



# TML BUSINESS SERVICES LIMITED

A SUBSIDIARY OF **TATA MOTORS** LIMITED

53<sup>RD</sup> ANNUAL REPORT FY24



# Contents

|   |           |
|---|-----------|
| <b>Corporate Information</b>                                      | <b>3</b>  |
| <b>Notice of the 53<sup>rd</sup> Annual General Meeting (AGM)</b> | <b>4</b>  |
| <b>Board's Report</b>   | <b>19</b> |
| <b>Independent Auditors' Report</b>                               | <b>55</b> |
| <b>Balance Sheet</b>  | <b>69</b> |
| <b>Statement of Profit and Loss</b>                               | <b>70</b> |
| <b>Cash Flow Statement</b>  | <b>71</b> |
| <b>Statement of Changes in Equity</b>                             | <b>72</b> |
| <b>Notes forming part of the financial statements</b>             | <b>73</b> |

CORPORATE INFORMATION

2023-24

| BOARD OF DIRECTORS   |   |
|--|---|
| <b>MR RAVINDRA KUMAR G P</b><br>(NON-EXECUTIVE DIRECTOR & BOARD CHAIRMAN UP TILL MARCH 31, 2024)   | <b>DR VAIJAYANTI PANDIT</b><br>(INDEPENDENT DIRECTOR) |
| <b>MR SITARAM KANDI</b><br>(ADDITIONAL NON-EXECUTIVE DIRECTOR & BOARD CHAIRMAN FROM APRIL 1, 2024) | <b>MR NAGARAJ IJARI</b><br>(INDEPENDENT DIRECTOR)     |
| <b>MR G V RAMANAN</b><br>(NON-EXECUTIVE DIRECTOR)  |   |

| SENIOR MANAGEMENT                                      |                                      |
|--|--------------------------------------|
| <b>CHIEF EXECUTIVE OFFICER &amp; MANAGER</b>           | <b>MR RAVINDRA PETHE</b>             |
| <b>CHIEF FINANCIAL OFFICER</b>                         | <b>MR SUBBARAYAN PRABHU KRISHNAN</b> |
| <b>COMPANY SECRETARY</b><br>(FROM FEBRUARY 1, 2024)    | <b>MS SAANCHI KAKKA</b>              |
| <b>COMPANY SECRETARY</b><br>(UP TILL OCTOBER 19, 2024) | <b>MS KAYNAZ SARBHANWALA</b>         |

| REGISTERED OFFICE ADDRESS  |  |
|--|--|
| <b>3<sup>RD</sup> FLOOR, NANAVATI MAHALAYA, 18, HOMI MODY STREET, HUTATMA CHOWK, MUMBAI 400 001</b>  |  |
| CORPORATE OFFICE ADDRESS   |  |
| <b>UNIT NO 602 6<sup>TH</sup> FLOOR NORTH SIDE ICC DEVI GAURAV TECH PARK SURVEY NO 191 TO 195 OLD PUNE MUMBAI HIGHWAY OPPOSITE VALLABHNAGAR ST STAND PIMPRI PUNE 411 018</b> |  |
| <b>CIN: U72100MH1972PLC015561</b>  | <b>Website: <a href="http://www.tmlbsl.com">www.tmlbsl.com</a></b>             |
| <b>Telephone No.: +91 020 6711 9201</b>  | <b>Email: <a href="mailto:tmlbsl@tatamotors.com">tmlbsl@tatamotors.com</a></b> |

| BUSINESS PRESENCE                            |  |  |  |
|--|--|--|--|
| <b>UTTARAKHAND</b><br>GSTIN: 05AAACM0154A1ZD | <b>DELHI</b><br>GSTIN: 07AAACM0154A1Z9       | <b>UTTAR PRADESH</b><br>GSTIN: 09AAACM0154A1Z5 | <b>JHARKHAND</b><br>GSTIN: 20AAACM0154A1ZL |
| <b>GUJARAT</b><br>GSTIN: 24AAACM0154A1ZD     | <b>MAHARASHTRA</b><br>GSTIN: 27AAACM0154A1Z7 | <b>KARNATAKA</b><br>GSTIN: 29AAACM0154A1Z3     | <b>KERALA</b><br>GSTIN: 32AAACM0154A1ZG    |
|  | <b>TAMIL NADU</b><br>GSTIN: 33AAACM0154A1ZE  | <b>TELANGANA</b><br>GSTIN: 36AAACM0154A1Z8     |  |

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

# TML BUSINESS SERVICES LIMITED

## NOTICE

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

Dear Member,

**NOTICE IS HEREBY GIVEN THAT THE 53<sup>rd</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF TML BUSINESS SERVICES LIMITED** is being convened on shorter notice, to be held on Monday, the 15<sup>th</sup> day of July 2024 from 1:30 p.m. to 1:45 p.m. (IST), through video conferencing / other audio visual means, 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, 2024, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr Gopal Venkata Ramanan (DIN: 01446016) who retires by rotation and being eligible, offers himself for re-appointment.
3. **TO DECLARE FINAL DIVIDEND ON EQUITY SHARES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

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

“RESOLVED THAT on the recommendation of the Board of Directors of the Company, the approval of the Members of the Company, be and is hereby, granted for payment of 30% final dividend of ₹ 3/- per equity share, to the holders of 5,30,59,549 fully paid-up Equity Shares of face value of ₹10/- each, aggregating to a total ₹15,9178,647, to the registered Equity Shareholders of the Company, for the financial year ended March 31, 2024.”

### SPECIAL BUSINESS:

4. **Appointment of Dr Vaijayanti Pandit (DIN: 06742237) as a Director and her re-appointment as an Independent Director for the second term**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT Dr Vaijayanti Pandit (DIN: 06742237), who was appointed as an Additional Director of the Company effective July 1, 2024 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Article 132 of the Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and

## TML BUSINESS SERVICES LIMITED

the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the re-appointment of Dr Pandit, that meets the criteria for independence as provided in Section 149(6) of the Act and who has submitted a declaration to that effect, and who is eligible for re-appointment as an Independent Director of the Company, for the second consecutive term, *i.e.*, from July 1, 2024 to June 30, 2027 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved.”

**5. Re-appointment of Mr Nagaraj Ijari (DIN: 09390579) as an Independent Director for the second term**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ('Act'), if any, read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors), Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and the Articles of Association of the Company, as well as based on the recommendation of the Nomination and Remuneration Committee, Mr Nagaraj Ijari (DIN: 09390579), who was appointed as an Independent Director of the Company at the 51<sup>st</sup> Annual General Meeting of the Company for a period of three years, *i.e.*, from January 21, 2022 to January 20, 2025 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for the second consecutive term of five years, *i.e.*, from January 21, 2025 to January 20, 2028 (both days inclusive).

**6. Appointment of Mr Sitaram Kandi (DIN: 02462811) as a Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED that Mr Sitaram Kandi (DIN: 02462811), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company w.e.f. April 1, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) and any other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

**7. Appointment of Mr Ajay Wadhwa (PAN: AAOPW1262C) as Manager and Chief Executive Officer**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:



## TML BUSINESS SERVICES LIMITED

"RESOLVED THAT pursuant to the provisions of Sections 2(51), 179, 203, 196, 197 read with Schedule V and other enabling provisions, if any, of the Companies Act, 2013, ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modifications thereof and based on the approval of the Board of Directors at its meeting held on May 2, 2024, the Members of TML Business Services Limited ('the Company'), be and hereby, approves the appointment of Mr Ajay Wadhwa (PAN: AAOPW1262C) as a Key Managerial Person of the Company, to perform in the capacity of Manager and Chief Executive Officer (CEO), on the below mentioned terms and conditions, including the remuneration to be paid:

- a. **Tenure of Appointment:** For a period of 5 years with effect from June 3, 2024 to June 2, 2029
- b. **Nature of Duties:** Mr Ajay Wadhwa shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him, subject to the superintendence, control and direction of the Board of Directors and shall be responsible for the overall Management of the Company and vested with substantial powers of management which are in connection with and in the best interest of the business of the Company and the business of its subsidiary, including performing duties as assigned by the Board from time to time by serving on the Board of such subsidiary or any other executive body or any committee of such a company, as may be deemed appropriate.
- c. **Remuneration:** His appointment shall be on existing terms and conditions entered into by him with the Company, including payment of managerial remuneration, which shall be within the limits permissible under Section 197 read together with Section II of Part II of Schedule V of the Companies Act, 2013 ('the Act') and any other enabling provisions of the Act and the Rules framed thereunder, as detailed below:
  - **Basic Salary:** ₹3,75,000 per month; upto a maximum of ₹7,50,000- per month.

The annual increment which will be effective 1<sup>st</sup> April each year, will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee of the Company in consonance with individual performance and the performance of the Company, within the aforementioned maximum Basic Salary limit.

### **Benefits, Perquisites and Allowances:**

Details of Benefits, Perquisites and Allowances as per rules of the Company are as follows:

- All the benefits, perquisites and allowances will be processed as per level wise policies/guidelines of the Company.
- CEO will be eligible for the benefits as per policies applicable to his existing level.
- House Rent and Maintenance Allowance: 50% of Basic Salary.
- Medical benefit, Telecommunication facility and Leave policy as per rules of the Company applicable to existing level as an employee.
- Other perquisites and allowances given below:
  - Leave Travel Concession/Allowance – 8% of Basic Salary
  - Flexi Pay – up to 105% of Basic Salary
  - Car and related benefits as per perk car policy

## TML BUSINESS SERVICES LIMITED

- CEO may opt for car(s) with a value higher than the eligibility limits, by modifying the Flexi Pay amount in proportion.
    - Driver salary expenses: CEO may opt for a value higher than the eligibility limits, by modifying the Flexi Pay amount in proportion.
    - Fuel expense reimbursement: CEO may opt for a value higher than the eligibility limits, by modifying the Flexi Pay amount in proportion. Reimbursement will be made against payment receipts. Any balance amount will be paid at the end of financial year.
    - Repair and maintenance expense reimbursement
  - Retirement benefits: Contribution to Provident Fund and Gratuity Fund as per the rules of the Company.
- d. **Commission:** Such remuneration by way of commission, in addition to the basic salary, benefits, perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company at the end of the each financial year, subject to the overall ceilings stipulated in Sections 2(78) and 197 of the Act. The specific amount payable to the Chief Executive Officer will be based on Performance as evaluated by the Board or a Committee thereof duly authorized in this behalf and will be payable annually after the Annual Accounts have been approved by the Board.
- e. **Performance Linked Bonus:** The target performance linked bonus will be 60% of Basic Salary per annum up to a maximum of 120% of Basic Salary per annum. This performance linked bonus would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board which will be payable after the Annual Accounts have been approved. The actual performance linked bonus may vary from 0% of Basic salary up to a maximum of 120% of Basic Salary per annum. An indicative list of factors that may be considered for determining the extent of performance linked bonus by the Board are:
- Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time.
  - Industry benchmarks of remuneration.
  - Performance of the individual.
- f. **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Chief Executive Officer and Manager, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of basic salary, benefits, perquisites and allowances, performance bonus and Long Term incentive plan and retirement benefits Deferred cash bonus as specified above, subject to compliance of applicable provisions of the Companies Act, 2013 and other applicable legislations.
- g. **Other Terms of Appointment:**
- i. The terms and conditions of the appointment of the Chief Executive Officer and / or this Agreement may be altered and varied from time to

## TML BUSINESS SERVICES LIMITED

time by the Board as it may, in its discretion deem fit, in such manner as may be agreed to between the Board and Chief Executive Officer, subject to such approvals as may be required.

- ii. The Chief Executive Officer, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and / or children, in any selling agency of the Company.
- iii. This appointment may be terminated by either party by giving to the other party 90 days' notice of such termination or the Company paying 90 days remuneration, which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration, including (paid at the discretion of the Board), in lieu of such notice.
- iv. The employment of the Manager & CEO, may be terminated by the Company without notice or payment in lieu of notice:
  - if the CEO is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary company to which he is required to render services; or
  - in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the CEO, of any of the stipulations of his terms of appointment; or
  - in the event the Board of Directors expresses its loss of confidence in the CEO.
- v. In the event the CEO is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his appointment on such terms as the Board may consider appropriate in those circumstances.
- vi. Upon the termination by whatever means of employment of the CEO:
  - the Manager & CEO shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trust connected with the Company.
  - the Manager & CEO shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or its subsidiary company.
- vii. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the CEO, unless specifically provided otherwise.
- vii. The terms and conditions of appointment with the CEO also include clauses pertaining to adherence with the Tata Code of Conduct, no conflict of interest with the Company, protection and use of Intellectual Properties, non-solicitation post termination of agreement and maintenance of confidentiality."



## TML BUSINESS SERVICES LIMITED

“RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company, be and are hereby, authorized to take all such steps as may be necessary for obtaining necessary approvals, in relation to the above appointment and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things that may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

---

### NOTES:

1. Pursuant to In compliance with, General Circular No. 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs ('MCA') read with General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 03/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 read with rules made thereunder (collectively referred to as 'MCA Circulars'), permitted the holding of the Annual General Meeting ('AGM'/'the Meeting') through VC/ OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act') and MCA Circulars, the 53<sup>rd</sup> AGM of the Company is being held through VC/OAVM on Monday, the 15<sup>th</sup> day of July 2024 at 4 p.m. (IST). The deemed venue for the AGM will be the Registered Office of the Company, situated at 3<sup>rd</sup> Floor, Nanavati Mahalaya, 18, Homi Mody Street, Hutatma Chowk, Mumbai 400001.
2. As per the provisions of clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, issued by the MCA, the matters of Special Business as appearing at item nos. 4 and 7 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
3. The relative Explanatory Statement pursuant to Section 102 of the Act, in respect of the business as set out in item nos. 4 and 7 above and the relevant details of the Directors seeking appointment/re- appointment under item nos. 3 and 7 above at this AGM, as required under Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto. Requisite declarations have been received from the Director seeking appointment/re-appointment.
4. Pursuant to the provisions of the Companies Act, 2013 ("the Act"), a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
5. Corporate members intending to send their authorized representatives pursuant to the provisions of Section 113 of the Act, to attend the meeting, 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 Meeting.
6. In line with the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those members whose email addresses are registered with the

## TML BUSINESS SERVICES LIMITED

Company. The Notice of AGM and Annual Report 2023-24 are also available on the Company's website [www.tmlbsl.com](http://www.tmlbsl.com).

7. Members attending the AGM through VC/OAVM shall be counted for reckoning the quorum under Section 103 of the Act.
8. Record date and Dividend: The Register of Members and Share Transfer Books of the Company will remain closed on July 5, 2024 ("Record Date") for the purpose of payment of dividend and AGM for FY24. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made, subject to Deduction of Tax at Source (TDS), on or a July 19, 2024 to all the beneficial owners/members in respect of shares held in Physical / electronic form as of the close of the business hours on July 5, 2023.
9. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be made available for inspection. During the 53<sup>rd</sup> AGM, members may access the scanned copy of Register of Directors and KMP and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company Secretary at [saanchi.kakka@tatamotors.com](mailto:saanchi.kakka@tatamotors.com)

---

By Order of the Board of Directors  
TML Business Services Limited

---

Saanchi Kakka  
Company Secretary  
ACS No.: A71486

Mumbai, May 2, 2024

**Registered Office:**

3<sup>rd</sup> Floor, Nanavati Mahalaya,  
18, Homi Mody Street,  
Hutatma Chowk, Mumbai 400 001  
Tel.: +91 20 6711 9201  
Email: [tmlbsl@tatamotors.com](mailto:tmlbsl@tatamotors.com)  
Website: [www.tmlbsl.com](http://www.tmlbsl.com)  
CIN: U72100MH1972PLC015561

# TML BUSINESS SERVICES LIMITED

## EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the special business mentioned at Item Nos. 4 to 7 of the accompanying Notice dated May 2, 2024.

### Item No. 4

Pursuant to the performance evaluation of Dr Vaijayanti Pandit (DIN: 06742237) and considering that her continued association as a Member of the Board would be beneficial to the Company, based on recommendation of the Nomination and Remuneration Committee ("NRC") the Board appointed Dr Pandit as an Additional Director of the Company and subject to approval of the Members, re-appointed her as a Non-Executive Independent Director, not liable to retire by rotation, for the second consecutive term of 3 years, i.e., from July 1, 2024 to June 30, 2027 (both days inclusive), subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Dr Pandit shall hold office up to the date of this AGM. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing his candidature for the office of Director. Further, Dr Pandit has given her declaration to the Board, *inter alia*, that (i) she meets the criteria of independence as provided under Section 149(6) of the Act, (ii) is not restrained from acting as a Director by virtue and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as a Director.

In the opinion of the Board, Dr Pandit is a person of integrity, possesses relevant expertise / experience and fulfils the conditions specified in the Act for re-appointment as an Independent Director and she is independent of the management. The profile and specific areas of expertise of Ms Pandit is provided as Annexure to this Notice.

Given her experience, the Board considers it desirable and in the interest of the Company to have Dr Pandit on the Board of the Company and accordingly the Board recommends the appointment of Dr Pandit as an Independent Director as proposed in the Resolution set out at Item No. 4 for approval by the Members.

Electronic copy of the terms and conditions of appointment of the Independent Directors is available for inspection. Please refer to Note 4 given in the Notice on inspection of documents.

Except for Dr Pandit and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

### Item No. 5

Pursuant to the performance evaluation of Mr Nagaraj Ijari (DIN: 09390579) and considering that his continued association as a Member of the Board would be beneficial to the Company, Based on recommendation of the NRC, the Board re-appointed Mr Ijari as an Independent Director, not liable to retire by rotation, for the second consecutive term of three years, i.e., from January 21, 2025 to January 20, 2028 (both days), subject to approval of the Members.

Mr Ijari has given his declaration to the Board, *inter alia*, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act, (ii) is not restrained from acting as a Director by virtue and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given her consent to act as a Director.

## TML BUSINESS SERVICES LIMITED

In the opinion of the Board, Mr Ijari is a person of integrity, possesses relevant expertise / experience and fulfils the conditions specified in the Act for re-appointment as an Independent Director and he is independent of the management. The profile and specific areas of expertise of Mr Ijari is provided as Annexure to this Notice.

Given her experience, the Board considers it desirable and in the interest of the Company to have Mr Ijari on the Board of the Company and accordingly the Board recommends the appointment of Mr Ijari as an Independent Director as proposed in the Resolution set out at Item No. 5 for approval by the Members.

Electronic copy of the terms and conditions of appointment of the Independent Directors is available for inspection. Please refer to Note 5 given in the Notice on inspection of documents.

Except for Mr Ijari and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

### **Item No. 6**

Based on the recommendation of the NRC, the Board of Directors appointed Mr Sitaram Kandi (DIN: 02462811) as an Additional Director of the Company and also an Non-Executive, Independent Director w.e.f April 1, 2024, subject to approval of the Members, liable to retire by rotation by the Board of Directors.

Pursuant to the provisions of Section 161(1) of the Act and of the Articles of Association of the Company, Mr Kandi shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing his candidature for the office of Director. Mr Kandi once appointed will be liable to retire by rotation. The profile and specific areas of expertise of Mr Kandi are provided as Annexure to this Notice. Mr Kandi has given his declaration to the Board that he is not restrained from acting as a Director and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr Kandi on the Board of the Company and accordingly the Board recommends the appointment of Mr Kandi as a Non-Executive Director as proposed in the resolution set out at Item No. 6 for approval by the Members.

Except for Mr Kandi and/or his relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

### **Item No. 7**

Mr Ajay Wadhwa (PAN: AAOPW1262C), was appointed as a Key Managerial Person (KMP) of the Company, to perform in the capacity of the Manager & Chief Executive Officer (CEO) of the Company, for a period of 5 years, commencing from June 3, 2024, upon cessation of Mr Ravindra Pethe as the Manager & CEO of the Company with effect from June 2, 2024

Subject to the approval of the Members at the ensuing AGM, the Board of Directors had at its meeting held on May 2, 2024, on the recommendation of the NRC of the Company, approved the appointment of Mr Wadhwa as the KMP, after taking into consideration his qualification, experience and accomplishments, to perform in the professional capacity of the Manager & CEO of the Company for a period of 5 years commencing from June 3, 2024, under the provisions of Sections 2(51), 196, 197, 203 read with Schedule V and other enabling provisions, if any, of the Companies Act, 2013, ('the Act') and the Rules framed thereunder.

# TML BUSINESS SERVICES LIMITED

Mr Wadhwa is a Chartered Accountant with extensive experience of over 25 years in GBS Implementation and large-scale transformation projects to create & accelerate value for the organization. He has a proven track record in accelerating organizational value and customer satisfaction through high-performing teams. He is a recipient of multiple management and industry awards for the successful implementation of GBS, transformation, large scale projects and driving efficiencies.

Mr Wadhwa's appointment shall be on the terms and conditions entered into by him with the Company, including receipt of remuneration, as detailed in Item no.7 of this AGM Notice, 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.

Apart from the terms and conditions of Mr Wadhwa's appointment, as mentioned in Item No.7 of the accompanying Notice, it is worthy to note that the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company upon Mr Wadhwa's performance, shall be taken into consideration whilst conducting his annual appraisal. Also, his appointment can be terminated by either party giving 90 days' notice.

Although the Company does not have an Employee Stock Option Scheme for any its employees or directors, certain senior employees or directors of the Company are eligible for being considered as participants under the Employees Stock Option Plan ('ESOP') or Performance Share Award Plan ('PSP') and such other Long Term Incentive Plan ('LTIP') of Tata Motors Limited ("TML"), the holding company, on the basis of their exemplary performance.

## THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V OF THE ACT

### I. GENERAL INFORMATION

- 1. Nature of industry:** The Company is engaged in the business of providing accounting and business support services to the Tata Motors group of companies. The Company is developing skills based on various verticals including Procure to Pay, Order to Cash, Hire to Retire and high end knowledge based verticals like Record to Report, Taxation as well as Digital and Innovation which are in line with the Tata Motors Group initiative.
- 2. Date or expected date of commencement of commercial production:** The Company was incorporated as a public limited liability company under the Indian Companies Act, 1956 (1 of 1956) on 18<sup>th</sup> January 1972, under the name "Mazda Industrial Chemicals Private Limited". The Company had since commenced its business.
- 3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not applicable

**4. Financial performance based on given indicators:** (₹ in crore)

|                               | 23-24  | 22-23  | 21-22  | 20-21   | 19-20  |
|-------------------------------|--------|--------|--------|---------|--------|
| Total Revenue from Operations | 201.62 | 188.82 | 154.99 | 123.72  | 629.76 |
| Profit for the Year           | 19.03  | 87.64  | 39.49  | (13.97) | 16.00  |

\* Total revenue and profit for FY20-21 is as per restated financial statements including TML Distribution Co. Limited in line with Ind AS accounting treatment



# TML BUSINESS SERVICES LIMITED

**5. Foreign investments or collaborations:** None

## II. INFORMATION ABOUT THE APPOINTEE

- 1. Background details:** Ajay Wadhwa is a Chartered Accountant with extensive experience of over 25 years in GBS Implementation and large-scale transformation projects to create & accelerate value for the organization. Key competencies include:
  - Achievement driven enterprising business leader accelerating value for the organization and delivering customer satisfaction through high performing teams.
  - Defining strategy & objectives in alignment with business plans and executing effectively to deliver the desired results.
  - Experienced in greenfield GBS implementations, effective change management across geographies, ERP implementation, managing large scale projects, effective stakeholder management across functions & levels, financials management and controllership.
  - Experienced in inculcating LEAN culture in the organization to foster continuous improvement in the end-to-end process to drive process efficiency, improved customer satisfaction and develop talents by changing mindset across the organization.
  - Demonstrated capability to build and manage large high performing cross-functional teams at multiple locations to work on new operating models.
  - Successfully implemented Ariba, SAP & other enabling technologies for process optimization, interface, improving control & visibility.
  - Hands on leadership with excellent communication skills to establish rapport with people at all levels.
- 2. Past remuneration:** Comparison of past remuneration with present remuneration will not be applicable, since Mr Wadhwa's new and old role within the organisation are not comparable.
- 3. Recognition or awards:** Recipient of multiple management and industry awards for the successful implementation of GBS, transformation, large scale projects and driving efficiencies.
- 4. Job profile and his suitability:** Appointment of Mr Wadhwa's is in context of following:
  - The Company was looking for an organizational level leader, who could provide strategic direction and create suitable execution framework to ensure the organization's success, both for short term and long term basis.
  - Executives with experience along with some exposure to restructuring and scaling-up of business operations and implementation of effective business processes and systems were considered.

Accordingly, Mr Wadhwa was identified and deputed as the Manager & CEO of the Company, on existing terms and conditions entered into by him with the Company, including payment of his remuneration.

The Board had at its meeting held on May 2, 2024, approved appointment of Mr Wadhwa as a KMP, after taking into consideration his qualification, experience and accomplishments, to perform in the capacity of Manager & CEO of the Company.

## TML BUSINESS SERVICES LIMITED

Taking into consideration the size of the Company, the nature of its operations, the strategic and operational restructuring and transformation required and Mr Wadhwa's broad functional and general management skills, his rich experience and exposure to restructuring and scaling-up business operations and implementation of effective business processes and systems, Mr Wadhwa is reckoned to be suitable to perform in the capacity of the Manager & CEO of the Company.

- 5. Remuneration proposed:** Mr Wadhwa will receive remuneration, as per his existing terms of appointment with the Company, which has been detailed in the Special Resolution of Item no.5 of the Notice, well 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.
- 6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** Due to the uniqueness of the Company's business model, manner of appointment and payment of remuneration, renders difficulty in making comparisons thereof.
- 7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel:** Mr Wadhwa has joined the Company in a professional capacity and meets the criteria of a Manager & CEO with appropriate qualifications, does not hold any securities of the Company and is not related to the promoters or any director or KMP of the Company. Besides the remuneration that Mr Wadhwa will receive from the Company, he has no other pecuniary relationship with the promoter, the Company, its Directors or its key managerial personnel.

### III. OTHER INFORMATION

- 1. Reasons of loss or inadequate profits:** The Company has made a profit of ₹19.03 crore in FY 23-24. The Company has taken all efforts to maximise its revenue and optimize its cost. The Company has a defined business strategy, which is supporting the Company to enhance its revenue and profits.
- 2. Steps taken or proposed to be taken for improvement:** The Company has been aggressively pursuing and implementing its strategies to improve productivity, cost optimization measures, gaining more business from TML and its subsidiaries and also from international operations of Jaguar Land Rover along with value generation.

In order to improvise on the Company's profitability and bring stricter controls on cost, there is focus on process consolidation, simplification, automation and productivity and quality improvement by developing an efficient and strong team.

Mr Wadhwa will be leading the Company in defining its strategies and building the execution framework covering all areas of the Company's operations, including but not limited to, enhancing business intake from TML and its subsidiaries, employee and managerial productivity, cost reduction and efficiency improvements and focus on generating free cash flow by way of achieving desired margins.

- 3. Expected increase in productivity and profits in measurable terms:** The Company is continuously focusing on the growth of its business with increased service footprints with TML and its subsidiaries, including international operations of the Jaguar Land Rover group of companies. Also, continuous measures for increasing team efficiency and productivity as well as for controlling costs are underway.

## TML BUSINESS SERVICES LIMITED

In compliance with the aforementioned provisions of the Act, the terms and conditions of Mr Wadhwa's appointment as elaborated above in Item No. 7 are now being placed before the Members for their approval vide passing of a Special Resolution.

As on date of this Notice, Mr Wadhwa, neither by himself nor for any other person on a beneficiary basis, holds any shares in the Company. Mr Wadhwa has accorded his consent to act as the Manager & CEO of the Company and has also affirmed that he holds no conflict of interest with the business of the Company.

Mr Wadhwa is not related to any Director or KMP of the Company. Except for Mr Wadhwa, none of the Directors, KMPs or their relatives are in any way concerned or interested in the Resolution at Item No. 7 of the accompanying Notice.

### DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT

#### AT THE ANNUAL GENERAL MEETING

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

| Particulars  | Mr Gopal Venkata Ramanan  | Mr Sitaram Kandi  | Dr Vaijayanti Pandit   | Mr Nagaraj Ijari  |
|--|---|---|--|---|
| <b>Director Identification Number</b>                                | 01446016  | 02462811  | 06742237   | 09390579  |
| <b>Date of Birth (Age)</b>   | October 4, 1969 (54 years)  | October 27, 1969 (55 years)   | January 12, 1953 (71 years)  | July 20, 1959 (64 years)  |
| <b>Date of First Appointment</b>                                     | June 27, 2021   | April 1, 2024   | June 30, 2021  | January 21, 2022  |
| <b>Educational Qualifications</b>                                    | <ul style="list-style-type: none"> <li>Chartered Accountant ("ICAI")</li> <li>Cost &amp; Works Accountant ("ICWAI")</li> <li>Program (EFLP) &amp; IMD's (Switzerland) Strategic Finance Program</li> </ul>  | <ul style="list-style-type: none"> <li>Graduation in Mathematics, Economics and Statistics from Osmania University</li> <li>Master's Degree from Symbiosis Institute of Management Studies in Labour Laws and Labour Welfare.</li> <li>Business Analytics from the Indian Institute of Management ("IIM") Kolkata</li> </ul>        | <ul style="list-style-type: none"> <li>BA in Political Science</li> <li>MA in Political Science</li> <li>Diploma Journalism &amp; Mass Communications</li> <li>PH.D. in Women Entrepreneurship Development from Jamnalal Bajaj Institute of Management Studies.</li> </ul>                 | <ul style="list-style-type: none"> <li>B. Tech (Textile Engineering)</li> <li>Harvard Business School's Advance Management Program (AMP181)</li> </ul>  |
| <b>Experience (including expertise in specific functional areas)</b> | Mr Ramanan is Vice President – Business Finance of Tata Motors Limited. Prior to that, he was is VP-Finance & Group Controller for the Tata Motors Group. Mr Ramanan has also worked for GE, IL&FS, Coca-Cola and NCR in multiple Finance and Operational Leadership roles. | Mr Kandi is President and Chief Human Resource Officer of Tata Motors Limited. Mr Kandi is a HR professional with more than thirty years of experience. Mr Kandi has worked on diverse facets of HR and Industrial Relations with global companies, including Bosch, Monsanto and General Electric, in India and overseas, prior to | Dr Pandit has headed FICCI West, Mumbai and has established its strong brand equity. She has nationally led Gems and Jewelry and Wellness sectors, besides acquiring expertise in Brand Protection, Design, Maharashtra State issues, Nutraceuticals, Technical Textiles among others. She | Mr Nagaraj Ijari has over 37 years of rich experience in the IT industry and in-depth knowledge of the industry. He retired as the Senior Vice President from Tata Consultancy Services. He currently serves as an Independent Director on Board of various Tata Group Companies. |

## TML BUSINESS SERVICES LIMITED

| Particulars  | Mr Gopal Venkata Ramanan   | Mr Sitaram Kandi  | Dr Vaijayanti Pandit   | Mr Nagaraj Ijari   |
|--|--|---|--|--|
|  |  | joining Tata Motors in 2019.  | has spearheaded 41 publications and knowledge papers from 2006-2012.   |  |
| <b>Directorships held in other companies (excluding foreign companies)</b>                           | <ul style="list-style-type: none"> <li>• Tata Motors Insurance Broking and Advisory Services Limited</li> <li>• Jaguar Land Rover Technology and Business Services India Pvt. Limited</li> <li>• Tata Hitachi Construction Machinery Company Private Limited</li> <li>• Automobile Corporation of Goa Limited</li> <li>• Tata Motors Body Solutions Limited</li> <li>• Tata Cummins Private Limited</li> <li>• TCPL Green Energy Solutions Private Limited</li> </ul>  | <ul style="list-style-type: none"> <li>• Tata Passenger Electric Mobility Limited</li> <li>• Jaguar Land Rover Technology and Business Services India Pvt. Limited</li> </ul> | <ul style="list-style-type: none"> <li>• Indo Count Industries Limited</li> <li>• Automobile Corporation of Goa Limited</li> <li>• Banswara Syntex Limited</li> <li>• IG Petrochemicals Limited</li> <li>• Everest Kanto Cylinder Limited</li> <li>• Tata Motors Insurance Broking &amp; Advisory Services Limited</li> <li>• P N Gadgil Jewellers Limited</li> </ul>  | <ul style="list-style-type: none"> <li>• Tata Technologies Limited</li> <li>• Tata Capital Housing Finance Limited</li> <li>• Tata Capital Limited</li> </ul>  |
| <b>Memberships / Chairpersonships of committees of other companies (excluding foreign companies)</b> | <p><b>Tata Motors Insurance Broking and Advisory Services Limited</b></p> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> <li>• Member of Corporate Social Responsibility Committee</li> </ul> <p><b>Automobile Corporation of Goa Limited</b></p> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> <li>• Member of Capital Investment Committee</li> <li>• Member of Corporate Investment Committee</li> </ul> <p><b>Tata Motors Body Solutions Limited</b></p> <ul style="list-style-type: none"> <li>• Chairperson of Audit Committee</li> <li>• Chairperson of Corporate Social Responsibility Committee</li> <li>• Chairperson of Nomination and Remuneration Committee</li> </ul> | <p><b>Tata Passenger Electric Mobility Limited</b></p> <ul style="list-style-type: none"> <li>• Member of Nomination and Remuneration Committee</li> </ul>                    | <p><b>Indo Count Industries Limited</b></p> <ul style="list-style-type: none"> <li>• Chairperson of Corporate Social Responsibility Committee</li> <li>• Chairperson of Stakeholder Relationship Committee</li> </ul> <p><b>Automobile Corporation of Goa Limited</b></p> <ul style="list-style-type: none"> <li>• Chairperson of Corporate Social Responsibility Committee</li> <li>• Member of Stakeholder Relationship Committee</li> </ul> <p><b>Banswara Syntex Limited</b></p> <ul style="list-style-type: none"> <li>• Member of Nomination and Remuneration Committee</li> </ul> <p><b>IG Petrochemicals Limited</b></p> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> </ul> | <p><b>Tata Technologies Limited</b></p> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> <li>• Chairperson of Nomination and Remuneration Committee</li> <li>• Chairperson of Risk Management Committee</li> </ul> <p><b>Tata Capital Housing Finance Limited</b></p> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> <li>• Member of Stakeholder Relationship Committee</li> <li>• Chairperson of Information Technology Strategy Committee</li> </ul> <p><b>Tata Capital Limited</b></p> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> <li>• Member of Risk Management Committee</li> <li>• Member of Stakeholder Relationship Committee</li> </ul> |

## TML BUSINESS SERVICES LIMITED

| Particulars                                    | Mr Gopal Venkata Ramanan   | Mr Sitaram Kandi                                 | Dr Vaijayanti Pandit  | Mr Nagaraj Ijari   |
|--|--|--|---|--|
|  | <ul style="list-style-type: none"> <li>Chairperson Risk Management Committee</li> </ul> <b>Tata Cummins Private Limited</b> <ul style="list-style-type: none"> <li>Chairperson of Audit Committee</li> </ul> |  | <ul style="list-style-type: none"> <li>Chairperson of Corporate Social Responsibility Committee</li> <li>Member of Stakeholder Relationship Committee</li> </ul> <b>Everest Kanto Cylinder Limited</b> <ul style="list-style-type: none"> <li>Member of Corporate Social Responsibility Committee</li> <li>Member of Risk Management Committee</li> </ul> <b>Tata Motors Insurance Broking &amp; Advisory Services Limited</b> <ul style="list-style-type: none"> <li>Member of Audit Committee</li> <li>Member of Corporate Social Responsibility Committee</li> </ul> | <ul style="list-style-type: none"> <li>Chairperson of Information Technology Strategy Committee</li> </ul> |
| <b>Relationship with other Directors / KMP</b> | Not related to any Director / KMP of the Company   | Not related to any Director / KMP of the Company | Not related to any Director / KMP of the Company  | Not related to any Director / KMP of the Company   |
| <b>No. of Shares held in the Company</b>       | Nil  | Nil  | Nil   | 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

\_\_\_\_\_  
Saanchi Kakka  
Company Secretary  
ACS No.: A71486

Mumbai, May 2, 2024

**Registered Office:**

3<sup>rd</sup> Floor, Nanavati Mahalaya, 18,  
Homi Mody Street,  
Hutatma Chowk, Mumbai 400  
001 Tel.: +91 20 6711 9201  
Email: tmlbsl@tatamotors.com  
Website: www.tmlbsl.com  
CIN: U72100MH1972PLC015561



# BOARD'S REPORT

## TO THE MEMBERS TML BUSINESS SERVICES LIMITED

On behalf of the Board of Directors, it is our pleasure to present the 53<sup>rd</sup> Annual Report together with the Audited Financial Statements of **TML Business Services Limited** ("the Company") bearing Corporate Identification Number (CIN) U72100MH1972PLC015561 for the financial year ended March 31, 2024.

## FINANCIAL PERFORMANCE SUMMARY

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

|                       |  | (₹ in crore) |            |
|-----------------------|--|--------------|------------|
| Particulars           |  | FY 2023-24   | FY 2022-23 |
| i                     | Revenue from operations  | 201.62       | 188.82     |
| ii                    | Other Income   | 14.41        | 7.78       |
| iii                   | Total Income / Revenue   | 216.03       | 196.60     |
| iv                    | Less: Cost of Sales  | 0.17         | 0.30       |
| v                     | Gross Profit   | 215.86       | 196.30     |
| vi                    | Less: Overheads  | 185.24       | 176.89     |
| vii                   | Earnings before Exceptional items, Interest, Depreciation and Tax (EBIDTA) | 30.62        | 19.41      |
| viii                  | Interest (Net)   | (3.39)       | (5.59)     |
| ix                    | Depreciation and amortization  | 4.69         | 5.60       |
| x                     | Profit / (Loss) Before Exceptional items and Tax                           | 29.32        | 19.40      |
| xi                    | Exceptional items  | 1.90         | (24.80)    |
| xii                   | Provision for Tax  | 8.39         | (43.43)    |
| xiii                  | Profit / (Loss) After Tax  | 19.03        | 87.63      |
| <b>APPROPRIATIONS</b> |  |              |            |
|                       | Profit / (Loss) carried forward to Balance Sheet                           | 19.03        | 87.63      |

## DIVIDEND

Considering the Company's financial performance, the Board is pleased to recommend a final dividend of ₹3 per Equity share of face value ₹10.00 each (*i.e.*, 30%) for FY2023-24.

The said dividend will be paid out of the profits for the year. The dividend, if approved by the Members at the ensuing Annual General Meeting ("the AGM") will be paid to those Members whose name appears on the register of Members (including Beneficial Owners) of the Company as at the end of July 5, 2024.

The said dividend, if approved by the Members, would involve cash outflow of ₹15.9 crore, resulting in a payout of 85.94% of the standalone net profit of the Company for FY2023-24.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

Record Date:

The Company has fixed July 5, 2024 as the “Record Date” for the purpose of determining the entitlement of Members to receive final dividend for the financial year ended March 31, 2024.

## **SUMMARY OF OPERATIONS AND STATE OF COMPANY AFFAIRS**

During the year, the Net Revenue from operations of the Company increased by 9.8% from ₹196.60 crore in FY 2022-23 to ₹216.03 crore in FY 2023-24.

For FY 2023-24, the Company's Profit before exceptional items and tax stood at ₹29.32 crore vis-à-vis profit of ₹19.40 crore in the previous year.

The Company drew close to 97% of its revenue from its top 4 customers namely Tata Motors Limited (“TML”) (parent company), Tata Motors Passenger Vehicles Ltd, Tata Passenger Electric Mobility Ltd and Jaguar Land Rover Ltd UK (fellow subsidiaries).

The Company added new customer, namely Agratas Energy Storage Solutions Private Ltd and its subsidiary Agratas Ltd, UK, subsidiaries of Tata Sons.

The Company continued to invest significantly in its human resources with its focus on training programs and related projects. During the year Company's employees spent 10,000+ hours in learning with 700+ unique learners. The Company also worked with various customers to automate certain of the processes, bringing in cost reduction and efficiencies.

During the year, the Company also focused its efforts in establishing a baseline through continuous awareness programs on sustainability in line with the goals of its parent company. Through focused programs during the year, the Company achieved a 19k+ reduction in CO<sub>2</sub> emissions.

## **TRANSFER TO RESERVES**

The Company will not transfer any amount to the general reserve.

## **BUSINESS REVIEW**

The Company is a wholly owned subsidiary of TML in accordance with the provisions of the Indian Accounting Standards and the Act. The Company is engaged in the business of providing accounting and business support services to the group companies. The Company is developing skills based on various verticals including procure to pay, order to cash, hire to retire and high end knowledge based verticals like record to report, taxation and digital and innovation which are in line with the Tata Motors Group initiative.

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 until the date of this Board's Report.

## SHARE CAPITAL & DEBT STRUCTURE

| Authorised Share Capital of Company  | Amount (₹)      | Amount (₹)             |
|--|-----------------|------------------------|
| A. 1,37,50,00,000 Equity Shares of face value ₹10/- each                                       | 13,75,00,00,000 |                        |
| B. 25,00,000 7% Cumulative Redeemable Preference Shares of face value ₹100/- each              | 25,00,00,000    |                        |
| <b>Total Authorised Share Capital of the Company (A+B)</b>                                     |                 | <b>14,00,00,00,000</b> |
|  |                 |                        |
| <b>Issued, Paid-up &amp; Subscribed Share Capital of the Company</b>                           |                 |                        |
| Issued, Paid-up & Subscribed 5,30,59,549 Equity Shares of face value ₹10/- each, fully paid-up |                 | 53,05,95,490           |
| <b>Total Issued, Paid-up &amp; Subscribed Share Capital of the Company</b>                     |                 | <b>53,05,95,490</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, 2024, none of the Directors of the Company hold any shares of the Company in their individual capacity.

Pursuant to the provisions of Section 55 and other enabling provisions, if any, under the Companies Act, 2023 read together with the Rules framed thereunder and in accordance with Article 4A(c) of the Articles of Association of the Company, the Board of Directors at their meeting held on May 1, 2023, approved service of Notice for Redemption of fully paid-up 24,35,000 (Twenty Four Lakh and Thirty Five Thousand) 7% Cumulative Redeemable Preference Shares ("CRPS") of face value Rs.100/- each, on June 15, 2023 ("the Redemption Date") not exceeding the period of 20 years from the date of CRPS issuance i.e. October 1, 2004 and in accordance with the terms of CRPS issuance.

Accordingly, the CRPS were redeemed on redemption date at ₹100/- per CRPS, for an amount payable in cash, out of the profits of the Company.

## INVESTOR EDUCATION & PROTECTION FUND (IEPF)

During the year under review, the Company was not liable to make any contributions to the IEPF.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, there were no significant and material orders passed by the Regulators, Courts, Tribunals, 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 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') that functionally reports to the Chairman of the Audit Committee, thereby maintaining its objectivity. Internal audit was conducted during FY2023-24 as per internal audit plan adopted at the beginning of the financial year.

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 adequate and effective during the year.

## **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 the Company's 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.

At the end of FY2023-24, the Company's headcount grew to 1,033 from 929, as at the end of FY2022-23. Female Diversity ratio stood at 27%.

The Company observed cordial employee relations during the year.

## **PREVENTION OF SEXUAL HARASSMENT**

The 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.

During the year, the Company did not received any complaints on sexual harassment.

## **FIXED DEPOSITS**

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

## ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY23-24 is available on Company's website at [www.tmlbsl.com](http://www.tmlbsl.com).

## ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The information on conservation of energy, technology absorption 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.

However, the Company's foreign exchange earnings is ₹ 83.54 crore and NIL outflow during FY 2023-24.

## HOLDING, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company is a wholly owned Subsidiary of TML in accordance with the provisions of the Indian Accounting Standards and the Act.

## BOARD OF DIRECTORS

| Sr. No. | Name of Director      | DIN      | Category                          | Sitting Fees (Rs.)* | Date of Appointment | Date of Cessation |
|---------|-----------------------|----------|-----------------------------------|---------------------|---------------------|-------------------|
| 1.      | Mr Ravindra Kumar G P | 07108426 | Non-Executive Director            | Nil                 | May 1, 2021         | March 31, 2024    |
| 2.      | Mr G V Ramanan        | 01446016 | Non-Executive Director            | Nil                 | June 27, 2021       | -                 |
| 3.      | Dr Vijayanti Pandit   | 06742237 | Independent Director              | 710,000             | July 1, 2021        | -                 |
| 4.      | Mr Nagaraj Ijari      | 09390579 | Independent Director              | 710,000             | January 21, 2022    | -                 |
| 5.      | Mr Sitaram Kandi      | 02462811 | Additional Non-Executive Director | Nil                 | April 1, 2024       | -                 |

*\*Total sitting fees paid to Independent Directors for attending meeting of the Board and Board constituted Committees of the Company during the year under review.*

The aforementioned table summarises the Board Composition of the Company, during the period under review, extending upto the date of this Board's Report. As on March 31, 2024, the Board of Directors comprised of 2 Non-Executive Directors ("NEDs") and 2 Independent Directors ("IDs"), namely, Mr Ravindra Kumar GP, NED and Board Chairman, Mr G V Ramanan, NED, Dr Vijayanti Pandit, ID and Mr Nagaraj Ijari, ID.

On the recommendation of the Nomination & Remuneration Committee of the Company, the Board of Directors had vide Circular Resolution dated March 15, 2024, approved the appointment of Mr Sitaram Kandi, as an Additional Non-Executive Director. The appointment of Mr Kandi, as a Non-Executive Director shall be regularized at the forthcoming AGM of the Company.

Mr Siraram Kandi was also appointed as a Member of the Nomination & Remuneration Committee w.e.f April 1, 2024.



On the recommendation of the Nomination & Remuneration Committee of the Company, the Board of Directors at their meeting held on May 2, 2024, approved the re-appointment of Mr Nagaraj Ijari, as an Independent Director, for a 2<sup>nd</sup> term of 3 years, commencing from January 21, 2025 upto January 20, 2028. The appointment of Mr Ijari, as an Independent Director shall be regularized at the forthcoming AGM of the Company.

On the recommendation of the Nomination & Remuneration Committee of the Company, the Board of Directors at their meeting held on May 2, 2024, approved appointment of Dr Vaijayanti Panit, as an Additional Independent Director upto the date of the forthcoming AGM and re-appointment an Independent Director, for a 2<sup>nd</sup> term of 3 years, commencing from July 1, 2024 upto June 30, 2027. She shall hold office as an Additional Independent Director up to the date of this AGM and is eligible for appointment as Director.

Dr Pandit and Mr Ijari, our IDs have given a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act. In accordance with the provisions of Section 149(8) of the Act, the IDs have abided with the Code of Independent Directors prescribed under Schedule IV of the Act. 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.

The Board of Directors is of the opinion that both 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.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr G V Ramanan, Non-Executive Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting of the Company and is eligible for reappointment.

Attention of the Members is invited to the relevant items relating to appointment/ re-appointment of Directors in the Notice of the 53<sup>rd</sup> Annual General Meeting, scheduled to be held on July 15, 2024.

## **KEY MANAGERIAL PERSONNEL**

During the year under review and extended upto the date of this Board's Report, the Key Managerial Personnel (KMP) consisted of:

- Mr Ravindra Pethe, Manager & Chief Executive Officer;
- Mr Subbarayan Prabhu Krishnan, Chief Financial Officer;
- Ms Kaynaz Sarbhanwala, Company Secretary. (upto October 31, 2023)
- Ms Saanchi Kakka, Company Secretary (from February 1, 2024)

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on October 20, 2023 took on record the resignation of Ms Kaynaz Sarbhanwala, as a KMP of the Company functioning in the capacity of Company Secretary with effect from October 31, 2023, and at its meeting held on January 19, 2024 appointed Ms Saanchi Kakka, as a KMP of the Company to function in the capacity of Company Secretary with effect from February 1, 2024.

Furthermore, the Board of Directors took on record the resignation of Mr Ravindra Pethe at its meeting held on March 2, 2024, based on resignation letter dated April 22, 2024 as KMP of the

Company functioning in the capacity of Manager and CEO with effect from June 2, 2024 and approved the appointment Mr Ajay Wadhwa as a KMP of the Company to function in the capacity of a Manager & Chief Executive Officer of the Company with effect from June 3, 2024.

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, the Board of Directors at its meeting held on March 2, 2024 had, approved, the appointment of Mr Ajay Wadhwa, as a KMP of the Company, to perform in the capacity of Manager & Chief Executive Officer ('CEO') on an whole time employment basis, taking into consideration a brief profile of Mr Wadhwa. Mr Wadhwa's appointment would be on the below mentioned terms and conditions:

- a. **Tenure of Appointment:** For a period of 5 years with effect from June 3, 2024 to June 2, 2029
- b. **Nature of Duties:** Mr Ajay Wadhwa shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him, subject to the superintendence, control and direction of the Board of Directors and shall be responsible for the overall Management of the Company and vested with substantial powers of management which are in connection with and in the best interest of the business of the Company and the business of its subsidiary, including performing duties as assigned by the Board from time to time by serving on the Board of such subsidiary or any other executive body or any committee of such a company, as may be deemed appropriate.
- c. **Remuneration:** His appointment shall be on existing terms and conditions entered into by him with the Company, including payment of managerial remuneration, which shall be within the limits permissible under Section 197 read together with Section II of Part II of Schedule V of the Companies Act, 2013 ('the Act') and any other enabling provisions of the Act and the Rules framed thereunder, as detailed below:
  - **Basic Salary:** ₹3,75,000 per month; upto a maximum of ₹7,50,000- per month.

The annual increment which will be effective 1<sup>st</sup> April each year, will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee of the Company in consonance with individual performance and the performance of the Company, within the aforementioned maximum Basic Salary limit.

#### Benefits, Perquisites and Allowances:

Details of Benefits, Perquisites and Allowances as per rules of the Company are as follows:

- All the benefits, perquisites and allowances will be processed as per level wise policies/guidelines of the Company.
- CEO will be eligible for the benefits as per policies applicable to his existing level.
- House Rent and Maintenance Allowance: 50% of Basic Salary.
- Medical benefit, Telecommunication facility and Leave policy as per rules of the Company applicable to existing level as an employee.
- Other perquisites and allowances given below:

- Leave Travel Concession/Allowance – 8% of Basic Salary
  - Flexi Pay – up to 105% of Basic Salary
  - Car and related benefits as per perk car policy
    - CEO may opt for car(s) with a value higher than the eligibility limits, by modifying the Flexi Pay amount in proportion.
    - Driver salary expenses: CEO may opt for a value higher than the eligibility limits, by modifying the Flexi Pay amount in proportion.
    - Fuel expense reimbursement: CEO may opt for a value higher than the eligibility limits, by modifying the Flexi Pay amount in proportion. Reimbursement will be made against payment receipts. Any balance amount will be paid at the end of financial year.
    - Repair and maintenance expense reimbursement
  - Retirement benefits: Contribution to Provident Fund and Gratuity Fund as per the rules of the Company.
- d. **Commission:** Such remuneration by way of commission, in addition to the basic salary, benefits, perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company at the end of the each financial year, subject to the overall ceilings stipulated in Sections 2(78) and 197 of the Act. The specific amount payable to the Chief Executive Officer will be based on Performance as evaluated by the Board or a Committee thereof duly authorized in this behalf and will be payable annually after the Annual Accounts have been approved by the Board.
- e. Performance Linked Bonus: The target performance linked bonus will be 60% of Basic Salary per annum up to a maximum of 120% of Basic Salary per annum. This performance linked bonus would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board which will be payable after the Annual Accounts have been approved. The actual performance linked bonus may vary from 0% of Basic salary up to a maximum of 120% of Basic Salary per annum. An indicative list of factors that may be considered for determining the extent of performance linked bonus by the Board are:
- Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time.
  - Industry benchmarks of remuneration.
  - Performance of the individual.
- f. **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Chief Executive Officer and Manager, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of basic salary, benefits, perquisites and allowances, performance bonus and Long Term incentive plan and retirement benefits Deferred cash bonus as specified above, subject to compliance of applicable provisions of the Companies Act, 2013 and other applicable legislations.

**g. Other Terms of Appointment:**

- i. The terms and conditions of the appointment of the Chief Executive Officer and / or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, in such manner as may be agreed to between the Board and Chief Executive Officer, subject to such approvals as may be required.
- ii. The Chief Executive Officer, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and / or children, in any selling agency of the Company.
- iii. This appointment may be terminated by either party by giving to the other party 90 days notice of such termination or the Company paying 90 days remuneration, which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration, including (paid at the discretion of the Board), in lieu of such notice.
- iv. The employment of the Manager & CEO, may be terminated by the Company without notice or payment in lieu of notice:
  - if the CEO is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary company to which he is required to render services; or
  - in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the CEO, of any of the stipulations of his terms of appointment; or
  - in the event the Board of Directors expresses its loss of confidence in the CEO.
- v. In the event the CEO is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his appointment on such terms as the Board may consider appropriate in those circumstances.
- vi. Upon the termination by whatever means of employment of the CEO:
  - the Manager & CEO shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trust connected with the Company.
  - the Manager & CEO shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or its subsidiary company.

- vii. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the CEO, unless specifically provided otherwise.

The terms and conditions of appointment with the Manager & CEO also include clauses pertaining to adherence with the Tata Code of Conduct, no conflict of interest with the Company, protection and use of Intellectual Properties, non-solicitation post termination of agreement and maintenance of confidentiality.

All the aforementioned KMPs are on deputation from TML or its Group of Companies and except for Mr Ravindra Pethe and Mr Subbarayan Prabhu Krishnan, none of the KMPs receive any remuneration from the Company. Given below are certain details pertaining to the payment of Managerial Remuneration to Mr Pethe and Mr Krishnan for FY23-24, as the Manager and CEO and CFO of the Company:

(In ₹)

| Particulars  | Remuneration Paid / Payable for FY23-24 |                                      |
|--|---|--------------------------------------|
|  | Mr Ravindra Pethe                       | Mr Subbarayan Prabhu Krishnan        |
|  | From April 1, 2023 to March 31, 2024    | From April 1, 2023 to March 31, 2024 |
| Basic Salary   | 25,82,148                               | 4,87,171                             |
| Benefits, Perquisites and Allowances   | 1,01,12,796                             | 85,83,321                            |
| Commission, Bonus and Performance Linked Incentive Remuneration (Variable Pay) | -                                       | -                                    |
| Retirement Benefits <sup>(1)</sup>   | 3,53,238                                | 351,065                              |
| Stock Option / Sweat Equity  | -                                       | -                                    |
| <b>Total Remuneration</b>  | <b>1,04,66,034<sup>(2)</sup></b>        | <b>89,34,385</b>                     |

(1) Comprises contribution to Provident Fund as per the Rules of the Company

(2) Total Remuneration paid / payable is as per provisions of Section 198 read with Schedule V of the Act and is in accordance with the Special Resolution passed by the Shareholders' at the 51<sup>st</sup> AGM held on June 30, 2022.

## 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 NRC 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 NRC 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 NRC 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 1**.

## **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 2**.

The Board has approved the payment of sitting fees to Independent Directors 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 Corporate Social Responsibility Committee and the 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 Independent Directors attending meetings held at a city other than the one in which the Directors resides.

For details on sitting fees paid to Independent Directors for FY23-24, kindly refer to **“Boards of Directors”** section of this Board’s Report. No commission is paid to the Directors for FY23-24.

## **CORPORATE GOVERNANCE – DISCLOSURES**

Pursuant to the provisions of Schedule V of the Companies Act, 2013 and consequent to the appointment of Mr Ravindra Pethe as the Manager & CEO of the Company for a period of 3 years commencing from January 25, 2022 and for the details pertaining to all elements of the Manager & CEO’s 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 the **“Key Managerial Personnel”** section of the Board’s Report read with details contained in **Annexure 2** of the Board’s Report.

Although, the Company does not have an Employee Stock Option Scheme for any its employees or directors, certain senior employees or directors of the Company are eligible for being considered as participants under the Employees Stock Option Plan (‘ESOP’) or Performance Share Award Plan (‘PSP’) and such other Long Term Incentive Plan (‘LTIP’) of TML the holding company, on the basis of their exemplary performance.

## **BOARD EVALUATION**

Pursuant to the provisions of the Act, the Board carries 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.

The structured questionnaires are sent to all Directors for the purpose of Board evaluation, covering 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 and the quality of its relationship with the Management.

Similarly, self-assessment questionnaires are sent to individual Directors, covering 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 is also evaluated on key aspects of his role. The Chairman of the Board has one-on-one meetings with the Directors.

This is 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 is discussed. The Board discusses 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.

The Board Evaluation for FY23-24 was conducted on March 28, 2024. Also during FY23-24, a separate meeting of Independent Directors was held on March 28, 2024, as mandated under Schedule IV of the Act, 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. Dr Pandit and Mr Ijari were both present for this Annual Independent Directors Meeting held on March 28, 2024.

## **BOARD MEETINGS**

During the year, 6 Board meetings were held on May 1, 2023, July 14, 2023, September 15, 2023, October 20, 2023, January 19, 2024 and March 28, 2024. The details of Board composition and attendance of the Directors at Board Meetings and other relevant details are as given below:

| <b>Sr. No.</b> | <b>Name</b>           | <b>Designation</b>     | <b>Meetings attended</b> |
|----------------|-----------------------|------------------------|--------------------------|
| 1              | Mr Ravindra Kumar G P | Non-Executive Chairman | 6                        |
| 2              | Mr G V Ramanan        | Non-Executive Director | 6                        |
| 3              | Dr Vaijayanti Pandit  | Independent Director   | 6                        |
| 4              | Mr Nagaraj Ijari      | Independent Director   | 6                        |

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 is constituted and functions, in accordance with the provisions of Section 177 of the Act. As on March 31, 2024, the Audit Committee comprises of 2 Independent Directors and 1 Non-Executive Director, namely, Mr G V Ramanan, as Committee Chairperson, Dr Vaijayanti Pandit and Mr Nagaraj Ijari as Members, all 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 Chairperson 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 May 1, 2023, July 14, 2023, October 20, 2023, January 19, 2024 and March 28, 2024. The Chairperson 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 G V Ramanan       | Non-Executive Chairman       | 5                 |
| 2       | Dr Vaijayanti Pandit | Independent Director, Member | 5                 |
| 3       | Mr Nagaraj Ijari     | Independent Director, Member | 5                 |

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. A copy of the Policy is available on the website of the Company at [www.tmbsl.com](http://www.tmbsl.com).

## B. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") of the Board, is constituted and functions, in accordance with the provisions of Section 178 of the Act. As on March 31, 2024, the Committee comprises of 1 Non-Executive Director and 2 Independent Directors. The quorum of the Committee is two members or one-third of its members, whichever is greater. The Chairperson 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 May 1, 2023 and March 28, 2024. The Chairperson of the Committee also attended the last AGM of the Company. The composition of the NRC during the year and attendance at its meetings is as follows:

| Sr. No. | Name                  | Chairman/ Members                 | Meetings attended |
|---------|-----------------------|-----------------------------------|-------------------|
| 1       | Dr Vaijayanti Pandit  | Independent Director, Chairperson | 2                 |
| 2       | Mr Ravindra Kumar G P | Non-Executive Director, Member    | 2                 |
| 3       | Mr Nagaraj Ijari      | Independent Director, Member      | 2                 |

During the year Mr GV Ramanan, as an invitee, attended the NRC Meeting held on May 1, 2023.

### 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 May 1, 2023, has formulated and recommended the adoption of a revised CSR Policy to the Board of Directors for FY23-24. The Board of Directors at its meeting held on May 1, 2023 adopted the revised CSR Policy duly recommended by the Committee. The CSR Policy is available on the Company's website at [www.tmlbsl.com](http://www.tmlbsl.com).

As on March 31, 2024, the Committee comprises of 1 Non-Executive Director and 2 Independent Directors. The quorum of the Committee is two members or one-third of its members, whichever is greater. The Chairperson of the CSR Committee briefs the Board members about the significant discussions that transpire at the Committee meetings.

During the year, the Committee held 2 meeting on May 1, 2023 and September 15, 2023. The Chairperson of the Committee also attended the last AGM of the Company. The composition of the CSR Committee as on March 31, 2023 and attendance at its meeting is as follows:

| Sr. No. | Name                 | Chairman/ Members                 | Meetings attended |
|---------|----------------------|-----------------------------------|-------------------|
| 1       | Dr Vaijayanti Pandit | Independent Director, Chairperson | 2                 |
| 2       | Mr Nagaraj Ijari     | Independent Director, Member      | 2                 |
| 3       | Mr G V Ramanan       | Non-Executive Director, Member    | 2                 |

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 3 and 4** to this Report.

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

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. A reference may please be made to Note 30 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 yearly 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 5**.

## AUDITORS

### STATUTORY AUDITORS

M/s. BSR & Co. LLP, Chartered Accountants, (ICAI Firm Registration No. 101248W/W-100022) were re-appointed as the Statutory Auditors of the Company, to examine and audit the accounts of the Company for a for a second consecutive term of five years to hold office from the conclusion of 51<sup>st</sup> AGM held on June 30, 2022, until the conclusion of the 56<sup>th</sup> AGM of the Company to be held in the year 2027.

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.

### 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 6**.

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 FY23-24.

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

During FY23-24, the Company has not given any loans, guarantees or made any investments in any other Company, other than investment by way of Inter Corporate Deposits given to Tata Motors Limited and to Tata Precision Industries (India) Limited and ₹ 2 crore in cumulative preference shares of Tata Precision Industries (India) Limited, pursuant to the provisions of Section 186 of the Act as mentioned in the notes to accounts.

## 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 ₹1.02 crores during the year or ₹8.5 lakh 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 7**. 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 and State of Affairs of the Company' and 'Business Review' sections 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 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

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

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

The 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 Sitaram Kandi  
Chairman  
DIN: 02462811

Date : May 2, 2024  
Place : Mumbai



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

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

---

### 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 Sitaram Kandi  
Chairman  
DIN: 02462811

Date : May 2, 2024  
Place : Mumbai

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

---

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.

TML Business Services Limited

Mr Sitaram Kandi  
Chairman  
DIN: 02462811

Date : May 2, 2024  
Place : Mumbai



## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

As an integral part of our commitment to Good Corporate Citizenship, we at TML Business Services 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 Company shall also develop a CSR annual action plan covering details of the program, manner of execution, modality of utilization, monitoring and reporting mechanism, and impact assessment, wherever applicable.

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. The Company shall disburse milestones linked payment, if any, to the CSR implementing partners.

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.

Date : May 2, 2024  
Place : Mumbai

Mr Sitaram Kandi  
Board Chairman  
DIN: 02462811

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* (6)   | 4       | Scholarships for secondary education / Financial Aid to Engineering students                  | ii                                | DIR, TIAE, BP           | •                       | •  | •  | •  |
|      |                              | 5       | Fellowships   | ii                                | DIR, TIAE               | •                       | •  | •  | •  |
|      |                              | 6       | Special coaching classes for secondary education & competitive entrance exams such as IIT-JEE | ii                                | TIAI, TIAE              | •                       | •  | •  | •  |
|      |                              | 7       | Co-Curricular activities  | ii                                | TIAI, TIAE              | •                       | •  | •  | •  |
|      |                              | 8       | School Infrastructure improvement & institutional   | ii                                | DIR, TIAE, GOVT         | •                       | •  | •  | •  |
|      |                              | 9       | School Fee Subsidy  | ii                                | DIR, TIAI               | •                       | •  | •  | •  |
| C    | HEALTH Aarogya (4)           | 10      | Combating Infant and Child Malnutrition   | i                                 | TIAI, TIAE              | •                       | •  | •  | •  |
|      |                              | 11      | Health awareness program for women  | i                                 | TIAI, TIAE              | •                       | •  | •  | •  |
|      |                              | 12      | Preventive and curative health services & Institutional                                       | i                                 | DIR, TIAI, TIAE, GOVT   | •                       | •  | •  | •  |
|      |                              | 13      | Drinking Water - SMDF – Amrutdhara  | i                                 | TIAI                    | •                       | •  | •  | •  |
| D    | ENVIRONMENT Vasundhara (2)   | 14      | Tree Plantation   | iv                                | DIR, TIAE               | •                       | •  | •  | •  |
|      |                              | 15      | Creating Environmental Awareness & Adoption of Environmental Friendly practices               | iv                                | DIR, TIAE               | •                       | •  | •  | •  |

| Cat. | CSR Programs | Sr. No. | CSR Projects  | Reference Sr. No. of Schedule VII | Implementation Modality         | Implementation Schedule |    |    |    |
|------|--------------|---------|---|-----------------------------------|---------------------------------|-------------------------|----|----|----|
|      |              |         |   |                                   |                                 | Q1                      | Q2 | Q3 | Q4 |
| E    | OTHERS       | 16      | Need Based (Contribution to Prime Ministers National Relief Fund); Contribute to Tata Relief Committee for Disaster Response and COVID 19 relief efforts & aligning to Schedule VII. Special projects by convergence of Govt. Schemes like Integrated Village Development Fund. | viii                              | DIR or TIAI or TIAE or BP, GOVT | •                       | •  | •  | •  |

| Abbreviation | Description  |
|--------------|--|
| DIR          | Direct: TML Business Services Limited  |
| 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 Resource Agencies |
| BP           | Business Partners: Dealers, Vendors, Service Providers   |
| GOVT         | Government Agencies (Both Central and State)   |

NOTE : 1. \* 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)

2. All the projects will be implemented Pan India, on need basis.

**ANNUAL REPORT ON CSR ACTIVITIES**  
**[Pursuant to Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014]**

(i) A brief outline of the Company's CSR policy:

1. Overview:

(i) Outline of CSR Policy: As an integral part of our commitment to good corporate citizenship, we at TML Business Services Limited believe 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, we 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, Company's CSR efforts shall focus on Health, Education, Environment, Employability and Rural Development interventions for relevant target groups, ensuring diversity and giving preference to needy and deserving communities inhabiting rural and urban India. CSR at TML Business Services Limited 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.

(ii) CSR Projects: All the CSR projects are undertaken under two major thrust areas and the Rural Development space termed as Integrated Village development Initiative, these are namely; 1. *Vasundhara* (Environment): Tree plantation, environmental awareness for school students. 2: Rural Development such as *Integrated Village Development Programme (IVDP)* in Maharashtra.

(iii) Employee Volunteering: Volunteering is one of the key mechanisms that we have chosen to give back to the society by channelizing our most valuable assets, our people, towards societal good. Over and above directing professional expertise and rich experience towards pressing environmental and social issues, volunteering enhances social cohesion and strengthens communities. Through this institutionalized volunteering, employees associate and engage with important causes and create a positive impact on the lives of many.

2. Composition of CSR Committee:

| Sl. No. | Name of Directors | Designation/ (Nature of Directorship) | Number of meetings of CSR Committee held during the year |          |
|---------|-------------------|---------------------------------------|--|----------|
|         |                   |                                       | Held   | Attended |
|         |                   |                                       |  |          |

|   |                       |  |   |   |
|---|-----------------------|--|---|---|
| 1 | Dr. Vaijayanti Pandit | Chairperson, (Non Executive, Independent Director) | 2 | 2 |
| 2 | Mr Nagaraj Ijari      | Member, (Non Executive, Independent Director)      | 2 | 2 |
| 3 | Mr GV Ramanan         | Member, (Non Executive, Director)                  | 2 | 2 |

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

Weblink for CSR Policy:

<https://www.tmlbsl.com/wp-content/themes/tmlbsl/pdf/Corporate-Social-Responsibility-Policy.pdf>

Weblink for CSR Projects

<https://www.tmlbsl.com/wp-content/themes/tmlbsl/pdf/Corporate-Social-Responsibility-Policy.pdf>

Weblink for CSR Board Committee

<https://www.tmlbsl.com/wp-content/themes/tmlbsl/pdf/Board-of-Directors-Management-Leadership-Website.pdf>

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

Not applicable to the Company, since the Company did not meet the criteria specified under Section 135(5) of the Companies Act, 2013.

5. (a) Average Net Profit of the Company as per Section 135(5): ₹21.44 crore

(b) Two percent of average net profit of the company as per section 135(5): ₹ 0.43 crore

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

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

(e) Total CSR obligation for the financial year (b+c+d): ₹0.43 crore

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹1.35 crore

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year (a+b+c): ₹1.35 crore

(e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year | Amount Unspent (in ₹ Crore)  |                  |  |        |                   |
|---|--|------------------|--|--------|-------------------|
|   | Total Amount transferred to Unspent CSR Account as per Section 135(6). |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |        |                   |
|   | Amount   | Date of transfer | Name of the Fund   | Amount | Date of transfer. |
| ₹1.35 crore                               | Not Applicable   |                  |  |        |                   |

(f) Excess Amount Set off, if any:

| Sr. No. | Particular  | Amount (₹ in crore) |
|---------|---|---------------------|
| (i)     | Two percent of average net profit of the company as per section 135(5)                                      | 0.43                |
| (ii)    | Total amount spent for the Financial Year   | 1.35                |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]   | 0.92                |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil                 |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | NA                  |

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

| Sr. No.        | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135(6) (in ₹) | Balance Amount in Unspent CSR Account under section 135(6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(5), if any. | Amount remaining to be spent in succeeding Financial Years. (in ₹) |                  | Deficiency if any |
|----------------|--------------------------|---|---|---|--|--|------------------|-------------------|
|                |                          |   |   |   |  | Amount (in ₹ Crore)  | Date of transfer |                   |
| Not Applicable |                          |   |   |   |  |  |                  |                   |

8. Where any capital assets have been created or acquired through CSR amount spent in the Financial Years: No



If yes, enter the number of Capital assets created / acquired: Not Applicable

Furnish the details relating to such assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year:

| Sr. No.        | Short particulars of the Property or asset(s) (including complete address and location of the property) | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner |      |                    |
|----------------|---|-------------------------------------|------------------|----------------------------|---|------|--------------------|
| (1)            | (2)   | (3)                                 | (4)              | (5)                        | (6)   |      |                    |
|                |   |                                     |                  |                            | CSR Registration Number, if applicable                            | Name | Registered address |
| Not Applicable |   |                                     |                  |                            |   |      |                    |

(All the fields should be captured as appearing in the revenue record, flat no, house no. Municipal office /Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

On behalf of the Board of Directors  
TML Business Services Limited

TML Business Services Limited

---

Mr Ravindra Pethe  
Manager & Chief Executive Officer  
PAN: ABMPP9914B

---

Dr Vaijayanti Pandit  
CSR Committee Chairperson  
DIN: 06742237

Date: May 2, 2024  
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                   | Provision of Delivery function services       | April 1, 2023 to March 31, 2024                | ₹74.63 Crore                              | NA                            | NIL                             |
| 2       | Tata Motors Limited - Holding Company                   | Rendering of Logistics Services               | April 1, 2023 to March 31, 2024                | ₹17.48 Crore                              | NA                            | NIL                             |
| 4       | Tata Motors Limited - Holding Company                   | Interest Received on Inter Corporate Deposits | April 1, 2023 to March 31, 2024                | ₹3.57 Crore                               | NA                            | NIL                             |
| 5       | Tata Motors Limited - Holding Company                   | Provision of Control Testing services         | April 1, 2023 to March 31, 2024                | ₹3.98 Crore                               | NA                            | NIL                             |
| 6       | Tata Motors Limited - Holding Company                   | Providing of Workstation (Income)             | April 1, 2023 to March 31, 2024                | ₹2.06 Crore                               | NA                            | NIL                             |
| 7       | Tata Motors Passenger Vehicles Limited                  | Provision of Delivery function services       | April 1, 2023 to March 31, 2024                | ₹27.33 Crore                              | NA                            | NIL                             |
| 8       | Tata Motors Passenger Vehicles Limited                  | Rendering of Logistics Services               | April 1, 2023 to March 31, 2024                | ₹18.99 Crore                              | NA                            | NIL                             |
| 9       | Tata Passenger Electric Mobility Ltd.                   | Provision of Delivery function services       | April 1, 2023 to March 31, 2024                | ₹4.15 Crore                               | NA                            | NIL                             |
| 10      | Tata Passenger Electric Mobility Ltd.                   | Rendering of Logistics Services               | April 1, 2023 to March 31, 2024                | ₹2.68 Crore                               | NA                            | NIL                             |
| 11      | Jaguar Land Rover Limited, UK                           | Provision of Delivery function services       | April 1, 2023 to March 31, 2024                | ₹34.09 Crore                              | NA                            | NIL                             |

| 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 value, if any | Date of approval by the Board | Amount paid as advances, if any |
|---------|---|--|--|---------------------------------------|-------------------------------|---------------------------------|
| 12      | Jaguar Land Rover Limited, UK                           | Provision of Control Testing services        | April 1, 2023 to March 31, 2024                | ₹3.39 Crore                           | NA                            | NIL                             |
| 13      | Tata Consultancy Services Limited                       | Availing of Services (OTON)                  | April 1, 2023 to March 31, 2024                | ₹25.53 Crore                          | NA                            | NIL                             |



### FORM No. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2024

[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

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 (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, 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, 2024, 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, 2024 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

---

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

Tel.: 26301232/26301233 Email: cs@parikhassociates.com Website: www.parikhassociates.com Firm Unique Code: P1988MH009800

- (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, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (v) Other laws applicable specifically to the Company namely:
  - 1 The Central Motor Vehicle Rules 1989 as amended in 2003 (Under The Motor Vehicle Act, 1988 as amended in 2001)

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 generally 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. 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 for meetings 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.

As per the minutes, 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 following event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc:

- I. the Company had Redeemed its fully paid-up 24,35,000 (Twenty Four Lakh and Thirty Five Thousand) 7% Cumulative Redeemable Preference Shares ("CRPS") of face value Rs.100/- each, on June 15, 2023

**For Parikh & Associates**  
Company Secretaries

Place: Mumbai  
Date: 02.05.2024

Signature:

Jeenal Jain  
Partner  
ACS No: 43855 CP No: 21246  
UDIN: A043855F000288011  
PR No.: 1129/2021

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



‘Annexure A’

To

The Members,  
TML Business Services 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: 02.05.2024

Signature:

Jeenal Jain  
Partner  
ACS No: 43855 CP No: 21246  
UDIN: A043855F000288011  
PR No.: 1129/2021

**ANNEXURE 7**

**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, 2024**

| 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) (₹. in Lakh) |
|---------|----------------------------|-----------------------------|-----|----------------------|---|---------------------|------------------------------------|--|---|
| 1       | Ravindra Vasant Pethe      | Senior General Manager      | 52  | Permanent            | ICWA  | 29                  | October 1, 2020                    | Tata Motors Limited                              | 137.63  |
| 2       | Subbarayan Prabhu Krishnan | General Manager             | 46  | Permanent            | Chartered Accountant                          | 20                  | April 14, 2021                     | GENPACT India                                    | 92.74   |
| 3       | Edul Rustom Irani          | General Manager             | 40  | Permanent            | MBA, Bachelor of Commerce                     | 18                  | December 14, 2021                  | UBS Business Solutions India                     | 77.50   |
| 4       | Pratap Shankarrao Shinde   | DGM, Transition             | 53  | Permanent            | Master of Management Science - Management     | 29                  | October 1, 2020                    | Tata Motors Limited                              | 56.31   |
| 5       | Ajay Krishanlal Khurana    | DGM, Group Controls         | 48  | Permanent            | CA (Inter)                                    | 17                  | October 1, 2020                    | Tata Motors Limited                              | 55.89   |
| 6       | Manish Suresh Narayane     | General Manager             | 46  | Permanent            | Bachelor of Engineering & PG Diploma in Mgmt. | 29                  | October 1, 2020                    | Tata Motors Limited                              | 56.63   |
| 7       | Anuj Jhamvar               | General Manager             | 49  | Permanent            | Bachelor of Commerce (Others)                 | 17                  | January 9, 2023                    | Infosys, Others                                  | 67.33   |
| 8       | Hardik Harshad Shah        | General Manager             | 47  | Permanent            | CA, ICWA                                      | 17                  | January 18, 2023                   | Aditya Birla Group                               | 70.62   |
| 9       | Achal Paliwal              | General Manager             | 57  | Permanent            | BE, PG Diploma in Mgmt                        | 37                  | April 1, 2022                      | TML Distribution Company Ltd                     | 51.90   |
| 10      | Prashant Somani            | General Manager             | 41  | Permanent            | CA  | 22                  | March 2, 2023                      | Cummins India                                    | 50.66   |

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 Sitaram Kandi  
Chairperson  
DIN: 02462811

Date : May 2, 2024  
Place : Mumbai

## Independent Auditor's Report

### To the Members of TML Business Services Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of TML Business Services Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the 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 opinion on the financial statements.

#### 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 directors' report, but does not include the financial statements and auditor's 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. We have nothing to report in this regard.

#### Management's and Board of Directors' Responsibilities 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 other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also

Registered Office:

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

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

## Independent Auditor's Report (Continued)

### TML Business Services Limited

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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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

**Independent Auditor's Report (Continued)****TML Business Services Limited**

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. 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. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements - Refer Note 27 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 33(IV) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in

**Independent Auditor's Report (Continued)**

**TML Business Services Limited**

the Note 33(V) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

As stated in Note 16(h)(d) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
  - (i) the feature of recording audit trail (edit log) facility was not enabled at the database layer to log any direct data changes for the accounting software used for maintaining the books of account.
  - (ii) in the absence of coverage of audit trail (edit log) with respect to database level in the independent auditor's report in relation to controls at the service organisation for accounting software used for preparation of financial statements, which is operated by third-party software service provider, we are unable to comment whether the audit trail feature of the database level of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

Further, where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with.

**Independent Auditor's Report (Continued)**

**TML Business Services Limited**

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

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

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

*Chartered Accountants*

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

KALPESH  
RAMESHCHANDRA  
DRA  
KHANDELWAL

Digitally signed by  
KALPESH  
RAMESHCHANDRA  
KHANDELWAL  
Date: 2024.05.02  
20:44:01 +05'30'

**Kalpesh Khandelwal**

*Partner*

Place: Pune

Date: 02 May 2024

Membership No.: 133124

ICAI UDIN:24133124BKFGPA2321



**Annexure A to the Independent Auditor's Report on the Financial Statements of TML Business Services Limited for the year ended 31 March 2024**

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company does not have any intangibles assets. Accordingly, clause 3(i)(a)(B) of the order is not applicable to company.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies/discrepancy were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering accounting, outbound logistics of vehicles and business support services to its parent company and other group companies.. The inventory held by company from its erstwhile business is not material and is written off to its scrap value. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below:
  - (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided unsecured loans to any other entity as below:

**Annexure A to the Independent Auditor's Report on the Financial Statements of TML Business Services Limited for the year ended 31 March 2024 (Continued)**

| Particulars                                   | Loans (INR Crores) |
|---|--------------------|
| Aggregate amount during the year              |                    |
| Subsidiaries*                                 | -                  |
| Others -                                      |                    |
| (a) Tata Motors Limited                       | 70.00              |
| Balance outstanding as at balance sheet date  |                    |
| Subsidiaries*                                 | -                  |
| Others* -                                     |                    |
| (a) Tata Motors Limited                       | 70.00              |
| (b) Tata Precision Industries (India) Limited | 3.80               |

*\*As per the Companies Act, 2013*

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the loan given to parent company which is repayable on demand. As informed to us, the Company has received the demanded repayment of the loan during the year except for the outstanding balance of INR 73.80 crores which the company has not demanded during the year. Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

|  | Related Parties |
|--|-----------------|
| Aggregate of loans/advances in nature of |                 |

**Annexure A to the Independent Auditor's Report on the Financial Statements of TML Business Services Limited for the year ended 31 March 2024 (Continued)**

|  | Related Parties |
|--|-----------------|
| loan<br>- Repayable on demand (A)<br>- Agreement does not specify any terms or period of Repayment (B) | 73.80           |
| Total (A+B)  | 73.80           |
| Percentage of loans/advances in nature of loan to the total loans                                      | 100%            |

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

| Name of the statute | Nature of the dues | Gross Demand (INR Crores ) | Paid under Protest | Period to which the amount relates | Forum where dispute is pending |
|---------------------|--------------------|----------------------------|--------------------|------------------------------------|--------------------------------|
| Sales Tax Laws      | Sales Tax          | 0.24                       | 0.13               | FY 2002-                           | High                           |

**Annexure A to the Independent Auditor's Report on the Financial Statements of TML Business Services Limited for the year ended 31 March 2024  
(Continued)**

| Name of the statute | Nature of the dues | Gross Demand (INR Crores ) | Paid under Protest | Period to which the amount relates  | Forum where dispute is pending            |
|---------------------|--------------------|----------------------------|--------------------|---|---|
|                     | Laws               |                            |                    | 03,2003-04  | Court                                     |
|                     |                    | 3.26                       | 2.26               | FY 2011-14, 2008-09, 2009-10  | Appealate Tribunal                        |
|                     |                    | 0.25                       | 0.13               | FY2013-14   | Joint Commissioner                        |
|                     |                    | 16.71                      | 2.05               | FY 2008-09, 2009-10 , 2010-11 , 2011-12, 2012-13,2013-14,2014-15, 2016-17   | Deputy Commissioner / Deputy Commissioner |
| Service Tax         | Service Tax        | 11.87                      | 0.45               | FY 2008-09, 2009-10,2010-11,2011-12,2012-13,2014-15,2015-16,2016-17,2017-18 | Appealate Tribunal                        |
| Entry Tax           | Entry Tax          | 1.03                       | 0.55               | FY 2008-09 , 2009-10  | High Court                                |
|                     |                    | 0.21                       | 0.17               | FY 2008-09 , 2009-10, 2011-12 , 2012-13                                     | Commissioner & Joint Commissioner         |
| Income Tax Act      | Income Tax         | 0.20                       | Nil                | AY19-20   | Deputy Commissioner of Income -Tax - CIT  |

**Annexure A to the Independent Auditor's Report on the Financial Statements of TML Business Services Limited for the year ended 31 March 2024  
(Continued)**

| Name of the statute | Nature of the dues | Gross Demand (INR Crores ) | Paid under Protest | Period to which the amount relates | Forum where dispute is pending |
|---------------------|--------------------|----------------------------|--------------------|------------------------------------|--------------------------------|
|                     |                    |                            |                    |                                    | Appeals                        |
|                     |                    | 0.46                       | Nil                | AY 21-22                           | Commissioner of income tax     |

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has

**Annexure A to the Independent Auditor's Report on the Financial Statements of TML Business Services Limited for the year ended 31 March 2024  
(Continued)**

been noticed or reported during the course of the audit.

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Establishment of vigil mechanism is not mandated for the Company. As represented to us by the management, there are no whistle blower complaints received by the Company during the year under the vigil mechanism established voluntarily by the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.  
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.  
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.  
(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has seven CICs as part of the Group
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**Annexure A to the Independent Auditor's Report on the Financial Statements  
of TML Business Services Limited for the year ended 31 March 2024  
(Continued)**

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

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

*Chartered Accountants*

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

KALPESH  
RAMESHCHANDRA  
DRA  
KHANDELWAL

Digitally signed by  
KALPESH  
RAMESHCHANDRA  
KHANDELWAL  
Date: 2024.05.02  
20:44:47 +05'30'

**Kalpesh Khandelwal**

*Partner*

Place: Pune

Date: 02 May 2024

Membership No.: 133124

ICAI UDIN:24133124BKFGPA2321



**Annexure B to the Independent Auditor's Report on the financial statements of TML Business Services Limited for the year ended 31 March 2024**

**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 Act**

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

**Opinion**

We have audited the internal financial controls with reference to financial statements of TML Business Services Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, 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 and Board of Directors' Responsibilities for Internal Financial Controls**

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

**Auditor's 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 if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

**Annexure B to the Independent Auditor's Report on the financial statements of TML Business Services Limited for the year ended 31 March 2024  
(Continued)**

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

KALPESH  
RAMESHCHANDRA  
RA  
KHANDELWAL

Digitally signed by  
KALPESH  
RAMESHCHANDRA  
KHANDELWAL  
Date: 2024.05.02  
20:45:18 +05'30'

**Kalpesh Khandelwal**

*Partner*

Place: Pune

Date: 02 May 2024

Membership No.: 133124

ICAI UDIN:24133124BKFGPA2321

**TML Business Services Limited**  
**Balance Sheet**

|  |       | (₹ in crores)           |                         |
|--|-------|-------------------------|-------------------------|
|  | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>I. ASSETS</b>   |       |                         |                         |
| <b>(1) NON-CURRENT ASSETS</b>  |       |                         |                         |
| (a) Property, plant and equipment  | 3     | 1.00                    | 1.06                    |
| (b) Right of use assets  | 4     | 9.04                    | 12.23                   |
| (c) Financial assets:  |       |                         |                         |
| (i) Investments  | 5     | 2.34                    | 0.35                    |
| (ii) Other financial assets  | 6     | 5.40                    | 5.02                    |
| (d) Deferred tax assets (net)  | 20    | 31.22                   | 38.79                   |
| (e) Non-current tax assets (net)   |       | 38.76                   | 33.24                   |
| (f) Other non-current assets   | 8     | 19.27                   | 21.50                   |
|  |       | <b>107.03</b>           | <b>112.19</b>           |
| <b>(2) CURRENT ASSETS</b>  |       |                         |                         |
| (a) Inventories  | 10    | 0.01                    | 0.18                    |
| (b) Financial assets:  |       |                         |                         |
| (i) Trade receivables  | 11    | 29.10                   | 45.14                   |
| (ii) Cash and cash equivalents   | 13    | 17.44                   | 16.62                   |
| (iii) Bank balances other than (iii) above                                     | 14    | 0.20                    | -                       |
| (iii) Loans and advances   | 15    | 73.81                   | 77.38                   |
| (iv) Other financial assets  | 7     | 0.03                    | 0.58                    |
| (d) Other current assets   | 9     | 15.34                   | 10.33                   |
|  |       | <b>135.93</b>           | <b>150.23</b>           |
| <b>(3) Asset classified as held for sale</b>                                   | 34(c) | <b>6.14</b>             | <b>6.14</b>             |
| <b>TOTAL ASSETS</b>  |       | <b>249.10</b>           | <b>268.56</b>           |
| <b>II. EQUITY AND LIABILITIES</b>  |       |                         |                         |
| <b>EQUITY</b>  |       |                         |                         |
| (a) Equity share capital   | 16    | 53.06                   | 53.06                   |
| (b) Other equity   |       | 123.84                  | 126.36                  |
|  |       | <b>176.90</b>           | <b>179.42</b>           |
| <b>LIABILITIES</b>   |       |                         |                         |
| <b>(1) NON-CURRENT LIABILITIES</b>   |       |                         |                         |
| (a) Financial liabilities:   |       |                         |                         |
| (i) Borrowings   | 17    | -                       | 24.35                   |
| (ii) Lease liabilities   |       | 4.71                    | 7.29                    |
| (b) Provisions - Employee benefits obligations                                 |       | 10.16                   | 8.56                    |
| (c) Other non-current liabilities  |       | 0.50                    | -                       |
|  |       | <b>15.37</b>            | <b>40.20</b>            |
| <b>(2) CURRENT LIABILITIES</b>   |       |                         |                         |
| (a) Financial liabilities:   |       |                         |                         |
| (i) Lease liabilities  |       | 4.96                    | 5.66                    |
| (ii) Trade payables  | 18    |                         |                         |
| (a) Total outstanding dues of micro and small enterprises                      |       | 0.08                    | 0.09                    |
| (b) Total outstanding dues of creditors other than micro and small enterprises |       | 33.67                   | 25.23                   |
| (iii) Other financial liabilities  |       | 0.75                    | 0.01                    |
| (b) Provisions   | 19    | 5.13                    | 0.25                    |
| (c) Current tax liabilities (net)  |       | 0.83                    | 0.83                    |
| (d) Other current liabilities  | 21    | 11.41                   | 16.87                   |
|  |       | <b>56.83</b>            | <b>48.94</b>            |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |       | <b>249.10</b>           | <b>268.56</b>           |

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

For and on behalf of the Board

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

**KALPESH RAMESHCHANDRA KHANDELWAL**  
Digitally signed by KALPESH RAMESHCHANDRA KHANDELWAL  
Date: 2024.05.02 20:45:51 +05'30'

**Kalpesh Khandelwal**  
Partner  
Membership No.: 133124  
UDIN: 24133124BKFGPA2321

Place: Pune  
Date: May 2, 2024

**NAGARAJ IJARI**  
Digitally signed by NAGARAJ IJARI  
Date: 2024.05.02 20:16:44 +05'30'

**Nagaraj Ijari** [DIN: 09390579]  
Director

**VENKATA RAMANAN GOPAL**  
Digitally signed by VENKATA RAMANAN GOPAL  
Date: 2024.05.02 20:06:02 +05'30'

**G V Ramanan** [DIN: 01446016]  
Director

**SAANCHI KAKKA**  
Digitally signed by SAANCHI KAKKA  
Date: 2024.05.02 20:18:02 +05'30'

**Saanchi Kakka** [ACS: 71846]  
Company Secretary

Place: Mumbai  
Date: May 2, 2024

**Ravindra Pethe**  
Chief Executive Officer

**SUBBARAYAN PRABHU KRISHNAN**  
Digitally signed by SUBBARAYAN PRABHU KRISHNAN  
Date: 2024.05.02 18:59:59 +05'30'

**Subbarayan Prabhu Krishnan**  
Chief Financial Officer

Place: Pune  
Date: May 2, 2024

**TML Business Services Limited**  
**Statement of Profit and Loss**

|  |       |                              | (₹ in crores)                |
|--|-------|------------------------------|------------------------------|
|  | Notes | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>Revenue from operations</b>   |       |                              |                              |
| Revenue  |       | 201.62                       | 188.82                       |
| Other operating revenue  |       | 14.41                        | 7.78                         |
| <b>I. Total revenue from operations</b>  | 23    | <b>216.03</b>                | 196.60                       |
| II. Other Income - interest income   | 34(d) | 4.89                         | 8.70                         |
| <b>III. Total income (I+II)</b>  |       | <b>220.92</b>                | 205.30                       |
| <b>IV. Expenses:</b>   |       |                              |                              |
| (a) Changes in inventories of stock in trade   |       | 0.17                         | 0.30                         |
| (b) Employee benefits expense  | 24    | 105.67                       | 93.04                        |
| (c) Finance costs  | 25    | 1.50                         | 3.11                         |
| (d) Depreciation and amortisation expense  |       | 4.69                         | 5.60                         |
| (e) Other expenses   | 26    | 79.57                        | 83.85                        |
| <b>Total expenses (IV)</b>   |       | <b>191.60</b>                | 185.90                       |
| <b>V. Profit before exceptional items and tax (III-IV)</b>                               |       | <b>29.32</b>                 | 19.40                        |
| <b>VI. Exceptional items:</b>  |       |                              |                              |
| (a) Employee separation cost   | 34(a) | 1.90                         | 0.09                         |
| (b) Profit on sale of assets   | 34(b) | -                            | (24.89)                      |
| <b>VII. Profit before tax (V-VI)</b>   |       | <b>27.42</b>                 | 44.20                        |
| <b>VIII. Tax expense/(credit) (net):</b>   | 20    |                              |                              |
| (a) Current tax  |       | -                            | (4.71)                       |
| (b) Tax expense for previous year  |       | 0.71                         |                              |
| (c) Deferred tax expense /(credit)   |       | 7.68                         | (38.72)                      |
| <b>Total tax expense/(credit) (net)</b>  |       | <b>8.39</b>                  | (43.43)                      |
| <b>IX. Profit for the year (VII-VIII)</b>  |       | <b>19.03</b>                 | 87.63                        |
| <b>X. Other comprehensive income/(loss):</b>   |       |                              |                              |
| (A) (i) Items that will not be reclassified to profit or loss:                           |       |                              |                              |
| (a) Remeasurement losses on defined benefit obligations (net)                            |       | (0.43)                       | (0.54)                       |
| (b) Equity instruments at fair value through other comprehensive income                  |       | (0.01)                       | 0.20                         |
| (ii) Income tax credit relating to items that will not be reclassified to profit or loss |       | 0.11                         | 0.07                         |
| <b>Total other comprehensive income for the year (net of tax)</b>                        |       | <b>(0.33)</b>                | (0.27)                       |
| <b>XI. Total comprehensive Profit for the year (IX+X)</b>                                |       | <b>18.70</b>                 | 87.36                        |
| <b>XII. Earnings per equity share (EPS)</b>  | 28    |                              |                              |
| (a) Ordinary shares (face value of ₹10 each):  |       |                              |                              |
| (i) Basic EPS  | ₹     | 3.59                         | 16.52                        |
| (ii) Diluted EPS   | ₹     | 3.59                         | 16.52                        |

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

For and on behalf of the Board

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

**KALPESH RAMESHCHANDRA KHANDELWAL**  
Digitally signed by  
KALPESH RAMESHCHANDRA KHANDELWAL  
Date: 2024.05.02  
20:46:23 +05'30'

**Kalpesh Khandelwal**  
Partner  
Membership No.: 133124  
UDIN: 24133124BKFGPA2321

Place: Pune  
Date: May 2, 2024

**NAGARAJ IJARI**  
Digitally signed by  
NAGARAJ IJARI  
Date: 2024.05.02  
20:19:11 +05'30'

**Nagaraj Ijari** [DIN: 09390579]  
Director

**VENKATA RAMANAN GOPAL**  
Digitally signed by  
VENKATA RAMANAN GOPAL  
Date: 2024.05.02  
20:01:20 +05'30'

**G V Ramanan** [DIN: 01446016]  
Director

**SAANCHI ATUL KAKKA**  
Digitally signed by  
SAANCHI ATUL KAKKA  
Date: 2024.05.02  
20:18:49 +05'30'

**Saanchi Kakka** [ACS: 71846]  
Company Secretary

Place: Mumbai  
Date: May 2, 2024

**RAVINDRA VASANT PETHE**  
Digitally signed by  
RAVINDRA VASANT PETHE  
Date: 2024.05.02  
19:24:22 +05'30'

**Ravindra Pethe**  
Chief Executive Officer

**SUBBARAYAN PRABHU KRISHNAN**  
Digitally signed by  
SUBBARAYAN PRABHU KRISHNAN  
Date: 2024.05.02  
19:00:33 +05'30'

**Subbarayan Prabhu Krishnan**  
Chief Financial Officer

Place: Pune  
Date: May 2, 2024

**TML Business Services Limited**  
**Cash Flow Statement**

|  | Year ended<br>March 31, 2024 | (₹ in crores)<br>Year ended<br>March 31, 2023 |
|--|------------------------------|---|
| <b>Cash flows from operating activities:</b>   |                              |   |
| Profit for the year  | 19.04                        | 87.63   |
| <b>Adjustments for:</b>  |                              |   |
| Depreciation and amortisation expense  | 4.69                         | 5.60  |
| Allowance for trade other receivables  | -                            | (0.60)  |
| Lease charges  | 1.54                         | -   |
| Tax expense/(credit) (net)   | 8.39                         | (43.43)                                       |
| Finance costs  | 1.50                         | 3.11  |
| Interest income  | (4.89)                       | (8.70)  |
| (Profit)/Loss on sale of assets (net) (including assets scrapped/written off)                  | 0.22                         | (24.86)                                       |
|  | 11.45                        | (68.88)                                       |
| <b>Cash flows from operating activities before changes in following assets and liabilities</b> | <b>30.49</b>                 | <b>18.75</b>                                  |
| Trade receivables  | 16.04                        | 6.35  |
| Loans and advances and other financial assets  | 0.91                         | (3.56)  |
| Other current and non-current assets   | (2.77)                       | 4.65  |
| Inventories  | 0.17                         | 0.30  |
| Trade payables and acceptances   | 8.43                         | (0.52)  |
| Other current and non-current liabilities  | (4.97)                       | 10.22   |
| Other financial liabilities  | 0.74                         | (5.87)  |
| Provisions   | 6.05                         | 2.01  |
| <b>Cash generated from operations</b>  | <b>55.09</b>                 | <b>32.33</b>                                  |
| Income tax paid (net)  | (6.23)                       | (14.00)                                       |
| <b>Net cash from operating activities</b>  | <b>48.86</b>                 | <b>18.33</b>                                  |
| <b>Cash flows from investing activities:</b>   |                              |   |
| Payments for property, plant and equipments  | (0.64)                       | (0.31)  |
| Proceeds from sale of property, plant and equipments   | 0.02                         | 50.37   |
| Investments in subsidiary company  | (2.00)                       | -   |
| Decrease in short term inter corporate deposit   | 2.50                         | 127.50  |
| Increase in deposits/restricted deposits with banks  | (0.18)                       | -   |
| Interest received  | 5.21                         | 8.54  |
| <b>Net cash generated from investing activities</b>  | <b>4.91</b>                  | <b>186.10</b>                                 |
| <b>Cash flows from financing activities:</b>   |                              |   |
| Repayment of long-term borrowings  | (24.35)                      | -   |
| Repayment to parent company against reduction in share capital                                 | -                            | (131.83)                                      |
| Repayment of lease liabilities (including interest)  | (6.98)                       | (6.69)  |
| Dividend paid  | (21.22)                      | (53.06)                                       |
| Interest paid  | (0.38)                       | (18.77)                                       |
| <b>Net cash used in financing activities</b>   | <b>(52.93)</b>               | <b>(210.35)</b>                               |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                                    | <b>0.84</b>                  | <b>(5.92)</b>                                 |
| Cash and cash equivalents as at April 1, (opening balance)                                     | 16.62                        | 22.54   |
| <b>Cash and cash equivalents as at March 31, (closing balance)</b>                             | <b>17.44</b>                 | <b>16.62</b>                                  |

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

For and on behalf of the Board

**NAGARAJ IJARI** Digitally signed  
by NAGARAJ  
IJARI  
Date: 2024.05.02  
20:19:38 +05'30'

**Nagaraj Ijari** [DIN: 09390579]  
Director

**VENKATA RAMANA N GOPAL** Digitally signed  
by VENKATA  
RAMANAN GOPAL  
Date: 2024.05.02  
20:01:54 +05'30'

**G V Ramanan** [DIN: 01446016]  
Director

**SAANCHI ATUL KAKKA** Digitally signed  
by SAANCHI ATUL KAKKA  
Date: 2024.05.02  
20:20:04 +05'30'

**Saanchi Kakka** [ACS: 71846]  
Company Secretary

**RAVINDRA VASANT PETHE** Digitally signed  
by RAVINDRA  
VASANT PETHE  
Date: 2024.05.02  
19:24:48 +0530

**Ravindra Pethe**  
Chief Executive Officer

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

**KALPESH RAMESHCHANDRA KHANDELWAL** Digitally signed  
by KALPESH  
RAMESHCHANDRA  
KHANDELWAL  
Date: 2024.05.02  
20:46:56 +05'30'

**Kalpesh Khandelwal**  
Partner  
Membership No.: 133124  
UDIN: 24133124BKFGPA2321

**SUBBARAYAN PRABHU KRISHNAN** Digitally signed  
by SUBBARAYAN  
PRABHU KRISHNAN  
Date: 2024.05.02  
19:00:54 +05'30'

**Subbarayan Prabhu Krishnan**  
Chief Financial Officer

Place: Pune

Date: May 2, 2024

Place: Mumbai

Date: May 2, 2024

Place: Pune

Date: May 2, 2024

**TML Business Services Limited**  
**Statement of Changes in Equity for the year ended March 31, 2024**

**A. Equity Share Capital**

| Particulars                  | (₹ in crores) |
|------------------------------|---------------|
| Balance as at April 1, 2023  | 53.06         |
| Balance as at March 31, 2024 | 53.06         |
| Balance as at April 1, 2022  | 53.06         |
| Balance as at March 31, 2023 | 53.06         |

**B. Other Equity**

|   | Securities Premium | Retained earnings |                             |               | Total other equity |
|---|--------------------|-------------------|-----------------------------|---------------|--------------------|
|   |                    | General reserve   | Undistributable (Ind AS 10) | Distributable |                    |
| Balance as at April 1, 2023                                     | 18.97              | 9.43              | 1.47                        | 96.48         | 126.36             |
| Profit for the year   | -                  | -                 | -                           | 19.03         | 19.03              |
| Remeasurement gain/(loss) on defined benefit obligations (net)  | -                  | -                 | -                           | (0.43)        | (0.43)             |
| Other comprehensive income/(loss) for the year                  | -                  | -                 | -                           | 0.10          | 0.10               |
| Payment of dividend   | -                  | -                 | -                           | (21.22)       | (21.22)            |
| Balance as at March 31, 2024                                    | 18.97              | 9.43              | 1.47                        | 93.96         | 123.84             |
| Balance as at April 1, 2022                                     | 18.97              | 9.43              | 24.16                       | 39.49         | 92.05              |
| Profit for the year   | -                  | -                 | -                           | 87.63         | 87.63              |
| Remeasurement gain/(loss) on defined benefit obligations (net)  | -                  | -                 | -                           | (0.27)        | (0.27)             |
| Payment of dividend   | -                  | -                 | -                           | (53.06)       | (53.06)            |
| Adjustment for undistributable reserves (Refer note 15 (h) (a)) | -                  | -                 | (22.69)                     | 22.69         | -                  |
| Balance as at March 31, 2023                                    | 18.97              | 9.43              | 1.47                        | 96.48         | 126.36             |

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

For and on behalf of the Board

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

**KALPESH RAMESHCHANDRA KHANDELWAL DRA**  
Digitally signed by KALPESH RAMESHCHANDRA KHANDELWAL  
Date: 2024.05.02 20:47:32 +05'30'

**Kalpesh Khandelwal**  
Partner  
Membership No.: 133124  
UDIN: 24131248KFGPA2321

Place: Pune  
Date: May 2, 2024

**NAGARAJ IJARI**  
Digitally signed by NAGARAJ IJARI  
Date: 2024.05.02 20:20:35 +05'30'

**Nagaraj Ijari** / DIN: 09390579/  
Director  
**VENKATA RAMANAN GOPAL**  
Digitally signed by VENKATA RAMANAN GOPAL  
Date: 2024.05.02 20:02:28 +05'30'

**G V Ramanan** / DIN: 01446016/  
Director

**SAANCHI ATUL KAKKA**  
Digitally signed by SAANCHI ATUL KAKKA  
Date: 2024.05.02 20:20:59 +05'30'

**Saanchi Kakka** / ACS: 71846/  
Company Secretary

Place: Mumbai  
Date: May 2, 2024

**RAVINDRA VASANT PETHE**  
Digitally signed by RAVINDRA VASANT PETHE  
Date: 2024.05.02 19:25:11 +0530

**Ravindra Pethe**  
Chief Executive Officer

**SUBBARAYAN AN PRABHU KRISHNAN**  
Digitally signed by SUBBARAYAN AN PRABHU KRISHNAN  
Date: 2024.05.02 19:01:14 +05'30'

**Subbarayan Prabhu Krishnan**  
Chief Financial Officer

Place: Pune  
Date: May 2, 2024

# TML Business Services Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1 Background and operations

TML Business Services Limited ('TMLBSL' or 'the Company') is engaged in the business of providing accounting, outbound logistics of vehicles and allied activities, business support services to Tata Motors Limited and its subsidiaries.

The Company is a public limited Company incorporated and domiciled in India and has its registered office at Mumbai, India. As at March 31, 2024, the Company is a wholly owned subsidiary of Tata Motors Limited (TML).

The financial statements were authorised for issue by the Company's Board of Directors on May 2, 2024.

### 2 Material accounting policies

#### (a) Statement of compliance

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

#### (b) 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 Crores, unless otherwise indicated.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are remeasured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences arising on settlement of transactions and translation of monetary items are recognized in the statement of Profit or Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

#### (c) Basis of preparation

The financial statements have been prepared on historical cost basis except for certain financial instruments which are 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.

#### (d) Going concern

The Company is providing services mainly to Tata Motors group of companies which it intends to carry on in the foreseeable future. The Company has a net current assets of ₹ 79.10 crores as at March 31, 2024, which includes cash balance of ₹ 17.44 and inter corporate deposit of ₹ 73.80 crores. Based on the business from group companies in foreseeable future, the financial statements have been prepared on a "Going concern" basis.

#### (e) 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) Note 3 -Property, plant and equipment
- ii) Note 23-Assets and obligations relating to employee benefits
- iii) Note 18- Recoverability / recognition of deferred tax assets

#### (f) Cost recognition

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

#### (g) Impairment

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.

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.

#### (h) Segments

The Company is primarily engaged in the business of providing support services, outbound logistics and allied services to Tata Motors Ltd & its Subsidiaries. These in the context of Ind AS 108 - operating segments reporting was considered to constitute one reportable segment.

#### (i) Non-current assets held for sale

Non current assets comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in Statement of Profit and Loss. Once classified as held for sale, property, plant and equipment and intangible assets are no longer depreciated. The Company measures a non-current asset that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of:

- i) the carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale, and
- ii) its recoverable amount at the date of the subsequent decision not to sell.

#### (j) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

#### (k) 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**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**3. Property, plant and equipment**

**(a) Accounting policy**

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

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

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 property, plant and equipments, 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 (years) |
|---|-------------------------------|
| Buildings, Roads, Bridge and culverts     | 4 to 60 years                 |
| Plant, machinery and equipment            | 8 to 20 years                 |
| Computers and other IT assets             | 4 to 6 years                  |
| Vehicles                                  | 4 to 10 years                 |
| Furniture, fixtures and office appliances | 5 to 15 years                 |

The useful lives are reviewed at each year end. Changes in expected useful lives are treated as change in accounting estimates.

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

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

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

|   | Owned assets |                                |                  |                        |          | Given on lease         | (₹ in crores) |
|---|--------------|--------------------------------|------------------|------------------------|----------|------------------------|---------------|
|   | Buildings    | Plant, machinery and equipment | Office equipment | Furniture and fixtures | Vehicles | Furniture and fixtures | Total         |
| Cost as at April 1, 2023                      | 0.53         | -                              | 1.10             | 1.54                   | 0.33     | -                      | 3.51          |
| Additions                                     | -            | -                              | 0.03             | 0.14                   | 0.47     | -                      | 0.64          |
| Disposal/Adjustments                          | (0.20)       | -                              | (0.19)           | (0.48)                 | (0.29)   | -                      | (1.16)        |
| Cost as at March 31, 2024                     | 0.33         | -                              | 0.94             | 1.20                   | 0.51     | -                      | 2.99          |
| Accumulated depreciation as at April 1, 2023  | (0.23)       | -                              | (0.95)           | (0.97)                 | (0.30)   | -                      | (2.45)        |
| Depreciation for the year                     | (0.10)       | -                              | (0.05)           | (0.28)                 | (0.02)   | -                      | (0.45)        |
| Disposal/Adjustments                          | 0.07         | -                              | 0.18             | 0.39                   | 0.27     | -                      | 0.91          |
| Accumulated depreciation as at March 31, 2024 | (0.26)       | -                              | (0.82)           | (0.86)                 | (0.05)   | -                      | (1.99)        |
| Net carrying amount as at March 31, 2024      | 0.07         | -                              | 0.12             | 0.34                   | 0.46     | -                      | 1.00          |
| Cost as at April 1, 2022                      | 0.46         | 1.16                           | 1.43             | 1.98                   | 2.08     | 0.08                   | 7.19          |
| Additions                                     | 0.07         | -                              | -                | 0.05                   | -        | -                      | 0.12          |
| Disposal/Adjustments                          | -            | (1.16)                         | (0.33)           | (0.49)                 | (1.75)   | (0.08)                 | (3.80)        |
| Cost as at March 31, 2023                     | 0.53         | -                              | 1.10             | 1.55                   | 0.33     | -                      | 3.51          |
| Accumulated depreciation as at April 1, 2022  | (0.06)       | (1.16)                         | (1.24)           | (1.16)                 | (1.89)   | (0.08)                 | (5.59)        |
| Depreciation for the year                     | (0.12)       | (0.02)                         | (0.06)           | (0.27)                 | (0.10)   | -                      | (0.57)        |
| Disposal/Adjustments                          | (0.05)       | 1.18                           | 0.35             | 0.46                   | 1.69     | 0.08                   | 3.71          |
| Accumulated depreciation as at March 31, 2023 | (0.23)       | -                              | (0.95)           | (0.97)                 | (0.30)   | -                      | (2.45)        |
| Net carrying amount as at March 31, 2023      | 0.30         | -                              | 0.15             | 0.58                   | 0.03     | -                      | 1.06          |

**4. Leases**

**(a) Accounting policy**

**Lessee:**

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 lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments includes fixed payments i.e. in-substance fixed payments, amounts expected to be payable under a residual value guarantee, the exercise price of a purchase option, if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease, if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset, which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

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.

The Company leases a number of commercial premise, warehouses and vehicles certain of which have a renewal and/or purchase option in the normal course of the business. Extension and termination options are included in a number of leases across the Company. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option.

The Company re-assesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control. It is recognised that there is potential for lease term assumptions to change in the future and this will continue to be monitored by the Company where relevant. The Company's leases mature between 2025 and 2028. The weighted average rate applied is 8.13%.

**(b) The following amounts are included in the Balance Sheet :**

|                                | (₹ in crores)         |                       |
|--------------------------------|-----------------------|-----------------------|
|                                | As at, March 31, 2024 | As at, March 31, 2023 |
| Current lease liabilities      | 4.96                  | 5.66                  |
| Non-current lease liabilities  | 4.71                  | 7.29                  |
| <b>Total lease liabilities</b> | <b>9.67</b>           | <b>12.95</b>          |

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(c) The following amounts are recognised in the statement of profit and loss :

|   | For the year ended,<br>March 31, 2024 | For the year ended,<br>March 31, 2023 |
|---|---------------------------------------|---------------------------------------|
| Interest expense on lease liabilities   | 1.12                                  | 1.38                                  |
| Expenses related to low-value assets, excluding short-term leases of low-value assets | 1.55                                  | 1.44                                  |

Note : for repayment of lease liabilities during the year refer note 4(e)

(d)

|   | (₹ in crores)      |                        |          |           |         |
|---|--------------------|------------------------|----------|-----------|---------|
| Right of use assets                           | Leasehold Premises | Furniture and fixtures | Vehicles | IT Assets | Total   |
| Cost as at April 1, 2023                      | 38.31              | -                      | 4.94     | -         | 43.25   |
| Additions                                     | 0.49               | -                      | 3.77     | -         | 4.26    |
| Disposals/adjustments                         | (1.28)             | -                      | (1.14)   | -         | (2.42)  |
| Cost as at March 31, 2024                     | 37.52              | -                      | 7.57     | -         | 45.09   |
| Accumulated amortisation as at April 1, 2023  | (29.94)            | -                      | (1.08)   | -         | (31.02) |
| Amortisation for the year                     | (4.24)             | -                      | -        | -         | (4.24)  |
| Amortisation - considered as employee cost    | -                  | -                      | (1.54)   | -         | (1.54)  |
| Disposal/adjustments                          | 0.44               | -                      | 0.31     | -         | 0.75    |
| Accumulated amortisation as at March 31, 2024 | (33.74)            | -                      | (2.31)   | -         | (36.05) |
| Net carrying amount as at March 31, 2024      | 3.78               | -                      | 5.26     | -         | 9.04    |
| Cost as at April 1, 2022                      | 38.00              | 4.31                   | 2.52     | 1.08      | 45.91   |
| Additions                                     | 1.42               | -                      | 3.44     | -         | 4.86    |
| Disposals/adjustments                         | (1.11)             | (4.31)                 | (1.02)   | (1.08)    | (7.52)  |
| Cost as at March 31, 2023                     | 38.31              | -                      | 4.94     | -         | 43.25   |
| Accumulated amortisation as at April 1, 2022  | (25.93)            | (4.30)                 | (0.16)   | (1.08)    | (31.47) |
| Amortisation for the year                     | (5.03)             | -                      | -        | -         | (5.03)  |
| Amortisation - considered as employee cost    | -                  | -                      | (1.13)   | -         | (1.13)  |
| Disposal/adjustments                          | 1.02               | 4.30                   | 0.21     | 1.08      | 6.61    |
| Accumulated amortisation as at March 31, 2023 | (29.94)            | -                      | (1.08)   | -         | (31.02) |
| Net carrying amount as at March 31, 2023      | 8.37               | -                      | 3.86     | -         | 12.23   |

(e)

|                                   | Year ended March<br>31, 2024 | Year ended March<br>31, 2023 |
|-----------------------------------|------------------------------|------------------------------|
| Balance at April 1,               | 12.95                        | 15.40                        |
| Proceeds from issuance of debt    | 4.26                         | 4.86                         |
| Repayment of lease of liabilities | (6.98)                       | (6.69)                       |
| Interest accrued                  | 1.12                         | 1.38                         |
| Lease terminations                | (1.75)                       | -                            |
| Other adjustments/modifications   | 0.07                         | (2.00)                       |
| Balance at March 31,              | 9.67                         | 12.95                        |

**5. Other investments - non-current**

| (₹ in crores) |  |   |                         |                         |
|---------------|--|---|-------------------------|-------------------------|
| Number        | Face value per unit<br>(Fully paid up) | Description   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|               |  | Investment in Equity shares measured at fair value through other comprehensive Income |                         |                         |
|               |  | Unquoted  |                         |                         |
| 1,50,000      | 10                                     | Tata Motors Passenger Vehicles Limited  | 0.34                    | 0.35                    |
|               |  | Investment in 8.50 % Cumulative Preference Shares at amortised cost                   |                         |                         |
| 2,00,000      | 100                                    | Tata Precision Industries India Private Limited                                       | 2.00                    | -                       |
|               |  | <b>Total</b>  | <b>2.34</b>             | <b>0.35</b>             |

**6 Other financial assets - non current**

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| (a) Restricted deposits (Note below)          | 1.82                    | 1.62                    |
| (b) Lease deposits for commercial premises    |                         |                         |
| i) Unsecured, considered good                 | 2.10                    | 1.70                    |
| ii) Credit Impaired                           | 1.32                    | 1.32                    |
| (c) Deposits Others                           |                         |                         |
| i) Considered good                            | 1.48                    | 1.70                    |
|   | 6.72                    | 6.34                    |
| Less: Allowances for Credit Impaired balances | (1.32)                  | (1.32)                  |
| <b>Total</b>                                  | <b>5.40</b>             | <b>5.02</b>             |

Note: Restricted deposits as at March 31, 2024 represents deposits with banks kept under lien for issuing bank guarantees to statutory authorities.

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**7 Other financial assets - current**

|  | As at<br>March 31, 2024 | (₹ in crores)<br>As at<br>March 31, 2023 |
|--|-------------------------|--|
| (a) Interest accrued on loans and deposits | 0.03                    | 0.35                                     |
| (b) Restricted Deposits with banks         | -                       | 0.23                                     |
| <b>Total</b>                               | <b>0.03</b>             | <b>0.58</b>                              |

**8 Other non-current assets**

|  | As at<br>March 31, 2024 | (₹ in crores)<br>As at<br>March 31, 2023 |
|--|-------------------------|--|
| Taxes recoverable, statutory deposits and dues from government | 19.27                   | 21.50                                    |
| <b>Total</b>   | <b>19.27</b>            | <b>21.50</b>                             |

**9 Other current assets**

|   | As at<br>March 31, 2024 | (₹ in crores)<br>As at<br>March 31, 2023 |
|---|-------------------------|--|
| (a) Statutory deposits & dues from Government       | 12.14                   | 6.83                                     |
| (b) Prepaid expenses                                | 3.19                    | 3.34                                     |
| (c) Advance to suppliers including imprest advances | 0.01                    | 0.16                                     |
| <b>Total</b>  | <b>15.34</b>            | <b>10.33</b>                             |

**10. Inventories**

|                | As at<br>March 31, 2024 | (₹ in crores)<br>As at<br>March 31, 2023 |
|----------------|-------------------------|--|
| Stock-in-trade | 0.01                    | 0.18                                     |
| <b>Total</b>   | <b>0.01</b>             | <b>0.18</b>                              |

During the year ended March 31, 2024 and 2023, the Company recorded inventory write-down expenses of Nil crores and Nil crores, in the statement of profit and loss respectively.

**11 Trade receivables (Unsecured)**

|  | As at<br>March 31, 2024 | (₹ in crores)<br>As at<br>March 31, 2023 |
|--|-------------------------|--|
| Receivables considered good                      | 29.10                   | 45.14                                    |
| Credit impaired receivables                      | 11.54                   | 64.55                                    |
|  | 40.64                   | 109.69                                   |
| Less : Allowance for credit impaired receivables | (11.54)                 | (64.55)                                  |
| <b>Total</b>                                     | <b>29.10</b>            | <b>45.14</b>                             |

**12 Allowance for trade receivables, loans and other receivables**

|  | For the year end March 31,<br>2024 | (₹ in crores)<br>2023 |
|--|------------------------------------|-----------------------|
| Balance at the beginning                     | 65.87                              | 97.15                 |
| Allowances made / (reversed) during the year | -                                  | (0.81)                |
| Written off as bad debt                      | (53.02)                            | (30.47)               |
| <b>Balance at the end</b>                    | <b>12.85</b>                       | <b>65.87</b>          |

**13. Cash and cash equivalents**

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

|                     | As at<br>March 31, 2024 | (₹ in crores)<br>As at<br>March 31, 2023 |
|---------------------|-------------------------|--|
| Balances with banks | 17.44                   | 16.62                                    |
|                     | <b>17.44</b>            | <b>16.62</b>                             |

**14 Other bank balances**

|                                      | As at<br>March 31, 2024 | (₹ in crores)<br>As at<br>March 31, 2023 |
|--------------------------------------|-------------------------|--|
| <b>With upto 12 months maturity:</b> |                         |  |
| Bank deposits                        | 0.20                    | -  |
| <b>Total</b>                         | <b>0.20</b>             | <b>-</b>                                 |

**15 Loans and advances-current**

|                                    | As at<br>March 31, 2024 | (₹ in crores)<br>As at<br>March 31, 2023 |
|------------------------------------|-------------------------|--|
| <b>Unsecured :</b>                 |                         |  |
| (a) Advances and other receivables | 0.01                    | 1.08                                     |
| (b) Intercompany deposits          | 73.80                   | 76.30                                    |
| <b>Total</b>                       | <b>73.81</b>            | <b>77.38</b>                             |

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**16 Equity Share Capital**

|  |   | (₹ in crores)                                   |  |
|--|---|---|--|
|  |   | As at<br>March 31, 2024                         | As at<br>March 31, 2023                    |
| <b>(a) Authorised:</b>   |   |   |  |
| (i) 1,37,50,00,000 equity shares of ₹10 each                     |   | 1,375.00  | 1,375.00                                   |
| (as at March 31, 2023: 1,37,50,00,000 equity shares of ₹10 each) |   |   |  |
| <b>Total</b>   |   | <b>1,375.00</b>                                 | <b>1,375.00</b>                            |
| <b>(b) Issued, Subscribed and Paid - up:</b>                     |   |   |  |
| (i) 5,30,59,549 equity shares of ₹10 each                        |   | 53.06   | 53.06                                      |
| (as at March 31, 2023: 5,30,59,549 equity shares of ₹10 each)    |   |   |  |
| <b>Total</b>   |   | <b>53.06</b>                                    | <b>53.06</b>                               |
| <b>(c) The movement of number of shares and share capital</b>    |   |   |  |
|  | Year ended March 31, 2024<br>(Number of shares) | Year ended March 31, 2023<br>(Number of shares) | Year ended March 31, 2023<br>(₹ in crores) |
| (i) Ordinary shares  |   |   |  |
| Balance as at April 1  | 53,059,549                                      | 53.06   | 53.06                                      |
| Balance as at March 31   | 53,059,549                                      | 53.06   | 53.06                                      |

**(d) Rights, preferences and restrictions attached to 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.

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

|  | As at March 31, |                           |               |                           |
|--|-----------------|---------------------------|---------------|---------------------------|
|  | 2024            |                           | 2023          |                           |
|  | No. of Shares   | % of Issued Share Capital | No. of Shares | % of Issued Share Capital |
| Tata Motors Limited                            | 53,059,549      | 100.00%                   | 53,059,549    | 100.00%                   |
| (including 60 shares jointly held with others) |                 |                           |               |                           |

**(f) Information regarding issue of shares in the last five years :-**

- (a) The Company has not issued any shares without payment being received in cash.
- (b) The Company has not issued any bonus shares.
- (c) The Company has not undertaken any buy-back of shares.

**(g) Disclosure of Shareholding of Promoters**

| Promoter name                                  | As at March 31, |                           |               |                           |
|--|-----------------|---------------------------|---------------|---------------------------|
|  | 2024            |                           | 2023          |                           |
|  | No. of Shares   | % of Issued Share Capital | No. of Shares | % of Issued Share Capital |
| Tata Motors Limited                            | 53,059,549      | 100.00%                   | 53,059,549    | 100.00%                   |
| (including 60 shares jointly held with others) |                 |                           |               |                           |

**(h) Notes to other equity :**

- a) The Company had opted to fair value the fixed assets at the time of adoption of Ind AS as per Ind AS 101. The same was recorded in equity as part of distributable reserves. The property was disposed off during the previous financial year and the corresponding amount was transferred from undistributable to distributable reserves.
- b) **Retained earnings** - Retained earnings are the profits that the Company has earned till date.
- c) **Securities premium** - The amount received in excess of face value of the equity shares is recognised in Securities Premium.
- d) **Dividend** - Any dividend declared by the Company is based on the profits available for distribution as reported in the statutory financial statements of the Company prepared in accordance with Generally Accepted Accounting Principles in India or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of the Company prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act.  
However, in the absence or inadequacy of the said profit, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable.  
For the year ended March 31, 2024, the Board of Directors has recommended a final dividend of ₹ 3 per share (March 31, 2023: ₹ 14 per share) on Ordinary shares subject to approval from shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of ₹15.92 crores (March 31, 2023: ₹ 21.22 crores).

**17 Long-term borrowings**

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Redeemable cumulative preference shares | -                       | 24.35                   |
| <b>Total</b>                            | <b>-</b>                | <b>24.35</b>            |

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**18 Trade payables**

|   |                 | As at March 31, 2024 |              |           |           |                   | (₹ in crores) |
|---|-----------------|----------------------|--------------|-----------|-----------|-------------------|---------------|
|   |                 | Not due              | Overdue      |           |           |                   | Total         |
|   |                 |                      | Up to 1 year | 1-2 years | 2-3 years | More than 3 years |               |
| Outstanding dues of micro and small enterprises         |                 |                      |              |           |           |                   |               |
| (a)   | Undisputed dues | 0.04                 | -            | -         | -         | -                 | 0.04          |
|   | Total           | 0.04                 | -            | -         | -         | -                 | 0.04          |
| Outstanding dues other than micro and small enterprises |                 |                      |              |           |           |                   |               |
| (a)   | Undisputed dues | 33.57                | 0.14         | -         | -         | -                 | 33.71         |
|   | Total           | 33.57                | 0.14         | -         | -         | -                 | 33.71         |
| Balance as at March 31, 2024                            |                 | 33.61                | 0.14         | -         | -         | -                 | 33.75         |
|   |                 | As at March 31, 2023 |              |           |           |                   |               |
|   |                 | Not due              | Overdue      |           |           |                   | Total         |
|   |                 |                      | Up to 1 year | 1-2 years | 2-3 years | More than 3 years |               |
| Outstanding dues of micro and small enterprises         |                 |                      |              |           |           |                   |               |
| (a)   | Undisputed dues | 0.09                 | -            | -         | -         | -                 | 0.09          |
|   | Total           | 0.09                 | -            | -         | -         | -                 | 0.09          |
| Outstanding dues other than micro and small enterprises |                 |                      |              |           |           |                   |               |
| (a)   | Undisputed dues | 24.87                | 0.08         | -         | 0.28      | -                 | 25.23         |
|   | Total           | 24.87                | 0.08         | -         | 0.28      | -                 | 25.23         |
| Balance as at March 31, 2023                            |                 | 24.96                | 0.08         | -         | 0.28      | -                 | 25.32         |

**19. Provisions**

**Provisions -Current**

|     |                                     | (₹ in crores)        |                      |
|-----|-------------------------------------|----------------------|----------------------|
|     |                                     | As at March 31, 2024 | As at March 31, 2023 |
| (a) | Employee benefit obligations        | 0.31                 | 0.25                 |
| (b) | Other provisions (Refer note 34(a)) | 4.82                 | -                    |
|     | <b>Total</b>                        | <b>5.13</b>          | <b>0.25</b>          |

Note:

**Other provision movement**

|  |                                  | (₹ in crores)             |                           |
|--|----------------------------------|---------------------------|---------------------------|
|  |                                  | Year ended March 31, 2024 | Year ended March 31, 2023 |
|  | Balance at the beginning         | -                         | -                         |
|  | Provision made during the period | 4.82                      | -                         |
|  | Balance at the end               | 4.82                      | -                         |
|  | Current                          | 4.82                      | -                         |

**20. Income taxes**

(a) Accounting policy

Income tax expense comprises current tax and deferred tax. Income tax expense is recognised in the statement of Profit and Loss except when they relate to items that are recognised outside of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside profit and loss. Current income taxes are determined based on respective taxable income of each taxable entity.

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

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

**(b) The reconciliation of income tax expense calculated as per tax rates applicable to individual entities with income tax expense is as follows:**

|  |  | (₹ in crores)             |                           |
|--|--|---------------------------|---------------------------|
|  |  | Year ended March 31, 2024 | Year ended March 31, 2023 |
|  | Profit before tax  | 27.42                     | 44.20                     |
|  | Income tax expense at tax rates applicable to the Company          | 6.90                      | 11.13                     |
|  | Reduction in tax expense due to other deductible items             | (6.90)                    | (11.06)                   |
|  | Income tax provision for current year                              | -                         | 5.00                      |
|  | Reversal of excess provision for earlier years                     | 0.71                      | (9.71)                    |
|  | (Recognition) / Reversal of deferred tax asset on losses           | 7.68                      | (38.79)                   |
|  | <b>Income tax expense reported in statement of profit and loss</b> | <b>8.39</b>               | <b>(43.43)</b>            |

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(c) Significant components of deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

|  | (₹ in crores)   |  |                                     |                 |
|--|-----------------|--|-------------------------------------|-----------------|
|  | Opening balance | Recognised in statement of profit and loss | Recognised in/reclassified from OCI | Closing balance |
| <b>Deferred tax assets:</b>                                |                 |  |                                     |                 |
| Unabsorbed depreciation                                    | 19.41           | 5.52                                       |                                     | 24.93           |
| Property, plant and equipment                              | 1.58            | (0.28)                                     |                                     | 1.30            |
| Provisions, allowances for doubtful receivables and others | 16.65           | (13.02)                                    |                                     | 3.63            |
| Compensated absences and retirement benefits               | 0.90            | 0.12                                       | 0.11                                | 1.13            |
| Others   | 0.24            | (0.02)                                     |                                     | 0.22            |
| <b>Total deferred tax assets</b>                           | <b>38.79</b>    | <b>(7.68)</b>                              | <b>0.11</b>                         | <b>31.22</b>    |
| <b>Total deferred tax liabilities</b>                      | <b>-</b>        | <b>-</b>                                   | <b>-</b>                            | <b>-</b>        |
| <b>Net Deferred tax assets / (liabilities)</b>             | <b>38.79</b>    | <b>(7.68)</b>                              | <b>0.11</b>                         | <b>31.22</b>    |
| Deferred tax assets  |                 |  |                                     | 31.22           |
| Deferred tax liabilities                                   |                 |  |                                     | -               |

Significant components of deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

|  | (₹ in crores)   |  |                                     |                 |
|--|-----------------|--|-------------------------------------|-----------------|
|  | Opening balance | Recognised in statement of profit and loss | Recognised in/reclassified from OCI | Closing balance |
| <b>Deferred tax assets:</b>                                  |                 |  |                                     |                 |
| Unabsorbed depreciation                                      |                 | 19.41                                      |                                     | 19.41           |
| Property, plant and equipment                                | 16.77           | (15.19)                                    |                                     | 1.58            |
| - provisions, allowances for doubtful receivables and others | 1.50            | 15.15                                      |                                     | 16.65           |
| Compensated absences and retirement benefits                 |                 | 0.83                                       | 0.07                                | 0.90            |
| Others   |                 | 0.24                                       |                                     | 0.24            |
| <b>Total deferred tax assets</b>                             | <b>18.27</b>    | <b>20.44</b>                               | <b>0.07</b>                         | <b>38.79</b>    |
| <b>Deferred tax liabilities:</b>                             |                 |  |                                     |                 |
| Property, plant and equipment                                | 3.54            | (3.54)                                     |                                     | -               |
| Others   | 14.73           | (14.73)                                    |                                     | -               |
| <b>Total deferred tax liabilities</b>                        | <b>18.27</b>    | <b>(18.27)</b>                             | <b>-</b>                            | <b>-</b>        |
| <b>Net Deferred tax assets / (liabilities)</b>               | <b>-</b>        | <b>38.71</b>                               | <b>0.07</b>                         | <b>38.79</b>    |

(d) As at March 31, 2024 unrecognised deferred tax assets expire unutilised based on the year of origination as follows :

|           | (₹ in crores) |  |  |       |
|-----------|---------------|--|--|-------|
| March 31, |               |  |  |       |
| 2025      |               |  |  | 2.57  |
| 2027      |               |  |  | 16.81 |
| 2028      |               |  |  | 12.76 |

**21 Other current liabilities**

|   | (₹ in crores)        |                      |
|---|----------------------|----------------------|
|   | As at March 31, 2024 | As at March 31, 2023 |
| (a) Advance from customers (Refer note 1 below) | 0.22                 | 1.38                 |
| (b) Statutory dues (GST,VAT etc.)               | 11.19                | 15.49                |
| <b>Total</b>                                    | <b>11.41</b>         | <b>16.87</b>         |

**Note 1:**

|                                     | (₹ in crores)        |                      |
|-------------------------------------|----------------------|----------------------|
|                                     | As at March 31, 2024 | As at March 31, 2023 |
| <b>Contract liabilities</b>         |                      |                      |
| Opening contract liabilities        | 1.38                 | 2.50                 |
| Other changes /write back           | (1.16)               | (1.12)               |
| <b>Closing contract liabilities</b> | <b>0.22</b>          | <b>1.38</b>          |

|                                  | (₹ in crores)        |                      |
|----------------------------------|----------------------|----------------------|
|                                  | As at March 31, 2024 | As at March 31, 2023 |
| Advances received from customers | Current              |                      |
|                                  | 0.22                 | 1.38                 |
|                                  | <b>0.22</b>          | <b>1.38</b>          |

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**22. Revenue recognition**

**(a) Accounting policy**

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

**Sale of Services:**

The Company is interalia engaged in the business of providing outsourcing services for all process, sub-process, transactional activities, and knowledge based services including consulting to Tata Motors Limited ("TML") & its subsidiaries. Revenues are recognised on monthly basis when services are rendered to customers and related costs are incurred. The Company is also engaged in providing outbound logistics support services and revenue is recognized based on the total vehicles managed monthly.

**(b) Revenue from contracts with customers**

**a) Revenue from operations**

The Company generates revenue primarily from the sale of vehicles and sale of services as per details provided in Note 21 to the financial statement.

**b) 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.

The contract liabilities primarily relate to the advance consideration received from customers. Revenue is recognized from the contract liability amounts as and when goods are supplied or services are delivered and related performance obligations satisfied. The unused credit or balance is deferred until used by the customer or expired.

**c) Performance obligations**

The Company satisfies its performance obligations pertaining to the sale of services as and when services are rendered to the customer and are recognized net of performance obligations. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and do not contain any financing component. The payment is generally due within 30-60 days.

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

**d) 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 services are rendered to the customer, in determining the transaction price and allocation of transaction price to the performance obligations.

**e) 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.

**23 Revenue from operations**

|                              | (₹ in crores)                |                              |
|------------------------------|------------------------------|------------------------------|
|                              | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| (a) Sale of products         | 0.07                         | 0.04                         |
| (b) Sale of services         | 201.55                       | 188.78                       |
| <b>Revenue</b>               | <b>201.62</b>                | <b>188.82</b>                |
| (c) Other operating revenues | 14.41                        | 7.78                         |
| <b>Total</b>                 | <b>216.03</b>                | <b>196.60</b>                |

**24 Employee benefit expenses**

|  | (₹ in crores)                |                              |
|--|------------------------------|------------------------------|
|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| (a) Salaries, wages and bonus                      | 90.68                        | 80.88                        |
| (b) Contribution to provident fund and other funds | 5.00                         | 4.44                         |
| (c) Staff welfare expenses                         | 9.99                         | 7.72                         |
| <b>Total</b>                                       | <b>105.67</b>                | <b>93.04</b>                 |

**(a) Employee benefits**

**Accounting policy**

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, Bhavishya Kalyan Yojana and Post retirement medicare scheme. 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) Gratuity**

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 Trusts established by Tata Motors Ltd. 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) Provident Fund**

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 valuation.

**d) Bhavishya Kalyan Yojana (BKY)**

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees transferred from Tata Motors Limited. The benefits of the plan include pension in certain cases, payable up to the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the appropriate authority. The monthly payment to dependents of the deceased/disabled employee under the plan equals 50% of the basic salary or 30% of total fixed pay, whichever is higher, drawn at the time of death or accident or a specified amount, whichever is greater. We account for the liability for BKY benefits payable in the future based on an actuarial valuation.



**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**e) Post Retirement Medicare Scheme**

Under this unfunded scheme, employees receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of an Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme. We account for the liability for post-retirement medical scheme based on an actuarial valuation.

**(b) Employee benefits consists of the following:**

(i) Defined Benefit Plan

**Pension (Gratuity and BKY) and post retirement medical plans**

The following tables sets out the funded and unfunded status and the amounts recognised in the financial statements for the pension and the post retirement medical plans:

|  | Pension Benefits     |                      | Post retirement medical Benefits |                      |
|--|----------------------|----------------------|----------------------------------|----------------------|
|  |                      |                      |                                  |                      |
|  | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024             | As at March 31, 2023 |
| <b>Change in defined benefit obligations :</b>                             |                      |                      |                                  |                      |
| Defined benefit obligation, beginning of the year                          | 13.47                | 11.85                | 2.90                             | 1.30                 |
| Current service cost   | 1.74                 | 1.35                 | 0.21                             | 0.18                 |
| Interest cost  | 0.89                 | 0.80                 | 0.22                             | 0.12                 |
| Remeasurements (gains) / losses  |                      |                      |                                  |                      |
| Actuarial gain arising from changes in demographic assumptions             | 0.15                 | -                    | 0.17                             | -                    |
| Actuarial gain arising from changes in financial assumptions               | 0.30                 | 0.57                 | 0.71                             | 0.24                 |
| Actuarial gain/(loss) arising from changes in experience adjustments       | 0.06                 | 0.01                 | (0.59)                           | 0.08                 |
| Transfer in/out of liability   | (0.89)               | 0.75                 | (0.25)                           | 0.17                 |
| Benefits paid from plan assets   | (0.79)               | (1.81)               | -                                | -                    |
| Benefits paid directly by employer   | (0.02)               | (0.05)               | -                                | (0.04)               |
| Past service cost- plan amendments   | -                    | -                    | -                                | 0.86                 |
| <b>Defined benefit obligation, end of the year</b>                         | <b>14.90</b>         | <b>13.47</b>         | <b>3.37</b>                      | <b>2.90</b>          |
| <b>Change in plan assets:</b>  |                      |                      |                                  |                      |
| Fair value of plan assets, beginning of the year                           | 12.11                | 9.15                 | -                                | -                    |
| Acquisition/(Divestment)   | (0.79)               | 0.71                 | -                                | -                    |
| Interest income  | 0.80                 | 0.36                 | -                                | -                    |
| Return on plan assets, (excluding amount included in net interest expense) | 0.36                 | 3.00                 | -                                | -                    |
| Employer's contributions   | 0.11                 | (1.81)               | -                                | -                    |
| Benefits paid  | (0.79)               | 0.69                 | -                                | -                    |
| <b>Fair value of plan assets, end of the year</b>                          | <b>11.80</b>         | <b>12.11</b>         | <b>-</b>                         | <b>-</b>             |

|   | Pension Benefits     |                      | Post retirement medical Benefits |                      |
|---|----------------------|----------------------|----------------------------------|----------------------|
|   |                      |                      |                                  |                      |
|   | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024             | As at March 31, 2023 |
| <b>Amount recognised in the balance sheet consists of</b> |                      |                      |                                  |                      |
| Present value of defined benefit obligation               | 14.90                | 13.47                | 3.37                             | 2.90                 |
| Fair value of plan assets                                 | 11.80                | 12.11                | -                                | -                    |
|   | (3.10)               | (1.36)               | 3.37                             | 2.90                 |
| Asset ceiling   | -                    | -                    | -                                | -                    |
| Net liability   | (3.10)               | (1.36)               | 3.37                             | 2.90                 |
| Amounts in the balance sheet:                             |                      |                      |                                  |                      |
| Non-current assets  | -                    | 0.84                 | -                                | -                    |
| Provision for non-current liabilities                     | (3.10)               | (2.20)               | (3.37)                           | (2.90)               |
| Net liability   | (3.10)               | (1.36)               | (3.37)                           | (2.90)               |

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

|                            | Pension Benefits      |                       |
|----------------------------|-----------------------|-----------------------|
|                            |                       |                       |
|                            | As at, March 31, 2024 | As at, March 31, 2023 |
| Defined benefit obligation | 12.29                 | -                     |
| Fair value of plan assets  | 11.80                 | -                     |

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

|                            | Pension Benefits      |                       |
|----------------------------|-----------------------|-----------------------|
|                            |                       |                       |
|                            | As at, March 31, 2024 | As at, March 31, 2023 |
| Defined benefit obligation | -                     | 11.23                 |
| Fair value of plan assets  | -                     | 12.11                 |

**Information for unfunded plans:**

|                            | Pension Benefits     |                      | Post retirement medical Benefits |                      |
|----------------------------|----------------------|----------------------|----------------------------------|----------------------|
|                            |                      |                      |                                  |                      |
|                            | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024             | As at March 31, 2023 |
| Defined benefit obligation | 2.60                 | 2.20                 | 3.37                             | 2.90                 |

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

|                                    | Pension Benefits          |                           | Post retirement medical Benefits |                           |
|------------------------------------|---------------------------|---------------------------|----------------------------------|---------------------------|
|                                    |                           |                           |                                  |                           |
|                                    | Year ended March 31, 2024 | Year ended March 31, 2023 | Year ended March 31, 2024        | Year ended March 31, 2023 |
| Service cost                       | 1.74                      | 1.35                      | 0.21                             | 0.18                      |
| Net interest cost                  | 0.09                      | 0.09                      | 0.22                             | 0.12                      |
| Past service cost- plan amendments | -                         | -                         | -                                | 0.86                      |
| <b>Net periodic cost</b>           | <b>1.83</b>               | <b>1.44</b>               | <b>0.43</b>                      | <b>1.15</b>               |

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

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

|  | Pension Benefits     |             | Post retirement medical Benefits |             |
|--|----------------------|-------------|----------------------------------|-------------|
|  | Year ended March 31, |             | Year ended March 31,             |             |
|  | 2024                 | 2023        | 2024                             | 2023        |
| <b>Remeasurements</b>  |                      |             |                                  |             |
| Return on plan assets, (excluding amount included in net Interest expense)               | (0.36)               | (0.36)      | 0.17                             | -           |
| Actuarial gain arising from changes in demographic assumptions                           | 0.15                 | -           | 0.71                             | -           |
| Actuarial gain arising from changes in financial assumptions                             | 0.30                 | 0.57        | -                                | 0.24        |
| Actuarial gain/(loss) arising from changes in experience adjustments on plan liabilities | 0.06                 | 0.01        | (0.59)                           | 0.08        |
| <b>Total recognised in other comprehensive income</b>                                    | <b>0.15</b>          | <b>0.22</b> | <b>0.29</b>                      | <b>0.32</b> |
| <b>Total recognised in statement of comprehensive income</b>                             | <b>1.98</b>          | <b>1.66</b> | <b>0.72</b>                      | <b>1.47</b> |

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

|   | Pension Benefits |              | Post retirement medical Benefits |      |
|---|------------------|--------------|----------------------------------|------|
|   | As at March 31,  |              | As at March 31,                  |      |
|   | 2024             | 2023         | 2024                             | 2023 |
| Discount rate   | 7.00%            | 7.20%        | 7.00%                            | 7.3% |
| Rate of increase in compensation level of covered employees | 6% - 9%          | 6.0% - 12.0% | NA                               | NA   |
| Increase in health care cost                                | NA               | NA           | 7.00%                            | 6.0% |

Plan assets

The fair value of Company's pension plan asset as of March 31, 2024 and 2023 by category are as follows:

|                                   | Pension Benefits |                 |
|-----------------------------------|------------------|-----------------|
|                                   | As at March 31,  | As at March 31, |
|                                   | 2024             | 2023            |
| <b>Asset category:</b>            |                  |                 |
| Cash and cash equivalents         | 7.3%             | 15.4%           |
| Debt instruments (quoted)         | 69.9%            | 62.5%           |
| Debt instruments (unquoted)       | 0.0%             | 0.0%            |
| Equity instruments (quoted)       | 11.5%            | 8.2%            |
| Deposits with Insurance companies | 11.3%            | 13.9%           |
|                                   | <b>100.0%</b>    | <b>100.0%</b>   |

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

The weighted average duration of the defined benefit obligation as at March 31, 2024 is **9.74** years (March 31, 2023 : 10.30 years).

The Company expects to contribute **₹1.46** crores to the funded pension plans in the year ending March 31, 2025.

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

| Assumption             | Change in assumption | Impact on defined benefit obligation | Impact on service cost and interest cost |
|------------------------|----------------------|--------------------------------------|--|
| Discount rate          | Increase by 1%       | Decrease by ₹ 1.56 crores            | Decrease by ₹ 0.52 crores                |
|                        | Decrease by 1%       | Increase by ₹ 1.85 crores            | Increase by ₹ 0.60 crores                |
| Salary escalation rate | Increase by 1%       | Increase by ₹ 0.95 crores            | Increase by ₹ 0.42 crores                |
|                        | Decrease by 1%       | Decrease by ₹ 0.87 crores            | Decrease by ₹ 0.37 crores                |
| Health care cost       | Increase by 1%       | Increase by ₹ 0.70 crores            | Increase by ₹ 0.18 crores                |
|                        | Decrease by 1%       | Decrease by ₹ 0.56 crores            | Decrease by ₹ 0.14 crores                |

## 25 Finance costs

|                                 | Year ended     |                |
|---------------------------------|----------------|----------------|
|                                 | March 31, 2024 | March 31, 2023 |
| (a) Interest on borrowing       | 0.38           | 1.73           |
| (b) Interest on lease liability | 1.12           | 1.38           |
| <b>Total</b>                    | <b>1.50</b>    | <b>3.11</b>    |

(₹ in crores)

## 26 Other expenses

|  | Year ended     |                |
|--|----------------|----------------|
|  | March 31, 2024 | March 31, 2023 |
| (a) Information Technology/Computer expenses                               | 2.09           | 4.84           |
| (b) Rent/Rates & taxes   | 12.37          | 13.78          |
| (c) Legal charges  | 3.30           | -              |
| (d) Security Expenses  | 1.25           | 2.96           |
| (e) Miscellaneous contract jobs/outourcing expenses                        | 38.96          | 34.78          |
| (f) Yard management expenses   | 12.71          | 19.23          |
| (g) Bad debts written off/Allowances for trade and other receivables (net) | 0.76           | 0.60           |
| (h) Corporate social responsibility expenses (Refer note c)                | 1.35           | 0.16           |
| (i) Works operation and other expenses (note below)                        | 6.78           | 7.50           |
| <b>Total</b>   | <b>79.57</b>   | <b>83.85</b>   |

(₹ in crores)

Note:

|   | Year ended     |                |
|---|----------------|----------------|
|   | March 31, 2024 | March 31, 2023 |
| (a) Auditors remuneration (excluding GST) |                |                |
| (i) Audit fees                            | 0.23           | 0.20           |
| (ii) Tax Audit / Transfer Pricing Audit   | 0.02           | 0.04           |
| (iii) Out of pocket expenses              | 0.03           | 0.01           |

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**(b) Corporate Social Responsibility (CSR) expenditure**

The Company has spent an amount of ₹ 1.35 crores towards various schemes of Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013. No amount has been spent on construction / acquisition of an asset of the Company. The prescribed CSR expenditure required to be spent in the year 2023-24 as per Companies Act, 2013 is ₹ 0.38.

**27. Commitments and contingencies**

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| (a) Claims against the Company not acknowledged as debts -                          |                         |                         |
| (i) Sales tax   | 17.35                   | 34.08                   |
| (ii) Service tax  | 11.87                   | 11.55                   |
| (iii) Entry tax   | 1.24                    | 1.24                    |
| (iv) The claims / liabilities in respect of other matters ( Payment of Bonus Act ). | 0.02                    | 0.02                    |
| (v) Stamp duty on merger transaction  | 5.58                    | -                       |

**28. Earnings per Share ("EPS")**

**(a) Accounting policy**

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 antidilutive.

**(b) EPS - Continuing operations**

|  |          | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|--|----------|------------------------------|------------------------------|
| (a) Profit After tax   | ₹ crores | 19.03                        | 87.63                        |
| (b) The weighted average number of Ordinary shares for Basic EPS | Nos.     | 53,059,050                   | 53,059,050                   |
| (c) The nominal value per share                                  | ₹        | 10.00                        | 10.00                        |
| (d) Earnings Per Ordinary share (Basic)                          | ₹        | 3.59                         | 16.52                        |
| (e) Earnings Per Ordinary share (Diluted)                        | ₹        | 3.59                         | 16.52                        |

**29 Financial instruments**

**(a) Accounting policy**

**i) Recognition: -**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial instruments are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

**Initial measurement**

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

Transaction costs of financial instruments carried at fair value through profit or loss are expensed in the statement of profit and loss.

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

**Classification and measurement – financial assets**

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

**Financial assets are classified into three categories**

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

**Equity investments at fair value through other comprehensive income (Equity instruments):** These include financial assets that are equity instruments and are designated as such upon initial recognition irrevocably. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes. Dividends from these equity investments are recognised in the statement of Profit and Loss when the right to receive payment has been established.

When the equity investment is derecognised, the cumulative gain or loss in equity is transferred to retained earnings.

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

**Classification and measurement – financial liabilities:**

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

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

**(ii) Determination of fair value:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received).

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

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

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

**(iii) Derecognition of financial assets and financial liabilities:**

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

**(iv) Impairment of financial assets:**

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

**Disclosures on financial instruments**

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

**(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 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.

(₹ in crores)

| Particulars                              | Carrying Amount         |                         | Fair Value   |                         |                         |                         |
|--|-------------------------|-------------------------|--|-------------------------|-------------------------|-------------------------|
|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 | Cash and other financial assets at<br>amortised cost |                         | Investments - FVTOCI    |                         |
|  |                         |                         | As at<br>March 31, 2024                              | As at<br>March 31, 2023 | March 31, 2024          | As at<br>March 31, 2023 |
| <b>Financial assets</b>                  |                         |                         |  |                         |                         |                         |
| (a) Investments-non-current              | 2.34                    | 0.35                    | 2.00   | -                       | 0.34                    | 0.35                    |
| (b) Trade receivables                    | 29.10                   | 45.14                   | 29.10  | 45.14                   | -                       | -                       |
| (c) Cash and cash equivalents            | 17.44                   | 16.62                   | 17.44  | 16.62                   | -                       | -                       |
| (d) Other bank balances                  | 0.20                    | -                       | 0.20   | -                       | -                       | -                       |
| (e) Loans and advances-current           | 73.81                   | 77.38                   | 73.81  | 77.38                   | -                       | -                       |
| (f) Other financial assets-non-current   | 5.43                    | 5.60                    | 5.43   | 5.60                    | -                       | -                       |
| <b>Total</b>                             | <b>128.32</b>           | <b>145.09</b>           | <b>127.98</b>  | <b>144.74</b>           | <b>0.34</b>             | <b>0.35</b>             |
| Particulars                              | Carrying Amount         |                         | Fair Value   |                         |                         |                         |
|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 | Financial liabilities at amortised cost              |                         |                         |                         |
|  |                         |                         | As at<br>March 31, 2024                              | As at<br>March 31, 2023 | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>Financial liabilities</b>             |                         |                         |  |                         |                         |                         |
| <u>Measured at amortised cost</u>        |                         |                         |  |                         |                         |                         |
| (a) Long-term borrowings                 | -                       | 24.35                   | -  | 24.35                   | -                       | 24.35                   |
| (b) Lease liabilities                    | 9.67                    | 12.95                   | 9.67   | 12.95                   | -                       | -                       |
| (c) Trade payables                       | 33.75                   | 25.32                   | 33.75  | 25.32                   | -                       | -                       |
| (d) Other financial liabilities- current | 0.75                    | 0.01                    | 0.75   | 0.01                    | -                       | -                       |
| <b>Total</b>                             | <b>44.17</b>            | <b>62.63</b>            | <b>44.17</b>   | <b>62.63</b>            | <b>44.17</b>            | <b>62.63</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.

**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.

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2024:

|                       |                             |                 |                             |                             |  |                    | (₹ in crores)                |
|-----------------------|-----------------------------|-----------------|-----------------------------|-----------------------------|--|--------------------|------------------------------|
| Financial liabilities |                             | Carrying amount | Due in 1 <sup>st</sup> Year | Due in 2 <sup>nd</sup> Year | Due in 3 <sup>rd</sup> to 5 <sup>th</sup> Year | Due after 5th Year | Total contractual cash flows |
| (a)                   | Trade payables              | 33.75           | 33.75                       | -                           | -  | -                  | 33.75                        |
| (d)                   | Other financial liabilities | 0.75            | 0.75                        | -                           | -  | -                  | 0.75                         |
| (e)                   | Lease liabilities           | 9.67            | 5.08                        | 2.73                        | 1.86   | -                  | 9.67                         |
| <b>Total</b>          |                             | <b>44.17</b>    | <b>39.58</b>                | <b>2.73</b>                 | <b>1.86</b>                                    | <b>-</b>           | <b>44.17</b>                 |

**TML Business Services Limited**  
**NOTES FORMING PART OF CONDENSED FINANCIAL STATEMENTS**

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2023:

| Financial liabilities               | Carrying amount | Due in 1 <sup>st</sup> Year | Due in 2 <sup>nd</sup> Year | Due in 3 <sup>rd</sup> to 5 <sup>th</sup> Year | Due after 5th Year | Total contractual cash flows |
|-------------------------------------|-----------------|-----------------------------|-----------------------------|--|--------------------|------------------------------|
| (a) Trade payables                  | 25.32           | -                           | -                           | -  | -                  | -                            |
| (c) Borrowings and interest thereon | 24.35           | 24.35                       | -                           | -  | -                  | 24.35                        |
| (d) Other financial liabilities     | 0.01            | 0.01                        | -                           | -  | -                  | 0.01                         |
| (e) Lease liabilities               | 12.95           | 5.66                        | 4.68                        | 2.61   | -                  | 12.95                        |
| Total                               | 62.63           | 30.02                       | 4.68                        | 2.61   | -                  | 37.31                        |

**Foreign currency exchange rate risk:**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit & loss, statement of comprehensive income, balance sheet, statement of changes in equity and statement of cash flows, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in GBP against the functional currency of TML Business Services Limited. The other currencies include fluctuations in SGD and USD against the functional currency of TML Business Services Limited.

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

The following table sets forth information relating to foreign currency exposure as of March 31, 2024:

|                       | GBP  | Others | (₹ in crores)<br>Total |
|-----------------------|------|--------|------------------------|
| Financial assets      | 9.04 | 0.08   | 9.12                   |
| Financial liabilities | -    | -      | -                      |

The following table sets forth information relating to foreign currency exposure as of March 31, 2023:

|                       | GBP  | Others | (₹ in crores)<br>Total |
|-----------------------|------|--------|------------------------|
| Financial assets      | 5.75 | 0.02   | 5.77                   |
| Financial liabilities | -    | -      | -                      |

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**(ii) 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 fair value through profit and loss, trade receivables, loans and advances and derivative financial instruments. The Company strives to promptly identify and reduce concerns about collection due to a deterioration in the financial conditions and others of its main counterparties by regularly monitoring their situation based on their financial condition. None of the financial instruments of the Company result in material concentrations of credit risks.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 128.73 crores and ₹145.09 crores as at March 31, 2024 and 2023, respectively, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, finance receivables and other financial assets excluding equity investments.

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

| Trade receivables                                  | As at March 31, |                |                    |                   |           |                   |              |              |                |                    |                   |           |                   |               | (₹ in crores) |
|--|-----------------|----------------|--------------------|-------------------|-----------|-------------------|--------------|--------------|----------------|--------------------|-------------------|-----------|-------------------|---------------|---------------|
|  | 2024            |                |                    |                   |           |                   |              | 2023         |                |                    |                   |           |                   |               |               |
|  | Not due         | Up to 6 months | 6 months to 1 year | Overdue 1-2 years | 2-3 years | More than 3 years | Total        | Not due      | Up to 6 months | 6 months to 1 year | Overdue 1-2 years | 2-3 years | More than 3 years | Total         |               |
| <b>Undisputed</b>                                  |                 |                |                    |                   |           |                   |              |              |                |                    |                   |           |                   |               |               |
| (a) Considered good                                | 28.18           | 0.82           | 0.10               |                   |           |                   | 29.10        | 37.34        | 5.82           | 0.45               | 0.27              | -         | 1.27              | 45.14         |               |
| (b) Which have significant increase in credit risk |                 |                |                    |                   |           |                   | -            | -            | -              | -                  | -                 | -         | -                 | -             |               |
| (c) Credit impaired                                |                 |                |                    |                   |           | 11.54             | 11.54        | -            | -              | -                  | -                 | -         | -                 | 66.17         | 66.17         |
| <b>Disputed</b>                                    |                 |                |                    |                   |           |                   |              |              |                |                    |                   |           |                   |               |               |
| (a) Considered good                                |                 |                |                    |                   |           |                   | -            | -            | -              | -                  | -                 | -         | -                 | -             |               |
| (b) Which have significant increase in credit risk |                 |                |                    |                   |           |                   | -            | -            | -              | -                  | -                 | -         | -                 | -             |               |
| (c) Credit impaired                                |                 |                |                    |                   |           |                   | -            | -            | -              | -                  | -                 | -         | -                 | -             |               |
| <b>Total</b>                                       | <b>28.18</b>    | <b>0.82</b>    | <b>0.10</b>        |                   |           | <b>11.54</b>      | <b>40.64</b> | <b>37.34</b> | <b>5.82</b>    | <b>0.45</b>        | <b>0.27</b>       |           | <b>67.44</b>      | <b>111.32</b> |               |
| Less: Allowance for credit impaired balances       |                 |                |                    |                   |           |                   | (11.54)      |              |                |                    |                   |           |                   | (66.17)       |               |
| <b>Total</b>                                       |                 |                |                    |                   |           |                   | <b>29.10</b> |              |                |                    |                   |           |                   | <b>45.14</b>  |               |

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**30. Related-party transactions**

The Company's related parties principally includes holding company Tata Motors Limited and its subsidiaries, joint operations. The Company routinely enters into transactions with these related parties in the ordinary course of business.

All transactions with related parties are conducted at arm's length price under normal terms of business and all amounts outstanding are unsecured and will be settled in cash.

The following table summarises related-party transactions and balances for the year ended / as at March 31, 2024:

|   | (₹ in crores)  |                     |        |
|---|----------------|---------------------|--------|
|   | Parent Company | Fellow Subsidiaries | Total  |
| <b>(A) Transactions</b>                                     |                |                     |        |
| Sale of goods   | 0.07           | -                   | 0.07   |
| Services received   | 1.41           | 0.84                | 2.25   |
| Services rendered   | 100.65         | 102.21              | 202.86 |
| Interest expense  | 0.19           | 0.11                | 0.30   |
| Interest Income   | 3.57           | -                   | 3.57   |
| Dividend (net)  | 21.22          | -                   | 21.22  |
| Finance given (including loans and equity)                  | 70.00          | -                   | 70.00  |
| Finance given, taken back (including loans and equity)      | 72.50          | -                   | 72.50  |
| Finance taken, paid back (including loans and equity)       | 13.54          | -                   | 13.54  |
| Borrowing towards Lease Liability                           | -              | 2.26                | 2.26   |
| <b>(B) Balances</b>   |                |                     |        |
| Amounts receivable in respect of loans and interest thereon | 70.00          | -                   | 70.00  |
| Trade and other receivables                                 | 8.92           | 19.68               | 28.60  |
| Amount payable in respect of Lease Liability                | -              | 1.94                | 1.94   |
| Trade payables  | -              | 0.14                | 0.14   |

The following table summarises related-party transactions and balances for the year ended / as at March 31, 2023:

|   | (₹ in crores)  |                     |        |
|---|----------------|---------------------|--------|
|   | Parent Company | Fellow Subsidiaries | Total  |
| <b>(A) Transactions</b>                                     |                |                     |        |
| Services received   | 1.19           | 3.20                | 4.39   |
| Services rendered   | 101.43         | 87.39               | 188.82 |
| Interest expense  | 0.95           | -                   | 0.95   |
| Interest Income   | 8.05           | -                   | 8.05   |
| Dividend  | 53.06          | -                   | 53.06  |
| Finance given (including loans and equity)                  | 222.00         | -                   | 222.00 |
| Finance given, taken back (including loans and equity)      | 349.50         | -                   | 349.50 |
| <b>(B) Balances</b>   |                |                     |        |
| Amounts receivable in respect of loans and interest thereon | 72.50          | -                   | 72.50  |
| Trade and other receivables                                 | 29.57          | 14.08               | 43.65  |
| Trade payables  | 0.72           | 1.14                | 1.86   |
| Preference Shares   | 13.54          | -                   | 13.54  |

Details of significant transactions are given below (More than 10% of total transaction value with related parties) :

| Name of Related Party   |                   | (₹ in crores)             |                           |
|---|-------------------|---------------------------|---------------------------|
| Nature of relationship  |                   | Year ended March 31, 2024 | Year ended March 31, 2023 |
| <b>i) Services received</b>                                       |                   |                           |                           |
| Tata Motors Limited   | Parent Company    | 1.41                      | 1.19                      |
| Tata Technologies Limited   | Fellow Subsidiary | 0.76                      | -                         |
| <b>ii) Services rendered</b>                                      |                   |                           |                           |
| Tata Motors Limited   | Parent Company    | 100.65                    | 101.43                    |
| Tata Motors Passenger Vehicles Limited                            | Fellow Subsidiary | 49.40                     | 43.98                     |
| Jaguar Land Rover Ltd.  | Fellow Subsidiary | 39.25                     | 36.73                     |
| <b>iii) Finance given (including loans and equity)</b>            |                   |                           |                           |
| Tata Motors Limited   | Parent Company    | 70.00                     | 222.00                    |
| <b>iv) Finance given, taken back (including loans and equity)</b> |                   |                           |                           |
| Tata Motors Limited   | Parent Company    | 72.50                     | 349.50                    |
| <b>v) Interest expense</b>  |                   |                           |                           |
| Tata Motors Limited   | Parent Company    | 0.19                      | 0.95                      |
| Tata Motors Finance Limited                                       | Fellow Subsidiary | 0.11                      | -                         |
| <b>vi) Dividend paid</b>  |                   |                           |                           |
| Tata Motors Limited   | Parent Company    | 21.22                     | 53.06                     |

**Compensation of key management personnel:**

|                             | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-----------------------------|---------------------------|---------------------------|
| Short-term benefits         | 1.87                      | 1.05                      |
| Post-employment benefits    | 0.08                      | 0.04                      |
| Employees stock option plan | 0.15                      | 0.10                      |

The compensation of Chief Executive Officer is ₹ 1.20 crores and ₹ 1.06 crores for the year ended March 31, 2024 and 2023, respectively.  
The compensation of Chief Financial Officer is ₹ 0.90 crores and ₹ 0.13 crores for the year ended March 31, 2024 and 2023 respectively.



**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

31 Disclosures required by Section 186 (4) of the Companies Act, 2013

Amount of loans / advances in nature of loans outstanding.

|   | Outstanding as at March 31, 2024/ March 31, 2023 | Maximum amount outstanding during the year |
|---|--|--|
| <b>Name of the Company</b>                                      |  |  |
| <b>(i) Parent Company:</b>                                      |  |  |
| <b>Tata Motors Limited</b>                                      | <b>70.00</b>                                     | <b>70.00</b>                               |
| (Inter corporate deposit utilised for general business purpose) | 72.50  | 254.50                                     |
| <b>(ii) Others:</b>   |  |  |
| <b>Tata Precision Industries (India) Limited</b>                | <b>3.80</b>                                      | <b>3.80</b>                                |
| (Inter corporate deposit utilised for general business purpose) | 3.80   | 3.80                                       |

**32. Ratio**

| Sr No | Particulars  | Year ended March 31, |                | Change    | Reason for change  |
|-------|--|----------------------|----------------|-----------|--|
|       |  | 2024                 | 2023           |           |  |
| a)    | Debt Equity Ratio (number of times)<br>[Total Debt <sup>(i)</sup> / Shareholders' Equity <sup>(ii)</sup> ]   | -                    | 0.14           | (100.00%) | Decrease due to repayment borrowings during the year.  |
| b)    | Debt Service Coverage Ratio (number of times)<br>[(Profit/(loss) before exceptional items and tax+Interest on Borrowings)/(Interest on Borrowings + Repayment of Borrowings <sup>(iii)</sup> )]              | 1.39                 | 15.45          | (91.00%)  | Decrease is due to repayment of borrowings during the year   |
| c)    | Current ratio (number of times)<br>[Current assets (excluding Assets classified as held for sale) / Current liabilities (excluding Liabilities directly associated with Assets Classified as Held For Sale)] | 2.39                 | 3.07           | (22.15%)  | Decrease in ratio is less than 25%   |
| d)    | Trade receivable turnover (number of times)<br>[Revenue from operations / Average Trade receivables]   | 5.82                 | 4.09           | 42.30%    | Driven by increase in revenue & continuous focus on debtors' collection.   |
| e)    | Inventory turnover (number of times)<br>[Raw material consumed <sup>(vi)</sup> / average inventory <sup>(vi)</sup> ]   | Not Applicable       | Not Applicable |           |  |
| f)    | Trade payable turnover (number of times)<br>[Cost of material consumed <sup>(viii)</sup> / Average Trade payables]   | Not Applicable       | Not Applicable |           |  |
| g)    | Net capital turnover (number of times)<br>[Revenue from operations / Working capital <sup>(iv)</sup> ]   | 2.73                 | 1.94           | 40.78%    | Net working capital reduced as a result of increase of trade credits which resulted in net capital turnover to increase.                                 |
| h)    | Net profit margin (%)<br>[Net profit after tax / Revenue from continuing operations]   | 8.81%                | 44.57%         | (80.24%)  | Decrease is on account of higher profit for previous year on account of sale of property and recognition of deferred tax asset during the previous year. |
| i)    | Return on equity (number of times)<br>[Net profit after tax / Average shareholders' equity]  | 0.11                 | 0.54           | (79.63%)  | Decrease is on account of higher profit for previous year on account of sale of property and recognition of deferred tax asset during the previous year. |
| j)    | Return on capital employed (number of times)<br>[Profit before interest and tax / Capital employed <sup>(vii)</sup> ]  | 0.17                 | 0.13           | 27.99%    | Increase is due to increase in operational profit and reduction in capital employed due to repayment of borrowings during the year.                      |
| k)    | Return on investments (number of times)<br>[Net profit after tax / Average investments]  | 0.11                 | 0.55           | (80.19%)  | Last years ratio was on higher side due to sale of property and tax credit   |

Notes :

- i. Total debts includes non current and current borrowings
- ii. Equity = Equity share capital + Other equity
- iii. Repayment of borrowings includes repayment of long-term borrowings, proceeds from short-term borrowings, repayment of short-term borrowings and net change in other short-term borrowings (with maturity up to three months).
- iv. Working capital = Current assets (excluding Assets classified as held for sale) - Current liabilities (excluding current maturities of long term debt, interest accrued on borrowings and liabilities directly associated with assets classified as held for sale).
- v. Raw material consumed includes Cost of materials consumed, Purchases of products for sale and Changes in inventories of finished goods, work-in-progress and products for sale.
- vi. Inventory includes Raw materials and components, Work-in-progress, Finished goods, Stores and spare parts, Consumable tools and Goods-in-transit - Raw materials and components.
- vii. Capital employed includes Shareholders' Equity, non current and current borrowings.
- viii. Includes Cost of material consumed and Purchases of products for sale.

**33. Other statutory information :**

- I. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- II. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- III. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- IV. the Company has not advanced or loaned or invested funds to any person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**TML Business Services Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

- V. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- VI. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- VII. The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- VIII. The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- IX. The Company has not revalued any of its Property, Plants and Equipments (including Right-of-use Assets) during the year.
- X. The Company does not have any transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessment under the Income tax Act, 1961
- XI. There are no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended Mar 31, 2024 and 2023 respectively.

**34 Other Notes**

- (a) During the current year, the Company has provided ₹ 1.52 Crores towards claim of retrenchment compensation to employees of erstwhile Concorde Motors Ltd-Chennai Unit, who did not join the new undertaking to which the unit was sold as part of sale of the undertaking. The matter is currently pending as a conciliation matter before Additional Commissioner of Labour. The same amount is considered in Employee separation cost for current year. Also, an amount of ₹ 3.29 Cr has been provided towards compensation claim from customers towards defective sale / service of vehicles by erstwhile Concorde Motors Ltd.
- (b) During the previous year ended March 31, 2023, the Company earned profit of ₹ 24.89 crores on sale of properties in Hyderabad.
- (c) The Company has certain Land and Building, which is held for sale as on March 31, 2024.
- (d) 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.
- (e) Details of dues to Micro, Small and Medium Enterprises Development Act, 2006.

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below:

| Particulars   |             | (₹ in crores)           |                         |
|---|-------------|-------------------------|-------------------------|
|   |             | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (a) Amounts outstanding but not due (including capital creditors) as at March 31,   |             | 0.04                    | 0.09                    |
| (b) Amounts due but unpaid as at March 31,  | - Principal |                         |                         |
| (c) Amounts paid after appointed date during the year   | - Principal |                         |                         |
| (d) Amount of interest accrued and unpaid as at March 31,   | - Interest  | 0.03                    |                         |
| (e) Amount of estimated interest due and payable for the period from April 1, 2024 to actual date of payment or May 12, 2024 (whichever is earlier) | - Interest  |                         |                         |

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

For and on behalf of the Board

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

**KALPESH**  
**RAMESHCHANDRA**  
**DRA**  
**KHANDELWAL**  
Digitally signed by  
KALPESH  
RAMESHCHANDRA  
KHANDELWAL  
Date: 2024.05.02  
20:48:23 +05'30'

**Kalpesh Khandelwal**  
Partner  
Membership No.: 133124  
UDIN: 2413124BKFGPA2321

Place: Pune  
Date: May 2, 2024

**NAGARAJ**  
**AJ IJARI**  
Digitally signed by  
NAGARAJ  
IJARI  
Date: 2024.05.02  
20:22:14 +05'30'

**Nagaraj Ijari** [DIN: 09390579]  
Director

**VENKATA**  
**RAMANAN**  
**GOPAL**  
Digitally signed by  
VENKATA RAMANAN  
GOPAL  
Date: 2024.05.02  
20:06:50 +05'30'

**G V Ramanan** [DIN: 01446016]  
Director

**SAANCHI**  
**ATUL KAKKA**  
Digitally signed by  
SAANCHI ATUL KAKKA  
Date: 2024.05.02  
20:21:41 +05'30'

**Saanchi Kakka** [ACS: 71846]  
Company Secretary

Place: Mumbai  
Date: May 2, 2024

**RAVINDRA**  
**VASANT**  
**PETHE**  
Digitally signed by  
RAVINDRA  
VASANT PETHE  
Date: 2024.05.02  
19:26:25 +0530

**Ravindra Pethe**  
Chief Executive Officer

**SUBBARAYA**  
**N PRABHU**  
**KRISHNAN**  
Digitally signed by  
SUBBARAYAN  
PRABHU KRISHNAN  
Date: 2024.05.02  
19:01:47 +05'30'

**Subbarayan Prabhu Krishnan**  
Chief Financial Officer

Place: Pune  
Date: May 2, 2024



