-measure its net defined benefit liability or asset. The amendments to Ind AS 19 require a Company to use the updated assumptions from this re-measurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. Until now, Ind AS 19 did not specify how to determine these expenses for the period after the change to the plan.

There was no impact on the Company's financial statements upon adoption

TML Business Services Limited (formerly known as Concorde Motors (India) Limited)  
Notes forming part of the Financial Statements for the year ended March 31, 2020

3. Property, plant and equipment

Particulars	Land		Building		Plant and machinery		Office Equipment	Furniture and fixtures		Vehicles	Leasehold Improvements		(₹ in Lakhs) Total
	Own use	Given on operating lease	Own use	Given on operating lease	Own use	Given on operating lease		Own use	Given on operating lease		Own use	Given on operating lease	
<b>Gross Block</b>													
At April 1, 2018	14,655.69	367.47	2,307.11	110.31	3,212.28	1.54	198.16	792.12	8.82	552.51	1,860.62	9.45	24,076.08
Additions	-	-	50.06	-	313.22	-	53.25	53.20	-	44.23	407.14	-	921.10
Disposals/ adjustments	-	-	(6.31)	-	(407.45)	-	(25.71)	(133.84)	-	(46.23)	(217.46)	-	(837.00)
At March 31, 2019	14,655.69	367.47	2,350.86	110.31	3,118.05	1.54	225.70	711.49	8.82	550.51	2,050.29	9.45	24,160.18
<b>At April 1, 2019</b>	<b>14,655.69</b>	<b>367.47</b>	<b>2,350.86</b>	<b>110.31</b>	<b>3,118.05</b>	<b>1.54</b>	<b>225.70</b>	<b>711.49</b>	<b>8.82</b>	<b>550.51</b>	<b>2,050.29</b>	<b>9.45</b>	<b>24,160.18</b>
Additions	-	-	-	-	45.72	-	-	-	-	176.75	-	-	222.47
Disposals/ adjustments	(4,552.70)	-	(440.40)	(49.65)	(2,659.12)	-	(151.97)	(580.80)	-	(537.65)	(2,041.77)	(9.45)	(11,023.51)
At March 31, 2020	10,102.99	367.47	1,910.46	60.66	504.65	1.54	73.73	130.69	8.82	189.61	8.53	(0.00)	13,359.14
<b>Accumulated Depreciation</b>													
At April 1, 2018	-	-	492.14	31.34	1,657.44	1.28	145.01	370.42	5.61	455.66	931.13	6.30	4,096.33
Depreciation Expense	-	-	81.88	18.03	233.42	-	28.50	45.21	0.38	47.91	244.70	0.84	700.87
Disposals/ adjustment	-	-	(4.34)	-	(228.81)	-	(21.80)	(60.91)	-	(37.17)	(165.16)	-	(518.19)
At March 31, 2019	-	-	569.68	49.37	1,662.05	1.28	151.71	354.72	5.99	466.40	1,010.67	7.14	4,279.01
<b>At April 1, 2019</b>	<b>-</b>	<b>-</b>	<b>569.68</b>	<b>49.37</b>	<b>1,662.05</b>	<b>1.28</b>	<b>151.71</b>	<b>354.72</b>	<b>5.99</b>	<b>466.40</b>	<b>1,010.67</b>	<b>7.15</b>	<b>4,279.02</b>
Amortisation for the period	-	-	81.83	14.88	255.35	-	14.15	63.44	2.55	77.49	8.91	0.77	519.37
Disposals/ adjustments	-	-	(111.82)	(30.23)	(1,435.81)	-	(95.77)	(308.51)	-	(384.05)	(1,011.05)	(7.92)	(3,385.16)
At March 31, 2020	-	-	539.69	34.02	481.59	1.28	70.09	109.65	8.55	159.84	8.53	(0.00)	1,413.23
<b>Net Block March 31, 2020</b>	<b>10,102.99</b>	<b>367.47</b>	<b>1,370.77</b>	<b>26.64</b>	<b>23.06</b>	<b>0.26</b>	<b>3.64</b>	<b>21.04</b>	<b>0.27</b>	<b>29.77</b>	<b>(0.00)</b>	<b>-</b>	<b>11,945.91</b>
<b>Net Block March 31, 2019</b>	<b>14,655.69</b>	<b>367.47</b>	<b>1,781.18</b>	<b>60.94</b>	<b>1,456.00</b>	<b>0.26</b>	<b>73.99</b>	<b>356.77</b>	<b>2.83</b>	<b>84.11</b>	<b>1,039.62</b>	<b>2.31</b>	<b>19,881.17</b>

Movement in allowances for capital work in progress

Balance at beginning of the year  
Provision (reversed) for bad debt written off  
Provision made/(reversed) during the year (Net)  
Balance at end of the year

	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	72.40	-
Provision (reversed) for bad debt written off	(72.40)	-
Provision made/(reversed) during the year (Net)	-	72.40
Balance at end of the year	-	72.40

Note:- During the year the company sold its land and building to Tata Motors Limited, registration of which is pending as at March, 31 2020.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**3 (a). Right of use assets**

(₹ in Lakhs)

Particulars	Leasehold premises	Vehicle	Total
<b><u>Gross Block</u></b>			
At April 1, 2018	-	-	-
Additions	-	-	-
Disposals/ adjustments	-	-	-
At March 31, 2019	-	-	-
<b>At April 1, 2019</b>	-	-	-
<b>Effect of transition on adoption of Ind As 116</b>	<b>10,609.94</b>	<b>137.02</b>	<b>10,746.96</b>
<b>Reversal (Refer Note 2(xix))</b>	<b>10,609.94</b>	<b>137.02</b>	<b>10,746.96</b>
<b>At March 31, 2020</b>	-	-	-
<b><u>Accumulated amortisation</u></b>			
At April 1, 2018	-	-	-
Amortisation for the period	-	-	-
Disposals/ adjustments	-	-	-
At March 31, 2019	-	-	-
<b>At April 1, 2019</b>	-	-	-
<b>Amortisation for the period</b>	<b>1,626.14</b>	<b>86.94</b>	<b>1,713.08</b>
<b>Reversal (Refer Note 2(xix))</b>	<b>1,626.14</b>	<b>86.44</b>	<b>1,712.58</b>
<b>At March 31, 2020</b>	-	-	-
<b>Net Block March 31, 2020</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**4. Other intangible assets**

(₹ in Lakhs)	
Particulars	Software
<b><u>Gross Block</u></b>	
At April 1, 2018	434.07
Additions	15.88
Disposals/ adjustments	(6.60)
At March 31, 2019	443.35
At April 1, 2019	<b>443.35</b>
Additions	<b>5.07</b>
Disposals/ adjustments	<b>(448.02)</b>
At March 31, 2020	<b>0.40</b>
<b><u>Accumulated amortisation</u></b>	
At April 1, 2018	229.51
Amortisation for the period	64.74
Disposals/ adjustments	(5.78)
At March 31, 2019	288.47
At April 1, 2019	<b>288.47</b>
Amortisation for the period	<b>44.08</b>
Disposals/ adjustments	<b>(332.15)</b>
At March 31, 2020	<b>0.40</b>
<b>Net Block March 31, 2020</b>	<b>0.00</b>
<b>Net Block March 31, 2019</b>	<b>154.88</b>

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**5. Loans and advances**

**Non-current**

Unsecured, considered good

- (a) Lease deposits for commercial premises
- (b) Others (i.e. Deposit for electricity and telephone)

**Total**

	As at March 31, 2020	(₹ in Lakhs) As at March 31, 2019
(a)	-	1,003.17
(b)	-	86.53
<b>Total</b>	<b>-</b>	<b>1,089.70</b>

**Current**

- (a) Lease deposits for commercial premises  
Unsecured, considered good  
Considered doubtful
- (b) Other deposits (Telephone, Electricity etc.)  
Considered doubtful
- (c) Inter corporate deposit with related party
- (d) Advances and other receivables

Less: Provision for doubtful deposits

**Total**

	As at March 31, 2020	As at March 31, 2019
(a)	1,025.57	57.09
	110.47	145.92
(b)	57.47	-
(c)	5,350.00	-
(d)	1.89	2.05
	6,545.40	205.06
Less: Provision for doubtful deposits	167.94	145.92
<b>Total</b>	<b>6,377.46</b>	<b>59.14</b>

**Movement in allowances for doubtful loans and advances**

Balance at beginning of the year  
Provision (reversed) for bad debt written off  
Provision made/(reversed) during the year (Net)  
Balance at end of the year

	As at March 31, 2020	As at March 31, 2019
	145.92	113.67
	(102.48)	-
	124.50	32.25
	167.94	145.92

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**6. Other financial assets**

**Non-Current**

(a) Deposit with banks

**Total**

(₹ in Lakhs)

As at March 31, 2020	As at March 31, 2019
10.76	10.76
<b>10.76</b>	<b>10.76</b>

**Current**

(a) Deposit with banks  
(b) Unbilled cost  
(c) Amounts recoverable from related parties (Refer note 29)  
    Unsecured, considered good  
    Considered doubtful  
(d) Interest accrued  
(e) Others (Commission/Insurance receivable, etc.)  
    Unsecured, considered good  
    Considered doubtful

Less : Provision for doubtful current assets

**Total**

As at March 31, 2020	As at March 31, 2019
151.05	96.67
-	32.35
-	2,714.12
-	277.83
1.67	66.22
165.15	573.02
119.28	231.18
437.15	3,991.39
119.28	509.01
<b>317.87</b>	<b>3,482.38</b>

**Movement in allowances for doubtful current assets**

Balance at beginning of the year  
Provision (reversed) for bad debt written off  
Provision made/(reversed) during the year (net)  
Balance at end of the year

509.01	301.82
(385.01)	-
(4.72)	207.19
<b>119.28</b>	<b>509.01</b>

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**7. Other assets**

**Non-current**

- (a) Statutory deposits and dues from government
- (b) Unamortised rent expenses

Less: Allowance for doubtful deposits

**Total**

(₹ in Lakhs)	
As at March 31, 2020	As at March 31, 2019
<b>418.79</b>	463.81
-	268.01
<b>418.79</b>	731.82
-	-
<b>418.79</b>	731.82

**Current**

- (a) Unamortised rent expenses
- (b) Prepaid expenses
- (c) Capital advances - Unsecured, considered good  
Unsecured, considered good
- (d) VAT, other taxes recoverable, statutory deposits and dues  
from government
- (e) Advance to suppliers others including imprest advances etc.  
Unsecured, considered good  
Considered doubtful

Less: Allowance for doubtful advance to suppliers

**Total**

As at March 31, 2020	As at March 31, 2019
-	97.14
-	103.55
-	102.37
<b>70.23</b>	1,886.76
<b>75.97</b>	784.59
<b>366.28</b>	402.39
<b>512.48</b>	3,376.80
<b>366.28</b>	425.04
<b>146.20</b>	2,951.76

**Movement in allowances for advance to suppliers others**

Balance at the beginning of the year  
Provision (reversed) for bad debt written off  
Provision made /(reversed) during the year (net)  
Balance at the end of the year

<b>425.04</b>	105.97
<b>(60.04)</b>	-
<b>1.28</b>	319.07
<b>366.28</b>	425.04

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**8. Inventories**

- (a) Stock-in-trade -Automobiles, Spare Parts and Accessories for automobiles
- (b) Goods-in-transit
  - (i) Automobiles
  - (ii) Spare Parts and Accessories for automobiles

**Total**

(₹ in Lakhs)	
As at March 31, 2020	As at March 31, 2019
<b>969.46</b>	23,624.29
-	2,104.02
-	443.14
<b>969.46</b>	<b>26,171.45</b>

(i) During the year ended March 31, 2020, the Company recorded inventory write-down of ₹ 1,295.56 lakhs. (For the year ended March 31, 2019 ₹ 13.84 lakhs.)

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**9. Trade receivables (unsecured)**

Receivables considered good  
Credit impaired receivables  
  
Less : Allowance for credit impaired receivables  
**Total**

(₹ in Lakhs)	
As at March 31, 2020	As at March 31, 2019
961.27	9,112.32
1,922.23	2,818.68
2,883.50	11,931.00
1,922.23	2,818.68
961.27	9,112.32

Movement in allowances for credit impaired receivables

Balance at beginning of the year  
Allowance (reversed) for bad debt written off  
Allowance made/(reversed) during the year (net)  
Balance at end of the year

2,818.68	1247.97
(853.76)	1570.71
(42.69)	-
1,922.23	2,818.68

**10. Cash and cash equivalents**

(a) Cash on hand (includes remittance in transit)  
(b) Cheques, drafts on hand  
(c) Balances with banks  
(d) Credit Card Collections

**Total**

As at March 31, 2020	As at March 31, 2019
0.51	161.92
0.13	407.12
130.45	10,228.74
71.28	33.70
202.37	10,831.48

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**11. Equity share capital**

	As at March 31, 2020	(₹ in Lakhs) As at March 31, 2019
(a) Authorised :		
175,000,000 Ordinary shares of ₹ 10 each (as at March 31, 2019: 175,000,000 Ordinary shares of ₹ 10 each)	17,500.00	17,500.00
2,500,000 Preference shares of ₹ 100 each (as at March 31, 2019: 2,500,000 Preference shares of ₹ 100 each)	2,500.00	2,500.00
	<b>20,000.00</b>	<b>20,000.00</b>
(b) Issued, subscribed and fully paid :		
163,697,694 Ordinary shares of ₹ 10 each (as at March 31, 2019: 63,697,694 Ordinary shares of ₹ 10 each)	16,369.77	6,369.77
	<b>16,369.77</b>	<b>6,369.77</b>

**The movement of number of shares and share capital**

**Fully paid equity shares**

Balance as at April 1, 2019  
Add : Rights issue of shares  
Balance as at March 31, 2020

	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019	As at March 31, 2019
	(No. of shares)	(₹ in lakhs)	(No. of shares)	(₹ in lakhs)
Balance as at April 1, 2019	6,36,97,694	6,369.77	6,36,97,694	6,369.77
Add : Rights issue of shares	10,00,00,000	10,000.00	-	-
Balance as at March 31, 2020	<b>16,36,97,694</b>	<b>16,369.77</b>	<b>6,36,97,694</b>	<b>6,369.77</b>

**Details of Shares held by Holding Company**

Fully paid ordinary shares held by Tata Motors Limited  
(includes 60 shares jointly held with others)

As at March 31, 2020	As at March 31, 2019
16,36,97,694	6,36,97,694

**Shares in the Company held by each shareholder holding more than 5 percent shares**

Tata Motors Limited  
(includes 60 shares jointly held with others)

As at March 31, 2020	As at March 31, 2019
16,36,97,694	6,36,97,694

**A). Rights, preferences and restrictions attached to shares:**

**Equity shares:**

In respect of every equity share, voting rights shall be in the same proportion as the capital paid up on such equity share bears to the total paid up share capital of the Company.

In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

**B). Information regarding issue of shares in the last five years :**

- The Company has not issued any shares without payment being received in cash.
- The Company has not issued any bonus shares.
- The Company has not undertaken any buy-back of shares.
- During the year the company has issued 10 crore of right shares to all its shareholders. Tata Motors Limited, being the eligible share holder

have exercised the rights pursuant to which the company has allotted 10 crore shares of face value Rs 10 each, which are fully paid.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**12. Borrowings**

	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b><u>Non-current</u></b>		
<b>Secured:</b>		
(a) Loans from related party (Refer note (i) below)	-	3,581.19
<b>Unsecured:</b>		
(a) Redeemable cumulative preference shares (Refer note (ii) below)	2,435.00	2,435.00
(b) Liability portion included under compulsorily convertible debentures (CCDs) (Refer note (i) of Statement of changes in equity)	495.18	917.80
<b>Total</b>	<b>2,930.18</b>	<b>6,933.99</b>

**Note:**

**Secured Loans:**

- (i) The Company had taken Term Loan of ₹ 7,500 Lakhs from TMF Holdings Limited (formerly Tata Motors Finance Limited). This loan was repayable in 60 Monthly instalments ending on 27th April 2022. The rate of interest ranges from 8% to 10% per annum. Term loan is secured by Equitable Mortgage of Commercial/Industrial Property located at Mazda Industrial Estate Dr E Moses Road Near Worli Naka, Worli. This has been foreclosed and fully repaid on 31st March 2020.

**Unsecured Loans:**

- (ii) 7 % Cumulative Redeemable Preference Shares of ₹ 100 each, fully paid-up, allotted on October 21, 2004 has been due for redemption on 20th October 2014. It has been rolled over for further 10 years and shall be redeemable on or before 20 October 2024. These shares are redeemable at par at the end of 10 years from the date of rollover, with an option to the Company to redeem it at anytime from the date of rollover, if mutually agreed upon between the Preference Shareholders and the Company, on the original terms of the preference share issue.
- These redeemable cumulative preference shares do not contain any equity component and are classified as financial liabilities in their entirety.

The following rights shall be attached to the preference shares aforesaid, inter se, as hereinafter provided, Viz:

- (a) The profits of the company, which the Directors shall from time to time determine to distribute as dividend, shall be applied first in payment of fixed cumulative preferential dividend at the rate of 7% (seven per cent) per annum, subject to income tax, if any, on the cumulative redeemable preference shares according to the amounts paid-up thereon and subject thereto in payment of a dividend at such rate as may be determined from time to time on the equity shares.
- (b) In a winding up, the assets of the company (including Capital uncalled at the commencement of the winding up) remaining after paying and discharging the debts and liabilities of the company and the cost of winding up shall be applied in the following order of priority:
- (i) In repayment of the capital paid up or credited as paid up on the 7% cumulative redeemable preference shares.
- (ii) In repayment of the capital paid-up or credited as paid up on the equity shares.
- (iii) The residue, if any, shall be divided amongst the holders of the equity shares in proportion to the amount paid up on such shares.



**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**12. Borrowings**

	As at March 31, 2020	(₹ in Lakhs) As at March 31, 2019
<b>Current</b>		
<b>Secured</b>		
(a) Loans repayable on demand		
(i) from banks (Refer note (i) below)	-	11,018.92
(ii) from related party (Refer note (ii) below)	-	18,786.70
<b>Total (A)</b>	<b>-</b>	<b>29,805.62</b>
<b>Unsecured:</b>		
(a) Loans repayable on demand		
(i) From banks (Refer note (iii) below)	-	5,000.00
(b) Deposits from TML Distribution Company Limited (Refer note (iv) below)	<b>12,500.00</b>	12,500.00
(c) Loans from related party (Refer note (vi) below)	-	2,379.34
<b>Total (B)</b>	<b>12,500.00</b>	<b>19,879.34</b>
<b>Total (A+B)</b>	<b>12,500.00</b>	<b>49,684.96</b>

**Secured loans**

- (i) Details of security given for the above items:
- (a) The company had taken loan from IDFC Bank Ltd. The tenure of the loan ranges from 30 days to 120 days. The loan carries a rate of interest as may be mutually agreed between the borrower and IDFC Bank from time to time. The rate of interest on the loan ranges from 8.50% to 10.50% per annum. It is secured by first pari passu charge on all the current asset of the company both present and future to be perfected within 6 months. This has been fully repaid during the year under consideration.
  - (b) The company had taken loan from HDFC Bank Ltd. The loan is repayable upto 120 days. The rate of interest on the loan ranges from 8.50% to 8.95% per annum. It is secured by pari passu charge on all the present and future current assets including book debts, stock in trade, outstanding monies receivables, claims and bills which are now due and owing to the borrower. This has since been fully repaid during the year.
  - (c) The company had taken loan from Kotak Mahindra Bank Limited. The loan is repayable on demand. The rate of interest on the loan ranges from 8.95% to 9.95% per annum. It is secured by pari passu charge on all the present and future current assets including book debts, stock in trade, outstanding monies receivables, claims and bills which are now due and owing to the borrower. This has since been repaid during the year.
- (ii) The company had taken loan from Tata Capital Financial Services Limited. The principal amount is repayable at the end of 120 days, while the interest is payable on monthly basis. The rate of interest is as per the interest communication letter from the lender. The rate of interest on the loan ranges from 9.95% to 10.15% per annum. It is secured by pari passu charge on stock and debtors of the company. The loan has been fully repaid as on March 31, 2020.

**Unsecured Loans:**

- (iii) The company had taken loan from IDFC Bank Ltd. The tenure of the loan ranges from 30 days to 120 days. The loan carries a rate of interest as may be mutually agreed between the borrower and IDFC Bank from time to time. The rate of interest on the loan ranges from 8.50% to 10.50% per annum. This has been fully repaid during the year
- (iv) The inter corporate deposit from TML Distribution Company Ltd; a related party carries rate of interest at 9.50% per annum and is repayable on demand
- (v) The company has during the year taken inter corporate deposit from Tata Motors Limited, a related party, carrying rate of interest at 9.50% per annum and the same is fully repaid as on March 31, 2020.
- (vi) The company had taken loan from Tata Motors Finance Solutions Limited. The loan is repayable at the end of 60 days. The rate of interest is as per the interest communication letter from the lender. The rate of interest on the loan ranges from 9.95% to 10.15% per annum. This has been fully repaid as on March 31, 2020.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

		(₹ in Lakhs)
<b>13. Other financial liabilities</b>		
	As at March 31, 2020	As at March 31, 2019
<b><u>Non-current</u></b>		
(a) Lease deposit	16.27	31.06
(b) Tax on preference dividend payable	277.94	242.90
<b>Total</b>	<b>294.21</b>	<b>273.96</b>
	As at March 31, 2020	As at March 31, 2019
<b><u>Current</u></b>		
(a) Current maturities of term loan from related party (Refer note 12)	-	1,411.08
(b) Liability portion included under compulsorily convertible debentures ( CCDs)	422.61	385.15
(c) Interest accrued but not due	1,364.67	1,485.51
(d) Liability for capital expenditure	306.46	516.08
(e) Employee payables	324.51	793.82
<b>Total</b>	<b>2,418.25</b>	<b>4,591.64</b>

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

**14. Other liabilities**

(₹ in Lakhs)

**Non-current**

- (a) Liability towards rent straight lining  
(b) Deferred rent income

**Total**

As at March 31, 2020	As at March 31, 2019
-	840.07
-	2.61
-	842.68

**Current**

- (a) Advance from customers  
(b) Statutory dues (GST, TDS etc.)  
(c) Liability towards rent straight lining  
(d) Deferred rent income

**Total**

As at March 31, 2020	As at March 31, 2019
1,027.85	8,497.11
1,153.30	209.09
-	71.88
-	1.06
2,181.15	8,779.14

**15. Provisions**

**Non-current**

Compensated absences

**Total**

As at March 31, 2020	As at March 31, 2019
-	71.76
-	71.76

**Current**

- (a) Gratuity  
(b) Compensated absences

**Total**

As at March 31, 2020	As at March 31, 2019
97.32	1.19
78.61	3.73
175.93	4.92

Note :

In case of certain employees transferred on account sale of business to various dealers, the Company is currently awaiting details from LIC and hence has not currently finalized individual employee's gratuity value to be transferred to the dealers. The Company continues to accrue the gratuity liability, based on actuarial valuation for all the employees, which would subsequently be transferred to the dealers, once the details of liability of individual employees is available. Pending this settlement with the dealers, the receivable from dealers Rs. 2,284.12 Lakhs is reflected gross of this settlement.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

(₹ in Lakhs)

**16. Revenue from operations**

- (a) Sale of traded goods (Refer Note 1 below)
- (b) Sale of services (Servicing of automobiles)
- (c) Sale of car dealership business (Refer Note 1 below)
- (d) Other operating revenues (Refer Note 2 below)
- Total**

Year Ended 31st March 2020	Year Ended 31st March 2019
53,622.29	1,14,806.25
4,223.23	5,511.15
4,296.45	-
833.80	2,644.37
<b>62,975.77</b>	<b>1,22,961.77</b>

**17. Other income**

- (a) Interest income on fixed deposits
- (b) Interest income on financial assets carried at amortised cost
- (c) Amounts no longer required written back
- (d) Miscellaneous receipts
- (e) Interest on income tax refund
- Total**

Year Ended 31st March 2020	Year Ended 31st March 2019
8.40	15.46
57.97	109.10
1,114.85	212.70
268.20	250.58
-	65.51
<b>1,449.42</b>	<b>653.35</b>

Notes :

- (1) Including sale of car dealership business :
  - (i) Sale of automobiles
  - (ii) Spare parts and accessories for automobiles

**Total**

- (2) Includes :
  - (i) Financial services and sales commission
  - (ii) Handling charges and sale of scrap
  - (iii) Rental income

**Total**

Year Ended 31st March 2020	Year Ended 31st March 2019
51,780.50	1,07,212.37
6,138.24	7,593.88
<b>57,918.74</b>	<b>1,14,806.25</b>
430.51	1,412.04
322.40	1,170.31
80.89	62.02
<b>833.80</b>	<b>2,644.37</b>

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of the Financial Statements for the year ended March 31, 2020**

(₹ in Lakhs)

**18. Employee benefits expense**

(a) Salaries, wages and bonus
(b) Contribution to provident and other funds
(c) Staff welfare expenses
<b>Total</b>

Year Ended 31st March 2020	Year Ended 31st March 2019
4,931.65	6,589.10
494.22	476.03
230.01	256.38
<b>5,655.88</b>	<b>7,321.51</b>

**19. Finance costs**

Interest
(i) On Borrowings
(ii) On Preference shares
(iii) Others
<b>Total</b>

Year Ended 31st March 2020	Year Ended 31st March 2019
5,295.12	5,282.03
205.49	205.15
620.93	7.97
<b>6,121.54</b>	<b>5,495.15</b>

**20. Other expenses**

(a) Consumption of stores and spare parts
(b) Power and fuel
(c) Rent
(d) Repairs and maintenance - buildings , plant & machinery and others
(e) Vehicle lease rent
(f) Insurance
(g) Rates and taxes
(h) Advertisement, Sales Promotion & Publicity
(i) Job work charges
(j) Outsourced services
(k) Other operating expenses
(l) Loss on sale of assets
(m) Property, plant and equipment written off
(n) Allowance made/(reversed) for trade and other receivables (net)
(o) Allowance made for capital work-in-progress
(p) Bad debts written off
(q) Amounts not recoverable written-off
<b>Total</b>

Year Ended 31st March 2020	Year Ended 31st March 2019
221.51	259.78
409.85	499.32
501.44	2,706.90
186.18	229.41
617.22	730.60
152.10	102.37
1,487.03	302.39
417.38	668.64
672.94	1,043.66
450.61	330.25
3,180.58	3,763.91
74.45	71.08
697.91	110.55
77.67	2,129.22
-	72.40
1,053.74	-
-	756.80
<b>10,200.62</b>	<b>13,777.28</b>

(₹ in Lakhs)

**21. Notes to Profit and Loss Statement :**

(1) Purchase of stock-in-trade include :

- (a) Automobile Spare parts and accessories for sale
- (b) Automobiles

Year Ended 31st March 2020	Year Ended 31st March 2019
3,708.09	6,643.66
30,925.90	1,03,862.37
<b>34,633.99</b>	<b>1,10,506.03</b>

(2) Changes in inventories of stock-in-trade :

- Inventory of stock-in-trade as at the beginning of the year
- Inventory of stock-in-trade as at the end of the year
- Decrease/(Increase) in inventory of stock-in-trade

Year Ended 31st March 2020	Year Ended 31st March 2019
26,171.45	25,235.59
969.46	26,171.45
<b>25,201.99</b>	<b>(935.86)</b>

- (3) Payments to the auditors comprises (net of taxes):
- (i) As auditors - Statutory audit and IFC
  - (ii) For Tax Audit
  - (iii) Reimbursement of travelling and out-of-pocket expenses

Year Ended 31st March 2020	Year Ended 31st March 2019
24.82	20.16
1.62	1.62
2.24	2.02

(4) **Operating Lease  
Lease as lessee**

The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are non-cancellable and are for a period of 2 to 5 years and may be renewed for a further period based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments by 5% to 15%.

Right of use assets is amortised over the period of lease.

Payment made towards short term leases (leases for which non cancellable term is 12 months or lesser) and low value assets are recognised in the statement of Profit and loss as rental expenses over the tenor of such leases

Rent expense

Year Ended 31st March 2020	Year Ended 31st March 2019
501.44	2,706.90

not later than one year  
later than one year and not later than five years  
later than five years

Year Ended 31st March 2020	Year Ended 31st March 2019
-	350.71
-	130.36
-	-

(5) **Exceptional items**

**(a) Profit on sale of asset (Land and Building)**

During the year, the Company has sold its Mumbai property to Tata Motors Limited. The book value of the property including related furniture and fixtures and Electrical fittings was Rs 4,898.19 lakhs which has been sold at Rs 28,641 lakhs. Accordingly, the Company has earned a profit of Rs 23,741.81 Lakhs on this sale of property.

**(b) Sale of car dealership business**

During the year, the Company has wound down its car dealership business and entered into agreements to sell the inventory/fixed assets and transfer certain employees, as agreed, to other car dealers. The Company has sold the business for a consideration of Rs 4,846.80 lakhs and incurred a loss of Rs 1,264.74 lakhs on sale of fixed assets and a loss of Rs 2,330.63 lakhs on account of sale of inventory.

**(c) Cost of closure**

In relation to the closure of business, the Company had to surrender certain premises which were on rent before the lease tenure could expire. Accordingly, the Company has made a provision of Rs 393.86 lakhs, towards early closure of lease.

(6) **Write-off of PPE and Other**

**(a) Property, Plant and Equipment write-off:**

During the year, the Company completed physical verification of all its property, plant and equipment. Pursuant to the verification, the Company also completed the reconciliation with its books (which was under process in the previous year for partly verified assets) and has identified assets with written down value of Rs. 697.91 lakhs, which were physically not available or were not in usable condition. Accordingly, the Company has charged off these assets in the Statement of Profit and loss during the year ended March 31, 2020.

**(b) Other write-off:**

As referred to in note 21(5b), the Company has closed down its passenger car business and attempted to reconcile relevant assets/ liabilities to assess the recoverability of all its assets and ascertaining of certain liabilities. Pursuant to this assessment, for unreconciled items, the Company has debited to the Statement of Profit and Loss Rs 2,547.97 lacs, where the management concluded that these assets cannot be recovered and the liabilities to be paid based on claims/obligations details available. The aforementioned amount has been debited to the following financial statement captions:

Bad debt written-off (Insurance claims receivable, debit balance in insurance and registration charges payable and other receivables) - Rs. 1053.74 lakhs

Rates and taxes (Goods and Service Tax) - Rs – 1,044.20 lakhs

Interest Others (Interest on late payment of Goods and Service Tax)- Rs. 450.03 lakhs

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

**22. Notes to Balance Sheet**

**Dues to micro, small and medium enterprises:**

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2, 2006 certain disclosures are required to be made relating to Micro Small and Medium enterprises. On the basis of the information and records available with the Management, the following disclosures are made for the amounts due to the Micro Small and Medium enterprises, who have registered with the competent authorities:

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Principal amount remaining unpaid to any supplier as at the year end and interest due thereon	10.92	16.81
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	0.37	0.48
Amount of interest accrued and remaining unpaid at the end of the accounting year	0.37	0.48
Amount of further interest remaining due and payable even in the succeeding years, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	0.37	0.48



**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**

**Notes forming part of Financial Statements for the year ended March 31, 2020**

**23. Commitments and contingencies**

**1 Claims against the Company not acknowledged as debts -**

(i) Sales Tax

[of the above ₹ 380.03 lakhs deposited under protest, (March 31, 2019: ₹ 365.17 lakhs)]

(ii) Service Tax

[of the above ₹ 38.76 lakhs deposited under protest, (March 31, 2019: ₹ 42.24 lakhs)]

(iii) The claims / liabilities in respect of other matters ( Payment of Bonus Act ).

(iv) Bank guarantee issued on behalf of company

(v) Estimated amount of contracts remaining to be executed on capital account and not provided for

(₹ in Lakhs)	
As at March 31, 2020	As at March 31, 2019
<b>1,622.99</b>	<b>1,199.76</b>
<b>310.94</b>	<b>363.78</b>
<b>29.72</b>	29.73
<b>150.28</b>	123.58
<b>Nil</b>	52.69

- 2** The Company acquired certain immovable properties pursuant to a scheme of arrangement in the period 2004. Stamp duty is payable on conveyance of properties in favour of the Company. The stamp duty adjudication order has been passed by District Registrar (DUS) for Bengaluru property fixing the market value of the immovable property situated at Bengaluru as on the date of acquisition at ₹ 1,165.18 lakhs on which Stamp duty @ 7% amounting to ₹ 81.56 lakhs has been paid by the Company during the period 2007-08 and has been capitalised under Land & Building. The Company is in the process of completing similar formalities in respect of the Hyderabad Property that was acquired by the Company pursuant to the scheme referred above. It is not possible to quantify the amount of duty payable, and adjustments, as and when effected, will be carried out to the cost of land and building relating to the property at Hyderabad.

**3 Provident fund contribution**

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

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

**24. Financial instruments**

**(a) Capital management**

The Company manage its capital through its parent company, to ensure that Company will be able to meet its funding requirements and will be able to continue as going concern. The Company has received a letter of support from the parent company committing its financial support.  
The Company is not subject to any externally imposed capital requirements.

**(b) Financial assets and liabilities**

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities

PARTICULARS	(₹ in Lakhs)			
	Carrying Amount		Fair Value	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>Financial assets</b>				
<u>Measured at amortised cost</u>				
Loans and advances	6,377.46	1,148.84	6,377.46	1,148.84
Other financial assets	328.63	3,493.14	328.63	3,493.14
Trade receivables	961.27	9,112.32	961.27	9,112.32
Cash and cash equivalents	202.37	10,831.48	202.37	10,831.48
Others- Receivable sale of business	2,284.12	-	2,284.12	-
<b>Total</b>	<b>10,153.85</b>	<b>24,585.78</b>	<b>10,153.85</b>	<b>24,585.78</b>
<b>Financial liability</b>				
<u>Measured at amortised cost</u>				
Borrowings	15,430.18	56,618.95	15,430.18	56,618.95
Other finance liabilities	2,712.46	4,865.60	2,712.46	4,865.60
Trade payables	3,280.05	6,543.01	3,280.05	6,543.01
<b>Total</b>	<b>21,422.69</b>	<b>68,027.56</b>	<b>21,422.69</b>	<b>68,027.56</b>

The Management assessed that the fair value of cash , trade receivable , loans and advances, trade payables , borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in the current transactions between willing parties , other than in a forced or liquidation sale.

**(c) Financial Risk Management Objectives**

The Company seeks to minimize and manage the financial risks relating to the operations of the Company. These risks may include market risk, interest rate risk, credit risk and Liquidity Risk.

Market Risk:

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

Interest Rate Risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

Although not very significant, the Company is subject to variable interest rates on some of its interest bearing liabilities.

The Company's interest rate exposure is mainly related to debt obligations.

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 creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of investments classified as trade receivable, loans and advances and other financial assets. None of the financial instruments of the Company result in material concentrations of credit risks.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 10,153.85 lakhs as of March 31, 2020 and ₹ 24,585.78 lakhs as of March 31, 2019 being the total of the carrying amount of balances with banks, trade receivables, loans and other financial assets.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents are past due or impaired. Regarding trade receivables, loans and advances and other financial assets, that are neither impaired nor past due, there were no indications as of March 31, 2020, that defaults in payment obligations will occur.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

**24. Financial instruments (Continued....)**

**Age of Receivables**

<b>Ageing</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
1-30 Days past dues	<b>178.12</b>	3,463.47
31-60 days past dues	<b>164.76</b>	1,141.98
61-90 days past dues	<b>176.79</b>	86.23
More than 90 days past dues	<b>2,363.83</b>	7,239.31
<b>Gross Receivables</b>	<b>2,883.50</b>	<b>11,931.00</b>
Less : Allowance for credit impaired receivables	<b>1,922.23</b>	2,818.68
<b>Net Receivables</b>	<b>961.27</b>	<b>9,112.32</b>

**Liquidity Risk**

Liquidity Risk is the risk that entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The Company manages the liquidity risk by maintaining funding lines through banking facilities by continuously monitoring forecast, actual cash flows and support of its parent company. Below table shows the maturity profile of borrowings of the Company.

<b>PARTICULARS</b>	<b>March 31, 2020</b>				<b>March 31, 2019</b>			
	<b>Less than 1 year</b>	<b>1-3 years</b>	<b>3 year - 5 years</b>	<b>More than 5 years</b>	<b>Less than 1 year</b>	<b>1-3 years</b>	<b>3 year - 5 years</b>	<b>More than 5 years</b>
Short term Borrowings	<b>12,500.00</b>	-	-	-	49,684.96	-	-	-
Long term Borrowings	-	<b>495.18</b>	-	<b>2,435.00</b>	-	3418.57	1,080.42	2,435.00
Other Financial Liabilities	<b>2,418.25</b>	<b>16.27</b>	-	<b>277.94</b>	4,591.64	31.06	-	242.90
Trade Payable	<b>3,280.05</b>	-	-	-	6,543.01	-	-	-

(₹ in Lakhs)

**25. Earning per share ("EPS")**

		<b>Year Ended 31st March 2020</b>	<b>Year Ended 31st March 2019</b>
(a) Profit or (Loss) after tax .....	₹ in lakhs	<b>1,582.47</b>	(13,257.77)
Profit available to Equity Share holders		<b>1,582.47</b>	(13,257.77)
(b) The weighted average number of Equity Shares for Basic EPS.....	Nos.	<b>14,81,23,924</b>	6,61,63,447
(c) The nominal value per Share.....	₹	<b>10.00</b>	10.00
(d) Share of Profit for Equity Shares for Basic EPS.....	₹ in lakhs	<b>1,582.47</b>	(13,257.77)
(e) Earnings Per Ordinary Share (Basic).....	₹	<b>1.07</b>	(20.04)
(f) Share of Profit for Equity Shares for Diluted EPS.....	₹ in lakhs	<b>1,698.69</b>	#
(g) The weighted average number of Equity Shares for Diluted EPS.....	Nos.	<b>24,81,23,924</b>	#
(h) Earnings Per Ordinary Share (Diluted).....	₹	<b>0.68</b>	(20.04)

# Since there is a loss for the year ended March 31, 2019, potential equity shares are not considered as dilutive and hence diluted EPS is same as basic EPS.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

**26. Segment Information**

The Company is engaged mainly in the business of selling of cars, parts, accessories, financial services and servicing of cars in India, which have similar risks and returns. These in the context of Ind AS 108 - operating segments reporting are considered to constitute one reportable segment. Income from facilitating finance and other services cater to the same customers to whom cars are sold and therefore do not have risk and rewards which are different from business of selling of cars and hence forms the part of the same segment i.e. selling of cars, parts, accessories, financial services, etc.

The Company sells its products and services only in India and as such separate information on geographical segment is not provided.

**27. Deferred Tax**

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (Minimum alternate tax credits)	-	9.76
Deferred tax liabilities	-	-

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Deferred tax assets</b>		
Provisions for Employee benefits	176.18	76.68
Provisions for doubtful debts and advances	2,686.05	3,971.05
Adjustments for other disallowances	30.00	1,198.44
Unabsorbed tax loss and depreciation	34,047.54	38,193.35
	<b>36,939.77</b>	<b>43,439.52</b>
<b>Deferred tax liabilities</b>		
Difference in the written down value of land	(6,139.48)	(10,823.32)
Difference in the written down value of other PPE & Intangible assets	4,868.06	(488.48)
	<b>(1,271.41)</b>	<b>(11,311.80)</b>
<b>Deferred tax asset (net)</b>	<b>35,668.36</b>	<b>32,127.72</b>
<b>Tax effect on the above - net Asset unrecognised*</b>	<b>12,463.95</b>	<b>11,226.71</b>

\* Due to the continuing losses incurred by the Company, deferred tax asset has been restricted to the extent of deferred tax liability. On the balance, due to continuing losses, deferred tax asset has not been recognised on the basis that the recovery is not probable in the foreseeable future.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

**28. Employee Benefits**

(a) **Defined benefit plans**

The following table sets out the funded and un-funded status and the amounts recognised in the financial statement for the gratuity in respect of the company.

(all figures are ₹ in Lakhs except %)

	PARTICULARS	Gratuity	
		2020	2019
i	<b>Components of employer expense</b>		
	Current Service cost	54.54	56.77
	Interest cost (Net)	0.09	(0.70)
	Curtailment cost	3.05	-
	Return on plan assets greater/Less than Discount rate	-	5.34
	Actuarial (Gains) / Losses	-	(24.65)
	<b>Total expense recognised</b>	<b>57.68</b>	<b>36.76</b>
ii	<b>Actual Contribution and Benefit Payments for year ended March 31,</b>		
	Actual benefit payments	(20.94)	(41.31)
	Actual Contributions	-	53.02
iii	<b>Net Assets/( liability) recognised in Balance Sheet as at March 31,</b>		
	Present Value of Defined Benefit Obligation	(236.61)	(174.61)
	Fair value of plan assets	139.29	173.42
	<b>Net liability recognised in Balance Sheet</b>	<b>(97.32)</b>	<b>(1.19)</b>
iv	<b>Change in Defined Benefit Obligations (DBO) during the year ended March 31</b>		
	Present Value of DBO at the beginning of the year	174.61	172.14
	Current Service cost	54.54	56.77
	Interest cost	11.79	11.66
	Curtailment cost	3.05	-
	Actuarial (gains) / losses	35.68	(24.65)
	Benefits paid	(43.06)	(41.31)
	<b>Present Value of DBO at the end of the year</b>	<b>236.61</b>	<b>174.61</b>
v	<b>Change in Fair Value of Assets during the year ended March 31,</b>		
	Plan assets at the beginning of the year	173.42	154.69
	Expected return on plan assets	11.70	12.36
	Actual Company contributions	-	53.02
	Return on plan assets greater/Less than Discount rate	(2.99)	(5.34)
	Benefits paid	(42.84)	(41.31)
	<b>Plan assets at the end of the year</b>	<b>139.29</b>	<b>173.42</b>
vi	<b>Reconciliation of Net Assets / (Liability) recognised in the Balance Sheet</b>		
	Net Assets / (Liability) at the beginning of the year	(1.19)	(17.45)
	Employer (Expense) / Credit	(57.46)	(36.76)
	Amount recognised in OCI	(17.73)	-
	Acquisition cost	(20.94)	-
	Employer Contribution	-	53.02
	<b>Net Assets / (Liability) at the end of the year</b>	<b>(97.32)</b>	<b>(1.19)</b>
vii	<b>Composition of the plan assets is as follows:</b>		
	Balance with Life Insurance Corporation of India Ltd	100.00%	100.00%
viii	<b>Actuarial Assumptions for Gratuity</b>		
		<b>2020</b>	<b>2019</b>
	Discount Rate (%)	6.90%	7.70%
	Expected Return on plan assets (%)	6.90%	8.00%
	Salary escalation (%)	5.00%	5.00%

(ix) **Additional disclosure**

1	Expected benefit payments in next year	236.61
2	Expected employer contribution in the next year	N/A
3	Weighted average duration of defined benefit obligation	8 years
4	Accrued benefit obligation as at March 31, 2020	233.37

(x) Significant actuarial assumption for the determination of the defined obligation are discount rate and expected salary.

**Sensitivity Analysis in respect of Change in Discount Rate**

As at 31st March 2020

Particulars	Central Assumption	Variation 1	Variation 2
	6.90%	Change by -1%	Change by 1%
DBO	57,59,000	58,35,000	56,94,000

As at 31st March 2019

Particulars	Central Assumption	Variation 1	Variation 2
	7.70%	Change by -1%	Change by 1%
DBO	1,74,61,000	2,02,34,000	1,51,94,000

**Sensitivity Analysis in respect of Change in Salary**

As at 31st March 2020

Particulars	Central Assumption	Variation 1	Variation 2
	5.00%	Change by -1%	Change by 1%
DBO	57,59,000	56,93,000	58,34,000

As at 31st March 2019

Particulars	Central Assumption	Variation 1	Variation 2
	5.00%	Change by -1%	Change by 1%
DBO	1,74,61,000	1,51,20,927	2,02,85,000

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

The Sensitivity analysis presented above may not be representative of the actual changes in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

**xi) Compensated absence**

		(₹ in Lakhs)	
	PARTICULARS	2020	2019
A	Charge / (credit) in the statement of profit and Loss	90.49	37.32
	Liability as at the year end	78.61	75.49
B	<b>Actuarial Assumptions</b>		
	Discount Rate (%)	6.90%	7.70%
	Salary escalation (%)	5.00%	5.00%

**(b) Defined Contribution Plans-**

The Company makes provident fund and employee state insurance scheme contributions which are defined contribution plans, for qualifying employees. Under these schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 323.88 lakhs (Previous year: ₹ 272.49 lakhs) for provident fund contributions and ₹ 80.97 lakhs (Previous year: ₹ 147.47 lakhs) for Employee State Insurance Scheme contributions in the Profit and Loss Statement. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

- The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc.. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.
- The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**(c) Gratuity & Leave encashment of transferred employees**

Reference is drawn to note under schedule 15 of the financial statement for year ended March 31, 2020

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

**29. Related-party transactions**

Related party disclosure for the year ended March 31, 2020 (with whom the company had transactions during the period)

(a). Related party and their relationship

**1. Holding Company:**

Tata Motors Limited (TML)

**2. Fellow Subsidiaries:**

Tata Motors Insurance Broking & Advisory Services Limited  
 TMF Holdings Limited  
 Tata Motors Finance Limited  
 Tata Motors Finance Solutions Limited  
 TML Distribution Company Limited  
 Jaguar Land Rover India Limited  
 Tata Technologies Limited

**3. Other related party**

Tata Capital Financial Services Limited

**4. Key Management Personnel:**

Mr. Shyam Mani - Managing Director (w.e.f. 20 Jun 2019)  
 Mr. Rishi Goel - Chief Executive Officer and Manager (upto 20 Jun 2019)  
 Mr. Vinu Nair - Chief Executive Officer and Manager (w.e.f. 20 Jun 2019)  
 Mr. T R Daundkar - Chief Financial Officer

(b). Transactions with related parties

The following table summarizes related-party transactions and balances included in the financial statements for the year ended March 31, 2020:

(₹ in Lakhs)				
Nature of transaction	Holding company	Fellow subsidiaries	Other related party	Total
Purchase of products *	42,444.04	420.75	-	42,864.79
Sale of products *	-	41.96	-	41.96
Sale of fixed assets	28,654.90	-	-	28,654.90
Sales and service claims	1,154.47	-	-	1,154.47
Services received	673.19	549.87	664.88	1,887.94
Services rendered	23.41	435.03	-	458.44
Interest expense	113.13	2,058.24	1,046.30	3,217.68
Expense reimbursement received	412.92	-	-	412.92
Loans repaid	-	12,762.63	85,737.71	98,500.34
Loans taken	-	5,391.03	65,731.99	71,123.02
ICD given	5,350.00	-	-	5,350.00
ICD Outstanding (Payable)	-	12,500.00	-	12,500.00
ICD Receivable	5,350.00	-	-	5,350.00
Amounts payable in respect of loans and interest thereon	-	-	-	-
Trade and other receivables	-	171.76	53.13	224.89
Amount payable	306.94	131.71	15.78	454.43
Interest outstanding on Preference Shares	758.35	-	-	758.35
Compulsory Convertible Debentures	-	917.79	-	917.79
Convertible Debenture – Equity	-	8,048.05	-	8,048.05
Preference Shares outstanding	1,354.20	-	-	1,354.20

\* Inclusive of taxes

The following table summarizes related-party transactions and balances included in the financial statements for the year ended March 31, 2019:

(₹ in Lakhs)				
Nature of transaction	Holding company	Fellow subsidiaries	Other related party	Total
Purchase of products *	1,02,639.76	39,289.72	-	1,41,929.48
Sale of products *	-	457.40	-	457.40
Sale and service claims	5,787.42	-	-	5,787.42
Services received	807.09	320.44	592.47	1,720.01
Services rendered	19.84	1,090.97	-	1,110.80
Interest expense	175.65	2,238.29	1,897.57	4,311.51
Expense reimbursement received	100.55	-	-	100.55
Loans repaid	-	25,416.76	1,08,661.59	1,34,078.35
Loans taken	-	26,176.51	1,08,463.42	1,34,639.93
ICD borrowed during the period	-	8,500.00	-	8,500.00
ICD repaid during the period	-	1,000.00	-	1,000.00
ICD Outstanding	-	12,500.00	-	12,500.00
Amounts payable in respect of loans and interest thereon	-	7,382.69	18,959.42	26,342.11
Trade and other receivables	2,991.95	501.03	-	3,492.98
Amount payable	3,128.30	25.34	47.17	3,200.82
Interest outstanding on Preference Shares	1,193.15	-	-	1,193.15
Compulsory Convertible Debentures	-	1,302.95	-	1,302.95
Convertible Debenture – Equity	-	8,048.05	-	8,048.05
Preference Shares outstanding	1,354.20	-	-	1,354.20

\* Inclusive of taxes



The following table summarizes material related-party transactions and balances included in the financial statements for the year ended March 31, 2020:

		(₹ in Lakhs)
Name of the related party	Transactions	March 31, 2020
Tata Capital Financial Services Limited	Amount payable	15.78
Tata Capital Financial Services Limited	Interest expense	1,046.30
Tata Capital Financial Services Limited	Loan repaid	85,737.71
Tata Capital Financial Services Limited	Loan taken	65,731.99
Tata Capital Financial Services Limited	Services received	664.88
TMF Holdings Limited	Services received	143.29
TMF Holdings Limited	Interest expense	1,166.24
Tata Motors Finance Limited	Services received	179.62
Tata Motors Finance Limited	Sale of Products	29.96
Tata Motors Finance Limited	Services rendered	95.64
Tata Motors Finance Solutions Limited	Sale of Products	12.00
Tata Motors Insurance Broking & Advisory Services Limited	Services rendered	339.39
TML Distribution Company Limited	ICD payable	12,500.00
TML Distribution Company Limited	Interest expense	1,190.75
TML Distribution Company Limited	Amount payable	57.73
TML Distribution Company Limited	Purchase of products	402.27
Tata Technologies Limited	Amount payable	49.67
Tata Technologies Limited	Services received	136.31

### 30. Revenue from Contracts with customers

The standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most revenue recognition guidance, including industry-specific guidance applicable for previous periods. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which company expects to be entitled to exchange for those goods or services. The new standard also requires entities to give enhanced disclosures about revenue and provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements. The Company adopted Ind AS 115 effective from April 1, 2018, with a modified retrospective approach. The figures for the comparative periods are not restated. There is no significant impact on Company's profit after tax as a result of adoption of Ind AS 115.

Adoption of the standard has given rise to new financial statement categories in the statement of financial position, being "contract assets" and "contract liabilities." These items arise through advance payment received from customers or advance delivery of goods and services in excess of or ahead of billing at the contract level. In addition, disclosure requirements are extended.

#### Revenue from Operations:

The Company generates revenue primarily from the sale of vehicles and sale of services as per details provided in Note 16 to the financial statements.

#### Disaggregation of Revenue:

Considering the nature, amount, timing and uncertainty of revenue and cash flows, the Company determines that its revenue from operations would fall in single category as per the requirements of Ind AS 115. Further, refer Note 26 on Segment reporting, where the Company has disclosed that for the purposes of Ind AS 108, its operations constitute single operating segment.

#### Performance Obligations:

The Company satisfies its performance obligations pertaining to the sale of product at point of 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 7-30 days.

There are no other significant obligations attached in the contract with customer.

**Transaction price:** There is no remaining performance obligation for any contract for which revenue has been recognised till period end.

#### Significant judgements in the application of this Standard:

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

#### Cost to obtain contract or fulfil a contract :

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

### 31

During the FY 2018-19, the internal controls around timely and accurately recording receipts and collections from customers were not effective and availability of supportings related to revenue from operations was a challenge, and management had noted certain irregularities in the revenue/ debtors process. To address the issue, the Company along with certain external firms of chartered accountants, made efforts to connect with customers/ other parties to retrieve information on sales/ collections done. Accordingly, based on information available through oral confirmations/ other documentation, the Company recorded necessary accounting entries. However, not all required information was available through the aforementioned process and to the extent, the information was not available, the Company provided for the related receivable. Management has now concluded that the irregularities noted by them were due to process level deficiencies, which lead to accounting/ reconciliation issues, which has since been rectified

### 32. COVID 19

The World Health Organisation in February 2020 declared COVID 19 as a pandemic. The pandemic has been rapidly spreading throughout the world, including India. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's offices also had to be closed down for a considerable period of time, including after the yearend.

Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdown in the preparation of the financial statements including the assessment of recoverable values of its property, plant and equipment and the net realisable values of other assets. However, given the effect of these lockdowns on the overall economic activity in India and in particular on the automotive industry and the Company's customers, the impact assessment of COVID-19 on the abovementioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

**TML Business Services Limited (formerly known as Concorde Motors (India) Limited)**  
**Notes forming part of Financial Statements for the year ended March 31, 2020**

**33. Other matters**

- Certain items of the financial statements have been regrouped/reclassified.
- Information with regards to other matters specified in schedule III to the Companies Act, 2013 is either Nil or not applicable to the company for the year.

In terms of our report of even date attached

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

For and on behalf of the Board of Directors  
**TML Business Services Limited**  
**(formerly known as Concorde Motors (India) Limited)**  
CIN - U24110MH1972PLC015561

**Siddhartha Guha**  
Partner  
Membership No. 124042

**Shyam Mani**  
**(DIN:273598)**  
Managing Director

**VB Somaiya**  
**(DIN:3185227)**  
Director

**Smriti Goyal**  
(DIN:8488684)  
Director

**T R Daundkar**  
Chief Financial Officer

**Kaynaz Sarbhanwala**  
Company Secretary

**Mumbai, 04 November 2020**

**Mumbai, 04 November 2020**

**Mumbai, 04 November 2020**