

TML BUSINESS SERVICES LIMITED

CIN: U72100MH1972PLC015561

ANNUAL REPORT 2020-21

A SUBSIDIARY OF TATA MOTORS LIMITED

CONCORDE MOTORS (INDIA) LIMITED [CIN:U24110MH1972PLC015561] NAME CHANGED TO TML BUSINESS SERVICES LIMITED [CIN:U72100MH1972PLC015561] WITH EFFECT FROM MARCH 31, 2020

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CORPORATE INFORMATION

2020-21

BOARD OF DIRECTORS	
<p>MR VIJAY SOMAIYA (NON-EXECUTIVE DIRECTOR; BOARD CHAIRMAN UPTO APRIL 30, 2021)</p> <p>MS SMRITI GOYAL (NON-EXECUTIVE DIRECTOR UPTO APRIL 30, 2021)</p> <p>MR SHYAM MANI (MANAGING DIRECTOR UPTO APRIL 30, 2021)</p>	<p>MR RAVINDRA KUMAR G P (NON-EXECUTIVE DIRECTOR; BOARD CHAIRMAN FROM MAY 1, 2021)</p> <p>MR RAMANAN G V (NON-EXECUTIVE DIRECTOR FROM JUNE 27, 2021)</p> <p>DR VAIJAYANTI PANDIT (INDEPENDENT DIRECTOR FROM JULY 1, 2021)</p>

SENIOR MANAGEMENT	
<p>MANAGING DIRECTOR (UPTO APRIL 30, 2021)</p> <p>CHIEF EXECUTIVE OFFICER & MANAGER (FROM MAY 1, 2021)</p> <p>CHIEF FINANCIAL OFFICER (UPTO JANUARY 30, 2021)</p> <p>CHIEF FINANCIAL OFFICER (FROM MAY 1, 2021)</p> <p>COMPANY SECRETARY</p>	<p>MR SHYAM MANI</p> <p>MS ARATI DESAI</p> <p>MR TUKARAM DAUNDKAR</p> <p>MS SMRITI GOYAL</p> <p>MS KAYNAZ SARBHANWALA</p>

REGISTERED OFFICE ADDRESS
3 RD FLOOR, NANAVATI MAHALAYA, 18, HOMI MODY STREET, HUTATMA CHOWK, MUMBAI 400 001

CONCORDE MOTORS (INDIA) LIMITED	TML BUSINESS SERVICES LIMITED
CIN: U24110MH1972PLC015561	CIN: U72100MH1972PLC015561
www.concordemotors.com	www.tmlbsl.com

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

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

TML BUSINESS SERVICES LIMITED

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

NOTICE

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

Dear Member,

NOTICE IS HEREBY GIVEN THAT THE 50TH ANNUAL GENERAL MEETING OF THE MEMBERS OF TML BUSINESS SERVICES LIMITED (Name changed from Concorde Motors (India) Limited with effect from March 31, 2020) will be held on Monday, September 27, 2021 from 2:00 p.m. to 2:30 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, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr Vijay Somaiya (DIN: 03185227) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Appointment of Mr Ravindrakumar Godabanal Parameswarappa (DIN: 07108426) as a Non-Executive Director**

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 ("Act") read together with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), Mr Ravindrakumar Godabanal Parameswarappa (DIN: 07108426), who was appointed as an Additional Director of TML Business Services Limited ('the Company'), pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a Member, pursuant to the provisions of Section 160 of the Act, signifying the intention to propose the candidature of Mr Ravindrakumar Godabanal Parameswarappa for the office of Director, be and is hereby, appointed as a Non-Executive Director of the Company, liable to retire by rotation."

4. **Appointment of Mr Gopal Venkata Ramanan (DIN: 01446016) as a Non-Executive Director**

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 ("Act") read together with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), Mr Gopal Venkata Ramanan (DIN: 01446016), who was appointed as an Additional Director of TML Business Services Limited ('the Company'), pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from

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a Member, pursuant to the provisions of Section 160 of the Act, signifying the intention to propose the candidature of Mr Gopal Venkata Ramanan for the office of Director, be and is hereby, appointed as a Director of the Company.”

5. **Appointment of Dr Vaijayanti Pandit (DIN: 01446016) as a Director and as an Independent Director**

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

“RESOLVED THAT Dr Vaijayanti Pandit (DIN: 06742237) appointed as an Additional Director of TML Business Services Limited (‘the Company’), by the Board of Directors with effect from July 1, 2021 and who holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 (‘the Act’) and Articles of Association of the Company, but 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 of the Act proposing her 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, 152, Schedule IV and other applicable provisions of the Act, if any, read together with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Dr Pandit, a Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby, appointed as an Independent Director of the Company for a second term of three years commencing from July 1, 2021 upto June 30, 2024 and whose office shall not be liable to retirement by rotation.”

6. **Appointment of Ms Arati Desai (PAN: AHOPD6970F) as the Manager & Chief Executive Officer**

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

"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 March 1, 2021, the Members of TML Business Services Limited (‘the Company’), be and hereby, approves the appointment of Ms Arati Desai (PAN: AHOPD6970F), 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:** 3 years commencing from May 1, 2021 upto April 30, 2024;
- b. **Nature of Duties:** Ms Desai, an employee of the Company, was proposed to be appointed as the Manager and CEO, by Tata Motors Limited, the holding company of the Company, vide letter dated March 1, 2021. Ms Desai shall devote her whole time and attention to the business of the Company and carry out such duties as may be entrusted to her, 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.

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- c. **Remuneration:** Her appointment shall be on existing terms and conditions entered into by her 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:** ₹ 26,30,232/- per annum; upto a maximum of ₹ 37,60,008/- per annum.
The annual increment which will be effective 1st April each year, will be decided by the Board in consonance with individual performance and the performance of the Company, within the aforementioned maximum basic salary limit. The annual increment that would be effective on 1st April every year, would be limited upto an amount not exceeding 10% of the Total Target Income with Benefits (TTIB) as may be decided by the Board in the above manner. Wherein, TTIB is the sum total of Basic salary, all allowances, flexi pay, perquisites, benefits and variable pay as may be defined by the Company from time to time.
 - **Benefits, Perquisites and Allowances:** Details of Benefits, Perquisites and Allowances are as per the Rules of the Company, as follows:
 - House Rent and Maintenance Allowance: of 50% of Basic Salary; Medical insurance cover and domiciliary expenses; Life insurance cover; Car facility; Telecommunication facility; Club Membership; Leave and encashment of unavailed leave.
 - Other perquisites and allowances given below:
 - a) Leave Travel Concession/Allowance: 8% of basic salary
 - b) Other Allowances: A percentage of basic salary, as per Rules of the Company
 - Retirement benefits: Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.
 - **Performance Linked Bonus:** The target performance linked bonus will be 20% of TTIB per annum upto a maximum of 30% of TTIB 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 annually after the Annual Accounts have been approved. An indicative list of factors that may be considered for determining the extent of performance linked bonus, by the Board are:
 - The 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.
 - **Other Incentives:** Employees Stock Option Plan ('ESOP') or Performance Share Award Plan ('PSP') and such other Long Term Incentive Plan ('LTIP') shall be as per rules of the Company.
- ci. **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the period of 3 years in the currency of the tenure of the Manager & CEO, the Company has no profits or its profits are inadequate, the Company will pay to Ms Desai, remuneration, as specified above.
- cii. **Other Terms of Appointment:**

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- i. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit, within the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Manager & CEO, subject to such approvals as may be required.
- ii. The Manager & CEO shall not become interested or otherwise concerned, directly or through her 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 6 months' notice of such termination or the Company paying 6 months' remuneration, which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any Incentive Remuneration, including Stock Option plans, Performance Share plans, if any, (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 Manager & 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 she is required to render services; or
 - in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Manager & CEO, of any of the stipulations of her terms of appointment; or
 - in the event the Board of Directors expresses its loss of confidence in the Manager & CEO.
- v. In the event the Manager & CEO is not in a position to discharge her official duties due to any physical or mental incapacity, the Board shall be entitled to terminate her appointment on such terms as the Board may consider appropriate in those circumstances.
- vi. Upon the termination by whatever means of employment of the Manager & CEO:
 - the Manager & CEO shall immediately cease to hold offices held by her 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 herself 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 Manager & CEO, unless specifically provided otherwise.
- viii. 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.”

“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.”

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NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to clarification on holding of Annual General Meeting ('AGM') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') read with General Circulars No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020 and No. 10/2021 dated June 23, 2021, in relation to 'Clarification on passing of Ordinary and Special Resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' and General Circular No.02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars') permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act') and MCA Circulars, the 50th AGM of the Company is being held through VC/OAVM on Monday, September 27, 2021 at 2 pm (IST). The deemed venue for the AGM will be the Registered Office of the Company, situated at 3rd 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. 3 to 6 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 set out above under Item nos. 3 to 6 and the relevant details of Directors seeking appointment/re- appointment 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 Directors seeking appointment/re- appointment.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/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 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 2020-21 is being sent only through electronic mode to those members whose email addresses are registered with the Company.
7. Members attending the AGM through VC/OAVM shall be counted for reckoning the quorum under Section 103 of the Act.
8. 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 50th 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

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send their request in writing to the Company Secretary at
kaynaz.sarbhawala@tatamotors.com.

By Order of the Board of Directors
TML Business Services Limited

Kaynaz Sarbhawala
Company Secretary
ACS No.: A34947

Mumbai, September 27, 2021

Registered Office:

3rd Floor, Nanavati Mahalaya, 18, Homi Mody Street, Hutatma Chowk, Mumbai 400 001

Tel: 6667 8200 / 01 / 02 / 03

CIN: U72100MH1972PLC015561

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EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), sets out all material facts relating to the special business mentioned at Item Nos. 3, 4, 5 and 6 of the accompanying Notice dated September 27, 2021.

Item No. 3

The Members are requested to note a brief profile of Mr Ravindrakumar Godabanal Parameswarappa (DIN: 07108426) as reproduced herein below:

Mr Ravindrakumar GP started his career in Asian Paints in 1998 as HR Manager. He joined GE in 2001 as Organization and Staffing Manager for the John F. Welch Technology Centre in Bangalore. Over the next seventeen years at GE he held roles with increasing responsibilities in India and overseas. During the period April 29, 2015 to November 28, 2018, Mr Ravindrakumar was a Wholetime Director in GE India Industrial Private Limited.

In December of 2018, Mr Ravindrakumar joined Tata Motors Limited as the Chief Human Resource Officer and member of the Executive Committee.

During his career of over 23 years, Mr Ravindrakumar has had the opportunity to work in country, regional and global roles; in businesses across a variety of industries and organizations at different stages of their life cycle. These experiences have enabled him to develop into a creative and result oriented HR professional with particular interest in organization effectiveness, organization development and change management.

Mr Ravindrakumar is a BA Graduate in History, Economics and Political Science from Bangalore University and holds post graduate degrees in MA in Personnel Management & Industrial Relations from the Tata Institute of Social Sciences and an MA in Political Science from the University of Hyderabad.

The Board of Directors, after examining the qualifications and accomplishments of Mr Ravindrakumar, appointed him as an Additional Director with effect from May 1, 2021 to hold office till the date of this Annual General Meeting (AGM) pursuant to Section 161 of the Act and the Articles of Association of the Company. The Company has received a Notice in writing from a Member of the Company under Section 160 of the Act proposing the candidature of Mr Ravindrakumar for the office of Director of the Company.

The Board considers it desirable that the Company should continue to avail the services of Mr Ravindrakumar and accordingly commends the Resolution at Item No.3 for approval by the Members.

Mr Ravindrakumar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has accorded his consent to act as a Non-Executive Director of the Company. As on date of this Notice, he does not hold by himself or for any other person on a beneficiary basis, any shares in the Company.

Mr Ravindrakumar is not related to any Director or Key Managerial Personnel (KMP) of the Company. Except for Mr Ravindrakumar, none of the Directors, KMP or their relatives are in any way, concerned or interested in the Resolution set out at Item No. 3 of the accompanying Notice.

Item No. 4

The Members are requested to note a brief profile of Mr Gopal Venkata Ramanan (DIN:01446016) as reproduced herein below:

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Mr Ramanan is currently the Vice President-Finance & Group Controller for the Tata Motors Group, a USD 40 billion organization, being a leading global automobile manufacturer of cars, utility and commercial vehicles and part of the USD 110 billion Tata Group. It has operations in India, UK, South Korea, Thailand, South Africa and Indonesia including Jaguar Land Rover and Tata Daewoo. In this role Mr Ramanan is based out of Mumbai and oversees the Group Controlling, Taxation and also manages a large captive Shared Services Centre.

Prior to joining the Tata Group, Mr Ramanan worked for the US Conglomerate, General Electric Company with a career spanning over 16 years with multiple Finance and Operational Leadership roles. In his last role in GE he was the leader of GE Global Delivery Operations, the company's global multi-functional shared services organization, focusing on global service delivery. Mr Ramanan was responsible for the operating processes of GE's, enabling functions working closely with the Regional Global Operations Centers. The Global Delivery Operations bringing a unique competitive advantage to the company by looking across all GE businesses, customers and suppliers for opportunities to deliver better outcomes at lower costs and creating capacity for the business/ Regional Center teams to focus on customers.

Mr Ramanan joined GE's Global Operations in 2015 and lead the multi-function shared services operation for GE's South Asia Region. Before moving to GE's Global Operations, Mr Ramanan was the Senior Controller for GE's South Asia Operations. In this role, Mr Ramanan provided strong leadership to the Region Controllership Team. He was responsible for the technical and operational controllership of the South Asia Region for GE. Earlier, Mr Ramanan was the Chief Financial Officer of GE's John F Welch Technology Center (JFWTC) in Bangalore, the largest R&D Center for GE outside the USA.

Mr Ramanan is qualified as a Chartered Accountant from the Institute of Chartered Accountants of India & as a Cost Accountant from the Institute of Cost & Works Accountants of India. He is a Commerce Graduate from the Madras University. He has worked in various roles in Operational Finance & Corporate Finance in IL&FS, Coca-Cola and NCR. Mr Ramanan is a graduate from GE's Experienced Financial Leadership Program (EFLP) & IMD's (Switzerland) Strategic Finance Program.

The Board of Directors, after examining the qualifications and accomplishments of Mr Ramanan, appointed him as an Additional Director with effect from June 27, 2021 to hold office till the date of this AGM pursuant to Section 161 of the Act and the Articles of Association of the Company. The Company has received a Notice in writing from a Member of the Company under Section 160 of the Act proposing the candidature of Mr Ramanan for the office of Director of the Company.

The Board considers it desirable that the Company should continue to avail the services of Mr Ramanan and accordingly commends the Resolution at Item No.4 for approval by the Members.

Mr Ramanan is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has accorded his consent to act as a Non-Executive Director of the Company.

As on date of this Notice, he does not hold by himself or for any other person on a beneficiary basis, any shares in the Company.

Mr Ramanan is not related to any Director or KMP of the Company. Except for Mr Ramanan, none of the Directors, KMP or their relatives are in any way, concerned or interested in the Resolution set out at Item No. 4 of the accompanying Notice.

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Item No. 5

In pursuance of Section 161 of the Act, the Articles of Association of the Company, the Board of Directors appointed Dr Vaijayanti Pandit as an Additional Director of the Company with effect from July 1, 2021, to hold office in a non-executive capacity upto the date of the ensuing Annual General Meeting of the Company. Dr Pandit was also appointed as an Independent Director on the Company's Board as per the criteria laid down under Section 149 of the Act for a second term.

The Company has received a Notice under Section 160 of the Act from a Member proposing the candidature of Dr Pandit for appointment as an Independent Director of the Company.

Dr Pandit has consented to act as a Director of the Company and is not disqualified from being appointed as a Director in terms of Section 164 of the Act. She has also given a declaration to the Board that she fulfils the criteria of independence as provided under Section 149(6) of the Act.

As on date of this Notice, she neither holds by herself or for any other person on a beneficiary basis, any shares in the Company.

In the opinion of the Board, Dr Pandit fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director and she is independent from the management of the Company.

Having regard to Dr Pandit's qualification, experience and knowledge, her appointment as an Independent Director will be in the best interest of the Company. The resolution seeks the approval of the Members for the appointment of Dr Pandit as a Non-Executive Independent Director of the Company, for a second term of 3 years commencing from July 1, 2021 upto June 30, 2024, during which she would not be liable to retire by rotation.

The terms and conditions for appointment of an Independent Director shall be open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours upto the date of the Meeting.

A brief profile on Dr Pandit, proposed to be appointed as an Independent Director, is reproduced below:

Dr Pandit headed FICCI West, Mumbai and has established its strong brand equity. She nationally led Gems and Jewelry and Wellness sectors besides acquiring expertise in Brand Protection, Design, Maharashtra State issues, Nutraceuticals, Technical Textiles among others. She has spearheaded 41 publications and knowledge papers from 2006-2012.

She excels in building strategic linkages and partnerships between Government and Industry for business development and growth. Widely recognized for her high level professional networks with top business leaders, apex Industry associations, Union and State Ministers, Government officials, senior journalists in print and electronic media, Embassies, Consulates, NGO's Educational Institutions and Civil Society.

She has partnered with ILO Geneva, USAID, UNCTAD, UNIFEM, Ford Foundation, Veera Institute of Justice, New York, AOTS Japan in Gender and Women Entrepreneurship Development, International Marketing and Professionalizing Police among others.

She also holds Directorship on the Board of Directors of various Indian companies, such as Banswara Syntex Limited, Everest Kanto Cylinder Limited, I G Petrochemicals Limited, Indo Count Industries Limited, Automobile Corporation of Goa Limited, TML Distribution Company Limited and Tata Marcopolo Motors Limited.

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

The above Independent Director is interested in the Resolution mentioned at Item No. 5 of the Notice with regard to her appointment. Dr Pandit is not related to any Director or KMP of the Company and besides her, none of the Directors, KMP or their relatives are, in any way, concerned or interested in the Resolution set out at Item No. 5 of the accompanying Notice.

Item No. 6

Ms Arati Desai (PAN: AHOPD6970F) an employee of the Company, was deputed as the Manager & Chief Executive Officer (CEO) of the Company by Tata Motors Limited ('TML'), the holding company, vide letter dated March 1, 2021, for a period of 3 years, commencing from May 1, 2021 upto April 30, 2024.

Subject to the approval of the Members at the ensuing AGM, the Board of Directors had at its meeting held on March 2, 2021, approved the appointment of Ms Arati Desai as KMP, after taking into consideration her qualification, experience and accomplishments, to perform in the professional capacity of Manager & CEO of the Company for a period of 3 years commencing from May 1, 2021, 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.

Ms Desai's appointment shall be on the terms and conditions entered into by her with the Company, including receipt of remuneration, as detailed in Item no.6 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 Ms Desai's appointment, as mentioned in Item No.6 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 Ms Desai's performance, shall be taken into consideration whilst conducting her annual appraisal. Also, her appointment can be terminated by either party giving 6 months' notice and the Company does not have an Employee Stock Option Scheme for any its employees or directors.

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

I. GENERAL INFORMATION

- 1. Nature of industry:** The Company has shut down its business operations of selling of cars, parts, accessories, financial services and servicing of cars in India ('Passenger Vehicle Sales & Services') and has taken over the business of Shared Services from Tata Motors Limited on October 1, 2020. The Company is now primarily engaged in the business of providing support services to TML & its Subsidiaries ('Global Delivery Centre').
- 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 18th 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

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

	FY2020-21	FY2019-20	FY2018-19	FY2017-18	FY2016-17
Total Revenue from Operations	819	63,271	122,899	118,046	112,354
Profit for the Period	(166)	(20,892)	(13,238)	(12,945)	(4,539)

5. Foreign investments or collaborations: None

II. INFORMATION ABOUT THE APPOINTEE

1. **Background details:** Ms Arati Desai is a 53 year old, qualified Chartered Accountant and Cost Accountant from ICAI and ICWAI, respectively. Ms Desai is also a B.Com graduate from Mumbai University and a Certified Information System Auditor, possessing more than 28 years of experience in Business Process Strategy, Transformations, Auditing, Risk Consulting and Shared Services, as detailed herein below:

- **2020-Present: Head, TML Business Services Ltd. (TMLBSL):** The mission is to deliver world class business process solutions that drive superlative customer experience. As a global business services and corporate transformation leader, reposed with the responsibility of solving business critical issues through innovation and digitalisation in complex environments and support the business to win in its customer experience enhancement journey.
- **2018-2020: Head, Global Delivery Centre (GDC), Tata Motors Ltd.:** Led GDC to be a knowledge powerhouse for Tata Motors Limited (TML), with a y-o-y productivity of over 20% and over a ₹400-₹500 crore annual business value generation, through process transformation projects. Was responsible to change the 'back-office' image of the shared services business to centre-stage. 'Value creation' was the key performance objective for the team led by her and they collectively surpassed it every year.
- **2011-2018: Head, Business Excellence, GDC:** Established a shared service organization for the TML Group, on the behest of TMLs CFO. Thereby becoming the first employee of GDC. She conceptualized, designed and grew GDC to handle approximately 1600 FTEs worth of work across business processes and created niche service offerings such as – sales enablement, contact centre – VMO, material inwarding and operations. Right from its inception, GDC supported TML in information and analytics, process transformations, digital services, quality and knowledge management and process transitions under the 'Business Excellence' umbrella.
- **2017-2011: Independent Consultant, TML:** Joined TML to oversee the Sarbanes Oxley (SOX) readiness program for the TML Group, which lead to the introduction of innovative techniques of data analytics to handle Controls Assurance program. Guided Jaguar Land Rover entities during separation from Ford Motors in their SOX journey by introducing the concepts, training and handholding them. Entire SOX program for the group was highly optimized with only 7 member team running the program very effectively.
- **2003-2007: Manager, Enterprise Risk Services, Deloitte Haskins & Sells:** Responsible for growth, client relationship, project deliveries and knowledge management. Designed and deployed ERM and Business Analysis practices, methodology and tools. Handled key customers of Deloitte in domestic and international markets, including Fortune 500 companies. She was seconded to the US office of Deloitte to handle the SOX rush. She was the only employee of Deloitte India practice to be sent for their esteemed 'Leadership Effectiveness' training to Canada.
- **1993-2003: Practice & Director - Ascent Strategic Management Group:** Independent Management consulting and auditing practice and Director in a private

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limited company providing systems audits and management consulting services.

- **1991-1992: Consultant - S. B. Billimoria & Co. (Deloitte):** Handled multiple corporate consulting engagements, including business risk consulting, internal audits, financial and IT audits.
- 2. Past remuneration:** Comparison of past remuneration with present remuneration will not be applicable, since Ms Desai's new and old role within the organisation are not comparable.
- 3. Recognition or awards:** NIL
- 4. Job profile and her suitability:** Appointment of Ms Desai is in context of following: -
- Over the last couple of years, the Company is going through a set of unprecedented circumstances i.e. sustained industry-wide lower demand, heightened competitive pressures, flux in regulatory environment and a drop in profitability and productivity.
 - The Company is in a state of adjustment in response to the above. Given these challenges and strategic priorities, a search was undertaken and multiple candidates were interviewed for the role of Manager & CEO.
 - 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, Ms Desai was identified and deputed as the Manager & CEO of the Company, by TML, the holding company, on existing terms and conditions entered into by her with the Company, including payment of her remuneration.

The Board had at its meeting held on March 2, 2021, approved appointment of Ms Desai as a KMP, after taking into consideration her qualification, experience and accomplishments, to perform in the capacity of Manager & CEO of the Company.

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

- 5. Remuneration proposed:** Ms Desai will receive remuneration, as per her existing terms of appointment with the Company, which has been detailed in the Special Resolution of Item no.6 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:** Ms Desai 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 Ms Desai will receive from the Company, she has no other pecuniary relationship with the promoter, the Company, its Directors or its managerial personnel.

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III. OTHER INFORMATION

- 1. Reasons of loss or inadequate profits:** The Indian economic environment has been very challenging for the past few years and the Gross Domestic Product growth rate during FY19-20 and FY20-21 reached a lower level at 4% and negative 7%, respectively, and these years have been the weakest in last several years, which also adversely impacted auto industry volumes significantly. The Company's business was also impacted due to delays in product launches by TML, high costs of business operations, reduced dealer margins, increase in market competition, reduction in market share and an adverse impact due to the on-going COVID-19 pandemic lockdown.

The Company was engaged in the passenger vehicle dealership business of TML under the name of Concorde Motors (India) Limited which was discontinued on March 31, 2020, barring carrying-out of certain residual business transactions during FY20-21.

Also during FY20-21, the Company purchased from TML, its Global Delivery Centre (GDC) business, as a going concern and on a slump sale basis with effect from October 1, 2020. The overall profitability of the Company was adversely impacted, since this was first financial year of carrying out the GDC business operations and closure of certain residual transactions of the erstwhile dealership business of the Company.

- 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 Tata Motors Limited 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.

Ms Desai 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:** In order to drive the productivity and profitability, the Company has created Towers to provide services to TML and its subsidiaries and accordingly a detailed strategy and budget plan is prepared. This includes a revenue plan of Rs.124 crores with margins of Rs.14 crores for FY21-22 with a defined strategy and focus. The Company is also ensuring adequate liquidity by maintaining free cash flow and creating its own corpus. With a number of initiatives/actions underway, the Company expects to significantly improve its financial performance in the next few quarters.

In compliance with the aforementioned provisions of the Act, the terms and conditions of Ms Desai's appointment as elaborated above in Item No. 6 is now being placed before the Members for their approval vide passing of a Special Resolution.

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

Ms Desai is not related to any Director or KMP of the Company. Except for Ms Desai, none of the Directors, KMPs or their relatives are in any way concerned or interested in the Resolution at Item No. 6 of the accompanying Notice.

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The above proposals as set out in the Resolutions, at Item Nos. 1 to 6 of the Notice are in the best interest of the Company and your Directors commend the same, for approval by the Members.

By Order of the Board of Directors
TML Business Services Limited

Kaynaz Sarbhanwala
Company Secretary
ACS No.: A34947

Mumbai, September 27, 2021

Registered Office:

3rd Floor, Nanavati Mahalaya, 18, Homi Mody Street, Hutatma Chowk, Mumbai 400 001

Tel: 6667 8200 / 01 / 02 / 03

CIN: U72100MH1972PLC015561

TML BUSINESS SERVICES LIMITED

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

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

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

Particulars	Mr Vijay Somaiya	Mr Ravindrakumar Godabanal Parameswarappa	Mr Gopal Venkata Ramanan	Dr Vaijayanti Pandit
Director Identification Number (DIN)	03185227	07108426	01446016	06742237
Date of Birth (Age)	July 3, 1959 (62 years)	June 26, 1972 (49 years)	October 4, 1969 (53 years)	January 12, 1953 (68 years)
Date of First Appointment	January 17, 2014	May 1, 2021	June 27, 2021	July 1, 2021
Educational Qualifications	<ul style="list-style-type: none"> • M.Sc. in Engineering (Mechanical) • Chartered Financial Analyst 	<ul style="list-style-type: none"> • BA in History, Economics & Political Science • MA in Political Science • MA in Personnel Management & Industrial Relations 	<ul style="list-style-type: none"> • Chartered Accountant (ICAI) • Cost & Works Accountant (ICWAI) • Program (EFLP) & IMD's (Switzerland) Strategic Finance Program 	<ul style="list-style-type: none"> • BA in Management Studies • MA in Management Studies • PH.D. Management Studies
Experience (including Expertise in specific functional areas)	Mr Somaiya has over 37 years of experience at Tata Motors Limited and has expertise in various verticals like Finance, Treasury and Investor Relations.	Mr Ravindrakumar is the Chief Human Resource Officer for Tata Motors Group. In his career of over 23 years, he has had the opportunity to work in businesses across a variety of industries such as GE & Asian Paints to develop into a result oriented HR professional, specializing in organizational effectiveness, development and change management.	Mr Ramanan is VP-Finance & Group Controller for the Tata Motors Group. Prior to that, he has worked for GE IL&FS, Coca-Cola and NCR in multiple Finance and Operational Leadership roles.	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 has spearheaded 41 publications and knowledge papers from 2006-2012.
Directorships held in other companies	<ul style="list-style-type: none"> • Tata Motors Insurance Broking and Advisory Services Limited • Tata Precision Industries (India) Limited • Tata Motors Passenger Vehicles Limited (Erstwhile TML Business Services Limited) 	Nil	<ul style="list-style-type: none"> • Tata Motors Insurance Broking and Advisory Services Limited 	<ul style="list-style-type: none"> • Banswara Syntex Limited • Automobile Corporation of Goa Limited • IG Petrochemicals Limited • Indo Count Industries Limited • Tata Marcopolo Motors Limited • TML Distribution Company Limited • Everest Kanto Cylinder Limited

TML BUSINESS SERVICES LIMITED

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

Particulars	Mr Vijay Somaiya	Mr Ravindrakumar Godabanal Parameswarappa	Mr Gopal Venkata Ramanan	Dr Vaijayanti Pandit
				<ul style="list-style-type: none"> Tata Motors Insurance Broking and Advisory Services Limited
Memberships / Chairpersonships of statutory committees across companies (i.e. Audit Committee & Stakeholders' Relationship Committee)	Chairperson of Audit Committee: <ul style="list-style-type: none"> Tata Motors Insurance Broking & Advisory Services Limited 	Member of Audit Committee: <ul style="list-style-type: none"> TML Business Services Limited 	Chairperson of Audit Committee: <ul style="list-style-type: none"> TML Business Services Limited 	Chairperson of Audit Committee: <ul style="list-style-type: none"> TML Distribution Company Limited Member of Audit Committee: <ul style="list-style-type: none"> IG Petrochemicals Limited Tata Marcopolo Motors Limited TML Business Services Limited Chairperson of Stakeholders' Relationship Committee: <ul style="list-style-type: none"> Indo Count Industries Limited Member of Stakeholders' Relationship Committee: <ul style="list-style-type: none"> Automobile Corporation of Goa Limited IG Petrochemicals Limited
Relationship with other Directors / KMP	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.
No. of Shares held in the Company	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

Kaynaz Sarbhanwala
Company Secretary
ACS No.: A34947

Mumbai, September 27, 2021

Registered Office:

3rd Floor, Nanavati Mahalaya, 18, Homi Mody Street, Hutatma Chowk, Mumbai 400 001

Tel: 6667 8200 / 01 / 02 / 03

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BOARD'S REPORT

TO THE MEMBERS TML BUSINESS SERVICES LIMITED

On behalf of the Board of Directors, it is our pleasure to present the 50th Annual Report together with the Audited Financial Statements of **TML Business Services Limited** (*Name changed from Concorde Motors (India) Limited with effect from March 31, 2020*) ("the Company") bearing Corporate Identification Number (CIN) U72100MH1972PLC015561 for the financial year ended March 31, 2021.

FINANCIAL PERFORMANCE SUMMARY

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

		(Rs. in lakhs)	
Particulars		FY 2020-21	FY 2019-20
i	Revenue from operations	9,226.90	68,803.95
ii	Other Income	1,473.94	1,153.91
iii	Total Income / Revenue	10,700.84	69,957.86
iv	Less: Cost of Sales	797.93	59,835.98
v	Gross Profit	9,902.91	10,121.88
vi	Less: Overheads	8,351.86	22,553.06
vii	Earnings before Exceptional items, Interest, Depreciation and Tax (EBIDTA)	1,551.05	(12,431.18)
viii	Interest	1,028.92	6,134.82
ix	Depreciation and amortization	356.37	2,325.77
x	Profit / (Loss) Before Exceptional items and Tax	165.76	(20,891.77)
xi	Exceptional items	(505.58)	22,083.21
xii	Provision for Tax	(894.59)	(835.38)
xiii	Profit / (Loss) After Tax	(1,234.41)	356.06
xiv	Profit / (Loss) brought forward (Net of Adjustment)	(1,224.34)	373.79
xv	Profit available for Appropriation	(1,224.34)	373.79
APPROPRIATIONS			
	Profit / (Loss) carried forward to Balance Sheet	(1,224.34)	373.79

DIVIDEND

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

SUMMARY OF OPERATIONS & CHANGE IN THE NATURE OF BUSINESS

During the year, the Net Revenue from operations of your Company decreased by 86.60%, from Rs.68,804 lakhs in FY19-20 to Rs.9,226.90 lakhs. During FY19-20, the Company decided to close down its sales and service of vehicles business and thus sold its fixed assets (other than Land and

Building situated at Bangalore and Hyderabad), inventories of vehicles, spare parts and accessories to other dealerships appointed by TML. Employees have been transferred on continuation of service to these dealerships. Thus, the revenue from operations are not comparable. For FY20-21, the Company's Profit before exceptional items and tax stood at Rs.166 lakhs vis-à-vis loss of Rs.20,892 lakhs in the previous year. During the year the Company:

- Sold its land and building situated at Bangalore to Bren Corporation and incurred a loss of Rs.410 lakhs.
- The Company has executed a Business Transfer Agreement (BTA) with Tata Motors Limited ('TML' or 'the parent company') for purchase of its Global Delivery Centre (GDC) as a going concern and on a slump sale basis with effect from October 1, 2020. GDC supports TML & its subsidiaries in various transactional & non-transactional delivery areas. As GDC business is transferred from parent Company, the merger has been accounted in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103): (Business combinations of entities under common control), notified under the Companies Act, 2013. Accordingly, all assets, liabilities of GDC have been recorded in the books of account of the Company at their existing carrying amounts and in the same form. To the extent that there are inter-company loans, advances, deposits, balances or other obligations as between GDC and the Company, have been eliminated. The difference, between the amount paid and all assets and liabilities of GDC, has been debited to Merger Deficit adjustment account. Comparative accounting period presented in the financial statements of the Company has been restated for the accounting impact of the transfer, as stated above, as if the purchase had occurred from the beginning of the comparative period in the financial statements i.e. April 1, 2019.

TRANSFER TO RESERVES

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

BUSINESS REVIEW

The Company has taken over Business of Shared Services from Tata Motors Limited on October 1, 2020. The Company is now primarily engaged in the business of providing support services to TML & its Subsidiaries ('Global Delivery Centre').

The Company's sales have drastically declined during FY 2020-21, taking into consideration its decision to shut down business operations of selling of cars, parts, accessories, financial services and servicing of cars in India ('Passenger Vehicle Sales & Services'). Total turnover of Rs.8.19 crores was realized from vehicle sales and servicing during the financial year as compared to Rs.632.71 crores during the previous year.

Manpower strength as on March 2020 was 40 personnel for Passenger Vehicle division and by March 2021 it had been reduced down to only one personnel. During the transfer of Business from October 1, 2020, 992 personnel were transferred from TML (GDC Division) to the Company.

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

BUSINESS OUTLOOK

The Company is a wholly owned subsidiary of Tata Motors Limited in accordance with the provisions of the Indian Accounting Standards, formed in 1997-98 selling the entire range of cars and utility vehicles of Tata Motors Passenger Vehicle Business Unit in eight major cities -

Bangalore, Chennai, Cochin, Delhi, Hyderabad, Mumbai, Thane and Pune. During year under review, the Company has closed down its business operations of sale and service of passenger vehicles of TML in all the above mentioned locations.

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

Furthermore, the Company incorporated a wholly owned subsidiary with effect from April 4, 2020, named Tata Motors Passenger Vehicles Limited (*Name changed from TML Business Analytics Services Limited with effect from September 17, 2021*) ('TMPVL'), bearing CIN: U72900MH2020PLC339230 with an Authorised and Paid-up Capital of ₹15 lakhs, with the first Directors being Mr Shyam Mani, Mr Vijay B Somaiya and Ms Smriti Goyal. TMPVL shall carry on the business of analytics which is supplementary to the Company's business as a Global Delivery Centre ('GDC') for the TML Group, but requires specialised knowledge and expertise which is different to that required for GDC operations.

SHARE CAPITAL & DEBT STRUCTURE

Particulars as on March 31, 2021	(Amount in Rs.)	
Authorised Share Capital		
Equity Share Capital (Face Value of Rs.10/- each)		1,75,00,00,000
7% Cumulative Redeemable Preference Share Capital (Face Value of Rs.100/- each)		25,00,00,000
Total Authorised Share Capital		2,00,00,00,000
Issued, Subscribed and Paid-up Share Capital		
Equity Share Capital		163,69,76,940
7% Cumulative Redeemable Preference Share Capital		
Tata Motors Limited	13,54,19,500	
Tata Industries Limited	10,80,80,500	
		24,35,00,000
Total Issued, Subscribed and Paid-up Share Capital		1,88,04,76,940

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, 2021, none of the Directors of the Company hold shares of the Company in their individual capacity.

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

INVESTOR EDUCATION & PROTECTION FUND (IEPF)

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

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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

RISK MANAGEMENT

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

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

INTERNAL FINANCIAL CONTROLS

The Board has adopted policies and procedures for governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company's internal control systems commensurate with the nature of its business, the size and complexity of its operations. The Company has an independent in-house Internal Audit ('IA') department headed by Mr Shirish Kulkarni that functionally reports to the Chairman of the Audit Committee, thereby maintaining its objectivity. Due to organizational changes, the Company had at its meeting held on March 2, 2021 appointed Mr Sameer Maheshwari as the independent in-house Internal Auditor of the Company. Remediation of deficiencies by the IA department has resulted in a functional framework for internal controls.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, secretarial auditors and external consultant(s), including audit of internal financial controls over financial reporting by the

statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were inadequate and ineffective in few areas as described below.

During FY20-21, there was inadequate maintenance of complete records and documentation over trade receivables and advances received from the customers pertaining to earlier business of selling of cars and services thereon. The Management is undertaking efforts to further strengthen internal controls in the above areas.

HUMAN RESOURCES

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

The Company observed cordial employee relations during the year.

PREVENTION OF SEXUAL HARASSMENT

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.

The Company received one complaint on sexual harassment during FY20-21. This complaint was duly investigated and suitable Management action was taken based on the findings and recommendations mentioned in the investigative report within the stipulated timeframe.

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 FY 2020-21 is available on Company's website at www.tmlbsl.com.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

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

HOLDING, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Your Company continues to be a wholly owned Subsidiary of TML in accordance with the provisions of the Indian Accounting Standards. The Company had incorporated a wholly owned subsidiary with effect from April 4, 2020, named Tata Motors Passenger Vehicles Limited (*Name changed from TML Business Analytics Services Limited with effect from September 17, 2021*) ('TMPVL'), bearing CIN: U72900MH2020PLC339230 with an Authorised and Paid-up Capital of ₹15 lakhs, with the first Directors being Mr Shyam Mani, Mr Vijay B Somaiya and Ms Smriti Goyal. TMPVL shall carry on the business of Analytics which is supplementary to the Company's business as a GDC for the TML Group, but requires specialised knowledge and expertise which is different to that required for the GDC operations.

BOARD OF DIRECTORS

Sr. No.	Name of Director	DIN	Category	Date of Appointment	Date of Cessation
1.	Mr Vijay Somaiya	03185227	Non-Executive Director	January 17, 2014	-
2.	Ms Smriti Goyal	08488684	Non-Executive Director	June 20, 2019	April 30, 2021
3.	Mr Shyam Mani	00273598	Managing Director	June 20, 2019	April 30, 2021
4.	Mr Ravindra Kumar GP	07108426	Non-Executive Director	May 1, 2021	-
5.	Mr Ramanan GV	01446016	Non-Executive Director	June 27, 2021	-
6.	Dr Vaijayanti Pandit	06742237	Independent Director	July 1, 2021	-

The aforementioned table summarises the change in Board Composition of the Company, during the period under review, extending upto the date of this Board's Report. As on March 31, 2021, the Board of Directors comprised of 2 Non-Executive Directors and 1 Managing Director, namely, Mr Vijay Somaiya, Chairman, Ms Smriti Goyal and Mr Shyam Mani, Managing Director.

However, the Board of Directors at their meeting held on March 2, 2021 had prospectively approved the changes in the Company's Board composition, as depicted in the table above, on the basis of a letter dated March 1, 2021 received from TML proposing the aforementioned changes in Board composition of the Company. TML, the holding company, withdrew the candidature of directorship of Ms Smriti Goyal and Mr Shyam Mani, accordingly they ceased to be Directors on the Board of Directors and Board constituted Committees of the Company with effect from April 30, 2021.

The Board of Directors at their meeting held on June 30, 2021, approved the appointment of Dr Vaijayanti Pandit as an Additional Independent Director, for a second tenure of 3 years, commencing from July 1, 2021. Dr Pandit has previously served as an Independent Director on the Board as well as a Member of the Audit and Nomination Remuneration Committee of the Company for one term of 3 years, commencing from May 1, 2016 upto April 30, 2019.

Dr Vaijayanti Pandit, our Independent Director has given a declaration that she meets 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 Independent Director has 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 the Independent Director of the Company is a person of integrity, possessing relevant expertise / experience, including proficiency and fulfilling the conditions specified in the Act for appointment as Independent Director and is independent of the Management.

As on the date of this report, the Board of Directors comprise of four Directors, namely, Mr Ravindra Kumar GP, the Chairperson, Mr Ramanan GV, a Non-Executive Director, Mr Vijay Somaiya a Non-Executive Director and Dr Vaijayanti Pandit, an Independent Director. Appointment of all the aforementioned Directors shall be regularized at the Forthcoming AGM of the Company.

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

Attention of the Members is invited to the relevant items in the Notice of the 50th AGM, scheduled to be held on September 27, 2021.

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 Vinu Nair, Chief Executive Officer (from June 20, 2019 till August 13, 2020);
- Mr Shyam Mani, Managing Director (from June 20, 2019 till April 30, 2021);
- Mr Tukaram Daundkar, Chief Financial Officer (from January 30, 2018 till January 31, 2021);
- Ms Smriti Goyal, Chief Financial Officer (from May 1, 2021);
- Ms Arati Desai, Manager & Chief Executive Officer (from May 1, 2021); and
- Ms Kaynaz Sarbhanwala, Company Secretary.

During the year, there was no change in the position of the Company Secretary of the Company, who is on deputation from TML and does not receive any remuneration from the Company.

The Board of Directors approved the resignation of Mr Tukaram Daundkar as a KMP of the Company functioning in the capacity of a Chief Financial Officer with effect from January 31, 2021, consequent to him ceasing to be an employee of TML under the Voluntary Retirement Scheme of TML. The Board of Directors, also approved the resignation of Mr Vinu Nair as a KMP of the Company functioning in the capacity of a Chief Executive Officer with effect from August 13, 2020.

Furthermore, the Board of Directors at its meeting held on March 2, 2021, based on a letter dated March 1, 2021 received from TML, the holding company, approved the withdrawal of nomination of Mr Shyam Mani a KMP of the Company functioning in the capacity of Managing Director with effect from April 30, 2021 and approved the appointment of both, Ms Smriti Goyal as a KMP of the Company to function in the capacity of a Chief Financial Officer and Ms Arati Desai as a KMP of the Company to function in the capacity of a Manager & Chief Executive Officer of the Company with effect from May 1, 2021.

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, 2021 had, approved, the appointment of Ms Arati Desai, 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 Ms Desai. Ms Desai’s appointment would be on the below mentioned terms and conditions:

- a. Tenure of Appointment: 3 years commencing from May 1, 2021 upto April 30, 2024;
- b. Nature of Duties: Ms Desai, an employee of the Company, was proposed to be appointed as the Manager and CEO, by Tata Motors Limited, the holding company of the Company, vide letter dated March 1, 2021, a copy of which duly initialed by the Company Secretary, was tabled before the Board. Ms Desai shall devote her whole time and attention to the business of the Company and carry out such duties as may be entrusted to her, 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: Her appointment shall be on existing terms and conditions entered into by her 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:** ₹ 26,30,232/- per month; upto a maximum of ₹ 3,76,008/- per month. The annual increment which will be effective 1st April each year, will be decided by the Board in consonance with individual performance and the performance of the Company, within the aforementioned maximum basic salary limit. The annual increment that would be effective on 1st April every year, would be limited upto an amount not exceeding 10% of the Total Target Income with Benefits (TTIB) as may be decided by the Board in the above manner. Wherein, TTIB is the sum total of Basic salary, all allowances, flexi pay, perquisites, benefits and variable pay as may be defined by the Company from time to time.
 - **Benefits, Perquisites and Allowances:** Details of Benefits, Perquisites and Allowances are as per the Rules of the Company, as follows:
 - House Rent and Maintenance Allowance: of 50% of Basic Salary; Medical insurance cover and domiciliary expenses; Life insurance cover; Car facility; Telecommunication facility; Club Membership; Leave and encashment of unavailed leave.
 - Other perquisites and allowances given below:
 - a) Leave Travel Concession/Allowance: 8% of basic salary
 - b) Other Allowances: A percentage of basic salary, as per Rules of the Company
 - Retirement benefits: Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.
 - **Performance Linked Bonus:** The target performance linked bonus will be 20% of TTIB per annum upto a maximum of 30% of TTIB 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 annually after the Annual Accounts have been approved.

An indicative list of factors that may be considered for determining the extent of performance linked bonus, by the Board are:

- The 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.

➤ Other Incentives: Employees Stock Option Plan ('ESOP') or Performance Share Award Plan ('PSP') and such other Long Term Incentive Plan ('LTIP') shall be as per rules of the Company.

d. Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the period of 3 years in the currency of the tenure of the Manager & CEO, the Company has no profits or its profits are inadequate, the Company will pay to Ms Desai, remuneration, as specified above.

e. Other Terms of Appointment:

- i. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit, within the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Manager & CEO, subject to such approvals as may be required.
- ii. The Manager & CEO shall not become interested or otherwise concerned, directly or through her 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 6 months' notice of such termination or the Company paying 6 months' remuneration, which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any Incentive Remuneration, including Stock Option plans, Performance Share plans, if any, (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 Manager & 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 she is required to render services; or
 - in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Manager & CEO, of any of the stipulations of her terms of appointment; or
 - in the event the Board of Directors expresses its loss of confidence in the Manager & CEO.
- v. In the event the Manager & CEO is not in a position to discharge her official duties due to any physical or mental incapacity, the Board shall be entitled to terminate her appointment on such terms as the Board may consider appropriate in those circumstances.
- vi. Upon the termination by whatever means of employment of the Manager & CEO:
 - the Manager & CEO shall immediately cease to hold offices held by her 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 herself 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 Manager & CEO, unless specifically provided otherwise.
- viii. 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 Ms Arati Desai, none of the KMPs receive any remuneration from the Company.

GOVERNANCE GUIDELINES ON BOARD EFFECTIVENESS

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

SELECTION AND PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTORS

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

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

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

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of Section 178 (3) of the Act, which is annexed as **Annexure 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 in the annual Independent Directors Meeting as well as other special need based committees, is paid to Independent Directors. The Company also reimburses out-of-pocket expenses to Independent Directors attending meetings held at a city other than the one in which the Directors resides.

No sitting fees were paid to Non-Executive and/or Independent Directors for FY20-21.

CORPORATE GOVERNANCE – DISCLOSURES

Pursuant to the provisions of Schedule V of the Companies Act, 2013 and consequent to the appointment of Ms Arati Desai as the Manager & CEO of the Company for a period of 3 years commencing from May 1, 2021 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.

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

BOARD EVALUATION

Pursuant to the provisions of the Act, the Board 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.

However, due to the Coronavirus pandemic, the Board Evaluation for FY20-21 shall be conducted upon cessation of the current lockdown.

It is pertinent to note that during FY20-21 the Company was not required to appoint any Independent Directors nor constitute a Nomination and Remuneration Committee, in accordance with the provisions of Rule 4 under the Companies (Appointment and Qualification of Directors) Rules, 2014 issued vide MCA Notification No. GSR 839(E) dated July 5, 2017. Accordingly, there were no Independent Directors on the Board of Directors of the Company and hence, no separate meeting of Independent Directors was held during FY20-21, 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 is required to be evaluated, taking into account the views of Non-Executive Directors.

BOARD MEETINGS

During the year, four Board meetings were held on July 21, 2020, October 12, 2020, November 4, 2020 and March 2, 2021. The details of Board composition and attendance of the Directors at Board Meetings and other relevant details are as given below:

Sr. No.	Name	Designation	Meetings attended
1	Mr Vijay Somaiya	Non-Executive Chairman	4
2	Ms Smriti Goyal	Non-Executive Director	4
3	Mr Shyam Mani	Managing Director	4

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

COMMITTEES OF BOARD

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

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

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

A. AUDIT COMMITTEE

The Audit Committee was constituted and functioned, in accordance with the provisions of Section 177 of the Act. However, taking into consideration the amended provisions of Rule 4 under the Companies (Appointment and Qualification of Directors) Rules, 2014 issued vide MCA Notification No. GSR 839(E) dated July 5, 2017, exempting all unlisted public companies, being wholly owned subsidiaries of listed companies, from the requirement of appointing Independent Directors on its Board of Directors or on its Board constituted Committees, the Audit Committee was reconstituted.

As on March 31, 2021, the Audit Committee comprises of 2 Non-Executive Directors, namely, Mr Vijay Somaiya, as Committee Chairman and Ms Smriti Goyal as a Member, both of whom are financially literate having relevant finance and/or audit exposure. The quorum of the Committee is two members or one-third of its members, whichever is greater. The Chairman of the Audit Committee briefs the Board members about the significant discussions at the Audit Committee meetings.

During the year, the Committee held 3 meetings on October 12, 2020, November 4, 2020, and March 2, 2021. The Chairman of the Audit Committee also attended the last AGM of the

Company. The composition of the Audit Committee during the year under review and attendance at its meetings is as follows:

Sr. No.	Name	Chairman/ Members	Meetings Attended
1	Mr Vijay Somaiya	Non-Executive Director, Chairman	3
2	Ms Smriti Goyal	Non-Executive Director, Member	3

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.tmbosl.com.

B. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") of the Board, was constituted and functioned, in accordance with the provisions of Section 178 of the Act.

However, taking into consideration the amended provisions of Rule 4 under the Companies (Appointment and Qualification of Directors) Rules, 2014 issued vide MCA Notification No. GSR 839(E) dated July 5, 2017, exempting all unlisted public companies, being wholly owned subsidiaries of listed companies, from the requirement of appointing Independent Directors on its Board of Directors or on its Board constituted Committees and from the requirement of constituting a NRC of the Board of Directors, the NRC was dissolved by the Board of Directors at its meeting held on September 13, 2020. During the year no meetings of the NRC were conducted.

C. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

The Committee at its meeting held on November 3, 2017, had formulated and recommended the adoption of a CSR Policy to the Board of Directors. The Board of Directors at its meeting held on November 3, 2017 adopted the CSR Policy duly recommended by the Committee. The CSR Policy is available on the Company's website at www.tmlbsl.com.

The Members are requested to note that because of non-profitability during the past three financial years, the Company was not liable to undertake any CSR expenditure during FY20-21. As on March 31, 2021 the composition of the CSR Committee comprised of Mr Vijay Somaiya as

Chairman, Ms Smriti Goyal and Mr Shyam Mani as Members. Also, during the year no meetings of the CSR Committee were conducted.

However, pursuant to the provisions of Section 135 of the Act read together with the Companies (CSR Policy) Rules, 2014, the brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in the Annual Report on CSR Activities, appended herein as **Annexure 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 33 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, were appointed as the Statutory Auditors of the Company, to examine and audit the accounts of the Company for a period of five years to hold office from the conclusion of 46th AGM held on September 26, 2017, until the conclusion of the 51st AGM of the Company to be held in the year 2022. M/s. BSR & Co. LLP, have, under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility and consent for appointment.

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

DIRECTORS REPLY ON QUALIFICATIONS IN THE AUDITORS REPORT

Statutory Auditor's Report	Company's Reply
During the current year, the Company has written back allowance for trade receivables amounting to Rs.966.20 lakhs in the statement of profit and loss, which includes an adjustment of Rs.827.46 lakhs of old advances from customers with the carrying value of trade receivables. In the absence of sufficient appropriate audit evidence, we are unable to comment whether the write back of provision for doubtful debts is being recorded in the appropriate period, consequently its impact on the statement of profit and loss in the current year and corresponding figures.	The Company has sold its sale and service of passenger vehicles operations. Efforts were made to complete the collection, reconciliation and confirmation of trade receivables and advance from customer balances. However, as all the details were not available, adjustment has been done for balance in advance from customers.

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 FY20-21.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS, BY THE COMPANY

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

Sr. No.	Name of Companies	Nature of Transaction	(Rs. in lakhs)		
			Loans	Guarantees	Investments
1	HDFC Bank Limited	Cash Credit	0	-	-
2	TML Distribution Company Limited	Inter-Corporate Deposits (ICD)	0	-	-

During FY20-21 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, pursuant to the provisions of Section 186 of the Act.

SECRETARIAL STANDARDS

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

PARTICULARS OF EMPLOYEES

A statement containing the particulars of top 10 employees and employees drawing remuneration of more than Rs.1.02 crores during the year or Rs.8.5 lakhs per month during any part of the said year as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure 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', 'Industry Scenario', 'Business Review' and 'Business Outlook', of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

ACKNOWLEDGEMENT

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 Ravindra Kumar GP
Chairperson
DIN: 07108426

Date : September 23, 2021
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 Ravindra Kumar GP
Chairperson
DIN: 07108426

Date : September 23, 2021
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 employees¹**

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-imbursments 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.

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

○The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

➤ **Remuneration payable to Director for services rendered in other capacity**

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

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

➤ **Policy Implementation**

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

On behalf of the Board of Directors
TML Business Services Limited

Mr Ravindra Kumar GP
Chairperson
DIN: 07108426

Date : September 23, 2021
Place : Mumbai

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

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

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

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

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

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

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

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

Mr Ravindra Kumar GP
Board Chairperson
DIN: 07108426

Date : September 23, 2021
Place : Mumbai

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

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

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

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

ANNUAL REPORT ON CSR ACTIVITIES

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

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

1. Overview:

- (i) **Outline of CSR Policy:** As an integral part of our commitment to good corporate citizenship, the Company believes in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long-term stakeholder value creation, the Company shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized; focused on *inter alia* the Scheduled Castes and Scheduled Tribes, and the society at large. In order to leverage the demographic dividend of our country, the Company's CSR efforts shall focus on Health, Education and Employability interventions for relevant target groups, ensuring diversity and giving preference to needy and deserving communities inhabiting urban India. CSR at the Company shall be underpinned by 'More from Less for More People' philosophy which implies striving to achieve greater impacts, outcomes and outputs of its CSR projects and programmes by judicious investment and utilization of financial and human resources, engaging in like-minded stakeholder partnerships for higher outreach benefitting more lives. The Company's CSR Policy is enclosed herein as Annexure 6 as well as is on the website of the Company at www.tmlbsl.com.
- (ii) **CSR Projects:** The Company was not liable to undertake any CSR Projects during FY20-21, due to non-profitability during the last 3 financial years.

2. The Composition of the CSR Committee: As on March 31, 2021 the CSR Committee of the Board of the Company comprised of (i) Mr Vijay Somaiya, Non-Executive, Non-Independent Director (Chairman of the Committee); (ii) Ms Smriti Goyal, Non-Executive, Non-Independent Director (Member of the Committee); and (iii) Mr Shyam Mani, Managing Director (Member of the Committee). However, as on the date of this Report, the CSR Committee of the Board of the Company comprises (i) Dr Vaijayanti Pandit, Non-Executive, Independent Director (Chairperson of the Committee); (ii) Mr G V Ramanan, Non-Executive, Non-Independent Director (Member of the Committee); and (iii) Mr Ravindra Kumar GP, Non-Executive, Non-Independent Director (Member of the Committee).

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

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

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

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

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

*Give details of implementing Agency.

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

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

On behalf of the Board of Directors
TML Business Services Limited

TML Business Services Limited

Ms Arati Desai
Manager & Chief Executive Officer
PAN: AHOPD6970F

Dr Vaijayanti Pandit
CSR Committee Chairperson
DIN: 06742237

Date : September 23, 2021
Place : Mumbai

FORM NO. AOC - 2

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

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

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

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

Sr. No.	Name(s) of the Related Party and nature of relationship	Nature of contract/ arrangement/ transaction	Duration of contract/ arrangement/ transaction	Salient terms including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Tata Motors Limited - Holding Company	Purchase Return of Goods	April 1, 2020 to March 31, 2021	Vehicle and spare part Rs.0.72 Crores	NA	NIL
2	Tata Motors Limited - Holding Company	Rendering of services	April 1, 2020 to March 31, 2021	AMC / Warranty service and Incentive claim Rs.0.89 Crores	NA	NIL
3	Tata Motors Limited - Holding Company	Management contracts, including deputation of employees	April 1, 2020 to March 31, 2021	Rs.4.26 Crores	NA	NIL
4	Tata Motors Limited - Holding Company	Receipt of Media vehicle income & pass through income	April 1, 2020 to March 31, 2021	Rs.3.34 Crores	NA	NIL
5	Tata Motors Limited - Holding Company	Rent paid on leased property	To be renewed in FY 2021-22	Rs.0.20 Crores	NA	NIL
6	Tata Motors Limited - Holding Company	Interest paid on corporate deposits / delayed payments and other expenses	April 1, 2020 to March 31, 2021	Rs.0.95 Crores	NA	NIL
7	Tata Motors Limited - Holding Company	Sale of Services (GDC)	April 1, 2020 to March 31, 2021	Rs.37.06 Crores	NA	NIL
8	Tata Motors Limited - Holding Company	Interest received on ICD given	April 1, 2020 to March 31, 2021	Rs.1.36 Crores	NA	NIL

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

On behalf of the Board of Directors
TML Business Services Limited

Mr Ravindra Kumar GP
Chairperson
DIN: 07108426

Date : September 23, 2021
Place : Mumbai

FORM No. MR-3**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021**

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, 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 31st March, 2021 according to the provisions of:

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

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time; (Not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (ii) Other laws applicable specifically to the Company namely:
 - a) The Motor Vehicle Act, 1988 and the Rules made thereunder.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

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

We further report that:

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

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

Decisions at the Board Meetings were taken unanimously.

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

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

- A. As per Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the consent of the Board of Directors of TML Business Services Limited (Name changed from Concorde Motors (India) Limited with effect from March 31, 2020) at their meeting held on 04.11.2020 approved for the Scheme of Arrangement between Tata Motors Limited and TML Business Analytics Services Limited and their respective shareholders.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: 23.09.2021

Signature:

Jeenal Jain
ACS No: 43855 CP No: 21246
UDIN: A043855C000991263

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

'Annexure A'

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

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

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

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: 23.09.2021

Signature:

Jeenal Jain
ACS No: 43855 CP No: 21246
UDIN: A043855C000991263

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, 2021

Sr. No.	Name of Employee	Designation of the Employee	Age	Nature of employment	Qualification	Experience in years	Date of commencement of employment	Last employment held, before joining the company	Remuneration Received (Gross Salary) (Rs. in Lakhs)
1	Arati Ashutosh Desai	Senior General Manager	52	Permanent	CA Final	26	31-12-2011	Tata Motors Limited	81
2	Ravindra Vasant Pethe	GM, Process Excellence	49	Permanent	ICWA Final	26	24-06-1995	Tata Motors Limited	77
3	Pradeep Chatterjee	GM, Digital Transformation	49	Permanent	Phd	26	04-01-2019	Tata Motors Limited	72
4	Rajesh Lele	GM, Hire to Retire	52	Permanent	Diploma - Other	10	03-10-2011	Tata Motors Limited	70
5	Jeyapandi S	GM, Finance	52	Permanent	Master of Commerce - Other Post Graduate	24	03-03-1997	Tata Motors Limited	57
6	Dhanu Kumar	GM, Indirect Taxation	53	Permanent	ICWA Final	27	21-12-1994	Tata Motors Limited	50
7	Pratap Shankarrao Shinde	DGM, Transition	50	Permanent	Master of Management Science - Management	26	28-09-1995	Tata Motors Limited	43
8	Manish Suresh Narayane	GM, Procure to Pay	43	Permanent	PGDMA-Material Management	17	05-04-2004	Tata Motors Limited	40
9	Nisar Ibrahim Mulani*	DGM, DT Order to Cash Projects	49	Permanent	MBA	24	19-11-2007	Damler Chrysler Pvt Ltd, Sales & Marketing	38
10	Pardeshi R G	DGM, IDT-Operation Support	50	Permanent	Post Graduate Diploma - Business Management	24	05-03-1997	Tata Motors Limited	38

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 Ravindra Kumar GP
Chairperson
DIN: 07108426

Date : September 23, 2021
Place : Mumbai

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

INDEPENDENT AUDITORS' REPORT

To the Members of TML Business Services Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of TML Business Services Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in paragraph A and on the corresponding figures for the matters described in paragraphs A, B and C in the Basis for Qualified Opinion section of our report, the accompanying financial statements give the information required by the Companies Act, 2013 in the manner so required and gives 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 2021, its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

A. (i) In the previous year ended 31 March 2020, we were unable to obtain sufficient appropriate audit evidence with respect to revenue from operations for the year as reported in the financial statements since the Company was not able to provide us the supporting documentation for our verification. Further, underlying evidences on collections had also not been made available to us for our verification. Accordingly, we were unable to comment on completeness, existence and accuracy of Revenue from operations for the previous year of Rs. 58,679.32 lacs, Trade receivables and Advance from customers as at previous year end aggregating to Rs. 961.27 lacs and Rs 1,027.85 lacs, respectively and consequently, its impact on the Goods and Services Tax liability, profit for the previous year and the carrying value of Reserves and Surplus as at the previous year end, if any, and corresponding disclosures in the financial statements. Our audit opinion on the financial statements for the year ended 31 March 2020 was modified accordingly. Our opinion on the current year's financial statements is also modified because of the possible effects of this matter on the comparability of the current year's figures and the corresponding figures.

(ii) During the current year, the Company has written back allowance for trade receivables amounting to Rs 966.20 lacs in the statement of profit and loss, which includes an adjustment of Rs 827.46 lacs of old advances from customers with the carrying value of trade receivables. In the absence of sufficient appropriate audit evidence, we are unable to comment whether the write back of provision for doubtful debts is being recorded in the appropriate period, consequently its impact on the statement of profit and loss in the current year and corresponding figures.

Independent Auditors' Report (*Continued*)

TML Business Services Limited

Basis for Qualified Opinion (*Continued*)

- B. As explained in note 25(3)(a) of the financial statements, in the previous year ended 31 March 2020, consequent to the completion of reconciliation between physically verified property, plant and equipment and the book records, the Company had written off assets with a written down value aggregating to Rs. 697.91 lacs as they were unable to physically locate these assets or that some of these assets were not in usable condition. In the absence of reconciliation in the earlier years, we were unable to verify whether the amounts written off in the previous year's Statement of Profit and Loss were recorded in the appropriate period and consequently its impact on the profit for the previous year. Our audit opinion on the financial statements for the year ended 31 March 2020 was modified accordingly. Our opinion on the current year's financial statements is also modified because of the possible effects of this matter on the comparability of the current year's figures and the corresponding figures.
- C. As explained in note 25(3)(b) of the financial statements, during the previous year ended 31 March 2020, the Company had written off balances in non-current and current loans and advances, non-current and other current assets, trade receivables, and current portion of other financial assets aggregating to Rs. 2,547.97 lacs. Since, the balances as mentioned above were not reconciled in the earlier years, we were unable to verify whether the amounts written off in previous year's Statement of Profit and Loss were recorded in the appropriate period and consequently its impact on profit for the previous year. Our audit opinion on the financial statements for the year ended 31 March 2020 was modified accordingly. Our opinion on the current year's financial statements is also modified because of the possible effects of this matter on the comparability of the current year's figures and the corresponding figures.

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

Emphasis of Matter

We draw attention to Note 34 of the financial statements which describes the accounting for the Business Transfer Agreement (BTA) between the Company and Tata Motors Limited, holding company of the Company. The BTA dated 30 April 2020 has been approved by the Board of Directors of the Company and Tata Motors Limited. Though the BTA is effective from 1 October 2020, as per the requirements of Appendix C to Ind AS 103 "Business Combinations", the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the amounts for the year ended 31 March 2021 include the impact of the business combination for the entire year and the corresponding amounts for the previous year ended 31 March 2020 have been restated by the Company after recognising the effect of the business transfer as above. The aforesaid note (Note 34) also describes in detail the impact of the business combination on the financial statements.

Our opinion is not modified in respect of this matter.

Independent Auditors' Report (*Continued*)

TML Business Services Limited

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditors' Report (*Continued*)

TML Business Services Limited

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, we have sought and obtained, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

Independent Auditors' Report (*Continued*)

TML Business Services Limited

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

- e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements - Refer note 27 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

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

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

Rishabh Kumar
Partner
Membership No: 402877
UDIN: 21402877AAAAEN4573

Mumbai
23 September 2021

TML Business Services Limited

Annexure A to the Independent Auditors' Report – 31 March 2021

(Referred to in our report of even date)

- i.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular program of physical verification of its fixed assets by which its fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. Pursuant to the program and considering the business transfer has happened during the year, no physical verification of fixed assets were conducted during the year.
 - (c) In our opinion and according to the information and explanation given to us and on the basis of our examination of the registered sale deed /transfer deed /conveyance deed of the Company, we report that, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has granted unsecured loan to one of the company, being a party covered in the Register maintained under Section 189 of the Companies Act, 2013, in respect of which:
 - a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - b) The loan is repayable on demand and interest is payable on quarterly basis and is not due.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans and making investments. The Company has not provided any guarantees and securities.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public as per the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for the activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- vii.
 - (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company does not have dues on account of Duty of customs.

In our opinion and according to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income Tax, Goods and Services Tax, Cess and any other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable. We draw attention to note 27 to the financial statements which more fully explains the matter regarding non-payment of provident fund contribution pursuant to Supreme Court judgment dated 28 February 2019.

TML Business Services Limited

Annexure A to the Independent Auditors' Report – 31 March 2021 (Continued)

- vii. (b) According to the information and explanations given to us, there are no dues of Income tax, Sales Tax, Value added tax and Goods and Services tax which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of income tax, sales tax and service tax have not been deposited as on 31 March 2021 by the Company on account of dispute:

Name of Statute	Nature of Dues	Rs in Lakhs	Period to which amount relates	Forum where dispute is Pending
Sales Tax Laws	Sales Tax	11.12	2004-2005	Additional Commissioner
Sales Tax Laws	Central Sales Tax	262.76	2014-2015, 2015-2016	Assistant Commissioner
Sales Tax Laws	Sales Tax	34.14	2011-2014	Tribunal
Sales Tax Laws	Sales Tax	9.52	2007-2008, 2008-2009	High Court
Sales Tax Laws	Sales Tax	62.99	2008-2009, 2009-2010	Tribunal
Sales Tax Laws	Sales Tax	12.64	2013-2014	Joint Commissioner
Sales Tax Laws	VAT	10.29	2002-2003, 2003-2004	High Court
The Finance Act, 1994	Service Tax	248.99	2008-2013	CESTAT
Vat Tax Laws	VAT	164.41	2014-2015, 2015-2016	Assistant Commissioner
Vat Tax Laws	VAT	36.83	2005-2010, 2010-2011	Deputy Commissioner
Vat Tax Laws	VAT	387.87	2014-2015	Joint Commissioner
Vat Tax Laws	VAT	186.86	2010-2011, 2012-2013, 2013-2014	Sales Tax Tribunal
Vat Tax Laws	VAT	30.04	2005-2006, 2006-2007, 2007-2008	Sales Tax Tribunal
Vat Tax Laws	VAT	7.43	2011-2012	Assistant Commissioner
Sales Tax Laws	VAT	93.43	2011-2012	Joint Commissioner

Net of amount deposited with the Authorities Rs. 379.20 lakhs

- viii. In our opinion and according to the information and explanations given to us, the Company did not have any outstanding loans or borrowings to the government, banks, financial institutions and outstanding dues to debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.
- ix. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act, for the year ended 31 March 2021.

TML Business Services Limited

Annexure A to the Independent Auditors' Report – 31 March 2021 (*Continued*)

- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with such directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

Rishabh Kumar
Partner
Membership No: 402877
UDIN: 21402877AAAAEN4573

Mumbai
23 September 2021

TML Business Services Limited

Annexure B to the Independent Auditors' report on the financial statements of TML Business Services Limited for the year ended 31 March 2021.

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

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

Adverse Opinion

We have audited the internal financial controls with reference to financial statements of TML Business Services Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, a material weakness has been identified as at 31 March 2021 relating to the Company not having appropriate controls around timely recording of allowance for trade receivables, which would evidence recording of transactions in the correct periods.

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

In our opinion, because of the effect of the material weakness described above on the achievement of the objectives of the control criteria, the Company has not maintained adequate and effective internal financial controls with reference to financial statements as of 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2021 financial statements of the Company, and this material weakness have affected our opinion on the financial statements of the Company and we have issued a qualified opinion on the financial statements.

Management's Responsibility for Internal Financial Controls

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

TML Business Services Limited

Annexure B to the Independent Auditors' report on the financial statements of TML Business Services Limited for the year ended 31 March 2021 (Continued)

Auditors' Responsibility

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

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

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

Chartered Accountants

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

Rishabh Kumar

Partner

Membership No: 402877

UDIN: 21402877AAAAEN4573

TML Business Services Limited
Balance Sheet as at March 31, 2021

	Notes	As at March 31, 2021	As at March 31, 2020 (Restated)
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	3,605.29	12,102.65
(b) Right of Use Assets	5	1,261.58	433.09
(c) Investments in a Subsidiary Company	6	15.00	-
(d) Other Financial assets	8	0.41	10.76
(e) Non-Current tax assets (net)		311.83	1,005.17
(f) Other non-current assets	9	389.67	418.79
		5,583.78	13,970.46
(2) Current assets			
(a) Inventories	10	125.18	969.46
(b) Financial assets:			
(i) Trade receivables	11	734.94	1,480.54
(ii) Cash and cash equivalents	13	1,786.35	202.37
(iii) Loans and advances	7	289.89	6,609.32
(iv) Other financial assets	8	161.66	317.87
(v) Others-Receiveable sale of business	23 (3b)	-	2,284.12
(c) Other current assets	9	324.20	146.20
		3,422.22	12,009.88
		9,006.00	25,980.34
TOTAL ASSETS			
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	14	16,369.77	16,369.77
(b) Other equity		(17,989.87)	(16,432.03)
		(1,620.10)	(62.26)
(2) Non-current liabilities			
(a) Financial liabilities:			
(i) Borrowings	16	2,453.65	2,930.18
(ii) Lease Liabilities		919.87	182.58
(iii) Other financial liabilities	17	-	294.21
(b) Provisions	19	194.34	-
		3,567.86	3,406.97
(4) Current liabilities			
(a) Financial liabilities:			
(i) Borrowings	16	1,600.00	12,500.00
(ii) Lease Liabilities		320.56	103.84
(iii) Trade payables			
(a) Dues to Micro and Small Enterprises	26	2.95	11.29
(b) Dues to others		1,079.55	3,395.01
(iii) Acceptances		-	-
(iii) RTU Liability			
(iv) Other financial liabilities	17	2,884.37	2,490.33
(v) Payable for purchase of business		-	1,030.00
(b) Provisions	19	68.15	542.31
(c) Current tax liability (Net)		792.46	381.70
(d) Other current liabilities	18	310.20	2,181.15
		7,058.24	22,635.63
		10,626.10	26,042.60
		9,006.00	25,980.34
TOTAL EQUITY AND LIABILITIES			
Significant accounting policies	2		
The notes referred to above form an integral part of the financial statements	3-36		

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

For and on behalf of the Board of Director:

Rishabh Kumar
Partner
Membership No. 402877

G V Ramanan
(DIN:01446016)
Director

Ravindrakumar GP
(DIN:07108426)
Director

Smriti Goyal
Chief Financial Officer

Arati Desai
Chief Executive Officer & Manager

Kaynaz Sarbhanwala
Company Secretary

Vijay Somaiya
(DIN:3185227)
Director

Mumbai, 23 September 2021

Mumbai, 23 September 2021

TML Business Services Limited
Statement of Profit and Loss for the year ended March 31, 2021

Particulars	Notes	Year Ended 31st March 2021	Year Ended 31st March 2020 (Restated)
I. Revenue from operations	20	9,226.90	68,803.95
II. Other income	21	1,473.94	1,181.22
III Total Income (I + II)		10,700.84	69,985.17
IV. Expenses :			
(a) Purchases of stock-in-trade		(46.34)	34,633.99
(b) Changes in inventories of stock-in-trade		844.27	25,201.99
(c) Employee benefits expense	22	6,206.28	10,388.34
(d) Finance costs	23	1,028.92	6,134.82
(e) Depreciation and amortisation expense	3 - 5	356.37	2,325.77
(f) Other expenses	24	2,145.58	12,192.03
Total Expenses (IV)		10,535.08	90,876.94
V. Profit / (Loss) before tax and Exceptional items (III - IV)		165.76	(20,891.77)
VI. Exceptional items			
(a) Loss / (Profit) on sale of asset (Land and Building)	25 (2)(c) / 25(2)(d)	410.92	(23,741.81)
(b) Employee Separation Cost		94.66	-
(c) Cost of closure - Termination Cost	25 (2)(a)	-	393.86
(d) Loss on Sale of Business	25 (2)(b)	-	1,264.74
VII. (Loss) / Profit before tax and after Exceptional items (V - VI)		(339.82)	1,191.44
VIII. Tax expense/(credit) :			
(a) Short/(Excess) provision of earlier years		-	15.38
(b) Current tax		900.00	820.00
(c) Deferred Tax		(5.41)	-
IX. (Loss) / Profit after tax (VII -VIII)		(1,234.41)	356.06
X. Other comprehensive income			
(i) Items that will not be reclassified to profit and loss: Remeasurements gain/(loss) on defined benefit obligations (net)		15.48	17.73
(ii) Income tax relating to items that will not be reclassified to profit and loss		(5.41)	-
XI. Total comprehensive (loss)/income for the year (IX+X)		(1,224.34)	373.79
XII. Earnings per equity share (EPS):	29		
Ordinary shares (face value ₹ 10 each)			
(i) Basic		(0.75)	0.24
(ii) Diluted		(0.75)	0.16
Significant accounting policies	2		
The notes referred to above form an integral part of the financial statements	3-36		

In terms of our report of even date attached

For and on behalf of the Board of Directors

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

Rishabh Kumar
Partner
Membership No. 402877

G V Ramanan
(DIN:01446016)
Director

Ravindrakumar GP
(DIN:07108426)
Director

Smriti Goyal
Chief Financial Officer

Arati Desai
Chief Executive Officer & Manager

Kaynaz Sarbhanwala
Company Secretary

Vijay Somaiya
(DIN:3185227)
Director

Mumbai, 23 September 2021

Mumbai, 23 September 2021

TML Business Services Limited
Statement of Changes in Equity for the year ended March 31, 2021

(A) Equity share capital

(₹ in Lakhs)	
Particulars	Equity share capital
Balance as at April 1, 2020	16,369.77
Proceeds from issue of shares	-
Balance as at March 31, 2021	16,369.77

(B) Other equity

Particulars	Equity portion of compound instrument	Securities premium account	Merger Deficit adjustment account (refer note 34)	Reserves and surplus			Total
				Retained earnings			
				General reserve	Undistributable (IND AS 101)	Distributable	
Balance as at April 1, 2020	8,048.05	1,896.90	686.24	942.91	9,204.00	(37,210.13)	(16,432.03)
Adjustment for undistributable reserve	-	-	-	-	(6,788.00)	6,788.00	-
Common control merger adjustment (Refer Note iii)	-	-	(333.50)	-	-	-	(333.50)
Loss for the year	-	-	-	-	-	(1,234.41)	(1,234.41)
Other comprehensive income	-	-	-	-	-	10.07	10.07
Balance as at March 31, 2021	8,048.05	1,896.90	352.74	942.91	2,416.00	(31,646.47)	(17,989.87)

Note (i)

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

- (a) aggregate monies received on issue of CCDs; and
(b) the present value of liabilities towards the coupon rate of interest, payable over the tenor of the CCDs.

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

Current portion of CCDs ₹ 476.53 Lakhs (as at March 31, 2020 : ₹ 422.61 lakhs)
Non-current portion ₹ 18.65 Lakhs (as at March 31, 2020 : ₹ 495.18 lakhs)

Statement of Changes in Equity for the year ended March 31, 2020

(A) Equity share capital

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

(B) Other equity

Particulars	Equity portion of compound instrument	Securities premium account	Merger Deficit adjustment account (refer note 34)	Reserves and surplus			Total
				Retained earnings			
				General reserve	Undistributable (IND AS 101)	Distributable	
Balance as at April 1, 2019	8,048.05	1,896.90	-	942.91	13,934.00	(43,226.75)	(18,404.89)
Opening balance sheet adjustment pursuant to common control transaction (Refer note 34)	-	-	(2,204.82)	-	-	-	(2,204.82)
Balance as at April 1, 2019 (Restated)	8,048.05	1,896.90	(2,204.82)	942.91	13,934.00	(43,226.75)	(20,609.71)
Adjustment for undistributable reserve	-	-	-	-	(4,730.00)	4,730.00	-
Adjustment pursuant to adoption of IND AS116	-	-	-	-	-	912.83	912.83
Profit for the year	-	-	-	-	-	356.06	356.06
Common control merger adjustment (Refer Note iii)	-	-	2,891.06	-	-	-	2,891.06
Other comprehensive income	-	-	-	-	-	17.73	17.73
Balance as at March 31, 2020	8,048.05	1,896.90	686.24	942.91	9,204.00	(37,210.13)	(16,432.03)

Note (i)

The Company has issued compulsorily convertible debentures (CCDs) aggregating to ₹ 7,800 lakhs in March 2017 and ₹ 2,200 lakhs in July 2017. These unsecured CCDs carry a coupon of 5% interest payable semi

- (a) aggregate monies received on issue of CCDs; and
(b) the present value of liabilities towards the coupon rate of interest, payable over the tenor of the CCDs.

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

Current portion of CCDs ₹ 422.61 Lakhs (as at March 31, 2019 : ₹ 385.15 lakhs)
Non-current portion ₹ 495.18 Lakhs (as at March 31, 2019 : ₹ 917.80 lakhs)

Note (ii)

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

Note (iii)

Common control merger adjustment represents the movement between opening and closing net identified assets / liabilities of GDC division adjusted for loss for the period and purchase consideration.

Significant accounting policies

2

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

3-35

In terms of our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

Rishabh Kumar
Partner
Membership No. 402877

G V Ramanan
(DIN:01446016)
Director

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Smriti Goyal
Chief Financial Officer

Arati Desai
Chief Executive Officer & Manager

Kaynaz Sarbhanwala
Company Secretary

Vijay Somaiya
(DIN:3185227)
Director

Mumbai, 23 September 2021

Mumbai, 23 September 2021

Mumbai, 23 September 2021

TML Business Services Limited
Cash Flow Statement for the year ended March 31, 2021

	(₹ in Lakhs)	
	Year Ended March 31, 2021	For the year ended March 31, 2020 (Restated)
Cash flows from operating activities		
(Loss) / Profit before tax and after exceptional items	(339.82)	1,191.44
Adjustments for:		
Depreciation and amortisation expense	356.37	2,325.77
Exceptional item-Loss on sale of business	-	1,264.74
Loss / (Profit) on sale of PPE	410.92	(23,741.70)
(Gain) / Loss on sale of asset / write-off (net)	6.14	772.36
Inventory writedown (net)	55.63	1,295.56
Interest expense	1,028.92	6,134.82
Interest income	(284.64)	(66.37)
Bad debt written-off	4.09	1,053.74
Amounts no longer required written back	(1,122.13)	(1,114.85)
Effect of amortisation of financial assets valued at amortised cost	(0.27)	8.79
Allowance made/(written-back) for trade and other receivables (net)	(779.49)	77.68
	(324.46)	(11,989.47)
Cash flows from operating activities before changes in following assets and liabilities	(664.28)	(10,798.03)
Decrease in Inventories	788.64	23,906.43
Decrease in Trade receivable:	884.35	6,620.72
Decrease in loans and advances	969.43	(5,156.15)
Decrease in Short term other financial assets	2,449.28	880.39
Increase in Other current assets	(178.00)	2,805.56
Decrease in Other non-current assets	29.12	313.03
Decrease in Trade payables	(1,536.88)	935.89
Increase in other financial liabilities:	550.97	(449.06)
Decrease in Other current Liabilities	(998.99)	(6,597.99)
Increase in Other non-current Liabilities	0.27	(851.46)
Decrease in Provisions	(279.82)	(1,273.37)
	2,678.37	21,133.99
Cash generated in operations	2,014.09	10,335.96
Income taxes refund/ (paid) (net)	204.09	(253.99)
Net cash generated in operating activities	2,218.18	10,081.97
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	8,018.89	28,981.64
Payment on Purchase of GDC Business	(1,030.00)	-
Investment in a Subsidiary Company	(15.00)	-
Inter Corporate Deposits realised (net)	5,350.00	-
Interest received	284.64	66.37
Net cash realised in investing activities	12,608.53	29,048.01
Cash flows from financing activities		
Repayment of long-term borrowings:	(530.45)	(5,377.43)
Repayment of short-term borrowings:	(10,900.00)	(38,969.83)
Repayment of lease liability:	(954.01)	(121.15)
Interest paid	(858.27)	(5,290.68)
Net cash from financing activities	(13,242.73)	(49,759.09)
Net increase in cash and cash equivalents:	1,583.98	(10,629.10)
Cash and cash equivalents at the beginning of the year	202.37	10,831.48
Cash and cash equivalents at the end of the year	1,786.35	202.38

For and on behalf of the Board of Director:

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

Rishabh Kumar
Partner
Membership No. 402877

G V Ramanan
(DIN:01446016)
Director

Ravindrakumar GP
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Director

Smriti Goyal
Chief Financial Officer

Arati Desai
Chief Executive Officer & Manager

Kaynaz Sarbhanwal
Company Secretary

Vijay Somaiya
(DIN:3185227)
Director

Mumbai, 23 September 2021

Mumbai, 23 September 2021

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

1. Background and operations

TML Business Services Limited ('TMLBSL') was incorporated in January 1972 under the Companies Act, 1956. The Company was primarily engaged in the business of sales and servicing of passenger cars and sale of automobile parts and accessories. Its parent and ultimate holding company is Tata Motors Limited. The Company has purchased from Tata Motors Ltd ('TML' or 'the parent company') Global Delivery Centre (GDC)/ Process Shared Service business (GDC Business) as a going concern and on a slump sale basis on October 1, 2020.

2. Significant accounting policies

(i) Statement of compliance

These financial statements have been prepared in accordance with accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2016 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The financial statements were authorised for issue by the Company's Board of Directors on September 23, 2021.

(ii) Functional and Presentation Currency

The Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

(iii) Basis of preparation and presentation

The financial statements have been prepared on historical cost basis except for certain financial instruments measured at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(iv) Use of estimates and judgments

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

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

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

- i) Property, plant and equipment
- ii) Assets and obligations relating to employee benefits

(v) Going concern

The Company purchased Global Delivery Centre (GDC)/ Process Shared Service business (GDC Business) on a slump sale basis effective from October 1, 2020 and provides services mainly to Tata Motors group of companies which it intends to carry on in the foreseeable future. However as at 31 March 2021, the Company has Rs. 7,058.24 lakhs current liabilities which are in excess of its current assets of Rs 3,422.22 lakhs. Consequently, TML has provided a support letter to the Company, that it will provide financial support to the Company to meet all its financial obligations for a period of not less than 12 months from the date of these financial statements. The financial statements have thus been prepared on a "Going concern" basis.

(vi) Covid 19

The World Health Organisation in February 2020 declared COVID 19 as a pandemic. The pandemic has rapidly spread throughout the world, including India. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's offices also had to be closed down for a considerable period of time, including after the yearend. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdown in the preparation of the financial statements including the assessment of recoverable values of its property, plant and equipment and the net realisable values of other assets. However, given the effect of these lockdowns on the overall economic activity in India and in particular on the automotive industry and the Company's customers, the impact assessment of COVID-19 on the abovementioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

(vii) Revenue recognition

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

a) Sale of products

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

The Company offers sales incentives in the form of variable marketing expense to customers, which vary depending on the timing and type of customer. This sales incentive is accounted for as a revenue reduction and is constrained to a level that is highly probable not to reverse the amount of revenue recognised when any associated uncertainty is subsequently resolved.

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

b) Sale of services

TMLBSL 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 month on month basis when services are rendered to customers and related costs are incurred.

c) Commission from finance arrangement and insurance

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

d) Interest Income

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

(viii) Cost recognition

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

(ix) 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.

(x) Income taxes

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

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

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

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

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

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

(xi) Earnings per share

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

(xii) Inventories

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

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

(xiii) Property, plant and equipment

(a) Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Freehold land is measured at cost and is not depreciated.

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

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

Type of Asset	Estimated useful life
Buildings,	3 to 61 years
Plant, machinery and equipment	5 to 20 years
Computers and other IT assets	4 to 6 years
Vehicles	4 years
Furniture, fixtures and office appliances	4 to 15 years

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

(xiv) Intangible assets

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

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

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

Type of Asset	Estimated useful life
Computer software	3-5 years

(xv) Leases

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

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

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

(xvi) Impairment

Property, plant and equipment and other intangible assets

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

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.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

(xvii) Employee benefits

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 Life Insurance Corporation of India (LIC) & 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

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 salary 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.

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.

(xviii) Segments

The Company was engaged mainly in the business of selling of cars, parts, accessories, facilitating vehicle finance and servicing of cars in India, which have similar risks and returns. These in the context of Ind AS 108 - operating segments reporting was considered to constitute one reportable segment. The Company has wound the business during the year ended March 31, 2020. The Company has purchased the Global Delivery Centre from its parent company during the year ended March 31, 2021 and thus is now primarily engaged in the business of providing support services to TML & its Subsidiaries.

Though the business of selling cars etc. were closed, there are still some transactions during the year ended March 31, 2021. This has been reported separately for segment reporting.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

(xix) Financial instruments

Classification, initial recognition and measurement

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

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

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

Financial assets

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

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

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

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

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

Financial liabilities

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

Derecognition of financial assets and financial liabilities :

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

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

Impairment of financial assets:

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

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

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

(xx) Recent accounting pronouncements

On July 24, 2020, the Ministry of Corporate Affairs has made following changes applicable from the financial year beginning April 1, 2020 –

1. Revised the definition of the term 'business' and related guidance in Ind AS 103. The amendment permits a simplified assessment of whether an acquired set of activities and assets is not a business.
2. Amended some specific hedge accounting requirements under Ind AS 109 (temporary exceptions from applying specific hedge accounting requirements) and disclosure requirements under Ind AS 107 to provide relief to the potential effects of uncertainty caused by the Interest Rate Benchmark Reforms (IBOR reforms).
3. Amended Ind AS 116 to provide limited relief to lessees in respect of rent concessions arising due to Covid-19 pandemic.
4. Refined the definition of the term 'material' and related clarifications in Ind AS 1 and Ind AS 8. As per the amendment information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements, which provide financial information about a specific reporting entity. The amendments further clarified that the information is obscured if it is communicated in a way that would have a similar effect for primary users of financial statements to omitting or misstating that information.

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Some of the key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- a) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- b) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- c) Specified format for disclosure of shareholding of promoters.
- d) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- e) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- f) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- g) Realignment of presentation of following financial statement captions:
 - Security deposits to be presented under other financial assets (earlier: under loans)
 - Current maturities of long-term borrowings to be disclosed separately under borrowings (earlier: under other financial liabilities)
- h) Disclosure of charges/ satisfaction yet to be registered with ROC beyond the statutory period along with details and reasons thereof
- i) Prescribed disclosures where loans/ advances in the nature of loans were granted to promoters, directors, KMPs and the related parties (as defined under 2013 Act), either severally or jointly with any other person that are:
 - Repayable on demand or
 - Without specifying any terms/ period of repayment
- j) Disclosure of prescribed ratios e.g. current ratio, debt-equity ratio (Explain items included in numerator and denominator and any change in the ratio >25% as compared to the preceding year)
- k) Disclosure of the following where borrowings are made from banks/ Financial Institutions ("FI") on the basis of security of current assets:
 - Whether quarterly returns/ statements of current assets filed with banks/ FI are in agreement with the books
 - Summary of reconciliation and reasons of material discrepancies (if any)
- l) Additional disclosures relating to Corporate Social Responsibility ("CSR"), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The Company is assessing the impact of these changes and will accordingly incorporate the same for the financial statements for the year ended March 31, 2022.

TML Business Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2021

3. Property, plant and equipment

(₹ in Lakhs)

Particulars	Land		Building		Plant and machinery		Office Equipment	Furniture and fixtures		Vehicles	Leasehold Improvements		Total
	Own use	Given on lease	Own use	Given on lease	Own use	Given on lease		Own use	Given on lease		Own use	Given on lease	
Gross Block													
At April 1, 2019	14,655.69	367.47	2,350.86	110.31	3,118.05	1.54	225.70	711.49	8.82	550.51	2,050.29	9.45	24,160.18
Assets acquired on transfer of assets from GDC business (Refer note 34)	-	-	19.82	-	46.40	-	117.33	43.25	-	107.05	-	-	333.85
Restated balance At April 1, 2019	14,655.69	367.47	2,370.68	110.31	3,164.45	1.54	343.03	754.74	8.82	657.56	2,050.29	9.45	24,494.03
Additions	-	-	-	-	45.72	-	9.22	-	-	218.99	-	-	273.93
Disposals/ adjustments	(4,552.70)	-	(440.40)	(49.65)	(2,659.12)	-	(153.28)	(580.80)	-	(577.40)	(2,041.77)	(9.45)	(11,064.57)
At March 31, 2020	10,102.99	367.47	1,930.28	60.66	551.05	1.54	198.97	173.94	8.82	299.15	8.52	-	13,703.40
At April 1, 2020	10,102.99	367.47	1,930.28	60.66	551.05	1.54	198.97	173.94	8.82	299.15	8.52	-	13,703.40
Adjustment (Refer Note below)	-	-	(6.99)	65.14	(125.50)	-	(58.81)	(31.10)	6.08	50.59	(8.52)	-	(109.11)
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	(7,972.04)	-	(589.02)	-	(119.34)	-	(5.13)	(47.43)	(7.45)	(107.37)	-	-	(8,847.78)
At March 31, 2021	2,130.95	367.47	1,334.27	125.80	306.21	1.54	135.03	95.41	7.45	242.37	0.00	-	4,746.50
Accumulated Depreciation													
At April 1, 2019	-	-	569.68	49.37	1,662.05	1.28	151.71	354.72	5.99	466.40	1,010.67	7.15	4,279.02
Assets acquired on transfer of assets from GDC business (Refer note 34)	-	-	4.74	-	21.98	-	62.94	26.88	-	48.74	-	-	165.28
Restated balance At April 1, 2019	-	-	574.42	49.37	1,684.03	1.28	214.65	381.60	5.99	515.14	1,010.67	7.15	4,444.30
Depreciation for the year	-	-	82.49	14.88	257.40	-	35.32	66.30	2.56	99.99	8.90	0.77	568.61
Disposals/ adjustment	-	-	(111.82)	(30.23)	(1,435.81)	-	(97.08)	(308.50)	-	(409.75)	(1,011.05)	(7.92)	(3,412.16)
At March 31, 2020	-	-	545.09	34.02	505.62	1.28	152.89	139.40	8.55	205.38	8.52	-	1,600.75
At April 1, 2020	-	-	545.09	34.02	505.62	1.28	152.89	139.40	8.55	205.38	8.52	-	1,600.75
Depreciation for the year	-	-	55.91	6.06	8.08	-	19.75	3.18	0.06	24.76	-	-	117.80
Adjustment (Refer Note below)	-	-	20.61	25.14	(106.18)	0.26	(62.35)	(5.79)	(1.24)	33.32	(8.52)	-	(104.75)
Disposals	-	-	(230.12)	-	(121.24)	-	0.06	(52.92)	0.10	(68.46)	-	-	(472.58)
At March 31, 2021	-	-	391.49	65.22	286.28	1.54	110.35	83.87	7.47	195.00	(0.00)	-	1,141.22
Net Block as at March 31, 2021	2,130.95	367.47	942.78	60.58	19.94	-	24.69	11.54	(0.02)	47.36	0.00	-	3,605.29
Net Block as at March 31, 2020	10,102.99	367.47	1,385.19	26.64	45.43	0.26	46.08	34.54	0.27	93.77	0.00	-	12,102.65

Note : During the year, the Company has reconciled the fixed asset register with the fixed asset schedule and carried out the necessary adjustments.

TML Business Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2021

4. Other intangible assets

Particulars	(₹ in Lakhs)
	Software
Gross Block	
At April 1, 2019	443.35
Assets acquired on transfer of assets from GDC business (Refer note 34)	176.47
Restated balance At April 1, 2019	619.82
Additions	5.07
Disposals/ adjustments	(448.02)
At March 31,2020	176.87
At April 1, 2020	176.87
Additions	-
Disposals/ adjustments	-
At March 31,2021	176.87
Accumulated amortisation	
At April 1, 2019	288.47
Assets acquired on transfer of assets from GDC business (Refer note 34)	176.47
Restated balance At April 1, 2019	464.94
Amortisation for the year	44.08
Disposals/ adjustments	(332.15)
At March 31,2020	176.87
At April 1, 2020	176.87
Amortisation for the year	-
Disposals/ adjustments	-
At March 31,2021	176.87
Net Block as at March 31, 2021	-
Net Block as at March 31, 2020	-

TML Business Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2021

5. Right of Use Assets

Particulars	Taken on Lease				Total
	Furniture and fixtures	IT Assets	Vehicles	Leasehold Premises	
Gross Block					
At April 1, 2019	-	-	-	-	-
Assets acquired on transfer of assets from GDC business(Refer note 34)	430.52	108.07	-	-	538.59
Restated balance At April 1, 2019	430.52	108.07	-	-	538.59
Effect of transition on adoption of Ind As 116	-	-	137.02	10,609.94	10,746.96
Reversal (Refer Note (b) below)	-	-	(137.02)	(10,609.94)	(10,746.96)
Additions	-	-	-	667.88	667.88
At March 31,2020	430.52	108.07	-	667.88	1,206.47
Gross Block					
At April 1, 2020	430.52	108.07	-	667.88	1,206.47
Adjustments	-	-	-	(667.88)	(667.88)
Additions	-	-	-	1,353.29	1,353.29
At March 31,2021	430.52	108.07	-	1,353.29	1,891.88
Accumulated Amortisation					
At April 1, 2019	-	-	-	-	-
Assets acquired on transfer of assets from GDC business (Ref note 34)	237.26	55.03	-	-	292.29
Restated balance At April 1, 2019	237.26	55.03	-	-	292.29
Amortisation for the year	86.10	13.35	86.94	2,007.78	2,194.17
Reversal (Refer Note (b) below)	-	-	(86.94)	(1,626.14)	(1,713.08)
At March 31,2020	323.36	68.38	-	381.64	773.38
At April 1, 2020	323.36	68.38	-	381.64	773.38
Adjustments	-	-	-	(381.64)	(381.64)
Amortisation for the year	86.10	39.69	-	112.77	238.56
At March 31,2021	409.46	108.07	-	112.77	630.30
Net Block as at March 31, 2021	21.06	-	-	1,240.52	1,261.58
Net Block as at March 31, 2020	107.16	39.69	-	286.24	433.09

Note -

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

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

b) During the previous year , the Company has applied IndAS116 for the first three quarters of the previous year and subsequently on account of closure of business and cancellation of leases, the net liability has been reversed.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

6. Investment in Subsidiary measured at Cost

(₹ in Lakhs)

Number	Face value per unit	Description	As at March 31, 2021	As at March 31, 2020
150,000	10	Equity shares <u>Unquoted</u> TML Business Analytics Services Ltd	15.00	-
Total			15.00	-

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

(₹ in Lakhs)

7. Loans and advances

Current

(a) Lease deposits for commercial premises Unsecured, considered good	21.81	1,025.57
Credit Impaired	142.48	110.47
(b) Other deposits (Telephone, Electricity etc.) Considered good	168.23	181.56
Credit Impaired	54.60	57.47
(c) Inter corporate deposit with related party	-	5,350.00
(d) Advances and other receivables Considered good	99.85	52.19
Credit Impaired	0.65	-
	487.62	6,777.26
Less: Allowances for Credit Impaired balances	197.73	167.94
Total	289.89	6,609.32

As at March 31, 2021	As at March 31, 2020
21.81	1,025.57
142.48	110.47
168.23	181.56
54.60	57.47
-	5,350.00
99.85	52.19
0.65	-
487.62	6,777.26
197.73	167.94
289.89	6,609.32

8. Financial assets - Others

Non-Current

(a) Deposit with banks	0.41	10.76
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Total

As at March 31, 2021	As at March 31, 2020
0.41	10.76
0.41	10.76

Current

(a) Deposit with banks	161.27	151.05
(b) Interest accrued	0.39	1.67
(c) Others (Commission/Insurance receivable, etc.) Unsecured, considered good	-	165.15
Credit Impaired	125.95	119.28
	287.61	437.15
Less: Allowances for Credit Impaired balances	125.95	119.28

Total

As at March 31, 2021	As at March 31, 2020
161.27	151.05
0.39	1.67
-	165.15
125.95	119.28
287.61	437.15
125.95	119.28
161.66	317.87

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

9. Other assets

(₹ in Lakhs)

Non-current

- (a) Statutory deposits and dues from government
(b) Statutory dues receivable (TDS/TCS)(Net of allowances for credit impaired balances of Rs 88.32Lacs & Rs Nil as at March 31,2021 and March 31, 2020 , respectively)
(c) Gratuity
Total

As at March 31, 2021	As at March 31, 2020
381.73	418.79
-	-
7.94	-
389.67	418.79

Current

- (a) VAT, other taxes recoverable, statutory deposits and dues from government (Net of allowances for credit impaired balances of Rs 30.00 Lacs & Rs Nil as at March 31,2021 and March 31, 2020 , respectively)
(b) Advance to suppliers others including imprest advances etc. (Net of allowances for credit impaired balances of Rs 300.64 Lacs & Rs 366.28 as at March 31,2021 and March 31, 2020 , respectively)
Total

As at March 31, 2021	As at March 31, 2020
314.71	70.23
9.49	75.97
324.20	146.20

10. Inventories

(₹ in Lakhs)

- Stock-in-trade -Automobiles, Spare Parts and Accessories for
(a) automobiles

Total

As at March 31, 2021	As at March 31, 2020
125.18	969.46
125.18	969.46

During the year ended March 31, 2021 and 2020, the Company recorded inventory write-down of Rs55.63Lakhs & Rs 1,295.56Lakhs, respectively.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
11. Trade receivables (unsecured)		
Receivables considered good	734.94	1,480.54
Credit impaired receivables	153.24	1,922.23
	888.18	3,402.77
Less : Allowance for credit impaired receivables	153.24	1,922.23
Total	734.94	1,480.54

12. Allowance for trade receivables, loans and other receivables

	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at beginning of the year	2,575.73	3,898.65
Allowance / (reversed) for amount written off	(900.36)	(1,401.29)
Allowance made/(reversed) during the year (net)	(779.49)	78.37
Balance at end of the year	895.88	2,575.73

13. Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
(a) Cash on hand	-	0.51
(b) Cheques, drafts on hand	-	0.13
(c) Balances with banks	1,786.35	130.45
(d) Credit card collections	-	71.28
Total	1,786.35	202.37

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

14. Equity share capital

	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
(a) Authorised :		
175,000,000 Ordinary shares of ₹ 10 each (as at March 31, 2020: 175,000,000 Ordinary shares of ₹ 10 each)	17,500.00	17,500.00
2,500,000 Preference shares of ₹ 100 each (as at March 31, 2020: 2,500,000 Preference shares of ₹ 100 each)	2,500.00	2,500.00
	20,000.00	20,000.00
(b) Issued, subscribed and fully paid :		
163,697,694 Ordinary shares of ₹ 10 each (as at March 31, 2020: 163,697,694 Ordinary shares of ₹ 10 each)	16,369.77	16,369.77
	16,369.77	16,369.77

The movement of number of shares and share capital

Fully paid equity shares

Balance as at April 1, 2020
Add : Rights issue of shares
Balance as at March 31, 2021

As at March 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020
(No. of shares)	(₹ in lakhs)	(No. of shares)	(₹ in lakhs)
163,697,694	16,369.77	63,697,694	6,369.77
-	-	100,000,000	10,000.00
163,697,694	16,369.77	163,697,694	16,369.77

Details of Shares held by Holding Company

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

As at March 31, 2021	As at March 31, 2021
163,697,694	163,697,694

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

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

As at March 31, 2021	As at March 31, 2021
163,697,694	163,697,694

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

Equity shares:

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

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

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

- (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.

15 Notes to reserves

- i) **Retained earnings** - Retained earnings are the profits that the Company has earned till date

Merger Deficit adjustment account - The capital reserve represents the excess of the identifiable assets and liabilities, acquired pursuant to business

- ii) combination transaction , over the consideration paid.

- iii) **Securities premium** - The amount received in excess of face value of the equity shares is recognised in Securities Premium

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

16. Borrowings

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Non-current		
Unsecured:		
(a) Redeemable cumulative preference shares (Refer note (i) below)	2,435.00	2,435.00
(b) Liability portion included under compulsorily convertible debentures (CCDs) (Refer note (i) of Statement of changes in equity)	18.65	495.18
Total	2,453.65	2,930.18

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured:		
(a) Inter corporate deposits (Refer note (ii) below)	1,600.00	12,500.00
Total	1,600.00	12,500.00
Total	1,600.00	12,500.00

Note:

Unsecured Loans:

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

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

- (a) The profits of the company, which the Directors shall from time to time determine to distribute as dividend, shall be applied first in payment of fixed cumulative preferential dividend at the rate of 7% (seven per cent) per annum, subject to income tax, if any, on the cumulative redeemable preference shares according to the amounts paid-up thereon and subject thereto in payment of a dividend at such rate as may be determined from time to time on the equity shares.
- (b) In a winding up, the assets of the company (including Capital uncalled at the commencement of the winding up) remaining after paying and discharging the debts and liabilities of the company and the cost of winding up shall be applied in the following order of priority:
- (i) In repayment of the capital paid up or credited as paid up on the 7% cumulative redeemable preference shares.
- (ii) In repayment of the capital paid-up or credited as paid up on the equity shares.
- (iii) The residue, if any, shall be divided amongst the holders of the equity shares in proportion to the amount paid up on such shares.
- (ii) The inter corporate deposit from TML Distribution Company Ltd; a related party carries rate of interest at 9.50% per annum and is repayable on demand.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

		(₹ in Lakhs)	
17. Other financial liabilities		As at March 31, 2021	As at March 31, 2020
<u>Non-current</u>			
(a) Lease deposit	-	16.27	
(b) Tax on preference dividend payable	-	277.94	
Total	-	294.21	

		As at March 31, 2021	As at March 31, 2020
<u>Current</u>			
(b) Liability portion included under compulsorily convertible debentures (CCDs)	476.53	422.61	
(c) Interest accrued but not due	1,535.32	1,364.67	
(d) Liability for capital expenditure	202.90	306.46	
(e) Employee payables	669.62	396.59	
Total	2,884.37	2,490.33	

18. Other liabilities		As at March 31, 2021	As at March 31, 2020
<u>Current</u>			
(a) Advance from customers	-	1,027.85	
(b) Statutory dues (GST, TDS etc.)	310.20	1,153.30	
Total	310.20	2,181.15	

19. Provisions		As at March 31, 2021	As at March 31, 2020
<u>Non - Current</u>			
(a) Compensated absences	73.76	272.50	
(b) Employee benefit obligations	120.58	93.88	
Total	194.34	366.38	

		As at March 31, 2021	As at March 31, 2020
<u>Current</u>			
(a) Compensated absences	68.15	78.61	
(b) Employee benefit obligations	-	97.32	
Total	68.15	175.93	

Note :

During financial year ending March 31, 2020, the Company transferred employees on account sale of business to various dealers. The Company was awaiting details from Life Insurance Corporation of India (LIC) and hence could not finalize individual employee's gratuity value to be transferred to the dealers for these employees. The Company continued to accrue the gratuity liability, based on actuarial valuation for all the employees of Rs97.32 lakhs and pending this settlement, the receivable from dealers Rs. 2,284.12 Lakhs was reflected gross as at March 31, 2020. During the financial year ending March 31, 2021, the Company has settled the gratuity liability aggregating to Rs.130.33 Lakhs relating to the employees transferred to the respective dealers, as per the amount agreed mutually. The receivables from dealers is also collected during the year ended March 31, 2021.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

(₹ in Lakhs)

20. Revenue from operations

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

Year Ended 31st March 2021	Year Ended 31st March 2020
859.85	53,917.80
0.21	4,223.23
8,222.88	5,532.67
-	4,296.45
143.96	833.80
9,226.90	68,803.95

21. Other income

- (a) Amounts no longer required written back
 - (b) Interest income
 - (e) Miscellaneous receipts
- Total**

Year Ended 31st March 2021	Year Ended 31st March 2020
1,122.13	1,114.85
284.64	66.37
67.17	-
1,473.94	1,181.22

Notes :

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

Year Ended 31st March 2021	Year Ended 31st March 2020
834.48	52,076.01
25.37	6,138.24
859.85	58,214.25

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

0.85	430.51
4.66	322.40
138.45	80.89
143.96	833.80

TML Business Services Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

(₹ in Lakhs)

22. Employee benefits expense

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

Year Ended 31st March 2021	Year Ended 31st March 2020
5,898.27	9,636.00
224.29	494.22
83.72	258.12
6,206.28	10,388.34

23. Finance costs

Interest	
(i) On Borrowings	
(ii) On Preference shares	
(iii) Others	
Total	

Year Ended 31st March 2021	Year Ended 31st March 2020
780.78	5,295.12
170.45	205.49
77.69	634.21
1,028.92	6,134.82

24. Other expenses

(a) Rent	
(b) Repairs and maintenance - buildings , plant & machinery and others	
(c) Membership & Subscription Fees	
(d) Rates and taxes	
(e) Job work charges	
(f) Outsourced services	
(g) Professional & Consultancy Charges	
(h) Security Expenses	
(i) SAP and IT Charges	
(j) Property, plant and equipment written off / Loss on sale of assets	
(k) Allowance made/(reversed) for trade and other receivables (net)	
(l) Other operating expenses	
Total	

Year Ended 31st March 2021	Year Ended 31st March 2020
385.91	811.99
210.99	503.75
183.34	3.73
232.34	1,487.71
113.47	672.94
125.17	450.61
351.36	555.25
95.14	473.23
123.39	151.86
6.14	772.47
(775.39)	1,131.41
1,093.72	5,177.08
2,145.58	12,192.03

(₹ in Lakhs)

	Year Ended 31st March 2021	Year Ended 31st March 2020
25 Notes to Profit and Loss Statement :		
(1) Payments to the auditors comprises (net of taxes):		
(i) As auditors - Statutory audit and IFC	49.16	24.82
(ii) For Tax Audit	1.62	1.62
(iii) Reimbursement of travelling and out-of-pocket expenses	2.70	2.24

(2) **Exceptional items**

(a) Cost of closure

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

(b) Sale of Car Dealership business

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

(c) Profit on sale of asset (Land and Building)

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

(d) Loss on sale of asset (Land and Building)

During the current year, the Company has sold its Bangalore property. The book value of the property including related furniture and fixtures and Electrical fittings was Rs 8,330.92 lakhs which has been sold at Rs 8,000 lakhs and Rs.80 lakhs is incurred as brokerage expenses on the same. Accordingly, the Company has incurred a loss of Rs 410.92 Lakhs on this sale of property in FY 2020-21.

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

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

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

(b) Other Write-off:

As referred to in note 25(2)(b), during the previous year the Company has closed down its passenger car business and attempted to reconcile relevant assets/ liabilities to assess the recoverability of all its assets and ascertaining of certain liabilities. Pursuant to this assessment, for unreconciled items, the Company has debited to the Statement of Profit and Loss Rs 2,547.97 lacs, where the management concluded that these assets cannot be recovered and the liabilities to be paid based on claims/obligations details available. The aforementioned amount has been debited to the following financial statement captions in the previous year:

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

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

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

TML Business Services Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

26 Micro, Small and Medium Enterprises Development Act 2006

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

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the year end and interest due thereon	2.66	10.92
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	0.29	0.37
Amount of interest accrued and remaining unpaid at the end of the accounting year	0.29	0.37
Amount of further interest remaining due and payable even in the succeeding years, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	0.29	0.37

27. Commitments and contingencies

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
1 Claims against the Company not acknowledged as debts -		
(i) Sales Tax [of the above ₹ 372.03 lakhs deposited under protest, (March 31, 2020: ₹ 380.03 lakhs)]	1,680.03	1,622.99
(ii) Service Tax [of the above ₹ 9.7 lakhs deposited under protest, (March 31, 2020: ₹ 38.76 lakhs)]	258.69	310.94
(iii) The claims / liabilities in respect of other matters (Payment of Bonus Act).	2.03	29.72
2 The Company acquired certain immovable properties pursuant to a scheme of arrangement in the period 2004. Stamp duty is payable on conveyance of properties in favour of the Company. It is not possible to quantify the amount of duty payable, and adjustments, as and when effected, will be carried out to the cost of land and building relating to the property at Hyderabad.		
3 Provident fund contribution The Hon. Supreme Court of India (SC) by their order dated Feb 28, 2019 set out the principle based on which allowances paid to the employees should be identified for inclusion in basic wage for the purpose of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. Pending the directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The company has complied with this on prospective basis, from the date of SC order.		

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

28. Financial instruments

(a) Capital management

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

(b) Financial assets and liabilities:

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

PARTICULARS	Carrying Amount		Fair Value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	(₹ in Lakhs)			
Financial assets				
<i>Measured at amortised cost</i>				
Loans and advances	289.89	6,609.32	289.89	6,609.32
Other financial assets	162.07	328.63	162.07	328.63
Trade receivables	734.94	1,480.54	734.94	1,480.54
Cash and cash equivalents	1,786.35	202.37	1,786.35	202.37
Others- Receivable sale of busines:	-	2,284.12	-	2,284.12
Total	2,973.25	10,904.98	2,973.25	10,904.98
Financial liability				
<i>Measured at amortised cost</i>				
Borrowings	4,053.65	15,430.18	4,053.65	15,430.18
Lease Liability	1,240.43	286.42	1,240.43	286.42
Other finance liabilities	2,884.37	2,784.54	2,884.37	2,784.54
Trade payables	1,082.50	3,406.30	1,082.50	3,406.30
Total	9,260.95	21,907.44	9,260.95	21,907.44

The Management assessed that the fair value of cash , trade receivable , loans and advances, trade payables , borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturity of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in the current transactions between willing parties , other than in a forced or liquidation sale.

(c) Financial Risk Management Objectives

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

Market Risk:

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

Interest Rate Risk:

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

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

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

Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

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

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 2,973.25 lakhs as of March 31, 2021 and ₹ 10,904.98 lakhs as of March 31, 2020 being the total of the carrying amount of balances with banks, trade receivables, loans and other financial assets.

Financial assets that are neither past due nor impaired. Regarding trade receivables, loans and advances and other financial assets, that are neither impaired nor past due, there were no indications as of March 31, 2021, that defaults in payment obligations will occur. None of the Company's cash equivalents are past due or impaired.

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 (Period in days)	As at March 31, 2021			As at March 31, 2020		
	Gross	Allowance	Net	Gross	Allowance	Net
1-30 Days past dues	560.64	-	560.64	256.97	-	256.97
31-60 days past dues	56.76	-	56.76	244.46	-	244.46
61-90 days past dues	117.54	-	117.54	244.03	-	244.03
More than 90 days past dues	153.24	153.24	-	2,657.31	1,922.23	735.08
Total	888.18	153.24	734.94	3,402.77	1,922.23	1,480.54

Liquidity Risk

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

PARTICULARS	March 31, 2021				March 31, 2020			
	Less than 1 year	1-3 years	3 year - 5 years	More than 5 years	Less than 1 year	1-3 years	3 year - 5 years	More than 5 years
Short term Borrowings	1,600.00	-	-	-	12,500.00	-	-	-
Long term Borrowings	-	18.65	2,435.00	-	-	495.18	-	2,435.00
Lease Liability	320.56	674.34	245.53	-	103.84	57.43	45.57	79.58
Other Financial Liabilities	2,884.37	-	-	-	2,489.64	16.27	-	278.63
Trade Payable	1,082.50	-	-	-	3,406.30	-	-	-

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

29. Earning per share ("EPS")

		Year Ended 31st March 2021	Year Ended 31st March 2020
(a) Profit or (Loss) after tax	₹ in lakhs	(1,234.41)	356.06
Profit available to Equity Share holders		(1,234.41)	356.06
(b) The weighted average number of Equity Shares for Basic EPS.....	Nos.	163,697,694	148,123,924
(c) The nominal value per Share.....	₹	10.00	10.00
(d) Share of Profit for Equity Shares for Basic EPS.....	₹ in lakhs	(1,234.41)	356.06
(e) Earnings Per Ordinary Share (Basic).....	₹	(0.75)	0.24
(f) Share of Profit for Equity Shares for Diluted EPS.....	₹ in lakhs	#	399.03
(g) The weighted average number of Equity Shares for Diluted EPS.....	Nos.	#	248,123,924
(h) Earnings Per Ordinary Share (Diluted).....	₹	(0.75)	0.16

Since there is a loss for the year ended March 31, 2021, potential equity shares are not considered as dilutive and hence diluted EPS is same as basic EPS.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

30. Segment Information

The Company was engaged mainly in the business of selling of cars, parts, accessories, financial services and servicing of cars in India ('Passenger Vehicle Sales & Services'), which have similar risks and returns. These in the context of Ind AS 108 - operating segments reporting are considered to constitute one reportable segment. Income from facilitating finance and other services cater to the same customers to whom cars are sold and therefore do not have risk and rewards which are different from Passenger Vehicle sales & service business.

The Company has taken over Business of Shared Services from Tata Motors Ltd on October 1, 2020. The Company is now primarily engaged in the business of providing support services to TML & its Subsidiaries ('Global Delivery Centre').

Rs. In Lacs			
For the year ended / as at March 31, 2021			
	Passenger Vehicle Sales & Service	Global Delivery Centre	Total
Revenue			
External Revenue	1,004.02	8,222.88	9,226.90
Other Income	1,335.74	8.82	1,344.56
Total Revenue	2,339.76	8,231.70	10,571.46
Segment Results before exceptional items, Interest income and Finance cost			
	(23.94)	1,008.60	984.66
Reconciliation to (Loss) Before Tax			
Exceptional Item	(505.58)		(505.58)
Audit Fees			(53.48)
Interest Income			263.50
Finance Cost			(1,028.92)
(Loss) Before Tax			(339.82)
Depreciation and Amortisation expense	72.63	283.74	356.37
Segment Assets	4,406.89	2,406.03	6,812.92
Reconciliation to Total Assets			
Investment in Subsidiary			15.00
Non - Current Tax Assets			311.83
Corporate / Unallocable			1,866.25
Total Assets			9,006.00
Segment Liabilities	3,358.54	2,345.04	5,703.58
Reconciliation to Total Liabilities			
Non - Current Tax Liability			792.46
Borrowings			4,053.65
Corporate / Unallocable			76.40
Total Liabilities			10,626.09

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

30. Segment Information

	Rs. In Lacs		
	For the year ended / as at March 31, 2020		
	Passenger Vehicle Sales & Service	Global Centre	Delivery Total
Revenue			
External Revenue	63,271.28	5,532.67	68,803.95
Other Income	1,153.91	-	1,153.91
Total Revenue	64,425.19	5,532.67	69,957.86
Segment Results before exceptional items, Interest income and Finance cost	(13,510.26)	(1,226.41)	(14,736.67)
Reconciliation to Profit Before Tax			
Exceptional Item	22,083.21		22,083.21
Audit Fees			(28.68)
Interest Income			8.40
Finance Cost			(6,134.82)
Profit Before Tax			1,191.44
Depreciation and Amortisation expense	2,276.53	49.24	2,325.77
Capital Expenditure	236.76	42.24	279.00
Segment Assets	23,361.61	1,340.96	24,702.57
Reconciliation to Total Assets			
Non - Current Tax Assets			1,005.17
Corporate / Unallocable			272.60
Total Assets			25,980.34
Segment Liabilities	8,550.42	1,340.96	9,891.38
Reconciliation to Total Liabilities			
Non - Current Tax Liability			381.70
Borrowings			15,430.18
Corporate / Unallocable			277.08
Total Liabilities			25,980.34

Information concerning principal geographic areas is as follows :	For the year ended/as at March 31, 2021		
	Within India	Outside India	Total
Net sales to external customers by geographic area by location of customers	7,645.92	576.96	8,222.88
Non- Current Assets [Property, plant and equipment, right of use assets, intangible assets, other non-current assets (non-financial) and Goodwill] by geographic area	5,256.54	-	5,256.54

Information concerning principal geographic areas is as follows :	For the year ended/as at March 31, 2020		
	Within India	Outside India	Total
Net sales to external customers by geographic area by location of customers	5,251.59	281.08	5,532.67
Non- Current Assets [Property, plant and equipment, right of use assets, intangible assets, other non-current assets (non-financial) and Goodwill] by geographic area	12,954.53	-	12,954.53

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

31. Deferred Tax

The reconciliation of income tax expense calculated as per tax rates applicable with income tax expense is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
(Loss) /Profit Before Tax	(339.82)	2,417.84
Tax rate applicable	34.94%	34.94%
Income tax expense at tax rates applicable	(118.75)	844.89
Items (net) not deductible for tax /not liable to tax :		
Deferred tax assets not recognized because realization is not probable	-	(24.89)
Business loss for the current year offset against capital gain	(284.30)	-
Others - Capital Gain on sale of land	1,303.05	-
Income tax expense reported in statement of profit and loss	900.00	820.00

Significant components of deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

Particulars	Opening Balance	Recognised in Profit and Loss Account	Recognised in/reclassified from OCI	Closing Balance
Deferred Tax Asset				
Expenses Deductible in Future Years	938.61	(586.22)	-	352.39
Property, Plant and Equipment	1,701.09	222.17	-	1,923.26
Compensated Absences and retirement benefits	-	5.41	(5.41)	-
Others	10.48	(1,289.03)		(1,278.55)
Total Deferred Tax Assets	2,650.18	(1,647.67)	(5.41)	997.10
Deferred Tax Liabilities				
Land	2,145.38	(1,653.08)	-	492.30
Total Deferred Tax Liability	2,145.38	(1,653.08)	-	492.30
Deferred Tax Assets (Net)*	504.80	5.41	(5.41)	504.80

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

As at March 31, 2021 unrecognised deferred tax assets expire unutilised based on the year of origination as follows:

Particulars	As at March 31, 2021
March 31,	
2022	825.81
2023	995.49
2024	1,214.31
2025	1,150.96
2026	3,658.08
2027	3,513.72
Total Unabsorbed Business Loss	11,358.37

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

32. Employee Benefits

(a) **Defined benefit plans**

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

(all figures are ₹ in Lakhs except %)

PARTICULARS	Gratuity	
	As at March 31,	
	2021	2020
i Change in Defined Benefit Obligations		
Present Value of DBO at the beginning of the year	840.39	710.89
Current Service cost	63.55	93.28
Interest cost	35.21	50.25
Curtailement cost	-	3.05
Actuarial (gains) / losses - experience	43.61	83.68
Actuarial (gains) / losses - Financial Assumptions	8.11	15.93
Benefits paid	(251.68)	(116.69)
Transfer from TML on purchase of business	-	-
Present Value of DBO at the closing of the year	739.19	840.39
ii Change in Fair Value of Assets		
Plan assets at the beginning of the year	743.07	709.70
Interest Income on Plan Assets	28.20	52.73
Actual Company contributions	207.59	66.67
Return on plan assets greater/Less than Discount rate	16.39	30.44
Benefits paid	(251.68)	(116.47)
Transfer from TML on purchase of business	-	-
Plan assets at the end of the year	743.57	743.07
iii Amount recognised in Balance Sheet		
Present Value of Defined Benefit Obligation	739.19	840.39
Fair value of plan assets	743.57	743.07
Net (liability)/asset	4.38	(97.32)
	For the year ended March 31,	
	2021	2020
iv Net cost consist of the following components:		
Current Service cost	63.55	93.28
Interest cost (Net)	7.01	(2.48)
Curtailement cost	-	3.05
Net periodic cost	70.56	93.85
Remeasurements		
Return on plan assets greater/Less than Discount rate	(16.39)	(30.44)
Actuarial (gains) / losses	43.61	99.61
Total recognised in other comprehensive income	27.22	69.17
Total recognised in statement of comprehensive income	97.78	163.02
v Composition of the plan assets is as follows:	As at March 31,	
	2021	2020
Balance with Life Insurance Corporation of India Ltd	2%	100%
Cash and cash equivalents	8%	0%
Debt instruments (quoted)	62%	0%
Equity instruments (quoted)	6%	0%
Deposits with Insurance companies	22%	0%
vi Actuarial Assumptions for Gratuity		
	2021	2020
Discount Rate (%)	6.90%	6.90%
Expected Return on plan assets (%)	6.90%	6.90%
Salary escalation (%)	White collar: 6% for next 3 years and 7% thereafter Workers: 6%	White collar: 5% for FY 20-21 6% for next 3 years and 7% thereafter Workers: 6%

(vii) Additional disclosure

1	Expected benefit payments in next year	93.59
2	Expected employer contribution in the next year	93.59
3	Weighted average duration of defined benefit obligation	6.46 years

32. Employee Benefits

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

Sensitivity Analysis in respect of Change in Discount Rate & Salary

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

Assumption	Change in assumption	Impact on scheme liabilities	Impact on service cost and interest cost
Discount Rate	Increase by 1%	Decrease by Rs.40.65Lakhs	Decrease by Rs.14.39Lakhs
	Decrease by 1%	Increase by Rs.45.66Lakhs	Increase by Rs.15.41Lakhs
Salary Escalation	Increase by 1%	Increase by Rs.44.48Lakhs	Increase by Rs.15.65Lakhs
	Decrease by 1%	Decrease by Rs.40.38Lakhs	Decrease by Rs.14.04Lakhs

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

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

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

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc.. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other

(b) **Defined Contribution Plans-**

The Company makes provident fund and employee state insurance scheme contributions which are defined contribution plans, for qualifying employees. Under these schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 213.88 lakhs (Previous year: ₹ 547.82 lakhs) for provident fund contributions and ₹ 30.85 lakhs (Previous year: ₹ 112.16 lakhs) for Employee State Insurance Scheme contributions in the Profit and Loss Statement . The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

33. Related-party transactions

Related party disclosure for the year ended March 31, 2021 (with whom the company had transactions during the period)

(a). Related party and their relationship

1. Holding Company:

Tata Motors Limited (TML)

2. Key Management Personnel:

Mr. Shyam Mani - Managing Director

Mr. Vinu Nair - Chief Executive Officer and Manager (upto August 13, 2020)

Mr. T R Daundkar - Chief Financial Officer (Upto January 31, 2021)

(b). Transactions with related parties

The following table summarizes related-party transactions and balances included in the financial statements for the year ended March 31, 2021:

Nature of transaction	(₹ in Lakhs)			
	Holding company	Fellow subsidiaries	Other related party	Total
Purchase / (Purchase returns) of products *	(71.71)	-	-	(71.71)
Sale of products *	329.67	6.50	-	336.17
Sale of Services *	7,032.99	1,236.32	-	8,269.31
Sales and service claims	89.32	-	-	89.32
Services received	431.46	583.14	-	1,014.60
Services rendered	-	1.22	-	1.22
Interest expense	94.79	1,203.39	-	1,298.18
Interest Income	136.41	-	-	136.41
Loans repaid	-	11,900.00	-	11,900.00
Loans taken	-	1,000.00	-	1,000.00
ICD given	1,250.00	-	-	1,250.00
ICD received back	6,600.00	-	-	6,600.00
ICD Outstanding (Payable)	-	1,600.00	-	1,600.00
Trade and other receivables	177.60	523.39	-	700.99
Amount payable	-	166.37	-	166.37
Interest outstanding on Preference Shares	853.14	-	-	853.14
Compulsory Convertible Debentures	-	495.18	-	495.18
Convertible Debenture – Equity	-	8,048.05	-	8,048.05
Preference Shares outstanding	1,354.20	-	-	1,354.20

* Inclusive of taxes

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

Nature of transaction	(₹ in Lakhs)			
	Holding company	Fellow subsidiaries	Other related party	Total
Purchase of products *	42,444.04	420.75	-	42,864.79
Sale of products *	295.51	41.96	-	337.47
Sale of fixed assets	28,654.90	-	-	28,654.90
Sale and service claims	1,154.47	-	-	1,154.47
Services received	673.19	549.87	664.88	1,887.94
Services rendered	23.41	435.03	-	458.44
Interest expense	113.13	2,058.24	1,046.31	3,217.68
Expense reimbursement received	117.41	-	-	117.41
Loans repaid	-	12,762.63	85,737.71	98,500.34
Loans taken	-	5,391.03	65,731.99	71,123.02
ICD given	5,350.00	-	-	5,350.00
ICD Outstanding (Payable)	-	12,500.00	-	12,500.00
ICD Receivable	5,350.00	-	-	5,350.00
Trade and other receivables	-	171.76	53.13	224.89
Amount payable	306.94	131.71	15.78	454.43
Interest outstanding on Preference Shares	758.35	-	-	758.35
Compulsory Convertible Debentures	-	917.79	-	917.79
Convertible Debenture – Equity	-	8,048.05	-	8,048.05
Preference Shares outstanding	1,354.20	-	-	1,354.20

* Inclusive of taxes

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

33. Related-party transactions

The following table summarizes material related-party transactions and balances included in the financial statements for the year ended March 31, 2021:

		(₹ in Lakhs)
Name of the related party	Transactions	March 31, 2021
TMF Holdings Limited	Amount payable	53.81
Tata Motors Finance Limited	Amount payable	52.69
Tata Technologies Limited	Amount payable	42.67
Jaguar Land Rover U K	Amount Receivable	405.24
Tata Motors Insurance Broking & Advisory Services Limited	Commission Income	1.22
TML Distribution Company Limited	Compulsory Convertible Debentures	495.18
TML Distribution Company Limited	Convertible Debenture – Equity	8,048.05
TML Distribution Company Limited	ICD Outstanding	1,600.00
TML Distribution Company Limited	Interest Expense	1,203.39
Tata Motors Finance Limited	Lease Expenses	1.17
TML Distribution Company Limited	Loan Repaid	11,900.00
TML Distribution Company Limited	Loan Taken	1,000.00
Tata Technologies Limited	Purchase of Services	35.51
Tata Motors Finance Solutions Limited	Sale of Vehicle	6.50
Tata Technologies Limited	SAP Support Charges	71.59
TMF Holdings Limited	Services received	261.59
Tata Motors Finance Solutions Limited	Services received	75.97

* Inclusive of taxes

(c) Compensation of Key Managerial Personnel :

Compensation of key management personnel:	Year Ended , March 31, 2021	Year Ended , March 31, 2020
Short-term benefits	472.33	255.70
Total	472.33	255.70

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

34 Business Combination

The Company has executed a Business Transfer Agreement (BTA) with Tata Motors Limited ('TML' or 'the parent company') for purchase of its Global Delivery Centre (GDC) as a going concern and on a slump sale basis w.e.f. from October 1, 2020. GDC supports TML & its subsidiaries in various transactional & non-transactional delivery areas. As GDC business is transferred from parent Company, the merger has been accounted in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103): (Business combinations of entities under common control), notified under the Companies Act, 2013. Accordingly, all assets, liabilities of GDC have been recorded in the books of account of the Company at their existing carrying amounts and in the same form. The difference, between the amount paid and all assets and liabilities of GDC, has been debited to Merger Deficit adjustment account. Comparative accounting period presented in the financial statements of the Company has been restated for the accounting impact of the transfer, as stated above, as if the purchase had occurred from the beginning of the comparative period in the financial statements i.e. April 1, 2019.

Following are the assets and liabilities taken over by the Company on 1 October 2020

Rs in Lakhs	
Particulars	As at October 1, 2020
Non Current Assets	
Property, Plant and Equipment	133.20
Right to use assets	83.96
Total Non current Assets	217.16
Current Assets	
Trade Receivables	520.17
Other Current Assets	217.76
Total Current Assets	737.93
Total Assets	955.09
Current Liabilities	
Trade Payables	16.12
Other Financial Liabilities	61.55
Other Current Liabilities	769.78
Total Current Liabilities	847.45
Net Assets	107.64

Re-stated Balance sheet as on March 31, 2020

Rs in Lakhs			
Particulars	Year Ended March 31, 2020		
	Before effect of business combination	Effect of GDC business purchased from TML	Revised balance post effect of business combination
Non Current Assets			
Property, Plant and Equipment	11,945.91	156.74	12,102.65
Right to use assets	-	433.09	433.09
Financial assets: Other	10.76	-	10.76
Non-Current tax assets (net)	1,005.17	-	1,005.17
Other non-current assets	418.79	-	418.79
Total Non current Assets	13,380.63	589.83	13,970.46
Current Assets			
Trade Receivables	961.27	519.27	1,480.54
Inventories	969.46	-	969.46
Cash and cash equivalents	202.37	-	202.37
Other financial assets	317.87	-	317.87
Others- Receivable sale of business	2,284.12	-	2,284.12
Other current assets	6,523.66	231.86	6,755.52
Total Current Assets	11,258.75	751.13	12,009.88
Total Assets	24,639.38	1,340.96	25,980.34
Non-Current Liabilities			
Borrowings	2,930.18	-	2,930.18
Lease Liabilities	-	182.58	182.58
Other Financial Liabilities	294.21	-	294.21
Total Non current Liabilities	3,224.39	182.58	3,406.97
Current Liabilities			
Borrowings	12,500.00	-	12,500.00
Lease Liabilities	-	103.84	103.84
Trade Payables	3,280.05	126.25	3,406.30
Other Financial Liabilities	2,418.25	72.08	2,490.33
Provisions	175.93	366.38	542.31
Current tax liability (Net)	381.70	-	381.70
Other current liabilities	2,181.15	-	2,181.15
Total Current Liabilities	20,937.08	668.55	21,605.63
Total Liability	24,161.47	851.13	25,012.60
Net Assets	477.91	489.83	967.74

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

34 Business Combination

Re-stated Balance sheet as on April 1, 2019		Rs in Lakhs	
Particulars	As at April 1, 2019		
	Before effect of business combination	Effect of GDC business purchased from TML	Revised balance post effect of business combination
Non Current Assets			
Property, Plant and Equipment	19,881.17	168.57	20,049.74
Capital Work in Progress	9.21	-	9.21
Other Intangible Assets	154.88	-	154.88
Right to use assets	-	246.30	246.30
Loans & Advances	1,089.70	-	1,089.70
Financial assets: Other	10.76	-	10.76
Non-Current tax assets (net)	1,204.87	-	1,204.87
Other non-current assets	731.82	-	731.82
Total Non current Assets	23,082.41	414.87	23,497.28
Current Assets			
Trade Receivables	9,112.32	120.35	9,232.67
Inventories	26,171.45	-	26,171.45
Cash and cash equivalents	10,831.48	-	10,831.48
Loans & Advances	59.14	-	59.14
Other financial assets	3,482.38	-	3,482.38
Other current assets	2,951.76	304.33	3,256.09
Total Current Assets	52,608.53	424.68	53,033.21
Total Assets	75,690.94	839.55	76,530.49
Non-Current Liabilities			
Borrowings	6,933.99	-	6,933.99
Other Financial Liabilities	273.96	-	273.96
Other non current liabilities	842.68	-	842.68
Provisions	71.76	-	71.76
Total Non current Liabilities	8,122.39	-	8,122.39
Current Liabilities			
Borrowings	49,684.96	-	49,684.96
Lease Liabilities	-	374.51	374.51
Trade Payables	6,543.01	157.79	6,700.80
Other Financial Liabilities	4,591.64	569.21	5,160.85
Provisions	4.92	912.86	917.78
Other current liabilities	8,779.14	-	8,779.14
Total Non current Liabilities	69,603.67	2,014.37	71,618.04
Total Liability	77,726.06	2,014.37	79,740.43
Net Assets	(2,035.12)	(1,174.82)	(3,209.94)
Purchase consideration of GDC Business		(1,030.00)	
Merger Deficit adjustment account		(2,204.82)	

Re-stated Profit and Loss Statement as on March 31, 2020		Rs in Lakhs	
Particulars	Year Ended March 31, 2020		
	Before effect of business combination	Effect of GDC business purchased from TML	Revised balance post effect of business combination
Revenue from operations	62,975.77	5,532.67	68,508.44
Other income	1,449.42	-	1,449.42
Total Income	64,425.19	5,532.67	69,957.86
Purchase of stock in trade	34,633.99	-	34,633.99
Changes in inventories of stock-in-trade	25,201.99	-	25,201.99
Employee benefits expense	5,655.88	4,732.46	10,388.34
Finance costs	6,121.54	13.28	6,134.82
Depreciation and amortisation expense	2,276.53	49.24	2,325.77
Other expenses	10,200.62	1,964.10	12,164.72
Total Expenses	84,090.55	6,759.08	90,849.63
Loss before Exceptional Items	(19,665.36)	(1,226.41)	(20,891.77)
Exceptional Items	22,083.21	-	22,083.21
(Loss) / Profit before tax and after Exceptional items	2,417.85	(1,226.41)	1,191.44
Tax Expense	835.38	-	835.38
(Loss) / Profit after tax	1,582.47	(1,226.41)	356.06
Other comprehensive income	17.73	-	17.73
(Loss) / Profit after tax	1,600.20	(1,226.41)	373.79

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

34 Business Combination

Reconciliation of Cash Flow as on March 31, 2020

Particulars	Before effect of business combination	After effect of business combination	Effect of business combination
Net cash generated from operating activities	(9,634.25)	(10,798.03)	1,163.78
Net cash generated from / (utilised in) operating activities	19,532.44	20,880.00	(1,347.56)
Net cash used in financing activities	(49,624.66)	(49,759.09)	134.43
Net cash realised in investing activities	29,097.36	29,048.01	49.35
Net increase in Cash and Cash Equivalents	(10,629.11)	(10,629.11)	(0.00)
Cash and Cash Equivalents at the beginning of the financial year	10,831.48	10,831.48	-
Cash and Cash Equivalents at end of the year	202.37	202.37	(0.00)

Reconciliation of Total Equity as at 31st March, 2020 & 1st April, 2019

Particulars	As at 31st March , 2020	As at 1st April , 2019
Shareholder's equity before Business Combination	477.91	(12,035.12)
<u>Add / Less : Merger deficit adjustment account</u>		
Add : Loss for the period of GDC	(1,226.41)	-
Less: Merger deficit adjustment account	(2,204.82)	(2,204.82)
Shareholder's equity after Business Combination	(2,953.32)	(14,239.94)

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

35. In accordance with the Rule 6 of The Companies (Accounts) Rules, 2014, as the holding Company, i.e., Tata Motors Limited, files its consolidated financial statements with the Registrar of Companies which are prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of The Companies Act, 2013, TML Business Services Limited is not required to prepare its consolidated financial statements for year ended 31 March 2021.

36. Other matters

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

In terms of our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors

Rishabh Kumar

Partner

Membership No. 402877

G V Ramanan

(DIN:01446016)

Director

Ravindrakumar GP

(DIN:07108426)

Director

Smriti Goyal

Chief Financial Officer

Arati Desai

Chief Executive Officer & Manager

Kaynaz Sarbhanwala

Company Secretary

Vijay Somaiya

(DIN:3185227)

Director

Mumbai, 23 September 2021