

Independent Auditor's Limited Review Report on interim financial statement of TMF Business Services Limited for the nine months ended 31 December 2025.

To,

The Board of Directors

TMF Business Services Limited

Registered Office:

14, 4th Floor, SIR H.C. Dinshaw Building 16,
Horniman Circle, Fort, Mumbai City,
Mumbai, Maharashtra, India, 400001.

Introduction:

1. We have reviewed the accompanying interim financial statement of **TMF Business Services Limited** (the "Company") for the nine months ended 31 December 2025, together with notes thereon (the "Statement") attached herewith.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors on 29 January 2026, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended (the "Act"), read with relevant rules issued thereunder and other recognised accounting practices and policies generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of review:

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries primarily with Company personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion:

4. Based on our review conducted and procedures performed as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, is not prepared, in all material respects, in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other recognised accounting practices and policies generally accepted in India including the manner in which it is to be disclosed, or that it contains any material misstatement.

Material Uncertainty related to Going Concern:

5. We draw attention to note 3 (d) of the financial statements regarding the negative net worth position at 31 December 2025, the net current liability at 31 December 2025 and 31 March 2025. These conditions, along with the other matters set forth in note 3 (d) of the financial statements, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Our conclusion is not modified in respect of this matter.

Other matter:

6. The corresponding figures for the period ended 31 December 2024 have been certified by the management and have not been subjected for limited review by us. Accordingly, we have not performed any review procedures on such comparative information, and our conclusion expressed above does not extend to those figures.

Our conclusion is not modified in respect of this matter.

Restriction on use:

7. This report on the interim financial statement is issued solely for the use by management of the Company in connection with the consolidation of the Parent Company's interim financial statement and should not be used or referred to for any other purpose, or distributed to any other person, without our prior written consent.

Sharp & Tannan Associates,
Chartered Accountants
ICAI Firm Reg. No. 109983W



**Pramod
Ramesh
Bhise** Digitally signed
by Pramod
Ramesh Bhise
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CA Pramod Bhise

Partner

Membership No.:(F) 047751

UDIN: 26047751VPAKBC9560

Pune, 29 January 2026

TMF BUSINESS SERVICES LIMITED
CONDENSED INTERIM BALANCE SHEET

(₹ in lakhs)

Particulars	Notes	As at	
		December 31, 2025	March 31, 2025
I. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, plant and equipment	4(B)	68.90	8,431.62
(b) Intangible assets	5(B)	27.31	33.37
(c) Non-current tax assets (net)		4,753.27	6,809.69
(d) Other non-current assets	10	173.35	174.45
		5,022.83	15,449.13
(2) CURRENT ASSETS			
(a) Financial assets:			
(i) Investments	7	780.82	500.89
(ii) Trade receivables	8	452.81	734.33
(iii) Cash and cash equivalents	9	52.14	338.03
(v) Other financial assets	6	0.71	0.71
(a) Other current assets	11	1,069.12	1,891.82
		2,355.60	3,465.78
(3) Assets classified as held-for-sale	12 (A)	3,417.00	-
TOTAL ASSETS		10,795.43	18,914.91
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	3,722.71	3,722.71
(b) Other equity		(5,980.13)	(7,346.08)
		(2,257.42)	(3,623.37)
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial liabilities:			
(i) Other financial liabilities	16	-	354.15
(b) Provisions	18	2.86	2.86
		2.86	357.01
(2) CURRENT LIABILITIES			
(a) Financial liabilities:			
(i) Borrowings	15	10,295.00	20,565.00
(ii) Trade payables	18		
(a) Total outstanding dues of micro and small enterprises		12.81	6.04
(b) Total outstanding dues of creditors other than micro and small enterprises		141.77	38.52
(iii) Other financial liabilities	17	86.57	1,268.93
(b) Current tax liabilities (net)		550.79	3.02
(c) Other current liabilities	19	808.44	299.76
(3) Liability classified as held-for-sale	12 (B)	1,154.61	-
		13,049.99	22,181.27
TOTAL EQUITY AND LIABILITIES		10,795.43	18,914.91

See accompanying notes forming part of condensed interim financial statements

In terms of our report attached

For SHARP & TANNAN ASSOCIATES

Chartered Accountants

Firm Registration Number: 109983W

Pramod Ramesh Bhise
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PRAMOD BHISE

Partner

Membership No. 047751

Place: Pune

Date: January 29, 2026

For and on behalf of the Board of Directors

ASIM KUMAR MUKHOPADHYAY
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Asim Kumar Mukhopadhyay
Director
(DIN - 06520288)

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Kamal Pawar
Chief Financial Officer

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Prakash Pandey
Director
(DIN - 10850813)

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Neeraj Dwivedi
Company Secretary
Membership No.: ACS20874

Place: Mumbai

Date: January 29, 2026

TMF BUSINESS SERVICES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS

(₹ in lakhs)

Particulars	Notes	Nine months ended December 31,	
		2025	2024
Revenue from operations	20		
(a) Revenue		2,453.87	3,356.68
(b) Other operating revenues		114.39	3.10
I. Total revenue from operations		2,568.26	3,359.78
II. Other income	21	995.80	294.26
III. Total income (I+II)		3,564.06	3,654.04
IV. Expenses:			
(a) Employee benefits expense	22	-	29.72
(b) Finance costs	23	1,142.86	1,851.99
(c) Depreciation and amortisation expense		2,104.72	3,061.39
(d) Impairment of financial and other assets		-	(76.86)
(e) Other expenses	25	11.11	834.93
Total expenses (IV)		3,258.69	5,701.17
V. Profit/(loss) before exceptional items and tax (III-IV)		305.37	(2,047.13)
VI. Exceptional items (Refer note - 4(B))		(1,060.58)	-
VII. Profit/(loss) before tax (V-VI)		1,365.95	(2,047.13)
VIII. Tax expense/(credit) (net):			
(a) Deferred tax		-	(287.52)
Total tax expense/(credit) (net)	12	-	(287.52)
IX. Profit/(loss) for the period (VII-VIII)		1,365.95	(1,759.61)
X. Total comprehensive income/(loss) for the period (net of tax) (IX+X)		1,365.95	(1,759.61)
XI. Earnings per equity share (EPS)	27		
(a) Ordinary shares (face value of ₹3.8 each):			
(i) Basic EPS	₹	1.39	(1.80)
(ii) Diluted EPS	₹	1.39	(1.80)

See accompanying notes forming part of condensed interim financial statements

In terms of our report attached

For SHARP & TANNAN ASSOCIATES

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration Number: 109983W

Pramod Ramesh Bhise
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PRAMOD BHISE

Partner

Membership No. 047751

Place: Pune

Date: January 29, 2026

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Asim Kumar Mukhopadhyay
Director
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Kamal Pawar
Chief Financial Officer

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Prakash Pandey
Director
(DIN - 10850813)

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Neeraj Dwivedi
Company Secretary
Membership No.: ACS20874

Place: Mumbai

Date: January 29, 2026

TMF BUSINESS SERVICES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS

Particulars	(₹ in lakhs)	
	Nine months ended December 31,	
	2025	2024
Cash flows from operating activities:		
Profit/(loss) for the year	1,365.95	(1,759.61)
Adjustments for:		
Depreciation and amortisation expense	2,104.72	3,061.39
Allowances for finance receivables		37.00
Allowances for doubtful loans and advances (others) (net of write-off)	-	28.00
Non cash exceptional items	(1,060.58)	-
Marked-to-market gain on investments measured at fair value through profit or loss	(6.03)	(4.99)
(Income)/loss on sale of assets (including assets scrapped/written off) (net)	(69.58)	618.82
Profit/(loss) on sale of investments (net)	(18.08)	(35.88)
Tax (credit)/expense (net)	-	(287.52)
Finance costs	1,142.86	1,851.99
Interest income on loans, deposits & investments	(973.63)	(253.38)
Cash flows from operating activities before changes in following assets and liabilities	2,485.63	3,255.82
Finance receivables	-	(37.00)
Trade receivables	281.52	(7.49)
Other financial assets	-	41.28
Other current and non-current assets	822.71	(656.42)
Trade payables	110.02	(114.62)
Other current and non-current liabilities	508.68	0.79
Other financial liabilities	(381.90)	601.88
Cash generated from operations	3,826.66	3,084.24
Income tax paid (net)	2,604.19	4,839.75
Net cash from operating activities	6,430.85	7,923.99
Cash flows from/(used in) investing activities:		
Payments for property, plant and equipments and intangible assets	-	(4,364.46)
Proceeds from sale of property, plant and equipments	3,978.33	781.64
Investments in mutual funds	(6,209.69)	(16,444.45)
Redemption of investments in mutual funds	5,953.87	16,092.78
Interest on fixed deposits	973.63	253.38
Net cash from/(used in) investing activities	4,696.14	(3,681.11)
Cash flows from financing activities:		
Proceeds from short-term borrowings	-	-
Repayment of short-term borrowings	(10,270.00)	(2,700.00)
Interest paid	(1,142.88)	(1,851.99)
Net cash from/(used in) financing activities	(11,412.88)	(4,551.99)
Net increase/(decrease) in cash and cash equivalents	(285.89)	-309.11
Cash and cash equivalents as at April 1, (opening balance)	338.03	337.60
Cash and cash equivalents as at December 31, (closing balance)	52.14	28.49

Note: The Statement of Cash Flows has been presented using indirect method as per the requirements of Ind AS 7 Statement of Cash Flows.

See accompanying notes forming part of condensed interim financial statements
In terms of our report attached

In terms of our report attached
For **SHARP & TANNAN ASSOCIATES**
Chartered Accountants
Firm Registration Number: 109983W

Pramod Ramesh Bhise
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Pramod Ramesh Bhise
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PRAMOD BHISE
Partner
Membership No. 047751

Place: Pune
Date: January 29, 2026

For and on behalf of the Board of Directors

ASIM KUMAR MUKHOPADHYAY
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Asim Kumar Mukhopadhyay
Director
(DIN - 06520288)

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Kamal Pawar
Chief Financial Officer

PRAKASH PANDEY
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Prakash Pandey
Director
(DIN - 10850813)

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Neeraj Dwivedi
Company Secretary
Membership No.: ACS20874

Place: Mumbai
Date: January 29, 2026

TMF BUSINESS SERVICES LIMITED
CONDENSED FINANCIAL STATEMENT OF CHANGES IN EQUITY
For the Period ended December 31, 2025

A. Equity Share Capital

	Equity Share Capital	
	Number	(₹ in lakhs)
Balance as at April 1, 2025	97,965,969	3,722.71
Balance as at December 31, 2025	97,965,969	3,722.71

B. Other Equity

Particulars	Reserves			(₹ in lakhs)
	Securities Premium	Retained earnings	Total other equity	
Opening balance as at April 1, 2025	85.98	(7,432.06)	(7,346.08)	
Profit for the Period	-	1,365.95	1,365.95	
Balance as at December 31, 2025	85.98	(6,066.11)	(5,980.13)	

See accompanying notes forming part of condensed interim financial statements

In terms of our report attached

For SHARP & TANNAN ASSOCIATES

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration Number: 109983W

Pramod Ramesh Bhise
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PRAMOD BHISE

Partner

Membership No. 047751

Place: Pune

Date: January 29, 2026

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Director

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Kamal Pawar

Chief Financial Officer

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Prakash Pandey

Director

(DIN - 10850813)

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Neeraj Dwivedi

Company Secretary

Membership No.: ACS20874

Place: Mumbai

Date: January 29, 2026

TMF BUSINESS SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended March 31, 2025

A. Equity Share Capital

	Equity Share Capital	
	Number	(₹ in lakhs)
Balance as at April 1, 2024	97,965,969	3,722.71
Balance as at December 31, 2024	97,965,969	3,722.71

B. Other Equity

Particulars	Reserves		Total other equity
	Securities Premium	Retained earnings	
Opening balance as at April 1, 2024	85.98	(1,077.60)	(991.62)
Profit for the Period	-	(1,759.61)	(1,759.61)
Balance as at December 31, 2024	85.98	(2,837.21)	(2,751.23)

See accompanying notes forming part of condensed interim financial statements

In terms of our report attached

For SHARP & TANNAN ASSOCIATES

Chartered Accountants

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Partner

Membership No. 047751

Place: Pune

Date: January 29, 2026

For and on behalf of the Board of Directors

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Prakash Pandey
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 (DIN - 10850813)

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Neeraj Dwivedi
 Company Secretary
 Membership No.: ACS20874

Place: Mumbai

Date: January 29, 2026

TMF BUSINESS SERVICES LIMITED
NOTES FORMING PART OF CONDENSED INTERIM FINANCIAL STATEMENTS

1 Background and operations

TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) (CIN - U45200MH1989PLC050444) ("the Company") is a public limited Company incorporated and domiciled in India and has its registered office in Mumbai, India.

The Company is a subsidiary of TMF Holdings Limited. With effect from August 07, 2023, the name of the Company has changed to TMF Business Services Limited from Tata Motors Finance Limited. The company is engaged primarily in leasing of vehicles manufactured by Tata Motors and its group companies.

The Company has surrendered the Certificate of Registration (CoR) granted by the Reserve Bank of India (RBI) as result of demerger of the Non-Banking Finance related business ("NBFC Undertaking") of the Company through the Scheme of demerger which came into effect from June 30, 2023.

The board of directors of Tata Motors Passenger Vehicles Ltd (Formerly Tata Motors Ltd), on August 1, 2024, approved a Composite Scheme of Arrangement amongst Tata Motors Ltd (Presently Tata Motors Passenger Vehicles Ltd), TML Commercial Vehicles Ltd (Presently Tata Motors Ltd), Tata Motors Passenger Vehicles Ltd and their respective shareholders under Sections 230-232 of the Companies Act, 2013, which, inter alia, provides for:

- demerger, transfer and vesting of the commercial vehicles business of Tata Motors Ltd (Presently Tata Motors Passenger Vehicles Ltd) along with related investments ("demerged undertaking") to the Company on a going concern basis; and
- amalgamation of Tata Motors Passenger Vehicles Ltd with Tata Motors Ltd (Presently Tata Motors Passenger Vehicles Ltd) with an objective of consolidating the passenger vehicles business.

The above Composite Scheme of Arrangement was approved by NCLT ("Scheme") on August 25, 2025 and is effective from October 1, 2025 with appointed date of July 1, 2025.

The financial statements were approved by the Board of Directors and authorized for issue on January, 29, 2026.

2 Basis of preparation

(a) Statement of compliance

The condensed interim financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidance/clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.

The preparation of condensed interim financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 3.(i) - Significant accounting judgements, estimates and assumptions.

The condensed interim financial statements are presented in Indian Rupees ₹ and all values are rounded to the nearest lakhs, except when otherwise indicated.

(b) Historical cost convention

The condensed interim financial statements have been prepared on historical cost basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair value at the end of each reporting period as explained in the accounting policies below.

(c) Presentation of condensed interim financial statements

The condensed interim financial statements of the Company are presented as per Schedule III (Division II) of the Companies Act, 2013 applicable to company, as notified by the Ministry of Corporate Affairs (MCA). The Statement of Cash Flows has been presented using indirect method as per the requirements of Ind AS 7 Statement of Cash Flows.

3 Material Accounting Policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Use of estimates and judgments

The preparation of condensed interim financial statements is in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities and disclosures of contingent liabilities at the date of these financial statements and reported amounts of income 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 recognised in the period in which the estimates is revised and future period 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 as follows:

- i) Impairment allowances of financial assets
- ii) Useful lives of property, plant and equipment
- iii) Measurement of assets and obligations of defined benefit employee plans
- iv) Measurement of provisions and contingencies
- v) Fair value measurement of financial instruments

(b) Leases

Contracts/arrangements, or part of a contract/arrangement meeting the definition of "lease" and falling within the scope of Ind AS 116 "Leases" to follow accounting policies mentioned below

Company as a Lessor

Lease classification is made at the inception date and is reassessed only if there is a lease modification. Changes in estimates (for example, changes in estimates of the economic life or of the residual value of the underlying asset), or changes in circumstances (for example, default by the lessee), is not a lease modification do not give rise to a new classification of a lease for accounting purposes.

Assets given on operating lease

The Company has given vehicles on lease where it has substantially retained the risks and rewards incidental to ownership of a vehicle and hence these are classified as operating lease. These assets given on operating lease are included in Property Plant & Equipment (PPE). Depreciation on the vehicles are recognized as an expense in the statement of profit and loss and initial direct cost incurred in obtaining an operating lease are added to the carrying amount of the vehicle and are recognised in statement of profit and loss in the form of depreciation over the operating lease term.

Lease rental income is recognised in the Statement of profit and loss as per contractual rental unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished.

(c) Provisions and Contingent Liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to the net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company.

TMF BUSINESS SERVICES LIMITED
NOTES FORMING PART OF CONDENSED INTERIM FINANCIAL STATEMENTS

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements.

(d) Going Concern

The Company's condensed interim financial statements have been prepared on a going concern basis. The Company has performed an assessment of its financial position as at March 31, 2025 and forecasts of the Company for a period of twelve months from the date of these financial statements (the 'Going Concern Assessment Period' and the 'Foreseeable Future').

In evaluating the forecasts, the Company has taken into consideration both the sufficiency of liquidity to meet obligations as they fall due as well as potential impact on compliance with financial covenants during the forecast period. These forecasts indicate that, based on cash generated from operations and support from parent company including inter corporate deposits, the Company will have sufficient liquidity to operate and discharge its liabilities as they become due.

Based on the evaluation described above, management believes that the Company has sufficient financial resources available to it at the date of approval of these financial statements and that it will be able to continue as a 'going concern' in the foreseeable future and for a period up to March 31, 2026.

4 Property, plant and equipment

(A) Accounting policy

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost includes purchase price, non-refundable taxes and levies and other directly attributable costs of bringing the assets to its location and working condition for its intended use.

Depreciation is provided on the straight-line method over the useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement and anticipated technological changes.

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, manufacturer's warranties and maintenance support. Taking into account these factors, the Company and its domestic group companies have decided to retain the useful life hitherto adopted for various categories of property, plant and equipment, which are different from those prescribed in Schedule II of the Act.

Management's estimates of the useful lives for various class of PPE are as given below:

Type of Asset	Estimated useful life (years)
Vehicles given on operating lease	4 to 6 years

The useful lives and method of depreciation is reviewed at least at each year-end. Changes in expected useful lives are treated as change in accounting estimates.

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

(B) Property, plant and equipment

	(₹ in lakhs)	
	Given on lease Vehicles	Total
Cost as at April 1, 2025	18,516.83	18,516.83
Additions	2.84	2.84
Disposal/Adjustments	(8,966.10)	(8,966.10)
Asset Classified as held for sale	(6,954.92)	(6,954.92)
Cost as at December 31, 2025	2,598.65	2,598.65
Accumulated depreciation as at April 1, 2025	10,085.21	10,085.21
Depreciation for the year	2,098.66	2,098.66
Disposal/Adjustments	(5,055.61)	(5,055.61)
Reversal of Impairment assets	(1,060.58)	(1,060.58)
Asset Classified as held for sale	(3,537.93)	(3,537.93)
Accumulated depreciation as at December 31, 2025	2,529.75	2,529.75
Net carrying amount as at December 31, 2025	68.90	68.90

	(₹ in lakhs)	
	Given on lease Vehicles	Total
Cost as at April 1, 2024	23,486.97	23,486.97
Additions	5,718.18	5,718.18
Disposal/Adjustments	(10,688.32)	(10,688.32)
Cost as at March 31, 2025	18,516.83	18,516.83
Accumulated depreciation as at April 1, 2024	10,718.76	10,718.76
Depreciation for the year	4,020.15	4,020.15
Impairment of Assets*	3,200.00	3,200.00
Disposal/Adjustments	(7,853.70)	(7,853.70)
Accumulated depreciation as at March 31, 2025	10,085.21	10,085.21
Net carrying amount as at March 31, 2025	8,431.62	8,431.62

*The Company assessed recoverable value for its operating lease business which represents a separate cash generating unit (CGU) for the Company as at March 31, 2025, due to internal and external indicators. The recoverable value of ₹ 8,432 lakhs was determined by Value in Use ('VIU') of the relevant assets of the CGU. The recoverable amount was lower than the carrying value of the CGU of ₹ 11,632 lakhs and this resulted in an impairment charge of ₹ 3,200 lakhs recognized within 'Exceptional items' for the year ended March 31, 2025. CGU's VIU has been valued using discounted cash flow (DCF) method i.e present value of future cash flows from the leasing business (refer note 12).

During Q3 FY26, company has derecognized the assets due to foreclosure of CJ Darcell lease contracts and impairment loss on it amounting to Rs. 1,060.58 Lakhs is reversed in Q3 FY 25 and it is disclosed as exceptional item in Profit /Loss statement.

TMF BUSINESS SERVICES LIMITED
NOTES FORMING PART OF CONDENSED FINANCIAL STATEMENTS

5 Other intangible assets

(A) Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives.

Intangible assets and their useful lives are as under:

Type of Asset	Estimated amortisation period
Software	5 years

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(B) Other intangible assets

	Software	Total
	(₹ in lakhs)	
Cost as at April 1, 2025	40.24	40.24
Additions	-	-
Cost as at December 31, 2025	40.24	40.24
Accumulated amortisation as at April 1, 2025	6.87	6.87
Amortisation for the year	6.06	6.06
Accumulated amortisation as at December 31, 2025	12.93	12.93
Net carrying amount as at December 31, 2025	27.31	27.31
Cost as at April 1, 2024	-	-
Additions	40.24	40.24
Cost as at March 31, 2025	40.24	40.24
Accumulated amortisation as at April 1, 2024	-	-
Additions	6.87	6.87
Accumulated amortisation as at March 31, 2025	6.87	6.87
Net carrying amount as at March 31, 2025	33.37	33.37

6 Other financial assets

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
Current		
(a) Others	0.71	0.71
Total	0.71	0.71

Note:

No other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

7 Investments - current

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
Investments measured at fair value through profit and loss		
Mutual funds - Quoted	780.82	500.89
Total	780.82	500.89
Aggregate book value of quoted investments	780.82	500.89
Aggregate market value of quoted investments	780.82	500.89

8 Trade receivables (Unsecured)

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
Trade receivable considered good – Unsecured	493.73	577.66
Trade receivable – credit impaired -Unsecured	263.93	256.68
Trade Receivables – which have significant increase in credit risk	-	170.82
	757.66	1,005.16
Less : Allowance for credit impaired receivables	(304.85)	(270.83)
Total	452.81	734.33

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Not any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

TMF BUSINESS SERVICES LIMITED
NOTES FORMING PART OF CONDENSED FINANCIAL STATEMENTS

9 Cash and cash equivalents

(a) Cash and cash equivalents consist of the following:

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
Balances with banks	52.14	338.03
Total	52.14	338.03

10 Other non-current assets

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
(a) Capital advances	2.81	3.91
(b) Deposits paid under protest	170.54	170.54
Total	173.35	174.45

11 Other current assets

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
(a) Taxes recoverable and dues from government	1,069.12	1,886.70
(b) Prepaid expenses	-	5.12
Total	1,069.12	1,891.82

12

(A) Assets classified as held-for-sale

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
(a) Property, plant and equipment	3,417	-
Total	3,417	-

Work to implement a disposal plan for Vehicle given on lease has already begun and is expected to be completed within twelve months of the balance sheet date.

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(B) Liability Classified as held for Sale

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
(a) Securities Deposit	1,154.61	-
Total	1,154.61	-

The security deposits collected as part of the lease portfolio amounting to ₹ 1155 lakhs has been classified as liability held for sale as these would be paid to the potential buyer along with the lease assets.

13 Equity Share Capital

	(₹ in lakhs)			
	As at December 31, 2025		As at March 31, 2025	
	(Number of shares)	(₹ in lakhs)	(Number of shares)	(₹ in lakhs)
Authorised:				
Equity Shares of ₹3.80 each (₹100 each with voting rights)	120,000,000	120,000.00	120,000,000	120,000.00
Preference Shares of ₹100 each	80,000,000	80,000.00	80,000,000	80,000.00
		200,000.00		200,000.00
Issued, Subscribed and Fully Paid up				
Equity Shares of ₹3.80 each (₹100 each with voting rights)	97,965,969	3,722.71	97,965,969	3,722.71
		3,722.71		3,722.71

(a) The movement of number of shares and share capital

	Period ended December 31, 2025		Year ended March 31, 2025	
	(Number of shares)	(₹ in lakhs)	(Number of shares)	(₹ in lakhs)
(i) Ordinary shares				
Opening balance	97,965,969	3,722.71	97,965,969	3,722.71
Closing balance	97,965,969	3,722.71	97,965,969	3,722.71

TMF BUSINESS SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

14 Notes to reserves and surplus

(a) Securities premium

The amount received in excess of face value of the equity instruments is recognised in Securities Premium Account. Also, issue expenses in respect of new equity infusion & CCPS infusion is recognised in Securities Premium Account.

(b) Retained earnings

Retained earnings are the profits that the Company has earned till date.

15 Short-term borrowings

		(₹ in lakhs)	
	Interest Rate Range	As at December 31, 2025	As at March 31, 2025
Unsecured:			
Inter corporate deposits from related parties	8.02% to 8.66%	10,295.00	20,565.00
Total		10,295.00	20,565.00

16 Other financial liabilities – non-current

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
Deposits	-	354.15
Total	-	354.15

17 Other financial liabilities – current

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
(a) Deposits	81.13	1,263.49
(b) Other financial liabilities	5.44	5.44
Total	86.57	1,268.93

18 Provisions

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
Non-current		
(a) Employee benefits obligations	2.11	2.11
(b) Other provisions	0.75	0.75
Total	2.86	2.86

19 Other current liabilities

	(₹ in lakhs)	
	As at December 31, 2025	As at March 31, 2025
(a) Statutory dues (VAT, Excise, Service Tax, GST, Octroi etc.)	141.38	262.99
(b) Others	667.06	36.77
Total	808.44	299.76

20 Revenue from operations

(A) Accounting policy

The Company generates revenue principally from operating leases and recognized it on a straight-line basis throughout the lease term. This income is reported under "Sale of Service" in the statement of profit or loss.

(B) Revenue from operations:

	(₹ in lakhs)	
	For the period ended December 31, 2025	For the period ended December 31, 2024
(a) Sale of services	2,453.87	3,356.69
(b) Other operating revenues	114.39	3.09
Total	2,568.26	3,359.78

21 Other income

	(₹ in lakhs)	
	For the period ended December 31, 2025	For the period ended December 31, 2024
(a) Interest income	973.63	253.38
(b) Miscellaneous income	22.17	40.88
Total	995.80	294.26

TMF BUSINESS SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

22 Employee benefit expense

	(₹ in lakhs)	
	For the period ended December 31, 2025	For the period ended December 31, 2024
(a) Salaries	-	28.22
(b) Contribution to provident fund and other funds	-	1.50
Total	-	29.72

23 Finance costs

	(₹ in lakhs)	
	For the period ended December 31, 2025	For the period ended December 31, 2024
(a) Interest on borrowing	1,142.86	1,851.99
Total	1,142.86	1,851.99
Add: Exchange fluctuation considered as interest cost		
Less: Interest capitalised*	-	-
	1,142.86	1,851.99
(b) Discounting charges	-	-
Total	1,142.86	1,851.99

24 Impairment of financial and other assets

	(₹ in lakhs)	
	For the period ended December 31, 2025	For the period ended December 31, 2024
(a) Allowance for doubtful assets	-	36.64
(b) Balances written off	-	(113.50)
Total	-	(76.86)

25 Other expenses

	(₹ in lakhs)	
	For the period ended December 31, 2025	For the period ended December 31, 2024
(a) Rent, taxes and energy costs	-	2.16
(b) Director's fees, allowances and expenses	4.10	23.10
(c) Auditor's fees and expenses	-	4.51
(d) Legal and professional charges	6.04	72.69
(e) Service provider fees	(0.30)	64.67
(f) Net loss on derecognition of property, plant and equipment	-	-
(g) Other expenses	1.27	667.80
Total	11.11	834.93

26 Related-party transactions

Related parties and their relationship (as defined under IndAS-24 Related Party Disclosures)

1. Parties where the control exists:

Ultimate Holding Company: Tata Motors Limited
Holding Company: TMF Holdings Limited

2. Other Related Parties with whom transactions have taken place during the period ended December 31, 2025:

I. Fellow subsidiaries, associates and Joint arrangements within the Group
Tata Motors Global Services Limited (formerly known as TML Business Services Limited)
Jaguar Land Rover Technology and Business Services India Private Limited

II. Tata Sons and its subsidiaries and Joint arrangements
Tata Sons Private Limited

The following table summarizes related-party transactions and balances included in the financial statements for the year ended/as at December 31, 2025:

	(₹ in lakhs)			
	Ultimate Holding	Holding Company	Other Related Parties	Total
(A) Transactions				
Rental income	-	-	42.93	42.93
Expenses for other services (incl. reimbursement of expenses)	-	-	31.71	31.71
Interest expense	-	1,142.86	-	1,142.86
Loans and advances repaid	-	10,270.00	-	10,270.00
(B) Balances				
Other receivables	-	-	-	-
Payable - loans and Advances	-	10,295.00	-	10,295.00
Other payables	-	-	6.40	6.40

TMF BUSINESS SERVICES LIMITED
NOTES FORMING PART OF CONDENSED FINANCIAL STATEMENTS

27. Earnings per Share ("EPS")

(A) Accounting Policy

Basic and diluted earnings per equity share are computed in accordance with Ind AS 33 – Earnings per share. Basic earnings per equity share are computed by dividing the net profit attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year (including Ordinary shares that will be issued upon conversion of a mandatorily convertible instrument).

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of a mandatorily convertible instrument.

(B) EPS

		As at December 31,	As at December 31,
		2025	2024
(a) Profit/(loss) for the year	₹ lakhs	1,365.95	(1,759.61)
(b) The weighted average number of Ordinary shares for Basic EPS	Nos.	97,965,969	97,965,969
(c) The nominal value per share (Ordinary and 'A' Ordinary)	₹	3.80	3.80
(d) Earnings Per Ordinary share (Basic)	₹	1.39	(1.80)
(e) Profit after tax for Diluted EPS	₹ lakhs	1,365.95	(1,759.61)
(f) The weighted average number of Ordinary shares for Diluted EPS	Nos.	97,965,969	97,965,969
(g) Earnings Per Ordinary share (Diluted)	₹	1.39	(1.80)