

TML BUSINESS SERVICES LIMITED

CIN: U72100MH1972PLC015561

**ANNUAL REPORT
2021-22**

A SUBSIDIARY OF TATA MOTORS LIMITED

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CORPORATE INFORMATION

2021-22

BOARD OF DIRECTORS	
MR RAVINDRA KUMAR G P <i>(NON-EXECUTIVE DIRECTOR & BOARD CHAIRMAN FROM MAY 1, 2021)</i>	DR VAIJAYANTI PANDIT <i>(INDEPENDENT DIRECTOR FROM JULY 1, 2021)</i>
MR RAMANAN G V <i>(NON-EXECUTIVE DIRECTOR FROM JUNE 27, 2021)</i>	MR NAGARAJ IJARI <i>(INDEPENDENT DIRECTOR FROM JANUARY 21, 2022)</i>

SENIOR MANAGEMENT	
CHIEF EXECUTIVE OFFICER & MANAGER <i>(FROM MAY 1, 2021 UPTO JANUARY 24, 2022)</i>	MS ARATI DESAI
CHIEF EXECUTIVE OFFICER & MANAGER <i>(FROM JANUARY 25, 2022)</i>	MR RAVINDRA PETHE
CHIEF FINANCIAL OFFICER <i>(FROM MAY 1, 2021)</i>	MS SMRITI GOYAL
COMPANY SECRETARY	MS KAYNAZ SARBHANWALA

REGISTERED OFFICE ADDRESS	
3RD FLOOR, NANAVATI MAHALAYA, 18, HOMI MODY STREET, HUTATMA CHOWK, MUMBAI 400 001	
CIN: U72100MH1972PLC015561	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	
STATUTORY AUDITOR: M/S. B S R & CO. LLP	SECRETARIAL AUDITOR: M/S. PARIKH & ASSOCIATES

TML BUSINESS SERVICES LIMITED

NOTICE

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

Dear Member,

NOTICE IS HEREBY GIVEN THAT THE 51ST ANNUAL GENERAL MEETING OF THE MEMBERS OF TML BUSINESS SERVICES LIMITED will be held on Thursday, the 30th day of June 2022 from 2 p.m. to 3 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, 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr Ravindra Kumar Godabanal Parameswarappa (DIN: 07108426) who retires by rotation and being eligible, offers himself for re-appointment.
3. **Re-appointment of Statutory Auditors**

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

“RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of TML Business Services Limited (‘the Company’), M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022), be and are hereby, re-appointed as the Statutory Auditors of the Company for a second consecutive term of five years, who shall hold office from the conclusion of this 51st Annual General Meeting till the conclusion of the 56th Annual General Meeting to be held in the year 2027, on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS:

4. **Appointment of Mr Nagaraj Ijari (DIN: 09390579) 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 Mr Nagaraj Ijari (DIN: 09390579) appointed as an Additional Director of TML Business Services Limited (‘the Company’), by the Board of Directors with effect from January 21, 2022 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 his candidature for the office of Director, be and is hereby, appointed as a Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions of the Act, if any, read together with the Companies (Appointment and Qualifications of Directors) Rules, 2014 Mr Ijari, a Non-Executive Director of the Company, who has submitted a declaration that he 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

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for a term of three years commencing from January 21, 2022 upto January 20, 2025 and whose office shall not be liable to retirement by rotation.”

5. **Appointment of Mr Ravindra Pethe (PAN: ABMPP9914B) 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 January 21, 2022, the Members of TML Business Services Limited ('the Company'), be and hereby, approves the appointment of Mr Ravindra Pethe (PAN: ABMPP9914B) 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 January 25, 2022 upto January 24, 2025;

b. Nature of Duties: Mr Pethe, an employee of the Company, is proposed to be appointed as the Manager and CEO, by Tata Motors Limited, the holding company of the Company, vide organizational announcement dated January 11, 2022, a copy of which duly initialed by the Company Secretary, was tabled before the NRC. Mr Pethe shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him, subject to the superintendence, control and direction of the Board of Directors and shall be responsible for the overall Management of the Company and vested with substantial powers of management which are in connection with and in the best interest of the business of the Company and the business of its subsidiary, including performing duties as assigned by the Board from time to time by serving on the Board of such subsidiary or any other executive body or any committee of such a company, as may be deemed appropriate.

c. Remuneration: His appointment shall be on existing terms and conditions entered into by him with the Company, including payment of managerial remuneration, which shall be within the limits permissible under Section 197 read together with Section II of Part II of Schedule V of the Companies Act, 2013 ('the Act') and any other enabling provisions of the Act and the Rules framed thereunder, as detailed below:

➤ **Basic Salary:** ₹23,52,000/- per annum; upto a maximum of ₹31,30,512/- 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 20% of the Basic Salary as may be decided by the Board in the above manner.

➤ **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

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- b) Other Allowances: 135% of Basic Salary
- 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 95% of Basic Salary per annum upto a maximum of 145% of Basic Salary per annum. This Performance Linked Bonus would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board which will be payable 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 or its holding 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 Mr Pethe, 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 his spouse and/or children, in any selling agency of the Company.
 - iii. This appointment may be terminated by either party by giving to the other party 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 he is required to render services; or
 - in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Manager & CEO, of any of the stipulations of his terms of appointment; or
 - in the event the Board of Directors expresses its loss of confidence in the Manager & CEO.
 - v. In the event the Manager & CEO is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate

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his appointment on such terms as the Board may consider appropriate in those circumstances.

- vi. Upon the termination by whatever means of employment of the Manager & CEO:
 - the Manager & CEO shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trust connected with the Company.
 - the Manager & CEO shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or its subsidiary company.
- vii. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the 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.”

6. Increase in the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate under Section 186 of the Companies Act, 2013

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

“RESOLVED THAT in supersession to the Special Resolution passed by the Members at the Extraordinary General Meeting (No.2/FY19-20) held on March 23, 2020 and pursuant to the provisions of Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of TML Business Services Limited (‘the Company’), be and is hereby, accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”), to (i) make any investment or give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of ₹350 crores (Rupees Three Hundred and Fifty Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Act.”

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“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution any Director or the Company Secretary of the Company, be and is hereby, severally authorised, on behalf of the Company, to do all acts, deeds, matters and things as may be deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns, e-forms for the purpose of giving effect to the aforesaid resolution.”

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 Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021 and Circular No. 03/2022 dated May 5, 2022 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules framed 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 51st AGM of the Company is being held through VC/OAVM on Thursday, June 30, 2022 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. 4 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. 4 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 pursuant to the provisions of Section 113 of the Act, to attend the meeting, are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. In line with the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company. The Notice of AGM and Annual Report 2021-22 are also available on the Company's website www.tmlbsl.com.

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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 51st AGM, the members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company Secretary at kaynaz.sarbhawala@tatamotors.com.

By Order of the Board of Directors
TML Business Services Limited

Kaynaz Sarbhawala
Company Secretary
ACS No.: A34947

Mumbai, May 9, 2022

Registered Office:

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

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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 business mentioned at Item Nos. 3 to 6 of the accompanying Notice dated May 9, 2022.

Item No. 3

Although an explanatory statement in terms of Item No.3 of the accompanying Notice is not required to be provided as per the provisions of Section 102 of the Act, the following information is voluntarily being provided by the Company for the benefit of the Members.

The Members at the 46th Annual General Meeting (‘AGM’) of the Company held on September 26, 2017, had approved the appointment of B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) (‘BSR’), as Statutory Auditors of the Company, to hold office till the conclusion of the 51st AGM.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conducting of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on May 9, 2022, proposed the re-appointment of BSR, as the Statutory Auditors of the Company, for a second consecutive term of five years from the conclusion of 51st AGM till the conclusion of 56th AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

BSR have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

BSR is a member entity of B S R & Associates, a network registered with the Institute of Chartered Accountants of India. BSR is registered in Mumbai, Gurugram, Bengaluru, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur, Kochi and Vijayawada. BSR audits various companies listed on stock exchanges in India.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 3 of the accompanying Notice.

Item No. 4

In pursuance of Section 161 of the Act, the Articles of Association of the Company, the Board of Directors appointed Mr Nagaraj Ijari as an Additional Director of the Company with effect from January 21, 2022, to hold office in a non-executive capacity upto the date of the ensuing Annual General Meeting of the Company. Mr Ijari 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 term of 3 years.

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

Mr Ijari 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. He has also given a declaration to the Board that he fulfils the criteria of independence as provided under Section 149(6) of the Act.

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As on date of this Notice, he neither holds by himself nor for any other person on a beneficiary basis, any shares in the Company.

In the opinion of the Board, Mr Ijari 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 Mr Ijari's qualification, experience and knowledge, his 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 Mr Ijari as a Non-Executive Independent Director of the Company, for a term of 3 years commencing from January 21, 2022 upto January 20, 2025, 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 Mr Ijari, proposed to be appointed as an Independent Director, is reproduced below:

Mr Nagaraj Ijari has over 35 years of rich experience in the IT industry and in-depth knowledge of the industry. With over 30 years of service at Tata Consultancy Services (TCS), he oversaw and contributed significantly to the growth of the organization. Mr Ijari has managed a variety of roles at TCS that involve - strategic thinking, executive oversight and impact, leading large-scale change, transforming and engaging the workforce, sales, P&L management, aligning Business and IT strategy, talent strategy development, global account management, delivery management and customer relationship management. Mr Ijari has worked with customers and workforce, across a wide range of cultures and geographies.

Mr Ijari has set up the HiTech and Professional Services global business unit and grown the unit significantly and ran this business for 12 years. As Head of the TCS Bangalore Operations, have led the branch to significant growth.

As TCS' HiTech and Professional Services Business Unit Head, with more than 22,000 business associates, Mr Ijari had focused on developing digital solutions to address the customer's business issues, recommended business model transformation, innovation, expansion and development of new geographies, development of new market segments, development of technology and domain capabilities apart from driving sustainable and profitable revenue growth. Established leadership position in various industry segments through driving domain and thought leadership led transformation initiatives. HFS had ranked TCS' HiTech & Professional Business Unit as #1 service provider.

As the Head of TCS Bangalore Operations since 2002, Mr Ijari played a pivotal role in the growth of TCS Bangalore operations, from 3,000 employees to over 60,000 employees. Key aspects of this role involved strategic planning, delivery excellence, learning & Development, Infrastructure planning, leadership development, people management, etc.

Mr Ijari has been part of the TCS Global Executive team since 2002 and he retired as the Senior Vice President from TCS two years back. He is currently working as a consultant and is on the Board of Sri Dharamasthala Manjunatha Institute of Management Development.

Mr Ijari holds a B.Tech degree in Textile Engineering from Bangalore University. He has completed Harvard Business School's Advance Management Program (AMP181) in

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2011. Mr Ijari has been on the Management Committee of Bangalore Chamber of Commerce and Industry for several years, which is based out of Bangalore, India.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

The above Independent Director is interested in the Resolution mentioned at Item No. 4 of the Notice with regard to his appointment. Mr Ijari is not related to any Director or KMP of the Company and besides him, 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.

Item No. 4

Mr Pethe (PAN: ABMPP9914B) an employee of the Company, was deputed as a Key Managerial Person (KMP) of the Company, to perform in the capacity of the Manager & Chief Executive Officer (CEO) of the Company, by Tata Motors Limited ('TML'), the holding company, vide organisational announcement dated January 11, 2022, for a period of 3 years, commencing from January 25, 2022, upon cessation of Ms Arati Desai as the Manager & CEO of the Company with effect from January 24, 2022.

Subject to the approval of the Members at the ensuing AGM, the Board of Directors had at its meeting held on January 21, 2022, on the recommendation of the Nomination & Remuneration Committee of the Company, approved the appointment of Mr Ravindra Pethe as the KMP, after taking into consideration his qualification, experience and accomplishments, to perform in the professional capacity of the Manager & CEO of the Company for a period of 3 years commencing from January 25, 2022, 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.

Mr Pethe's appointment shall be on the terms and conditions entered into by him with the Company, including receipt of remuneration, as detailed in Item no.4 of this AGM Notice, within the limits permissible under Section 197 read together with Section II of Part II of Schedule V of the Act and any other enabling provisions of the Act and the Rules framed thereunder.

Apart from the terms and conditions of Mr Pethe's appointment, as mentioned in Item No.4 of the accompanying Notice, it is worthy to note that the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company upon Mr Pethe's performance, shall be taken into consideration whilst conducting his annual appraisal. Also, his appointment can be terminated by either party giving 6 months' notice.

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

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

I. GENERAL INFORMATION

- 1. Nature of industry:** The Company is engaged in the business of providing accounting and business support services to the Tata Motors group of companies. The Company is developing skills based on various verticals including Procure to Pay, Order to Cash, Hire to Retire and high end knowledge based verticals like Record to Report, Taxation as well as Digital and Innovation which are in line with the Tata Motors Group initiative.

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During the year TML Distribution Company Limited ('TMLD') bearing CIN: U72100MH1972PLC015561, was merged into the Company with effect from April 1, 2021, the appointed date under the Scheme of Arrangement between TMLD ('Transferor Company') and TML Business Services Limited ('Transferee Company') and their respective shareholders, duly approved by the Hon'ble National Company Law Tribunal, Mumbai Bench, in C.P.(CAA)/7MB-V/2022 connected with C.A.(CAA)/255/MB-V/2021 vide its Order dated March 11, 2022. TMLD was engaged in providing outbound logistics of vehicles and allied activities to Tata Motors Limited. With this merger, common core objectives of the Company of providing shared or support services and significant operational synergies have been enhanced.

- 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

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

	FY21-22	FY20-21*	FY19-20	FY18-19	FY17-18
Total Revenue from Operations	154.99	123.72	629.76	1,229.62	1180.46
Profit for the Year	39.49	(13.97)	16.00	(132.38)	(129.45)

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

- 5. Foreign investments or collaborations:** None

II. INFORMATION ABOUT THE APPOINTEE

- 1. Background details:** Mr Ravindra Pethe over his 26 years of experience in Tata Motors Limited has handled key projects like SAP implementation for P2P cycle, Sarbanes Oxley Act, 2002 (SOX) compliances, implementation of Captive Shared Services and Global Delivery Center (GDC).

The major career highlights of Mr Pethe, during his illustrious tenure with Tata Motors Limited (TML) had been:

- Business Process owner for P2P process and project lead for implementation of SAP for FI modules in FY2003-04;
- Played a key role in conceptualization, designing and implementation of shared service concept in TML in Finance & Accounting covering accounts payable, payroll, inventory, fixed assets and bank reconciliations in 2004. The Company was able to release more than 100 FTEs due to centralization of these activities to Pune in 2004 across all locations;
- Implementation of SOX compliance processes across all areas of business. Documentation of risk and control matrix and business process re-engineering to standardize the process during FY 2006-07. Implementation Access and User Role Management tools (VIRSA) for 5,000 SAP users including role cleaning and giving access on need to know and need to do basis and resolution of SOD conflicts;
- A new vertical was formed in FY 2008-09 to Manage SOX Controls. Lead a team of 7 to 8 people and was responsible for preparing the SOX Audit plan and presentations to the Audit Committee in respect of gaps identified and brainstorming solutions with business to improve the control effectiveness across all scoped in process;

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- Headed GDC's Shared Services from 2010 to 2012 and was responsible for managing accounts payable, payroll inventory accounting, BRS, related party reconciliation, fixed assets accounting for TML with a team size of 100 FTE.
- Played a key role in conceptualization, designing and implementation of GDC in FY 2012-13 across P2P, O2C, R2R and H2R. GDC had a strength of around 100 FTEs in FY 2012-13 in Finance & Accounting area. Over a period of 3 to 4 years, additional work got transitioned to GDC under respective towers and were able to convert and manage more than 800 FTEs worth of work in a period of 4 years.

Mr Pethe received the Asset's Triple A Best Electronic Banking Solution award for Outsourcing solution for end-to-end management of documents and payments for import payments in February 2012 and has so far registered 2 Intellectual Property Rights.

Mr Pethe is a Costs and Works Accountant from ICWA and holds a Diploma in Systems Management. He has undergone the Tata Group Leadership Training at TMTC as well as the Tata Business Excellence Model Assessor Training. He has also trained and imparted knowledge as a member of TMLs 'I-Teach' community.

Prior to joining Tata Motors Limited, Mr Pethe was engaged with Philips India Limited as an Officers Account form July 1994 to May 1995 and with Nucron Pharmaceuticals Pvt. Limited, as Officer Costing from July 1993 upto June 1994.

- 2. Past remuneration:** Comparison of past remuneration with present remuneration will not be applicable, since Mr Pethe's new and old role within the organisation are not comparable.
- 3. Recognition or awards:** NIL
- 4. Job profile and his suitability:** Appointment of Mr Pethe is in context of following: -
 - The Company was looking for an organizational level leader, who could provide strategic direction and create suitable execution framework to ensure the organization's success, both for short term and long term basis.
 - Executives with experience along with some exposure to restructuring and scaling-up of business operations and implementation of effective business processes and systems were considered.

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

The Board had at its meeting held on January 21, 2022, approved appointment of Mr Pethe as a KMP, after taking into consideration his qualification, experience and accomplishments, to perform in the capacity of Manager & CEO of the Company.

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

- 5. Remuneration proposed:** Mr Pethe will receive remuneration, as per his existing terms of appointment with the Company, which has been detailed in the Special Resolution of Item no.5 of the Notice, well within the limits permissible under Section 197 read together with Section II of Part II of Schedule V of the Act and any other enabling provisions of the Act and the Rules framed thereunder.

TML BUSINESS SERVICES LIMITED

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

III. OTHER INFORMATION

- 1. Reasons of loss or inadequate profits:** The Company has made a profit of ₹39.49 crores in FY 21-22. The Company has taken all efforts to maximise its revenue and optimize its cost. The Company has a defined business strategy, which is supporting the Company to enhance its revenue and profits.

Furthermore, pursuant to the Scheme of Arrangement between TML Distribution Company Limited ('Transferor Company') and TML Business Services Limited ('Transferee Company') duly approved by the Hon'ble National Company Law Tribunal via its Order dated March 11, 2022 with an appointed date of April 1, 2021 as per the Scheme, the Transferor Company has been merged into the Transferee Company. The Transferor Company was engaged in providing outbound logistical services for vehicles and allied activities to Tata Motors Limited (TML). With this merger, the common core objective of the Company, of providing shared or support services, will benefit from significant operational synergies, thereby augmenting the Company's financial strength.

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

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

- 3. Expected increase in productivity and profits in measurable terms:** The Company is continuously focusing on the growth of its business with increased service footprints with TML and its subsidiaries, including international operations of the Jaguar Land Rover group of companies. Also continuous measures for increasing team efficiency and productivity as well as for controlling costs are underway. Furthermore, the merger of TML Distribution Co. Ltd. with the Company, has increased the overall operations of the Company, which now includes providing logistical support services and allied activities to TML and Tata Motors Passenger Vehicles Limited.

TML BUSINESS SERVICES LIMITED

In compliance with the aforementioned provisions of the Act, the terms and conditions of Mr Pethe's appointment as elaborated above in Item No. 5 are now being placed before the Members for their approval vide passing of a Special Resolution.

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

Mr Pethe is not related to any Director or KMP of the Company. Except for Mr Pethe, none of the Directors, KMPs or their relatives are in any way concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

Item No. 6

As per the provisions of Section 186 of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) make any investments or give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more.

Further, the said Section provides that where the making of an investment or giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

Accordingly, the Members had passed a Special Resolution at the Extraordinary General Meeting (No.2/FY19-20) held on March 23, 2020, authorising the Company to make investments, extend loans and give guarantees or provide securities in connection with loans to persons or bodies corporate, in excess of the limits prescribed under Section 186 of the Act, upto an aggregate amount not exceeding ₹55 crores, at any given point of time.

As per the latest audited Balance Sheet of the Company as on March 31, 2022, 60% of the paid-up share capital, free reserves and securities premium account amounts to ₹14.55 crores while 100% of its free reserves and securities premium account amounts to ₹(139.45) crores. Therefore, the maximum limit available to the Company under Section 186(2) of the Act for making investments or giving loans or providing guarantees / securities in connection with a loan, as the case may be, is ₹14.55 crores. As on March 31, 2022, the aggregate value of investments and loans made and guarantee and securities issued by the Company, as the case may be, amounted to ₹203.8 crores, on account of consolidation of the books of accounts, consequent to the merger of TML Distribution Company Limited ('TMLD'), into the Company with effect from April 1, 2021, the appointed date under the Scheme of Arrangement, duly approved by the Hon'ble National Company Law Tribunal ('NCLT') Mumbai Bench, in C.P.(CAA)/7MB-V/2022 connected with C.A.(CAA)/255/MB-V/2021 vide its Order dated March 11, 2022.

Furthermore, post the aforementioned TMLD merger, the Company has ample funds for meeting its working capital requirements and for ensuring sustainable business growth. Hence, based on the Company's present cash flow and future projections, after taking into consideration the realisation of funds from the sale of the Worli property and repayment of dues to other financial institutions and debtors, the Company is expecting to be in possession of surplus funds, which would need to be invested.

TML BUSINESS SERVICES LIMITED

Hence, the Special Resolution at Item No.6 of the Notice is being proposed for Members approval, notwithstanding the fact that the same exceeds the limits provided under Section 186 of the Act.

None of the Directors, the Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the Resolution at Item No. 6 of the accompanying Notice.

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, May 9, 2022

Registered Office:

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

TML BUSINESS SERVICES LIMITED

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

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

Particulars	Mr Ravindrakumar Godabanal Parameswarappa	Mr Nagaraj Ijari
Director Identification Number (DIN)	07108426	09390579
Date of Birth (Age)	June 26, 1972 (50 years)	July 20, 1959 (63 years)
Date of First Appointment	May 1, 2021	January 21, 2022
Educational Qualifications	<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"> • B. Tech (Textile Engineering) • Harvard Business School's Advance Management Program (AMP181)
Experience (including Expertise in specific functional areas)	Mr Ravindra Kumar G P 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 Nagaraj Ijari has over 35 years of rich experience in the IT industry and in-depth knowledge of the industry. He retired as the Senior Vice President from TCS two years back. He is currently working as a consultant and is on the Board of Sri Dharamasthala Manjunatha Institute of Management Development.
Directorships held in other companies	Jaguar Land Rover Technology and Business Services India Private Limited	Nil
Memberships / Chairpersonships of statutory committees across companies (i.e. Audit Committee & Stakeholders' Relationship Committee)	Nil	Member of Audit Committee: <ul style="list-style-type: none"> • TML Business Services Limited
Relationship with other Directors / Key Managerial Personnel	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
No. of Meetings of the Board attended during FY 2021-22	Attended 6 out of 6 Board meetings, entitled to attend during his tenure.	Attended 2 out of 2 Board meetings, entitled to attend during his tenure.

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, May 9, 2022
Registered Office:
 3rd Floor, Nanavati Mahalaya,
 18, Homi Mody Street,
 Hutatma Chowk, Mumbai 400 001
 Tel.: +91 20 6711 9201
 Email: tmlbsl@tatamotors.com
 Website: www.tmlbsl.com
 CIN: U72100MH1972PLC015561

BOARD'S REPORT

TO THE MEMBERS TML BUSINESS SERVICES LIMITED

On behalf of the Board of Directors, it is our pleasure to present the 51st Annual Report together with the Audited Financial Statements of **TML Business Services Limited** ("the Company") bearing Corporate Identification Number (CIN) U72100MH1972PLC015561 for the financial year ended March 31, 2022.

FINANCIAL PERFORMANCE SUMMARY

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

		(Rs. in crores)	
Particulars		FY 2021-22	FY 2020-21
i	Revenue from operations	154.99	123.73
ii	Other Income	4.92	11.89
iii	Total Income / Revenue	159.91	135.61
iv	Less: Cost of Sales	0.77	7.98
v	Gross Profit	159.14	127.64
vi	Less: Overheads	137.30	118.49
vii	Earnings before Exceptional items, Interest, Depreciation and Tax (EBIDTA)	21.84	9.14
viii	Interest (Net)	(33.20)	(3.53)
ix	Depreciation and amortization	11.20	11.63
x	Profit / (Loss) Before Exceptional items and Tax	43.84	1.04
xi	Exceptional items	0.09	5.74
xii	Provision for Tax	2.91	9.50
xiii	Profit / (Loss) After Tax	40.84	(14.20)
xiv	Profit / (Loss) brought forward (Net of Adjustment)	39.49	(13.97)
xv	Profit available for Appropriation	39.49	(13.97)
APPROPRIATIONS			
	Profit / (Loss) carried forward to Balance Sheet	39.49	(13.97)

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 increased by 25.27% from Rs.123.73 crores in FY20-21 to Rs.154.99 crores in FY21-22. Increase in revenue driven by increase business in few service segments and International business with Jaguar Land Rover. Addition of outbound logistics business through merger is also bringing increase in revenue by

37.9%. For FY21-22, the Company's Profit before exceptional items and tax stood at Rs.43.83 crores vis-à-vis profit of Rs.1.04 crores in the previous year. Other income in FY21-22 has been increased substantially mainly on account of receipt of Rs.25.47 crores pertaining to Interest on VAT refund for prior years for the logistics business.

During the year the Company decided to sell its properties situated in Hyderabad and finalized the necessary deals with buyers. The Company has received an advance payment of Rs.3.11 crores on account of these deals during FY21-22.

Furthermore, the Hon'ble National Company Law Tribunal ('Hon'ble NCLT'), Court No. V, Mumbai Bench, in C.P.(CAA) /7MB – V/ 2022 connected with C.A.(CAA)/255/MB-V/2021 passed an order dated March 11, 2022 sanctioning the Scheme of Arrangement between TML Distribution Co. Limited ("the Transferor Company") and TML Business Services Limited ("the Transferee Company" or "the Company"), with appointed date of April 1, 2021, whereby the business of the Transferor Company was merged into business of the Transferee Company. Transferor Company was engaged in providing outbound logistics of vehicles and allied activities to Tata Motors Limited. With this merger, the common core objective of the Company, i.e. providing shared or support services, significant operational synergies stand to be gained.

As Transferor Company is merged with Transferee 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 Transferor Company 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 equity shares issued and all assets and liabilities of TML Distribution, 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 merger has occurred from the beginning of the comparative period in the financial statements i.e. April 1, 2020.

TRANSFER TO RESERVES

The Company proposes to transfer an amount of Rs.34.49 crores to the retained earnings reserve and no amount will be transferred to the general reserve.

BUSINESS REVIEW

The Company is engaged in the business of providing accounting and business support services to the group companies. The Company is developing skills based on various verticals including Procure to Pay, Order to Cash, Hire to Retire and high end knowledge based verticals like Record to Report, Taxation and Digital and Innovation which are in line with Tata Motors group initiative.

During the year the Hon'ble NCLT passed an order dated March 11, 2022 sanctioning the Scheme of Arrangement between TML Distribution Co. Limited ("TMLD" or "the Transferor Company") and TML Business Services Limited ("the Transferee Company" or "the Company"), with appointed date of April 1, 2021, whereby the business of the Transferor Company was merged into business of the Transferee Company. Transferee Company was engaged in providing outbound logistics of vehicles and allied activities to Tata Motors Limited. With this merger, the common core objective of the Company, which is providing shared or support services, stands to gain significant operational synergies.

The manpower strength as on March 2021 was 81 personnel for TML Distribution Company Limited and all were transferred to the Company as per the Scheme of merger.

During the year the Company also completed the movement of 240 people under “One Tata One Network” (OTON) project. All 240 people were moved from the Company to Tata Consultancy Services. The objective is to build a knowledge center in the Company and keep all transactional services with Tata Consultancy Services.

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

BUSINESS OUTLOOK

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

During the year the Hon’ble NCLT passed an order dated March 11, 2022 sanctioning the Scheme of Arrangement between TML Distribution Co. Limited (“TMLD” or “the Transferor Company”) and TML Business Services Limited (“the Transferee Company” or “the Company”), with appointed date of April 1, 2021, whereby the business of the Transferor Company was merged into business of the Transferee Company. Transferee Company was engaged in providing outbound logistics of vehicles and allied activities to Tata Motors Limited. With this merger, the common core objective of the Company, which is providing shared or support services, stands to gain significant operational synergies.

SHARE CAPITAL & DEBT STRUCTURE

A. POST MERGER AUTHORISED SHARE CAPITAL OF THE COMPANY

Authorised Share Capital of Transferee Company	Amount (Rs.)	Amount (Rs.)
A. 133,59,47,194 Equity Shares of face value Rs.10/- each, comprising (i+ii+iii):		
i. Existing Authorised Share Capital of 22,50,00,000 Equity Shares of face value Rs.10/- each of the Transferor Company	2,25,00,00,000	
ii. Existing Authorised Share Capital of 17,50,00,000 Equity Shares of face value Rs.10/- each of the Transferee Company	1,75,00,00,000	
iii. Additional Increase in Authorised Share Capital of 93,59,47,194 Equity Shares of face value Rs.10/- each by the Transferee Company	9,35,94,71,940	13,35,94,71,940
B. 25,00,000 7% Cumulative Redeemable Preference Shares of face value Rs.100/- each		25,00,00,000
Total Post Merger Authorised Share Capital of the Transferee Company (A+B)		13,60,94,71,940

B. POST MERGER PAID-UP SHARE CAPITAL OF THE COMPANY

Paid-Up Share Capital of Transferee Company	Amount (Rs.)	Amount (Rs.)
A. Pre-Merger - Issued, Paid-up & Subscribed 16,36,97,694 Equity Shares of Rs.10/- each, fully paid-up		
i. Add: Issuance of 1,17,22,50,000 Equity Shares of Rs.10/- each, fully paid (<i>Consideration as per Clause 13.1 of Part B of the Scheme</i>) *	11,72,25,00,000	
<i>Resultant Issued, Paid-up and Subscribed Equity Share Capital of Rs.13,35,94,71,940, comprising 1,33,59,47,194 Equity Shares of Rs.10/- each</i>		
ii. Less: Cancellation and extinguishment of 1,28,28,88,145 Equity Shares of Rs.10/- each, pursuant to Clause 19 in Part C of the Scheme	(12,82,88,81,450)	
B. Post Merger – Issued, Paid-up & Subscribed 5,30,59,049 Equity Shares of Rs.10/- each, fully paid-up (A+i-ii)		53,05,90,490
C. 24,35,000 7% Cumulative Redeemable Preference Shares of Rs.100/- each		24,35,00,000
Total Paid-up Share Capital of the Transferee Company - Post Merger and Capital Re-organisation / Reduction as per the Scheme (B+C)		77,40,90,490

* 521 equity shares of Rs.10/- each credited as fully paid-up of Transferee Company for every 100 equity shares of Rs.10/- each fully paid-up held by such equity shareholder in Transferor Company ("Merger Shares").

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, 2022, none of the Directors of the Company hold shares of the Company in their individual capacity.

During the year, TML Distribution Company Limited, held 100,000,000 Unrated, Unlisted, Unsecured, 5% Coupon bearing Compulsorily Convertible Debentures ('CCDs') of face value Rs.10/- each, which upon approval of the Scheme of Arrangement stood cancelled with effect from April 1, 2021, the appointed date of Scheme.

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 Sameer Maheshwari that functionally reports to the Chairman of the Audit Committee, thereby maintaining its objectivity. Internal audit was conducted during FY21-22 as per internal audit plan adopted at the beginning of the financial year.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, secretarial auditors and external consultant(s), including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the year.

HUMAN RESOURCES

An organization is as good as its people. Employees are the most valuable asset for any organization and hence a constant and continuous effort has been made to attract, retain and develop the best talent to achieve 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.

The Company observed cordial employee relations during the year.

PREVENTION OF SEXUAL HARASSMENT

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

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

FIXED DEPOSITS

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

ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2021-22 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 Tata Motors Limited in accordance with the provisions of the Indian Accounting Standards.

During the year, the Company's wholly owned subsidiary, 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 share capital of Rs.20,000 crores and paid-up share capital of Rs.9,41,715 lakhs, carrying on the business of analytics, became a direct subsidiary of Tata Motors Limited with effect from January 1, 2022, consequent to a Scheme of Arrangement approved by the Hon'ble NCLT between Tata Motors Limited and TML Business Analytics Services Limited.

BOARD OF DIRECTORS

Sr. No.	Name of Director	DIN	Category	Sitting Fees (Rs.)*	Date of Appointment	Date of Cessation
1.	Mr Vijay Somaiya	03185227	Non-Executive Director	Nil	January 17, 2014	March 25, 2022
2.	Ms Smriti Goyal	08488684	Non-Executive Director	Nil	June 20, 2019	April 30, 2021
3.	Mr Shyam Mani	00273598	Managing Director	Nil	June 20, 2019	April 30, 2021

Sr. No.	Name of Director	DIN	Category	Sitting Fees (Rs.)*	Date of Appointment	Date of Cessation
4.	Mr Ravindra Kumar G P	07108426	Non-Executive Director	Nil	May 1, 2021	-
5.	Mr G V Ramanan	01446016	Non-Executive Director	Nil	June 27, 2021	-
6.	Dr Vaijayanti Pandit	06742237	Independent Director	5,90,000	July 1, 2021	-
7.	Mr Nagaraj Ijari	09390579	Independent Director	2,20,000	January 21, 2022	-

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

The aforementioned table summarises the 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, 2022, the Board of Directors comprises of 2 Non-Executive Directors (NEDs) and 2 Independent Directors (IDs), namely, Mr Ravindra Kumar GP, NED and Board Chairman, Mr G V Ramanan, NED, Dr Vaijayanti Pandit, ID and Mr Nagaraj Ijari, Additional ID.

On the recommendation of the Nomination & Remuneration Committee of the Company, the Board of Directors at their meeting held on January 21, 2022, approved the appointment of Mr Nagaraj Ijari, as an Additional Independent Director, for a tenure of 3 years, commencing from January 21, 2022 upto January 20, 2025. The appointment of Mr Ijari, as an Independent Director shall be regularized at the forthcoming AGM of the Company.

Furthermore, on the recommendation of the Nomination & Remuneration Committee of the Company, the Board of Directors at their meeting held on March 28, 2022, accepted the letter of resignation dated March 25, 2022, tendered by Mr Vijay Somaiya, as a Non-Executive Director of the Company.

Dr Pandit and Mr Ijari, our IDs have given a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act. In accordance with the provisions of Section 149(8) of the Act, the IDs have abided with the Code of Independent Directors prescribed under Schedule IV of the Act. As a good governance practice, the Board has adopted the Tata Code of Conduct, which represents the values and core principles that guide the conduct of every Tata business. The ethical standards laid down under the Code are adhered to by all Tata Colleagues, including Directors and Key Managerial Personnel of the Company.

The Board of Directors is of the opinion that both the Independent Directors of the Company are persons of integrity, possessing relevant expertise / experience, including proficiency and fulfilling the conditions specified in the Act for appointment as Independent Directors and are independent of the Management.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr Ravindra Kumar GP, 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 51st AGM, scheduled to be held on June 30, 2022.

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 Shyam Mani, Managing Director (from June 20, 2019 till April 30, 2021);
- Ms Smriti Goyal, Chief Financial Officer (from May 1, 2021);
- Ms Arati Desai, Manager & Chief Executive Officer (from May 1, 2021 upto January 24, 2022);
- Mr Ravindra Pethe, Manager & Chief Executive Officer (from January 25, 2022); 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 Ms Arati Desai, as a KMP of the Company functioning in the capacity of a Manager & Chief Executive Officer with effect from January 24, 2022, consequent to her appointment as an employee in another Tata Group Company.

Furthermore, based on an organisational announcement dated January 11, 2022 of TML, the holding company and the recommendation of the Nomination & Remuneration Committee of the Company, the Board of Directors at its meeting held on January 21, 2022, approved the appointment of Mr Ravindra Pethe as a KMP of the Company to function in the capacity of a Manager & Chief Executive Officer of the Company with effect from January 25, 2022.

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 January 21, 2022, approved, the appointment of Mr Pethe, as a KMP of the Company, to perform in the capacity of Manager & Chief Executive Officer ('CEO') on an whole time employment basis, taking into consideration a brief profile of Mr Pethe. Mr Pethe's appointment would be on the below mentioned terms and conditions:

- a. Tenure of Appointment: 3 years commencing from January 25, 2022 upto January 24, 2025;
- b. Nature of Duties: Mr Pethe, an employee of the Company, is proposed to be appointed as the Manager and CEO, by Tata Motors Limited, the holding company of the Company, vide organizational announcement dated January 11, 2022, a copy of which duly initialed by the Company Secretary, was tabled before the NRC. Mr Pethe shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him, subject to the superintendence, control and direction of the Board of Directors and shall be responsible for the overall Management of the Company and vested with substantial powers of management which are in connection with and in the best interest of the business of the Company and the business of its subsidiary, including performing duties as assigned by the Board from time to time by serving on the Board of such subsidiary or any other executive body or any committee of such a company, as may be deemed appropriate.
- c. Remuneration: His appointment shall be on existing terms and conditions entered into by him with the Company, including payment of managerial remuneration, which shall be within the limits permissible under Section 197 read together with Section II of Part II of Schedule V of the Companies Act, 2013 ('the Act') and any other enabling provisions of the Act and the Rules framed thereunder, as detailed below:
 - **Basic Salary:** Rs.23,52,000/- per annum; upto a maximum of Rs.31,30,512/- 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 20% of the Basic Salary as may be decided by the Board in the above manner.

- 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: 135% of Basic Salary
 - 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 95% of Basic Salary per annum upto a maximum of 145% of Basic Salary per annum. This Performance Linked Bonus would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board which will be payable 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 Mr Pethe, 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 his spouse and/or children, in any selling agency of the Company.
- iii. This appointment may be terminated by either party by giving to the other party 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 he is required to render services; or
 - in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Manager & CEO, of any of the stipulations of his terms of appointment; or
 - in the event the Board of Directors expresses its loss of confidence in the Manager & CEO.
- v. In the event the Manager & CEO is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his appointment on such terms as the Board may consider appropriate in those circumstances.
- vi. Upon the termination by whatever means of employment of the Manager & CEO:
- the Manager & CEO shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trust connected with the Company.
 - the Manager & CEO shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or its subsidiary company.
- vii. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the 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 and Mr Ravindra Pethe, none of the KMPs receive any remuneration from the Company. Given below are certain details pertaining to the payment of Managerial Remuneration to Ms Desai and Mr Pethe for FY21-22, on a *pro rata* basis, during their respective tenure as the Manager and CEO of the Company:

(In ₹)

Particulars	Remuneration Paid / Payable for FY21-22	
	Ms Arati Desai	Mr Ravindra Pethe
	From May 1, 2021 to January 24, 2022	From January 25, 2022 to March 31, 2022
Basic Salary	21,42,366.38	4,29,907.25
Benefits, Perquisites and Allowances	43,85,888.48	9,22,692.31 ⁽¹⁾
Commission, Bonus and Performance Linked Incentive Remuneration (Variable Pay)	14,53,519.55	-
Retirement Benefits ⁽²⁾	2,57,083.97	51,588.87
Stock Option / Sweat Equity	-	-
Total Remuneration	82,38,858.38⁽³⁾	14,04,188.43⁽⁴⁾

(1) Includes leave encashment of Rs.77,840.80

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

(3) Total remuneration paid / payable is as per provisions of Section 198 read with Schedule V of the Act and in accordance with the Special Resolution passed by the Shareholders' at the 50th AGM held on September 27, 2021.

- (4) Total Remuneration paid / payable is as per provisions of Section 198 read with Schedule V of the Act and will be subject to the passing of a Special Resolution by the Shareholders' at the 51st AGM scheduled to be held on June 30, 2022, upto which period the remuneration paid, shall be held in trust by Mr Pethe.

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.

For details on sitting fees paid to Independent Directors for FY21-22, kindly refer to "**Boards of Directors**" section of this Board's Report. No commission is paid to the Directors for FY21-22.

CORPORATE GOVERNANCE – DISCLOSURES

Pursuant to the provisions of Schedule V of the Companies Act, 2013 and consequent to the appointment of Mr Ravindra Pethe as the Manager & CEO of the Company for a period of 3 years commencing from January 25, 2022 and for the details pertaining to all elements of the Manager

& CEO's remuneration package, including details of the fixed component and performance linked incentives along with the performance criteria, as well as the terms of the service contract, notice period, severance fees, if any, you are requested to kindly refer to the "**Key Managerial Personnel**" section of the Board's Report read with details contained in **Annexure 2** of the Board's Report.

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

BOARD EVALUATION

Pursuant to the provisions of the Act, the Board carries out an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees through structured self-assessment questionnaires and meetings.

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

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

This is followed up by a Board meeting, at which the feedback received from the Directors on the performance of the Board, its Committees and individual Directors is discussed. The Board discusses the relevant feedback received from the Directors with respect to the management on certain areas of improvement that the management could undertake for having a more cohesive and effective Board.

The Board Evaluation for FY21-22 was conducted on March 28, 2022. Also during FY21-22, a separate meeting of Independent Directors was held on March 28, 2022, as mandated under Schedule IV of the Act, wherein performance of Non-Independent Directors, performance of the Board as a whole and performance of the Board Chairman was evaluated, taking into account the views of Non-Executive Directors. Dr Pandit and Mr Ijari were both present for this Annual Independent Directors Meeting held on March 28, 2022.

BOARD MEETINGS

During the year, 6 Board meetings were held on June 30, 2021, September 23, 2021, September 30, 2021, October 22, 2021, January 21, 2022 and March 28, 2022. 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 Ravindra Kumar G P	Non-Executive Chairman	6
2	Mr G V Ramanan	Non-Executive Director	6
3	Mr Vijay Somaiya ⁽¹⁾	Non-Executive Director	5
4	Dr Vaijayanti Pandit	Independent Director	5
5	Mr Nagaraj Ijari ⁽²⁾	Independent Director	2

(1) Resigned as a Director with effect from March 25, 2022

(2) Appointed as an Additional Independent Director with effect from January 21, 2022.

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

COMMITTEES OF BOARD

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

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

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

A. AUDIT COMMITTEE

The Audit Committee is constituted and functions, in accordance with the provisions of Section 177 of the Act. As on March 31, 2022, the Audit Committee comprises of 2 Independent Directors and 1 Non-Executive Director, namely, Mr G V Ramanan, as Committee Chairperson, Dr Vaijayanti Pandit and Mr Nagaraj Ijari as Members, all of whom are financially literate having relevant finance and/or audit exposure. The quorum of the Committee is two members or one-third of its members, whichever is greater. The Chairperson of the Audit Committee briefs the Board members about the significant discussions at the Audit Committee meetings.

During the year, the Committee held 4 meetings on September 23, 2021, October 22, 2021, January 21, 2022 and March 28, 2022. The Chairperson of the Audit Committee also attended the last AGM of the Company. The composition of the Audit Committee during the year under review and attendance at its meetings is as follows:

Sr. No.	Name	Chairman/ Members	Meetings Attended
1	Mr G V Ramanan	Non-Executive Chairman	4
2	Mr Ravindra Kumar G P ⁽¹⁾	Non-Executive Director, Member	4
3	Dr Vaijayanti Pandit	Independent Director, Member	4
4	Mr Nagaraj Ijari ⁽²⁾	Independent Director, Member	1

(1) Ceased to be a Member of the Committee with effect from March 28, 2022

(2) Appointed as Member of the Committee with effect from January 21, 2022

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.tmbssl.com.

B. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") of the Board, is constituted and functions, in accordance with the provisions of Section 178 of the Act. As on March 31, 2022, the Committee comprised of 1 Non-Executive Director and 2 Independent Directors. The quorum of the Committee is two members or one-third of its members, whichever is greater. The Chairperson of the NRC briefs the Board members about the significant discussions that transpired at the Committee meetings.

During the year, the Committee held 2 meetings on January 21, 2022 and March 28, 2022. The Chairperson of the Committee also attended the last AGM of the Company. The composition of the NRC as on March 31, 2022 and attendance at its meetings is as follows:

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

(1) Ceased to be a Member of the Committee with effect from March 28, 2022

(2) Appointed as Member of the Committee with effect from January 21, 2022

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 January 21, 2022, has formulated and recommended the adoption of a revised CSR Policy to the Board of Directors for FY21-22. The Board of Directors at its meeting held on January 21, 2022 adopted the revised 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 FY21-22. As on March 31, 2022, the Committee comprised of 1 Non-Executive Director and 2 Independent Directors. The quorum of the Committee is two members or one-third of its members, whichever is greater. The Chairperson of the CSR Committee briefs the Board members about the significant discussions that transpired at the Committee meetings.

During the year, the Committee held 1 meeting on January 21, 2022. The Chairperson of the Committee also attended the last AGM of the Company. The composition of the CSR Committee as on March 31, 2022 and attendance at its meeting is as follows:

Sr. No.	Name	Chairman/ Members	Meetings attended
1	Dr Vaijayanti Pandit	Independent Director, Chairperson	1
2	Mr Ravindra Kumar G P ⁽¹⁾	Non-Executive Director, Member	1
3	Mr G V Ramanan	Non-Executive Director, Member	1
4	Mr Nagaraj Ijari ⁽²⁾	Independent Director, Member	0

(1) Ceased to be a Member of the Committee with effect from March 28, 2022

(2) Appointed as Member of the Committee with effect from January 21, 2022

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, (ICAI Firm Registration No. 101248W/W-100022) 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.

It is proposed to re-appoint M/s. BSR & Co. LLP, as Statutory Auditors of the Company for a second consecutive term of 5 years, subject to receipt of shareholders' approval at the forthcoming AGM of the Company. 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 re-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
<p>During the previous year ended March 31, 2021, the Company had written back allowance for trade receivables amounting to Rs.966.20 lakhs in the statement of profit and loss, which included 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, auditors were unable to comment whether the write back of provision for doubtful debts was being recorded in the appropriate period, consequently its impact on the statement of profit and loss in the previous period. The current period's financial statements for the year ended March 31, 2022 with respect to the aforementioned matter were also modified, because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.</p>	<p>The Company had made necessary adjustments in FY20-21. However, this qualification continued in FY21-22 because the current period's financial statements for the year ended March 31, 2022, with respect to this subject matter were also modified, because of the possible effect on the comparability of financial statements of FY20-21 and FY21-22.</p> <p>Since then Company is focusing on improving its Internal Controls as well as processes and has adhered to building a strong control framework. There is no new qualification.</p>

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 FY21-22.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS, BY THE COMPANY

During FY21-22 the Company has not obtained any Loans, Guarantees or Investments.

Furthermore, during FY21-22 the Company has not given any loans, guarantees or made any investments in any other Company, other than investment by way of Inter Corporate Deposits given to Tata Motors Limited and to Tata Precision Industries (India) Limited, pursuant to the provisions of Section 186 of the Act as mentioned in the notes to accounts.

SECRETARIAL STANDARDS

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

PARTICULARS OF EMPLOYEES

A statement containing the particulars of top 10 employees and employees drawing remuneration of more than 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 : May 9, 2022
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 : May 9, 2022
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 : May 9, 2022
Place : Mumbai

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

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

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

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

In order to leverage the demographic dividend of our country, the Company’s CSR efforts shall focus on Health, Education, Employability and Environment interventions for relevant target groups, ensuring diversity and giving preference to needy and deserving communities inhabiting urban India. The Company shall also develop a CSR annual action plan covering details of the program, manner of execution, modality of utilization, monitoring and reporting mechanism, and impact assessment, wherever applicable.

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

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

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

Date : May 9, 2022
Place : Mumbai

Mr Ravindra Kumar GP
Board Chairperson
DIN: 07108426

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

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

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

Abbreviation	Description
DIR	Direct: TML Business Services Limited
TIAI	Through Implementation Agency Internal: Company promoted Trust, Society
TIAE	Through Implementation Agency External: NGOs - Trusts, Societies, Section 8 Companies, Academic & Research Institutes, Skill Development Agency, Other Resource Agencies
BP	Business Partners: Dealers, Vendors, Service Providers
GOVT	Government Agencies (Both Central and State)

NOTE : 1. * TATA Affirmative Action Program (TAAP) is focused on reducing inequalities faced by socially backward groups (Ref. Sr. No. iii of Schedule VII of the Companies Act, 2013)

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

ANNUAL REPORT ON CSR ACTIVITIES

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

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. Brief Outline of CSR Policy of the Company:

(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, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized; focused on inter alia the Scheduled Castes and Scheduled Tribes, and the society at large. In order to leverage the demographic dividend of our country, the Company's CSR efforts shall focus on Health, Education, Environment 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 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.

Weblink for the CSR Policy of the Company: <https://www.tmlbsl.com/wp-content/themes/tmlbsl/pdf/Corporate-Social-Responsibility-Policy.pdf>

(ii) **CSR Projects:** 1. Aarogya (Health): Addressing child malnutrition; health awareness for females; preventive & curative health services and institutional strengthening, drinking water projects; 2. Vidyadhanam (Education): Scholarships; Special coaching classes for secondary school students; IIT-JEE & competitive exams coaching, school infrastructure improvement; co-curricular activities; financial aid to engineering students, 3. Kaushalya (Employability): Divers training – novice and refresher; ITI partnership & allied-auto trades; Motor Mechanic Vehicle (MMV); Training in retail, hospitality, white goods repair, agriculture & allied trades; 4. Vasundhara (Environment): Tree plantation, environmental awareness for school students. 5: Rural Development such as Integrated Village Development Programme (IVDP) in partnership with Sahabhag - CSR cell of Government of Maharashtra.

However, the Company was not liable to undertake any CSR Projects during FY21-22, due to non-profitability during the last 3 financial years.

2. The Composition of the CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr Vaijayanti Pandit	Non-Executive, Independent Director, Chairperson of the Committee	1	1
2	Mr Nagaraj Ijari	Independent Director [Member of the Committee from January 21, 2022]	1	NA

Sr. No.	Name of the Director	Designation / Nature of directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
3	Mr G V Ramanan	Non-Executive, Non- Independent Director [Member of the Committee]	1	1
4	Mr Ravindra Kumar G P	Non-Executive, Non- Independent Director [Member of the Committee upto March 28, 2022]	1	1

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

Web-link for Composition of CSR committee:

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

Web-link for CSR Policy and CSR Projects, approved by the Board:

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

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of subrule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable, since impact assessment is to be carried out for projects above Rs.1 crores per annum. In FY21-22, none of the CSR projects undertaken fall above the value of Rs.1 crores. Hence no impact assessment was undertaken.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not applicable

Sr. No.	Financial year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
	Not Applicable		

6. Average Net Profit of the company for last three financial years as per Section 135(5): Nil.

7. (a) Two percent of average net profit of the company as per section 135(5): Not applicable in view of loss.

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): Nil

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Vasundhara	Nursery Development	Yes	Maharashtra	Chauk, Shiroshi, Pathardi Village, Jawhar, Block, Palghar District	March 2022	Rs.50 lakhs	Rs.50 lakhs	-	Yes	BAIF Institute of Sustainable Livelihood Development	CSR00000259
2.	Education Intervention in JNVS	Education	No	Bhopal, Patna, Jaipur, Chandigarh, Lucknow		March 2022	Rs.10 lakhs	Rs.10 lakhs	-	Yes	Ex Navodavan Foundation	CSR00000744
	Total						Rs.60 lakhs	Rs.60 lakhs				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Drivers Training	Driver Training Program	Yes	Pan India		Rs.5.91 lakhs	Yes	Hubert Ebnert India Pvt. Limited	-
	Total					Rs.5.91 lakhs			

(d) Amount spent in Administrative Overheads:

(e) Amount spent on Impact Assessment, if applicable: Not applicable

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

(g) Excess amount for set off, if any: Not applicable

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	

Sr. No.	Particular	Amount (in Rs.)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / Ongoing
1								
	Total							

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

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

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

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

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

There was no creation or acquisition of capital assets through the Company's CSR spent during FY21-22.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable in view of loss.

On behalf of the Board of Directors
TML Business Services Limited

TML Business Services Limited

Mr Ravindra Pethe
Manager & Chief Executive Officer
PAN: ABMPP9914B

Dr Vaijayanti Pandit
CSR Committee Chairperson
DIN: 06742237

Date : May 9, 2022
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	IT Services	April 1, 2021 to March 31, 2022	Rs.1.23 Crores	NA	NIL
2	Tata Motors Limited - Holding Company	Rent paid on leased property	To be renewed in FY 2022-23	Rs.1.20 Crores	NA	NIL
3	Tata Motors Limited - Holding Company	Interest received on Inter-corporate Deposits	April 1, 2021 to March 31, 2022	Rs.10.01 Crores	NA	NIL
4	Tata Motors Limited - Holding Company	Cross charges on account of Shared Services provided	April 1, 2021 to March 31, 2022	Rs.0.22 Crores	NA	NIL
5	Tata Motors Limited - Holding Company	Cross charges on account of Employee Medical Insurance Policy	April 1, 2021 to March 31, 2022	Rs.1.98 Crores	NA	NIL
6	Tata Motors Limited - Holding Company	Sale of Services (GDC)	April 1, 2021 to March 31, 2022	Rs.78.84 Crores	NA	NIL
7	Tata Motors Limited - Holding Company	Logistic Support Services	April 1, 2021 to March 31, 2022	Rs.40.49 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 : May 9, 2022
Place : Mumbai

FORM No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To,
The Members,
TML Business Services Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs 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, 2022, 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, 2022 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 and as per the explanations given and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, secretarial standards etc. except filing of Form MR-1 for appointment of Manager.

We further report that:

The Board of Directors of the Company is duly constituted with balance of Executive Directors, Non-Executive Directors. 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 etc.

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 at their meeting held on 30.09.2021 approved for the Scheme of Arrangement between TML Distribution Company Limited and TML Business Services Limited and their respective shareholders.

The Hon'ble National Company Law Tribunal ('Hon'ble NCLT'), Court No. V, Mumbai Bench, in C.P.(CAA) /7MB - V/ 2022 connected with C.A.(CAA)/255/MB-V/2021 passed an order dated 11th March, 2022 ("said Order") sanctioned the Scheme of Arrangement between TML Distribution Company Limited (Transferor Company) and TML Business Services Limited (Transferee Company) and their respective shareholders.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: 09.05.2022

Signature:

Jeenal Jain
ACS No: 43855 CP No: 21246
UDIN: A043855D000289122
PR No.: 1129/2021

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

'Annexure A'

To,
The Members
TML Business Services Limited

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

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

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: 09.05.2022

Signature:

Jeenal Jain
ACS No: 43855 CP No: 21246
UDIN: A043855D000289122
PR No.: 1129/2021

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, 2022

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	53	Permanent	CA Final	27	31-12-2011	Tata Motors Limited	82
2	Ravindra Vasant Pethe	GM, Process Excellence	50	Permanent	ICWA Final	27	24-06-1995	Tata Motors Limited	76
3	Dr Pradeep Chatterjee	GM, Digital Transformation	50	Permanent	Phd	27	04-01-2019	Tata Motors Limited	76
4	Achal Paliwal	General Manager,	55	Permanent	PGDM, AMIE (Mech)	36	09-06-2016	Tata Motors Limited	66
5	Subbarayan Prabhu Krishnan	GM, Finance	44	Permanent	Chartered Accountant	16	14-04-2021	GENPACT India	62
6	Sameer Maheshwari	GM, Internal Audit	43	Permanent	Chartered Accountant	6	15-02-2021	EY LLP	61
7	Pratap Shankarrao Shinde	DGM, Transition	51	Permanent	Master of Management Science - Management	27	28-09-1995	Tata Motors Limited	58
8	Balaji Parthasarathy	GM, Hire to Retire	45	Permanent	Bachelor of Commerce	12	15-06-2021	Capgemini	46
9	Nisar Ibrahim Mulani	DGM, DT Order to Cash Projects	50	Permanent	MBA	25	19-11-2007	Damler Chrysler Pvt Ltd, Sales & Marketing	46
10	Dhanu Kumar	GM, Indirect Taxation	54	Permanent	ICWA Final	27	21-12-1994	Tata Motors Limited	46

* Employment ceased on 25-01-2022

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 : May 9, 2022
Place : Mumbai

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 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 on the corresponding figures for the matter described in the Basis for Qualified Opinion section, the aforesaid financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

During the previous year ended 31 March 2021, the Company had written back allowance for trade receivables amounting to INR 966.20 lakhs in the statement of profit and loss, which included an adjustment of INR 827.46 lakhs of old advances from customers with the carrying value of trade receivables. In the absence of sufficient appropriate audit evidence, we were unable to comment whether the write back of provision for doubtful debts was being recorded in the appropriate period, consequently its impact on the statement of profit and loss for the previous year and the corresponding figures. Our audit opinion on the financial statements for the year ended 31 March 2021 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 obtained by us, is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

TML Business Services Limited

Independent Auditors' Report on Financial Statements – 31 March 2022 (*continued*)

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 auditor's report thereon.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

TML Business Services Limited

Independent Auditors' Report on Financial Statements – 31 March 2022 (continued)

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

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

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

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

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

TML Business Services Limited

Independent Auditors' Report on Financial Statements – 31 March 2022 (*continued*)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) Except for the possible effects of matter described in *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 matter described in *Basis for Qualified Opinion* paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) Except for the possible effects of matter described in *Basis for Qualified Opinion* paragraph above, the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) Except for the possible effects of matter described in *Basis for Qualified Opinion* paragraph above, in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) The matter described in *Basis for Qualified Opinion* paragraph, 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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 25 to the financial statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

TML Business Services Limited

Independent Auditors' Report on Financial Statements – 31 March 2022 (continued)

Report on Other Legal and Regulatory Requirements (continued)

d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note 34(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company **Error! Bookmark not defined.** or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 34(6) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

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

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

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

Place: Mumbai
Date: 12 May 2022

Kalpesh Khandelwal
Partner
Membership No. 133124
UDIN: 22133124AIWYKC3978

TML Business Services Limited

Annexure A to the Independent Auditors' Report on the financial statements of TML Business Services Limited for the year ended 31 March 2022

With reference to Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the Members of the Company on the financial statements for the year ended 31 March 2022, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable to the Company
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (i) (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee, and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (i) (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (i) (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (ii) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

TML Business Services Limited**Annexure A to the Independent Auditors' Report - 31 March 2022 (continued)**

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

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

Particulars	Loans INR crores
Aggregate amount during the year	
- Subsidiaries	-
- Others	78.00
Balance outstanding as at balance sheet date	
- Subsidiaries	-
- Others	203.80

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loan given to Holding Company, is repayable on demand. As informed to us, no repayments were due during the year. Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. Further, in the case of loans given to others, the repayment of principal and payment of interest has been stipulated but no repayments were due during the year. Further, the Company has not given any advance in the nature of loan to any party during the year.

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

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

TML Business Services Limited**Annexure A to the Independent Auditors' Report - 31 March 2022 (continued)**

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

	Related Parties INR crores
Aggregate of loans	
- Repayable on demand (A)	203.80
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	203.80
Percentage of loans/advances in nature of loan to the total loans	100%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company does not have dues on account of Duty of Customs.

TML Business Services Limited

Annexure A to the Independent Auditors' Report - 31 March 2022 (continued)

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

Name of the statute	Nature of the dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
Sales tax laws	Sales tax	6.39	FY 2002-03, 2003-04, 2007-08, 2008-09, 2009-10, 2010-11	High Court
		13.79	FY 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2017-18, 2008-13, 2005-06 to 2008-09 and 2011-14.	Appellate Tribunal
		0.01	FY 2011-12, 2012-13	Commissioner / Commissioner (Appeals)
		0.40	FY 2008-09, 2012-13, 2014-15	Additional Commissioner
		7.28	FY 2011-12, 2013-14, 2014-15	Joint Commissioner
		11.46	FY 2009-10, 2010-11, 2014-15, 2016-17 and 2015-16 to 2017-18.	Deputy Commissioner / Deputy Commissioner (Appeals)
		2.41	FY 2014-15, 2015-16, 2016-17, 2017-18	Assistant Commissioner
Service Tax	Service Tax	8.93	FY 2014-15 to FY 2017-18	Appellate Tribunal

TML Business Services Limited
Annexure A to the Independent Auditors' Report - 31 March 2022 (continued)

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

TML Business Services Limited
Annexure A to the Independent Auditors' Report - 31 March 2022 (continued)

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (c) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

TML Business Services Limited

Annexure A to the Independent Auditors' Report - 31 March 2022 (continued)

- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has six CICs as part of the Group.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

TML Business Services Limited

Annexure A to the Independent Auditors' Report - 31 March 2022 (continued)

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

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

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

Place: Mumbai
Date: 12 May 2022

Kalpesh Khandelwal
Partner
Membership No. 133124
UDIN: 22133124AIWYKC3978

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 2022

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)

Opinion

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

TML Business Services Limited

Annexure B to the Independent Auditors' Report - 31 March 2022 (continued)

Auditors' Responsibility (continued)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

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

Chartered Accountants

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

Kalpesh Khandelwal

Partner

Membership No. 133124

UDIN: 22133124AIWYKC3978

Place: Mumbai

Date: 12 May 2022

TML Business Services Limited
Balance Sheet as at March 31, 2022

Rs in Crores

	Notes	As at March 31, 2022	As at March 31, 2021 (Restated)
I. ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	3	1.60	36.05
(b) Right of use assets	4	14.44	19.03
(c) Other Intangible assets	5	-	-
(d) Financial assets:			
(i) Other Investments	6	0.15	0.15
(ii) Other financial assets	7	3.74	3.73
(e) Deferred tax assets		-	2.46
(f) Income tax assets (net)		24.43	4.58
(g) Other non-current assets	12	25.39	30.10
Total Non-Current Assets		69.75	96.10
(2) Current Assets			
(a) Inventories	9	0.48	1.25
(b) Financial assets:			
(i) Trade receivables	10	50.89	51.22
(ii) Cash and cash equivalents	11	22.54	23.89
(iii) Loans and advances	8	204.87	126.80
(iv) Other financial assets	7	0.18	0.21
(c) Assets classified as held for Sale		34.63	-
(e) Other current assets	12	9.06	58.65
Total Current Assets		322.65	262.02
Total Assets		392.40	358.12
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	13	163.70	163.70
(b) Equity share capital to be issued on merger		1,172.25	1,172.25
(c) Other equity		(1,059.01)	(1,098.50)
Total Equity		276.94	237.45
(2) Liabilities			
Non-Current Liabilities			
(a) Financial liabilities:			
(i) Borrowings	15	24.35	24.35
(ii) Lease liability		9.96	9.39
(b) Provisions-employee benefits		5.98	2.89
(c) Other non-current liabilities-Employee benefits obligations		1.01	-
Total Non-Current Liabilities		41.30	36.63
Current Liabilities			
(a) Financial liabilities:			
(i) Trade payables			
(a) Dues to micro enterprises and small enterprises	18	0.02	0.03
(b) Dues of creditors other than micro enterprises and small enterprises	18	25.82	23.27
(ii) Lease liability		5.48	11.51
(iii) Other financial liabilities	16	23.04	29.88
(b) Provisions-employee benefits		0.27	0.74
(c) Advance received for Assets classified as Assets held for sale		3.12	-
(d) Current tax liabilities (net)		10.77	10.99
(e) Other current liabilities	17	5.64	7.62
Total Current Liabilities		74.16	84.04
Total Liabilities		115.46	120.67
Total Equity and Liabilities		392.40	358.12

Significant accounting policies

2

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

3-39

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

Kalpesh Khandelwal
Partner
Membership No. 133124
UDIN: 22133124AIWYKC3978

Ravindra Kumar G P
(DIN:07108426)
Director

G V Ramanan
(DIN:01446016)
Director

Ravindra Pethe
Chief Executive Officer &
Manager

Smriti Goyal
Chief Financial Officer

Kaynaz Sarbhanwala
Company Secretary
(ACS 34947)

Mumbai, May 9, 2022

Mumbai, May 9, 2022

TML Business Services Limited
Statement of Profit and Loss for the year ended March 31, 2022

		Rs in Crores	
		For the year ended March 31,	
		2022	2021 (Restated)
I.	Revenue from operations	154.99	123.73
II.	Other income	41.17	18.89
III.	Total Income (I+II)	196.16	142.62
IV.	Expenses		
	(a) Changes in inventories of stock-in-trade	0.77	7.98
	(b) Employee benefits expense	83.61	72.88
	(c) Finance costs	3.05	3.46
	(d) Depreciation & amortisation expenses	11.20	11.63
	(e) Other expenses	53.69	45.63
	Total Expenses (IV)	152.32	141.58
V.	Profit before exceptional items and tax (I-IV)	43.84	1.04
VI.	Exceptional Items:		
	(b) Loss on sale of asset (Land and Building)	-	4.11
	(a) Employee Separation Cost	0.09	1.63
VII.	Profit / (Loss) before Tax (V-VI)	43.75	(4.70)
VIII.	Tax expense		
	(a) Current tax	-	12.26
	(b) Deferred tax (credit)/charge	2.91	(2.76)
IX.	Profit / (Loss) After Tax (VII-VIII)	40.84	(14.20)
X.	Other Comprehensive Income:		
	(i) Items that will not be reclassified to profit and loss:		
	Remeasurement gain / (loss) on defined benefit plan (net)	(1.80)	0.33
	(ii) Income tax relating to items that will not be reclassified to profit and loss	0.45	(0.10)
XI.	Total Comprehensive Income / (Loss) for the year (IX+X)	39.49	(13.97)
XII.	Earnings per equity share:		
	(Face value - Rs. 10 each)		
	(i) Basic	2.49	(0.87)
	(ii) Diluted	2.17	(0.87)

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements 3-39

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

Ravindra Kumar G P
(DIN:07108426)
Director

G V Ramanan
(DIN:01446016)
Director

Ravindra Pethe
Chief Executive Officer & Manager

Kalpesh Khandelwal
Partner
Membership No. 133124
UDIN: 22133124AIWYKC3978

Smriti Goyal
Chief Financial Officer

Kaynaz Sarbhanwala
Company Secretary
(ACS 34947)

Mumbai, May 9, 2022

Mumbai, May 9, 2022

TML Business Services Limited
Cash Flow Statement

		(Rs in crores)	
		For the year ended March 31,	
		2022	2021 (Restated)
(A) Cash flows from operating activities			
(Loss) / Profit Before Tax		43.75	(4.70)
Adjustments for:			
Depreciation and amortisation expense		11.20	11.63
Gain on closure / modification of right to use liability		(0.21)	(0.13)
Loss / (Profit) on sale of assets		(0.04)	4.17
Write off/(Write back) of Bad debts/Other Provisions		(4.92)	(11.89)
Allowances made/(written back) for trade & other receivables (net)		(0.13)	(8.83)
Inventory writedown (net)		-	0.56
Finance cost		3.05	3.46
Interest income		(36.25)	(7.00)
Cash flows from operating activities before working capital changes		16.45	(12.73)
Decrease/(Increase) in Inventories		0.77	7.89
(Increase) / Decrease in Trade receivables		0.33	26.94
Increase in Loans and advances		(0.06)	12.34
Other financial assets		0.03	24.49
Decrease / (Increase) in Other current assets		49.59	(9.57)
(Increase) in Other non-current assets		4.71	10.90
(Decrease) / Increase in Trade payables		2.55	(14.07)
Decrease in Other financial liabilities		(6.84)	2.07
(Decrease) / Increase in Provisions		0.83	(4.11)
Decrease in Other current liabilities		(1.98)	(9.05)
Other non-current liabilities		1.01	0.00
Cash generated from operations		67.39	35.11
Income tax paid (net)		(19.02)	(0.11)
Net cash generated by operating activities		48.37	35.00
(B) Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	80.19
Payment on Purchase of GDC Business		-	(10.30)
Investment made		-	(0.15)
Investment in Inter Corporate Deposit (net)		(78.00)	(68.50)
Interest received		37.38	5.61
Advance received from sale of property		3.12	-
Net cash generated / (utilised) by investing activities		(37.50)	6.85
(C) Cash flows from financing activities			
Interest paid		(0.01)	(0.06)
Lease liability paid		(12.21)	(18.15)
(Repayments)/Proceeds of borrowings		-	(1.78)
Net cash (utilised) by financing activities		(12.22)	(19.99)
(D) Net increase in cash and cash equivalents		(1.35)	21.86
Cash and cash equivalents at the beginning of the year i.e. 1st April 2021		23.89	2.03
Cash and cash equivalents at the end of the period i.e. 31st March 2022		22.54	23.89

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

Kalpesh Khandelwal
Partner
Membership No. 133124 UDIN: 22133124AIWYKC3978

Ravindra Kumar G P
(DIN:07108426)
Director

G V Ramanan
(DIN:01446016)
Director

Ravindra Pethe
Chief Executive Officer
& Manager

Smriti Goyal
Chief Financial Officer

Kaynaz Sarbhanwala
Company Secretary
(ACS 34947)

Mumbai, May 9, 2022

Mumbai, May 9, 2022

TML Business Services Limited
Statement of Changes in Equity for the period ended March 31, 2022

(A) Equity share capital

Rs in Crores

Particulars	Balance As at April 01, 2021	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance As at March 31, 2022
TATA Motors Limited	163.70	-	163.70	-	163.70

Particulars	Balance As at April 01, 2020	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance As at March 31, 2021
TATA Motors Limited	163.70	-	163.70	-	163.70

(B) Other equity

Rs in Crores

Particulars	Equity portion of compound instrument	Reserves and surplus					Total
		Securities premium account	Merger Deficit adjustment account	Retained earnings			
				General reserve	Undistributable (IND AS 101)	Distributable	
Balance as at April 1, 2020	80.48	18.97	6.86	9.43	92.04	(372.10)	(164.32)
Opening balance sheet adjustment pursuant to merger (Refer note i & ii)	(80.48)	-	(947.24)	-	-	110.85	(916.87)
Revised balance as at April 1, 2020	-	18.97	(940.38)	9.43	92.04	(261.25)	(1,081.19)
Adjustment for undistributable reserve (Refer note iii)	-	-	-	-	(67.88)	67.88	-
Profit for the year	-	-	-	-	-	(14.20)	(14.20)
Other comprehensive income	-	-	-	-	-	0.23	0.23
Common control merger adjustments (Refer note iv)	-	-	(3.34)	-	-	-	(3.34)
Balance as at March 31, 2021	-	18.97	(943.72)	9.43	24.16	(207.34)	(1,098.50)
Balance as at April 1, 2021	-	18.97	(943.72)	9.43	24.16	(207.34)	(1,098.50)
Profit for the period	-	-	-	-	40.84	-	40.84
Other comprehensive income	-	-	-	-	-	(1.35)	(1.35)
Balance as at March 31, 2022	-	18.97	(943.72)	9.43	24.16	(167.85)	(1,059.01)

Notes

i) During the year pursuant to order issued by NCLT dated March 11, 2022 and Appointed date as April 1, 2021, TML Distribution Co Ltd has been merged with the Company. As per scheme of arrangement 521 equity shares of Rs.10 each to be credited as fully paid up of Transferee Company for every 100 Equity shares of Rs.10 each fully paid up held by such equity shareholder in Transferor Company (TML Distribution Co Ltd).

ii) Opening balance sheet adjustments includes adjustment related to Compulsory Convertible Debentures. Amount of Rs.25.05 Crores adjusted in distributable profits

iii) 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.

iv) 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 3-39

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

Kalpesh Khandelwal
Partner
Membership No. 133124
UDIN: 22133124AIWYKC3978

Ravindra Kumar G P
(DIN:07108426)
Director

G V Ramanan
(DIN:01446016)
Director

Ravindra Pethé
Chief Executive Officer &
Manager

Smriti Goyal
Chief Financial Officer

Kaynaz Sarbhanwala
Company Secretary
(ACS 34947)

Mumbai, May 9, 2022

Mumbai, May 9, 2022

1 Background and operations

TML Business Services Limited ('TMLBSL') is engaged in the business of providing accounting and business support services to the group companies. The Company is developing skills based on various verticals including Procure to Pay, Order to Cash, Hire to Retire and high end knowledge based verticals like Record to Report, Taxation and Digital and Innovation which are in line with Tata Motors group initiative.

During the year pursuant to order issued by NCLT dated March 11, 2022 with Appointed date of April 1, 2021, TML Distribution Co Ltd (Transferee company) has been merged with the Company. Transferee Company was engaged in providing outbound logistics of vehicles and allied activities to Tata Motors Limited.

With this merger common core objective of the Company, i.e. providing shared or support services, significant operational synergies stand to be gained.

The financial statements were authorised for issue by the Company's Board of Directors on May 9, 2022.

2 Basis of preparation

(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 May 09, 2022.

(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 Crores, unless otherwise indicated.

b Significant accounting policies

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

(iii) 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

(iv) Going concern

The Company is providing services mainly to Tata Motors group of companies which it intends to carry on in the foreseeable future. During the year, pursuant to the NCLT order, TML Distribution Co Ltd got merged with the Company and financials are prepared on combined basis. The Company has a net current assets of Rs.207.80 crores as at March 31, 2022, which includes cash balance of Rs.22.54 crores. Based on the business from group companies in foreseeable future, the financial statements have been prepared on a "Going concern" basis .

(v) Covid-19

The World Health Organisation in February 2020 declared COVID 19 as a pandemic.

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 but not limited to assessment of liquidity and going concern, 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.

(vi) Revenue recognition

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

a) Sale of services

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

b) Interest Income

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

(vii) Cost recognition

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

(viii) Provisions and Contingent Liabilities

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

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

(ix) Income taxes

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

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

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

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

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

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

(x) Earnings per share

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

(xi) 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.

Leasehold improvements purchased during the year are depreciated over the term of lease.

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

(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

(xii) **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

(xiii) **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.

(xiv) **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 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 basic salary or 30% of total fixed pay, whichever is higher, drawn at the time of death or accident or a specified amount, whichever is greater. We account for the liability for BKY benefits payable in the future based on an actuarial valuation.

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.

(xv) **Segments**

The Company is primarily engaged in the business of providing support services to Tata Motors Ltd & its Subsidiaries. During the year, outbound logistics and allied services were also added pursuant to the scheme of merger of TML Distribution Co Ltd with the Company. These in the context of Ind AS 108 - operating segments reporting was considered to constitute one reportable segment.

(xvi) **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.

Foreign Currency Transactions and Translation: These financial statements are presented in Indian rupees, which is the functional currency of TML Business Services Limited. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on

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.

(xx) Recent accounting pronouncements

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

(a) Ind AS 103 - Reference to Conceptual Framework

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

(b) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

(c) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

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

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

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

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding

the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company is assessing the impact of these changes and will accordingly incorporate the same for the financial statements for the year ended March 2023.

TML Business Services Limited
Notes forming part of the Financial Statements for the period ended March 31, 2022

3. Property, plant and equipment

Rs in Crores

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	
Gross Block												
At April 1, 2020	101.03	3.67	19.30	0.61	5.51	0.02	1.99	1.74	0.09	2.99	0.09	137.03
Adjustment (Refer note below)	-	-	(0.07)	0.65	(1.26)	-	(0.59)	(0.31)	0.06	0.51	(0.09)	(1.09)
Disposals	(79.72)	-	(5.89)	-	(1.19)	-	(0.05)	(0.47)	(0.07)	(1.07)	-	(88.48)
At March 31, 2021	21.31	3.67	13.34	1.26	3.05	0.02	1.35	0.96	0.08	2.42	-	47.46
At April 1, 2021	21.31	3.67	13.34	1.26	3.05	0.02	1.35	0.96	0.08	2.42	-	47.46
Additions	-	-	0.26	-	-	-	0.12	0.62	-	-	-	1.00
Disposals / Adjustment	-	-	-	-	(1.89)	(0.02)	(0.04)	0.40	-	(0.34)	-	(1.89)
Assets classified as held for sale (Refer note 31)	(21.31)	(3.67)	(13.14)	(1.26)	-	-	-	-	-	-	-	(39.39)
At March 31, 2022	-	-	0.46	-	1.16	-	1.43	1.98	0.08	2.08	-	7.18
Accumulated Depreciation												
At April 1, 2020	-	-	5.45	0.34	5.06	0.01	1.53	1.39	0.09	2.05	0.09	16.01
Depreciation for the year	-	-	0.56	0.06	0.08	-	0.20	0.03	0.00	0.25	-	1.18
Adjustment	-	-	0.21	0.25	(1.06)	0.00	(0.62)	(0.06)	(0.01)	0.33	(0.09)	(1.05)
Disposals	-	-	(2.30)	-	(1.21)	-	0.00	(0.53)	0.00	(0.68)	-	(4.73)
At March 31, 2021	-	-	3.92	0.65	2.87	0.01	1.11	0.83	0.08	1.95	-	11.41
At April 1, 2021	-	-	3.92	0.65	2.87	0.01	1.11	0.83	0.08	1.95	-	11.41
Depreciation for the period	-	-	0.22	0.03	0.03	-	0.14	0.13	-	0.21	-	0.76
Disposals / Adjustment	-	-	-	-	(1.74)	(0.01)	(0.01)	0.20	(0.00)	(0.27)	-	(1.83)
Assets classified as held for sale (Refer note 31)	-	-	(4.08)	(0.68)	-	-	-	-	-	-	-	(4.76)
At March 31, 2022	-	-	0.06	-	1.16	0.00	1.24	1.16	0.08	1.89	-	5.58
Net Block as at March 31, 2022	-	-	0.40	-	0.00	(0.00)	0.19	0.82	-	0.19	-	1.60
Net Block as at March 31, 2021	21.31	3.67	9.42	0.61	0.18	0.01	0.24	0.13	-	0.47	-	36.05

Note: During the previous year, the Company had 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 period ended March 31, 2022

4. Right of Use Assets

Rs in Crores

Particulars	Taken on Lease				Total
	Furniture and fixtures	IT Assets	Leasehold Premises	Lease Cars	
Gross Block					
At April 1, 2020	4.31	1.08	6.68	-	12.07
Assets acquired on merger of TML Distribution Company Limited with TML Business Services Limited (Refer note 31)	-	-	22.09	-	22.09
Restated balance as at April 1, 2020	4.31	1.08	28.77	-	34.16
Adjustments	-	-	(6.68)	-	(6.68)
Additions	-	-	13.53	-	13.53
At March 31, 2021	4.31	1.08	35.65	-	41.05
At April 1, 2021	4.31	1.08	35.65	-	41.05
Additions	-	-	2.35	2.52	4.87
At March 31, 2022	4.31	1.08	38.00	2.52	45.92
Accumulated Amortisation					
At April 1, 2020	3.23	0.68	3.82	-	7.73
Assets acquired on merger of TML Distribution Company Limited with TML Business Services Limited (Refer note 31)	-	-	15.72	-	15.72
Restated balance as at April 1, 2020	3.23	0.68	19.54	-	23.45
Adjustments	-	-	(3.82)	-	(3.82)
Amortisation for the year	0.86	0.40	1.13	-	2.39
At March 31, 2021	4.09	1.08	16.85	-	22.02
At April 1, 2021	4.09	1.08	16.85	-	22.02
Additions	-	-	(0.98)	-	(0.98)
Amortisation for the period	0.21	-	10.06	0.16	10.44
At Mar 31, 2022	4.30	1.08	25.93	0.16	31.48
Net Block as at Mar 31, 2022	0.00	-	12.08	2.35	14.44
Net Block as at March 31, 2021	0.21	-	18.81	-	19.03

Note -

a) The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are 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%.

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

TML Business Services Limited
Notes forming part of the Financial Statements for the period ended March 31, 2022

5. Other intangible assets

Particulars	Rs. In Crores
Gross Block	
At April 1, 2020	1.77
Additions	-
At March 31,2021	1.77
At April 1, 2021	1.77
Additions	-
At March 31,2022	1.77
Accumulated amortisation	
At April 1, 2020	1.77
Amortisation for the year	-
At March 31,2021	1.77
At April 1, 2020	1.77
Amortisation for the year	-
At March 31,2022	1.77
Net Block as At March 31,2022	-
Net Block as at March 31, 2021	-

TML Business Services Limited
Notes forming part of the Financial Statements for the period ended March 31, 2022

6 Other Investments

Non-Current

Unquoted

Investment in Equity shares measured at fair value through other comprehensive Income
Tata Motors Passenger Vehicles Company Limited (earlier known as TML Business
Analytics Service Limited) -150,000 shares of Rs. 10 each (As on March 31, 2021-150,000
shares of Rs. 10 each)

Rs. In Crores	
As at	As at
March 31,2022	March 31,2021
0.15	0.15

Rs. In Crores

7 Other financial assets

Non-current

- (a) Lease deposits for commercial premises
 - i) Unsecured, considered good
 - ii) Credit Impaired
- (b) Other deposits (Telephone, Electricity etc.)
 - i) Considered good
 - ii) Credit Impaired
- (c) Restricted Deposits with banks

Rs. In Crores	
As at	As at
March 31,2022	March 31,2021
1.63	0.22
1.34	1.42
0.28	1.68
0.55	0.55
1.83	1.83
5.63	5.70
(1.89)	(1.97)
3.74	3.73

Less: Allowances for Credit Impaired balances

Total

TML Business Services Limited
Notes forming part of the Financial Statements for the period ended March 31, 2022

8 Loans and advances

Current

- (a) Inter corporate deposits:
 - Tata Motors Limited (Refer note below)
 - Tata Precision Industries (India) Limited
- (b) Advances and other receivables
 i) Considered good
 ii) Credit Impaired

Less: Allowances for Credit Impaired balances

Total

Out of total Inter corporate deposits of Rs. 200 crores with Tata Motors Limited, redemption request for Rs. 137.5 crores is placed

Rs. In Crores	
As at	As at
March 31,2022	March 31,2021
200.00	122.00
3.80	3.80
1.07	1.00
0.60	1.27
205.47	128.07
(0.60)	(1.27)
204.87	126.80

7 Other financial assets

Current

Interest accrued on Inter Corporate deposits to related parties

Total

Rs. In Crores	
As at	As at
March 31,2022	March 31,2021
0.18	0.21
0.18	0.21

9 Inventories

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

Total

Rs. In Crores	
As at	As at
March 31,2022	March 31,2021
0.48	1.25
0.48	1.25

During the year ended March 31, 2022 & 2021, Rs Nil & Rs. 0.56 crores, respectively is recorded as inventory write down.

TML Business Services Limited
Notes forming part of the Financial Statements for the period ended March 31, 2022

		Rs. In Crores	
		As at	As at
10	Trade receivables	March 31,2022	March 31,2021
	(a) Receivables considered good - Unsecured	50.89	51.22
	(b) Receivables - credit impaired	92.29	94.06
		143.18	145.28
	Less : Allowance for credit impaired receivables	(92.29)	(94.06)
	Total	50.89	51.22

Allowance for trade receivables, loans and other receivables

		As at	As at
		March 31,2022	March 31,2021
	Balance at the beginning of the year	101.33	118.13
	Allowance/(reversed) for amount written off	(4.00)	(9.00)
	Allowances made/(reversed) during the year (net)	(0.18)	(7.80)
	Balance at the end of the year	97.15	101.33

		Rs. In Crores	
		As at	As at
11	Cash and cash equivalents	March 31,2022	March 31,2021
	Balances with banks	22.54	23.89
	Total	22.54	23.89

TML Business Services Limited
Notes forming part of the Financial Statements for the period ended March 31, 2022

12 Other non-current assets

	Rs. In Crores	
	As at	As at
	March 31,2022	March 31,2021
(a) Statutory deposits & dues from Government	25.39	30.10
(b) Statutory dues receivable (TDS/TCS)(Net of allowances for credit impaired balances of Rs. Nil and Rs 0.88 crores as at March 31,2022 and 2021 , respectively)	-	-
Total	25.39	30.10

12 Other current assets

	Rs. In Crores	
	As at	As at
	March 31,2022	March 31,2021
(a) Statutory deposits & dues from Government		
i) Considered good	7.03	58.14
ii) Credit impaired	0.30	0.30
(b) Prepaid expenses	1.66	0.25
(c) Advance to suppliers including imprest advances		
i) Considered good	0.37	0.26
ii) Credit impaired	2.08	3.01
	11.44	61.96
Less: Allowance for Credit Impaired balances	(2.38)	(3.31)
Total	9.06	58.65

TML Business Services Limited
Notes forming part of the Financial Statements for the period ended March 31, 2022

		(Rs in crores)	
		As at	As at
		March 31,2022	March 31,2021
13	Equity Share Capital		
	(a) Authorised:		
	136,09,47,194 equity shares of ₹ 10 each	1,360.95	175.00
	(as at March 31, 2021: 17,50,00,000 equity shares of ₹ 10 each)		
		1,360.95	175.00
	(b) Issued, Subscribed and Paid - up:		
	16,36,97,694 equity shares of ₹ 10 each	163.70	163.70
	(as at March 31, 2021: 16,36,97,694 equity shares of ₹ 10 each)		
	Total	163.70	163.70

The movement of number of shares and share capital

	As at	As at	As at	As at
	March 31,2022	March 31,2022	March 31,2021	March 31,2021
	No. of Shares	Rs. In Crores	No of Shares	16,36,97,694
Balance as at April 1, 2021	16,36,97,694	163.70	16,36,97,694	163.70
Balance as at March 31, 2022	16,36,97,694	163.70	16,36,97,694	164

Details of Shares held by Holding Company

	As at	As at
	March 31,2022	March 31,2021
Fully paid ordinary shares held by Tata Motors Limited (includes 60 shares jointly held with others)	16,36,97,694	16,36,97,694

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

	As at	As at
	March 31,2022	March 31,2021
Tata Motors Limited (includes 60 shares jointly held with others)	16,36,97,694	16,36,97,694

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

Equity shares:

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

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

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

- (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.

14 Notes to reserves

- i) **Retained earnings** - Retained earnings are the profits that the Company has earned till date.
- ii) **Merger Deficit adjustment account** - The merger deficit adjustment account represents the excess of the identifiable assets and liabilities, acquired pursuant to business 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 the Financial Statements for the period ended March 31, 2022

15 Non-Current financial liabilities - Borrowings

	Rs. In Crores	
	As at	As at
	March 31,2022	March 31,2021
Redeemable cumulative preference shares (Refer note below)	24.35	24.35
	24.35	24.35

Note:

Redeemable cumulative preference shares

7% Cumulative Redeemable Preference Shares of ₹ 100 each, fully paid-up, allotted on October 21, 2004 was due for redemption on October 20, 2014. It has been rolled over for further 10 years and shall be redeemable on or before October 20, 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 are 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% 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.

16 Other financial liabilities – current

	Rs. In Crores	
	As at	As at
	March 31,2022	March 31,2021
(a) Interest accrued but not due	17.04	15.35
(b) Liability for capital expenditure	0.12	2.03
(c) Liability towards "C" Forms	5.88	12.50
Total	23.04	29.88

17 Other current liabilities

	Rs. In Crores	
	As at	As at
	March 31,2022	March 31,2021
(a) Advance from customers	2.50	2.97
(b) Statutory dues payable	3.14	4.65
Total	5.64	7.62

18 Trade payables

		(Rs in crores)				
		As at March 31, 2022				
		Not due	Overdue			Total
		Up to 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises						
(a)	Disputed dues	-	-	-	-	-
(b)	Undisputed dues	0.02	-	-	-	0.02
	Total	0.02	-	-	-	0.02
Outstanding dues other than micro and small enterprises						
(a)	Disputed dues	-	-	-	-	-
(b)	Undisputed dues	21.39	1.81	-	2.62	25.82
	Total	21.39	1.81	-	2.62	25.82
	Balance as at March 31, 2022	21.41	1.81	-	2.62	25.84

		(₹ in crores)				
		As at March 31, 2021				
		Not due	Overdue			Total
		Up to 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises						
(a)	Disputed dues	-	-	-	-	-
(b)	Undisputed dues	0.03	-	-	-	0.03
	Total	0.03	-	-	-	0.03
Outstanding dues other than micro and small enterprises						
(a)	Disputed dues	-	-	-	-	-
(b)	Undisputed dues	18.99	0.35	-	3.93	23.27
	Total	18.99	0.35	-	3.93	23.27
	Balance as at March 31, 2021	19.02	0.35	-	3.93	23.30

TML Business Services Limited
Notes forming part of the Financial Statements for the period ended March 31, 2022

		Rs. In Crores	
		For the year ended March 31,	
		2022	2021
19	Revenue from operations		
	(a) Sale of products	0.20	8.60
	(b) Sale of services	153.29	112.47
	(c) Other Operating revenues	1.50	2.66
	Total revenue from operations	154.99	123.73

		Rs. In Crores	
		For the year ended March 31,	
		2022	2021
20	Other income		
	(a) Interest income on Inter-corporate deposits to related parties		
	Tata Motors Limited	10.00	4.88
	Tata Precision Industries (India) Limited	0.41	0.42
	(b) Interest on VAT refund	25.47	-
	(c) Interest on Income Tax refund	-	1.35
	(d) Interest on fixed deposits with bank	0.26	0.22
	(e) Interest on deposits	0.11	0.13
	(g) Miscellaneous receipts	-	0.67
	(h) Amounts no longer required written back	4.92	11.22
	Total other income	41.17	18.89

		Rs. In Crores	
		For the year ended March 31,	
		2022	2021
21	Employee benefits expense		
	(a) Salaries and bonus	75.50	68.67
	(b) Contribution to provident and other funds	4.60	2.97
	(c) Staff welfare expenses	3.51	1.24
	Total	83.61	72.88

		Rs. In Crores	
		For the year ended March 31,	
		2022	2021
22	Finance costs		
	(a) Interest on borrowings	1.72	1.76
	(b) Interest on lease liability	1.33	1.70
	Total	3.05	3.46

		Rs. In Crores	
		For the year ended March 31,	
		2022	2021
23	Other expenses		
	(a) Repairs and Maintenance - Building , Plant and Machinery and others	0.21	2.11
	(b) IT related Expenses	5.71	3.73
	(c) Rent	1.71	4.76
	(d) Rates & taxes	7.09	2.32
	(e) Security Expenses	2.69	0.95
	(f) Payment to auditors		
	(i) For Statutory Audit	0.20	0.11
	(ii) For Taxation matters		
	- Tax audit	0.02	0.01
	- Other matters	-	-
	(g) Corporate social responsibility expenses	0.65	1.16
	(h) (Reversal) / Provision and write off of trade and other receivables	(0.13)	(7.75)
	(i) Miscellaneous contract jobs/outsourcing expenses	15.44	3.38
	(j) Yard management expenses	13.80	11.14
	(k) Works operation and other expenses	6.30	23.71
	Total	53.69	45.63

TML Business Services Limited

Notes forming part of the Financial Statements for the period ended March 31, 2022

24 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:

(₹ in Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid to any supplier as at the year end and interest due thereon	0.02	0.03
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*	*	*
Amount of interest accrued and remaining unpaid at the end of the accounting year*	*	*
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*	*	*

*Amount of interest is less than Rs. 50,000/-

(₹ in Crores)

25 Commitments and contingencies

1 Claims against the Company not acknowledged as debts -

- (i) Sales Tax
[of the above ₹ 9.33 Cr deposited under protest, (March 31, 2021: ₹ 4.42 Cr)]
- (ii) Service Tax
[of the above ₹ 0.45 Cr deposited under protest, (March 31, 2021: ₹ 0.10 Cr)]
- (iii) Entry Tax
[of the above ₹ 0.72 Cr deposited under protest, (March 31, 2021: ₹ 0.72Cr)]
- (iii) The claims / liabilities in respect of other matters (Payment of Bonus Act).

As at March 31, 2022	As at March 31, 2021
48.07	40.30
11.87	11.87
1.24	1.24
2.21	2.21

- 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 February 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, 2022

26. 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

(₹ in Lakhs)

PARTICULARS	Carrying Amount		Fair Value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets				
<i>Measured at amortised cost</i>				
Investment	0.15	0.15	0.15	0.15
Loans and advances	204.87	126.80	204.87	126.80
Other financial assets	3.92	3.95	3.92	3.95
Trade receivables	50.89	51.22	50.89	51.22
Cash and cash equivalents	22.54	23.89	22.54	23.89
Total	282.37	206.01	282.37	206.01
Financial liability				
<i>Measured at amortised cost</i>				
Borrowings	24.35	24.35	24.35	24.35
Lease Liability	15.45	20.90	15.45	20.90
Other finance liabilities	23.04	29.88	23.04	29.88
Trade payables	25.84	23.30	25.84	23.30
Total	88.68	98.43	88.68	98.43

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 ₹ 2.82 crores as of March 31, 2022 and ₹ 2.06 crores as of March 31, 2021 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, 2022, that defaults in payment obligations will occur. None of the Company's cash equivalents are past due or impaired.

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

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

		As at March 31, 2022						
		Not due	Upto 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed								
(a)	Considered good	28.54	13.43	5.86	0.47	2.59	0.00	50.89
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit impaired	-	-	-	-	1.46	36.20	37.66
Disputed								
(a)	Considered good	-	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit impaired	-	-	-	-	-	54.66	54.66
Less:								
Allowances for credit impaired receivables		-	-	-	-	(1.46)	(90.86)	(92.32)
Total		28.54	13.43	5.86	0.47	2.59	0.00	50.89

		As at March 31, 2021						
		Not due	Upto 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed								
(a)	Considered good	12.50	16.06	6.95	3.12	12.32	0.00	50.95
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit impaired	-	-	-	-	6.74	32.65	39.39
Disputed								
(a)	Considered good	-	-	-	0.11	0.16	-	0.27
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit impaired	-	-	-	-	1.00	53.67	54.67
Less:								
Allowances for credit impaired receivables		-	-	-	-	(7.74)	(86.32)	(94.06)
Total		12.50	16.06	6.95	3.23	12.48	0.00	51.22

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.

Foreign currency exchange rate risk:

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

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

The following table sets forth information relating to foreign currency exposure as of March 31, 2022:

		Rs in Crores	
		GBP	Total
(a)	Financial assets	6.55	6.55
(b)	Financial liabilities	-	-

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

27. Earning per share ("EPS")

		Year Ended 31st March 2022	Year Ended 31st March 2021
(a) Profit or (Loss) after tax	₹ in Crores	40.84	(14.20)
(b) The weighted average number of Equity Shares for Basic EPS.....	Nos.	16,36,97,694.00	16,36,97,694.00
(c) The nominal value per Share.....	₹	10.00	10.00
(d) Share of Profit for Equity Shares for Basic EPS.....	₹ in Crores	40.84	(14.20)
(e) Earnings Per Ordinary Share (Basic).....	₹	2.49	(0.87)
(f) Share of Profit for Equity Shares for Diluted EPS.....	₹ in Crores	42.54	(12.49)
(g) The weighted average number of Equity Shares for Diluted EPS.....	Nos.	18,80,47,694.00	16,36,97,694.00
(h) Earnings Per Ordinary Share (Diluted).....	₹	2.17	(0.87)

Pursuant to the scheme of Arrangement, the Company will issue 1,17,22,50,000 shares to the shareholders of TML distribution Co. Ltd. Post issuance of shares, as per the scheme 1,28,28,88,145 shares will be cancelled as part of capital reduction. These have not been considered for calculation of diluted EPS

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

28 Deferred Tax

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

Particulars	Rs in Crores	
	As at March 31, 2022	As at March 31, 2021
(Loss) /Profit Before Tax	43.75	(4.70)
Tax rate applicable (Refer note i & ii)	25.17%	*
Income tax expense at tax rates applicable	11.01	11.59
Items (net) not deductible for tax /not liable to tax :		
Deferred tax assets not recognized because realization is not probable	1.02	(15.12)
Utilization of unrecognized tax losses	(12.03)	-
Others - Capital Gain on sale of land	-	13.03
Reversal of Deferred tax asset created earlier	2.91	-
Income tax expense reported in statement of profit and loss	2.91	9.50

i) Tax Rate for TML Business Services Limited in FY 20-21 was 34.94% & tax rate for TML Distribution Company Limited for FY 20-21 was 25.168%

ii) The Company has opted for new tax regime in FY 22 in accordance with the Taxation Laws (Amendment) Act, 2019 and accordingly MAT is not applicable from FY 22 onwards

Significant components of deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

Particulars	Opening Balance	Recognised in Profit and Loss Account	Recognised in/reclassified from OCI	Effect on account of Tax rate change	Closing Balance
Deferred Tax Asset					
Expenses Deductible in Future Years	3.52	-1.03	-	(0.99)	1.51
Property, Plant and Equipment	19.23	3.05	-	(5.51)	16.77
Compensated Absences and retirement benefits	-	-0.45	0.45	-	(0.00)
Addition on account of Merger of TML Distribution Co Ltd	2.46	-2.46	-	-	-
Others	(12.86)	(2.02)	-	3.60	(11.28)
Total Deferred Tax Assets	12.36	(2.91)	0.45	(2.90)	7.00
Deferred Tax Liabilities					
Land	4.92	-	-	(1.38)	3.55
Total Deferred Tax Liability	4.92	-	-	(1.38)	3.55
Deferred Tax Liabilities	7.44	(2.91)	0.45	(1.52)	3.46

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, 2022 unrecognised deferred tax assets expire unutilised based on the year of origination as follows:

Particulars	As at March 31, 2022
FY 2014-15	1.09
FY 2015-16	8.75
FY 2016-17	8.29
FY 2017-18	26.35
FY 2018-19	25.31
Total Unabsorbed Business Loss	69.78

TML Business Services Limited
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29. Employee benefits

Defined Benefit Plan

Pension and post retirement medical plans

The following table sets out the funded and unfunded status and the amounts recognized in the financial statements for the pension and the post retirement medical plans

	(₹ in crores)			
	Pension benefits		Post retirement medical Benefits	
	Year ended March 31,			
	2022	2021	2022	2021
Change in defined benefit obligations :				
Defined benefit obligation, beginning of the year	10.49	6.39	0.30	0.22
Current service cost	0.98	0.62	0.04	0.02
Interest cost	0.65	0.38	0.04	0.03
Remeasurements (gains) / losses				
Actuarial (gains) / losses arising from changes in demographic assumptions	0.16	-	0.10	-
Actuarial (gains) / losses arising from changes in financial assumptions	0.51	-	0.31	(0.01)
Actuarial (gains) / losses arising from changes in experience adjustments	0.86	(0.05)	0.19	0.09
Benefits paid from plan assets	(1.78)	(3.81)		
Benefits paid directly by employer	(0.04)	-	(0.03)	(0.03)
Past service cost - Plan amendment	0.47	-	0.35	-
Acquisition/(Divestment)	(0.45)	6.95	-	-
Defined benefit obligation, end of the year	11.85	10.49	1.30	0.30
Change in plan assets:				
Fair value of plan assets, beginning of the year	10.07	5.00	-	-
Acquisition/(Divestment)	-	-	-	-
Interest income	0.64	0.26	-	-
Return on plan assets, (excluding amount included in net Interest cost)	0.02	0.73	-	-
Employer's contributions	0.64	1.35	-	-
Benefits paid	(1.78)	(3.81)	-	-
Acquisition/(Divestment)	(0.45)	6.54	-	-
Fair value of plan assets, end of the year	9.15	10.07	-	-
Amount recognized in the balance sheet consists of:				
		As at March 31,		
	2022	2021	2022	2021
Present value of defined benefit obligation	11.85	10.49	1.30	0.30
Fair value of plan assets	9.15	10.07	-	-
Net liability	(2.70)	(0.41)	(1.30)	(0.30)
Amounts in the balance sheet:				
Non-current assets	-	0.20	-	-
Non-current liabilities	(2.70)	(0.61)	(1.30)	(184.49)
Net liability	(2.70)	(0.41)	(1.30)	(184.49)

TML Business Services Limited

Notes forming part of Financial Statements for the year ended March 31, 2022

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

	Pension Benefits	
	As at March 31,	
	2022	2021
Defined benefit obligation	10.11	-
Fair value of plan assets	9.15	-

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

	As at March 31,	
	Pension Benefits	
	2022	2021
Defined benefit obligation	-	9.87
Fair value of plan assets	-	10.07

Information for unfunded plans:

	Pension Benefits		Post retirement medical Benefits	
	As at March 31,			
	2022	2021	2022	2021
Defined benefit obligation	1.73	0.61	1.30	0.64

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

	Pension Benefits		Post retirement medical Benefits	
	Year ended March 31,			
	2022	2021	2022	2021
Service cost	0.98	0.62	0.04	0.02
Net interest cost / (income)	0.00	0.12	0.04	0.03
Past service cost - Plan amendment	0.47	-	0.35	-
Net periodic cost	1.46	0.73	0.43	0.04

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

	(₹ in crores)			
	Pension Benefits		Post retirement medical Benefits	
	Year ended March 31,			
	2022	2021	2022	2021
Remeasurements				
Return on plan assets, (excluding amount included in net Interest expense)	(0.02)	0.73	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	0.16	-	0.10	-
Actuarial (gains)/losses arising from changes in financial assumptions	0.51	-	0.31	(0.01)
Asset ceiling	-	-	-	-
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	0.86	(0.05)	0.19	0.09
Total recognized in other comprehensive income	1.52	0.69	0.60	0.08
Total recognized in statement of operations and other comprehensive income	2.97	1.42	1.03	0.12

TML Business Services Limited

Notes forming part of Financial Statements for the year ended March 31, 2022

pension and post retirement medical plans are set out below:

	Pension Benefits		Post retirement medical Benefits	
	As at March 31,			
	2022	2021	2022	2021
Discount rate	6.50% - 7.10%	6.00% - 6.90%	7.20%	6.90%
Rate of increase in compensation level of covered employees	6% - 10%	5.75% - 10.00%	NA	NA
Increase in health care cost	NA	NA	6.00%	6.00%

Plan Assets

The fair value of Company's pension plan asset as of March 31, 2022 and 2021 by category are as follows:

Asset category:	Pension benefits	
	Plan assets as of March 31	
	2022	2021
Cash and cash equivalents	1.9%	5.5%
Debt instruments (quoted)	69.5%	67.7%
Debt instruments (unquoted)	0.0%	0.0%
Equity instruments (quoted)	8.4%	6.0%
Deposits with Insurance companies	20.2%	20.8%
	100.0%	100.0%

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

The weighted average duration of the defined benefit obligation as at March 31, 2022 is **7.27 years**.

The Company expects to contribute **₹ 23.79 crores** to the funded pension plans in Fiscal 2023.

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

Assumption	Change in assumption	Impact on defined benefit obligation	Impact on defined benefit obligation
Discount rate	Increase by 1%	Decrease by ₹0.95 crores	Decrease by ₹0.29 crores
	Decrease by 1%	Increase by ₹1.08 crores	Increase by ₹0.27 crores
Salary escalation rate	Increase by 1%	Increase by ₹0.75 crores	Increase by ₹0.28 crores
	Decrease by 1%	Decrease by ₹0.68 crores	Decrease by ₹0.20 crores
Health care cost	Increase by 1%	Increase by ₹0.22 crores	Increase by ₹0.06 crores
	Decrease by 1%	Decrease by ₹0.18 crores	Decrease by ₹0.04 crores

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

30. Related-party transactions

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

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

Details of Related-parties

Name of Entity	Nature of Relationship
Tata Motors Ltd	Holding Company
Jaguar Land Rover India Ltd	Fellow Subsidiary
Tata Marcopolo Motors Ltd	Fellow Subsidiary
Tata Motors Insurance Broking And Advisory Services Ltd	Fellow Subsidiary
Brabo Robotics And Automation Ltd	Fellow Subsidiary
Tata Motors Finance Ltd	Fellow Subsidiary
Jt Special Vehicle Pvt Ltd	Fellow Subsidiary
Tata Business Hub Limited	Fellow Subsidiary
Tmf Holdings Limited	Fellow Subsidiary
Tata Motors Finance Solutions Ltd	Fellow Subsidiary
Tata Technologies Ltd	Fellow Subsidiary
Tata Motors Passenger Vechiles Limited	Fellow Subsidiary
Jaguar Land Rover Ltd Uk	Fellow Subsidiary
Tata Motors European Technical Centre Ltd,Uk	Fellow Subsidiary
Tata Passenger Electric Mobility Limited	Fellow Subsidiary
KEY MANAGERIAL PERSONNEL	
Arti Desai (Upto January 23, 2022)	Chief Executive Officer & Manager
Ravindra Pethe (With Effect From January 24,2022)	Chief Executive Officer & Manager
Smriti Goyal	Chief Financial Officer

The following table summarizes related-party transactions and balances for the year ended at March 31, 2022:

Nature of transaction	Holding company	(Rs in Crores)	
		Fellow subsidiaries	Total
Sale of Services	119.33	34.83	154.16
Services received	4.74	3.07	7.81
Interest expense	0.95	-	0.95
Interest Income	10.01	-	10.01
Loan given	101.74	-	101.74
Loan received back	169.24	-	169.24
Loan Outstanding (Receivable)	200.00	-	200.00
Trade and other receivables	23.88	24.07	47.95
Amount payable	0.14	2.02	2.16
Interest outstanding on Preference Shares	9.48	-	9.48
Preference Shares	13.54	-	13.54

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

Nature of transaction	Holding company	(Rs in Crores)	
		Fellow subsidiaries	Total
Purchase / (Purchase returns) of products *	(0.72)	-	(0.72)
Sale of products *	3.30	0.07	3.36
Sale of Services *	107.29	11.28	118.57
Sales and service claims	0.89	-	0.89
Services received	8.05	6.57	14.62
Services rendered	-	0.01	0.01
Interest expense	0.95	4.23	5.18
Interest Income	10.12	-	10.12
Loan given	156.75	-	156.75
Loan received back	88.25	-	88.25
Trade and other receivables	46.06	4.97	51.03
Amount payable	0.57	2.27	2.84
Interest outstanding on Preference Shares	8.53	-	8.53
Preference Shares	13.54	-	13.54

* Inclusive of taxes

The following table summarizes material related-party balances included in the financial statements for the year ended March 31, 2022:

Name of the related party	Transactions	(₹ in Crores)
		March 31, 2022
TATA Motors Limited	Amount Receivable	161.52
Tata Motors Finance Limited	Amount payable	0.51
Tata Technologies Limited	Amount payable	1.52
Tata Motors Passengers Vehicles Limited	Amount Receivable	17.78

(c) Compensation of Key Managerial Personnel :

Compensation of key management personnel:	Nature of Relationship	Year Ended ,	Year Ended ,
		March 31, 2022	March 31, 2021
Mr. Ravindra Pethe (With Effect From January 24,2022)	Chief Executive Officer & Manage	0.14	-
Ms Arti Desai (Upto January 23, 2022)	Chief Executive Officer & Manager	0.82	-
Mr. Shyam Mani	Managing Director	-	3.54
Vishnu Nair (Upto August 13,2020)	Chief Executive Officer & Manager	-	0.68
Mr. T R Daundkar (Upto January 31, 2021)	Chief Financial Officer	-	0.50
Total		0.96	4.72

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

31 Business Combination

Pursuant to the scheme of arrangement between TML Distribution Co Ltd (Transferor Company) and TML Business Solution Limited (Transferee Company) under order issued by NCLT dated March 11, 2022 with Appointed date of April 1, 2021, TML Distribution Co Ltd (Transferor company) has been merged with the Company. Transferor Company was engaged in providing outbound logistics of vehicles and allied activities to Tata Motors Limited. With this merger common core objective of the Company, i.e. providing shared or support services, significant operational synergies stand to be gained. The Company has ensured meeting all compliances in line with approved scheme of arrangement.

As TML Distribution Co Ltd (Transferor Company) is merged with Transferee 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 PV undertaking 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 equity shares issued and all assets and liabilities of TML Distribution Co Ltd (Transferor Company) 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 has occurred from the beginning of the comparative period in the financial statements i.e. April 1, 2020.

Following are the gross assets and liabilities taken over by the Company as at 1st April 2021

Particulars	Rs in Crores
	As at April 1, 2021
Non Current Assets	
Property, Plant and Equipment	-
Right to use assets	6.37
Financial Assets	
Loans and advances	0.00
Other financial assets	0.21
Deferred tax assets	2.46
Advance income tax assets (net)	1.47
Other non-current assets	26.20
Total Non current Assets	36.72
Current Assets	
Financial assets:	
Other investments	119.83
Trade receivables	44.31
Cash and cash equivalents	6.03
Loans and advances	141.80
Other financial assets	0.21
Other Current Assets	55.40
Total Current Assets	367.57
Total Assets	404.29
Non Current Liabilities	
Lease liability	0.16
Provisions	0.95
Total Non Current Liabilities	1.11
Current Liabilities	
Financial liabilities:	
Trade Payables	6.21
Lease liability	8.30
Other financial liabilities	15.48
Provisions	0.06
Current tax liabilities (net)	3.07
Other current liabilities	1.54
Total Current Liabilities	34.66
Total Liabilities	35.77
Net Assets	368.52

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Re-stated Balance sheet as on March 31, 2021

Rs in Crores

Particulars	Year Ended March 31, 2021		
	Before effect of business combination	Effect of Merger of TMLD (net of inter-company eliminations)	Revised balance post effect of business combination
Non Current Assets			
Property, Plant and Equipment	36.05	(0.00)	36.05
Right to use assets	12.62	6.37	18.99
Other Investments	0.15	-	0.15
Other Financial assets	0.00	3.73	3.73
Non-Current tax assets (net)	3.12	1.47	4.58
Other non-current assets	3.90	28.66	32.56
Total Non current Assets	55.84	40.23	96.06
Current Assets			
Trade Receivables	7.35	43.87	51.22
Inventories	1.25	-	1.25
Cash and cash equivalents	17.86	6.03	23.89
Other financial assets	1.62	(1.40)	0.21
Loans and Advances	2.90	123.90	126.80
Other current assets	3.24	55.40	58.65
Total Current Assets	34.22	227.80	262.02
Total Assets	90.06	268.03	358.08
Non-Current Liabilities			
Borrowings	24.54	(0.19)	24.35
Lease Liabilities	9.20	0.16	9.36
Provisions	1.94	0.95	2.89
Total Non current Liabilities	35.68	0.92	36.60
Current Liabilities			
Borrowings	16.00	(16.00)	-
Lease Liabilities	3.21	8.30	11.51
Trade Payables	10.83	12.47	23.30
Other Financial Liabilities	28.84	1.04	29.88
Provisions	0.68	0.06	0.74
Current tax liability (Net)	7.92	3.07	10.99
Other current liabilities	3.10	4.52	7.62
Total Current Liabilities	70.58	13.46	84.04
Total Liability	106.26	14.38	120.64
Net Assets	(16.20)	253.65	237.44

Merger Deficit adjustment amount

Rs in Crores

Equity Share Capital of TML Distribution Co Ltd	225.00
Equity Shares to be issued to Transferor Company's (5.21 Fully Paid Equity Shares for each Shares held in Transferor Company	1,172.25
Merger Deficit adjustment account	947.25

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Re-stated Profit and Loss Statement as on March 31, 2021

Rs in Crores

Particulars	Year Ended March 31, 2021		
	Before effect of business combination	Effect of Merger	Revised balance post effect of business combination
Revenue from operations	92.27	31.45	123.73
Other income	14.74	4.15	18.89
Total Income	107.01	35.60	142.62
Purchase of stock in trade	(0.46)	-	(0.46)
Changes in inventories of stock-in-trade	8.44	-	8.44
Employee benefits expense	62.06	10.81	72.88
Finance costs	10.29	(6.82)	3.46
Depreciation and amortisation expense	3.56	8.07	11.63
Other expenses	21.46	24.17	45.63
Total Expenses	105.35	36.22	141.58
Loss before Exceptional Items	1.66	(0.62)	1.04
Exceptional Items	5.06	0.69	5.74
(Loss) / Profit before tax and after Exceptional items	(3.40)	(1.30)	(4.70)
Tax Expense	8.95	0.55	9.50
(Loss) / Profit after tax	(12.34)	(1.85)	(14.20)
Other comprehensive income	0.10	0.13	0.23
(Loss) / Profit after tax	(12.24)	(1.72)	(13.96)

Reconciliation of Cash Flow as on March 31, 2021

Rs. in Crores

Particulars	Before effect of business combination	After effect of business combination	Effect of business combination
Net cash generated from operating activities	(6.64)	(12.73)	(6.08)
Net cash generated from / (utilised in) operating activities	28.82	47.72	18.90
Net cash used in financing activities	(132.43)	(19.98)	112.44
Net cash realised in investing activities	126.09	6.85	(119.23)
Net increase in Cash and Cash Equivalents	15.84	21.87	6.03
Cash and Cash Equivalents at the beginning of the financial year	2.02	2.03	0.00
Cash and Cash Equivalents at end of the year	17.86	23.89	6.03

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

32 Ratio

Sr No	Particulars	Year ended March 31,			Remarks
		2022	2021	Variance	
a)	Debt Equity Ratio (number of times) [Total Debt ⁽ⁱ⁾ / Shareholders' Equity ⁽ⁱⁱ⁾]	0.42	0.51	-18%	-
b)	Debt Service Coverage Ratio (number of times) [(Profit/(loss) before exceptional items, depreciation and amortization and tax+Interest on Borrowings)/(Interest on Borrowings + Repayment of Borrowings ⁽ⁱⁱⁱ⁾)]	33.06	8.19	304%	Increase mainly driven by Interest received of Rs. 25.47 pertaining to VAT refund
c)	Current ratio (number of times) [Current assets (excluding Assets classified as held for sale) / Current liabilities (excluding Liabilities directly associated with Assets Classified as Held For Sale)]	4.05	3.12	30%	-
d)	Trade receivable turnover (number of times) [Revenue from operations / Average Trade receivables]	3.04	1.94	57%	Driven by increase in revenue & continues focus on debtors' collection
e)	Inventory turnover (number of times) [Cost of goods sold ^(v) / average inventory ^(vi)]	NA	NA	NA	NA
f)	Trade payable turnover (number of times) [Net credit purchases / Average Trade payables]	NA	NA	NA	NA
g)	Net capital turnover (number of times) [Revenue from operations / Working capital ^(iv)]	0.72	0.70	4%	
h)	Net profit margin (%) [Net profit after tax / Revenue from operations]	26.35%	(11.47%)	NA	NA
i)	Return on equity (number of times) [Net profit after tax / Average shareholders' equity]	0.15	(0.06)	NA	NA
j)	Return on capital employed (number of times) [Profit before interest and tax / Capital employed ^(vii)]	0.17	0.02	792%	Increase mainly driven by Interest received of Rs. 25.47 pertaining to VAT refund
k)	Return on investments (number of times) [Net profit after tax / Average investments]	272.24	(94.64)	NA	NA

Notes:

- i Total debts includes non current and current borrowings
- ii Equity = Equity share capital + Other equity
- iii Repayment of borrowings includes repayment of long-term borrowings, proceeds from short-term Working capital = Current assets (excluding Assets classified as held for sale) - Current
- iv Working capital = Current assets (excluding Assets classified as held for sale) - Current
- v Cost of goods sold includes Cost of materials consumed, Purchases of products for sale and
- vi Inventory includes Raw materials and components, Work-in-progress, Finished goods, Stores
- vii Capital employed includes tangible net worth, total debt and deferred tax liability

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

33 Revenue from contracts with customers

a) **Revenue from operations**

The Company generates revenue primarily from the sale of vehicles and sale of services as per details provided in Note 19 to the financial statements.

b) **Disaggregation of revenue**

Considering the nature, amount, timing and uncertainty of revenue and cash flows, the Company determines that its revenue from operations would fall in single category as per the requirements of Ind AS 115.

c) **Details of contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Particulars	As at	As at
	March 31,2022	March 31,2021
Receivables	-	-
Contract assets	-	-
Contract liabilities	2.50	2.98
TOTAL	2.50	2.98

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

Significant changes in the contract liabilities balances during the year ended 31 March 2022 as follows:

Particulars	As at	As at
	March 31,2022	March 31,2021
Contract liabilities:		
Contract liabilities at the beginning of the reporting period	2.98	6.15
Revenue recognised that was included in the contract liability balance at the beginning of the reporting period	-	-
Other changes	0.48	3.17
Contract liabilities at the end of the reporting period	2.50	2.98

d) **Performance obligations**

The Company satisfies its performance obligations pertaining to the sale of services as and when services are rendered to the customer and are recognized net of performance obligations. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and do not contain any financing component. The payment is generally due within 7-60 days. There are no other significant obligations attached in the contract with customer.

e) **Significant judgements in the application of this Standard**

There are no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when services are rendered to the customer, in determining the transaction price and allocation of transaction price to the performance obligations.

f) **Cost to obtain contract or fulfil a contract**

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

34 The Company has spent an amount of Rs. 0.65 crores towards various schemes of Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013. No amount has been spent on construction / acquisition of an asset of the Company. The prescribed CSR expenditure required to be spent in the year 2021-22 as per Companies Act, 2013 is Rs. Nil, in view of average net loss of the Company being ₹ 72.00 crores (under section 198 of the Act) for last three financial years.

35 The Company alongwith its parent company Tata Motors Limited (TML), announced a voluntary retirement scheme for its employees in December 2020. As per the scheme, employees need to apply for voluntary retirement and the Company reserves the right to reject any application without providing reasons for such rejection. Compensation in respect of applications which were approved aggregating to Rs. 0.09 crore is shown as an exceptional item

TML Business Services Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

36 The Company has certain Land and Building, where management has initiated the sale process during the year. Accordingly, these assets are classified as held for sale. The Company has received advance of Rs. 3.11 crores during the year.

37 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

38 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

39 Other Statutory Information:

- i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii. The Company do not have any transactions with companies struck off.
- iii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- iv. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v. The Company have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi. The Company have not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vii. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- viii. The Company has not defaulted nor declared as wilful defaulter by any bank or financial institution or other lender
- ix. Information with regards to other matters specified in schedule III of the act is either Nil or not applicable to the Company for the period

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

Kalpesh Khandelwal
Partner
Membership No. 133124

Ravindra Kumar G P
(DIN:07108426)
Director

G V Ramanan
(DIN:01446016)
Director

Ravindra Pethe
Chief Executive Officer
& Manager

Smriti Goyal
Chief Financial Officer

Kaynaz Sarbhanwala
Company Secretary
(ACS 34947)

Mumbai, May 9, 2022

Mumbai, May 9, 2022