

Independent Auditor's Report

To the Members of TML CV Mobility Solutions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TML CV Mobility Solutions Limited (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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.

Registered Office:

Independent Auditor's Report (Continued)

TML CV Mobility Solutions Limited

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Independent Auditor's Report (Continued)

TML CV Mobility Solutions Limited

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors 01 April 2026 and 29 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 33 (iv) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 33 (v) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
 - f. Based on our examination which included test checks and independent auditor's report in relation

Independent Auditor's Report (Continued)

TML CV Mobility Solutions Limited

to controls at service organization, except for the instances mentioned below, the Company has used accounting software's for maintaining its books of account relating to general ledger and payroll records which has a feature of audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares.

- i. The audit trail was not enabled at the database level to log any direct data changes for all the accounting softwares; and
- ii. The feature of recording audit trail (edit log) facility was not enabled for certain fields at the application layer of the accounting software used for maintaining general ledger relating to purchase and payable records

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

Additionally, where the audit trail (edit log) functionality was enabled and operated during the previous years, the Company has preserved the audit trail in accordance with the statutory record retention requirements.

- 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 payable by the Company to its Key Managerial Personnel during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration payable to any Key Managerial Personnel 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

Jitendra Vaishnav

Partner

Place: Mumbai

Membership No.: 123636

Date: 11 May 2026

ICAI UDIN:26123636VEIINY6678

Annexure A to the Independent Auditor's Report on the Financial Statements of TML CV Mobility Solutions Limited for the year ended 31 March 2026

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on 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 every year. 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.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (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) during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The 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.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (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

Annexure A to the Independent Auditor's Report on the Financial Statements of TML CV Mobility Solutions Limited for the year ended 31 March 2026 (Continued)

prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax or other statutory dues have been regularly deposited by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (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 has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (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) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans during the year and the term loans obtained in the previous periods were fully utilised in the respective periods. 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 financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our 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

Annexure A to the Independent Auditor's Report on the Financial Statements of TML CV Mobility Solutions Limited for the year ended 31 March 2026 (Continued)

has been noticed or reported during the year.

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards. The Company does not fall under the definition of listed Company or other class of Companies which are required to constitute and audit committee under section 177(4)(iv) of the Act, hence section 177 is not applicable to the Company.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
 - (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
 - (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.
- (xvii) The Company has incurred cash losses of Rs. 12.59 crores in the current financial year and Rs 21.19 crores 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**Annexure A to the Independent Auditor's Report on the Financial Statements
of TML CV Mobility Solutions Limited for the year ended 31 March 2026
(Continued)**

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

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

Chartered Accountants

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

Jitendra Vaishnav

Partner

Place: Mumbai

Date: 11 May 2026

Membership No.: 123636

ICAI UDIN:26123636VEIYN6678

Annexure B to the Independent Auditor's Report on the financial statements of TML CV Mobility Solutions Limited for the year ended 31 March 2026

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of TML CV Mobility Solutions Limited ("the Company") as of 31 March 2026 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 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Annexure B to the Independent Auditor's Report on the financial statements of TML CV Mobility Solutions Limited for the year ended 31 March 2026 (Continued)

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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

Chartered Accountants

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

Jitendra Vaishnav

Partner

Place: Mumbai

Membership No.: 123636

Date: 11 May 2026

ICAI UDIN:26123636VEIINY6678

TML CV Mobility Solutions Limited
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(₹ in crores)

	Notes	As at March 31, 2026	As at March 31, 2025
I. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, plant and equipment	3 (b)	13.57	12.51
(b) Capital work-in-progress	3 (c)	0.11	0.02
(c) Right to use assets	4 (c)	130.63	164.63
(d) Financial assets:			
Other financial assets	5	1,928.28	1,938.54
(e) Non-current tax assets (net)		9.27	13.08
(f) Other non-current assets	7	7.31	8.01
		2,089.17	2,136.79
(2) CURRENT ASSETS			
(a) Inventories	9	4.98	96.37
(b) Financial assets:			
(i) Trade receivables	10	134.54	179.65
(ii) Cash and cash equivalents	11 (b)	105.40	80.87
(iii) Bank balances other than (iii) above	11 (c)	-	31.59
(iv) Other financial assets	6	287.31	656.95
(c) Other current assets	8	4.85	7.86
		537.08	1,053.29
TOTAL ASSETS		2,626.25	3,190.08
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	12	1,501.60	783.60
(b) Other equity	13	(38.78)	(18.62)
		1,462.82	764.98
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial liabilities:			
(i) Borrowings	14	25.71	43.57
(ii) Lease liabilities		133.72	161.63
(b) Provisions	16 (b)	251.86	220.97
(c) Other non-current liabilities	18	529.27	566.71
		940.56	992.88
(2) CURRENT LIABILITIES			
(a) Financial liabilities:			
(i) Borrowings	15	6.43	1,205.97
(ii) Lease liabilities		9.91	10.32
(iii) Trade payables	20		
(a) Total outstanding dues of micro and small enterprises		40.55	28.71
(b) Total outstanding dues of creditors other than micro and small enterprises		40.44	43.70
(iv) Other financial liabilities	21	0.19	5.21
(b) Other current liabilities	19	125.25	138.23
(c) Provisions	16 (c)	0.10	0.08
		222.87	1,432.22
TOTAL EQUITY AND LIABILITIES		2,626.25	3,190.08

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

For and on behalf of board

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

Anand Srinivasagopalan [DIN: 10612257]
Director
Place: Chennai

Siddhartha Haldar
Chief Financial Officer
Place: Delhi

Jitendra Vaishnav
Partner
Membership No: 123636
UDIN: -26123636VEI1YN6678

Amit Sanghvi [DIN: 07584349]
Director
Place: Mumbai

Place: Mumbai
Date: May 11, 2026

Date: May 11, 2026

		(₹ in crores)	
	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations			
Revenue		317.28	805.35
Other operating revenue	22 (b)	199.76	179.26
I. Total revenue from operations	22 (b)	517.04	984.61
II. Other income	23 (b)	65.23	55.89
III. Total income (I+II)		582.27	1,040.50
IV. Expenses:			
(a) Purchases of products for sale		125.05	614.70
(b) Present value of unguaranteed residual value under finance lease		(8.94)	(51.13)
(c) Employee benefits expense	24 (a)	6.08	6.39
(d) Finance costs	25	98.92	109.11
(e) Depreciation and amortisation expense		17.68	14.50
(f) Other expenses	26	362.84	382.62
Total expenses (IV)		601.63	1,076.19
V. Loss before exceptional items and tax (III-IV)		(19.36)	(35.69)
VI. Exceptional items:			
Statutory impact of new Labour Codes	24(b)(viii)	(0.62)	-
VII. Loss before tax (V+VI)		(19.98)	(35.69)
VIII. Tax expense /credit (net)			
(a) Current tax		-	-
(b) Deferred tax		(0.04)	0.04
Total tax expense /credit (net)		(0.04)	0.04
IX. Loss for the year (VII+VIII)		(20.02)	(35.73)
X. Other comprehensive income/(loss):			
(i) Items that will not be reclassified to profit or loss:			
Remeasurement losses on defined benefit obligations (net)		(0.17)	(0.16)
(ii) Income tax credit relating to items that will not be reclassified to profit or loss		0.04	0.04
Total other comprehensive loss for the year (net of tax)		(0.13)	(0.12)
XI. Total comprehensive loss for the year (IX+X)		(20.15)	(35.85)
XII. Earnings per equity share (EPS)			
Earnings/(loss) per share from continuing operations (EPS)			
Ordinary shares (face value of ₹10 each):			
(i) Basic EPS	₹	(0.16)	(0.68)
(ii) Diluted EPS	₹	(0.16)	(0.68)

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

For and on behalf of board

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

Anand Srinivasagopalan (DIN: 10612257)
Director
Place: Chennai

Siddhartha Haldar
Chief Financial Officer
Place: Delhi

Jitendra Vaishnav
Partner
Membership No: 123636
UDIN:-26123636VEIYN6678

Amit Sanghvi (DIN: 07584349)
Director
Place: Mumbai

Place: Mumbai
Date: May 11, 2026

Date: May 11, 2026

TML CV Mobility Solutions Limited

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	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Cash flows from operating activities:		
Loss for the year	(20.02)	(35.73)
Adjustments for:		
Depreciation and amortisation	17.68	14.50
Lease charges (considered as employee cost)	0.06	0.04
Gain on partial termination of lease	-	(0.25)
Tax expense /credit (net)	(0.04)	0.04
Discounting of warranty and other provisions	20.68	16.56
Finance costs	78.24	92.55
Interest income	(64.50)	(3.24)
	52.12	120.20
Cash flows from operating activities before changes in following assets and liabilities	32.10	84.47
Trade receivables	45.12	(73.39)
Other financial assets	411.49	(762.17)
Other current and non-current assets	3.71	96.14
Inventories	91.39	(92.98)
Trade payables	8.69	9.43
Other current and non-current liabilities	(50.43)	135.18
Provisions	10.04	59.80
Cash flows from/ (used in) operations	552.11	(543.52)
Taxes (paid)/ refund	4.54	1.20
Net cash from/ (used in) operating activities	556.65	(542.32)
Cash flows from investing activities:		
Payments for property, plant and equipments	(2.70)	(4.45)
Increase in restricted deposits with banks	-	(16.43)
Interest received on restricted deposits with banks	63.68	1.93
Net cash used in investing activities	60.98	(18.95)
Cash flows from financing activities:		
Proceeds from issue of equity shares (net of issue expenses)	718.00	260.00
Repayment from long-term borrowings	(694.40)	(48.56)
Net change in other short-term borrowings (with maturity up to three months)	(523.00)	459.00
Repayment of lease liabilities (including interest)	(25.06)	(20.72)
Interest paid	(68.64)	(75.49)
Net cash used in financing activities	(593.10)	574.23
Net decrease in cash and cash equivalents	24.53	12.96
Cash and cash equivalents as at April 1. (opening balance)	80.87	67.91
Cash and cash equivalents as at March 31, (closing balance)	105.40	80.87

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

For and on behalf of board

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

Anand Srinivasagopalan (DIN: 10612257)
Director
Place: Chennai

Siddhartha Haldar
Chief Financial Officer
Place: Delhi

Jitendra Vaishnav
Partner
Membership No.: 123636
UDIN:-26123636VEI1YN6678

Amit Sanghvi (DIN: 07584349)
Director
Place: Mumbai

Place: Mumbai
Date: May 11, 2026

Date: May 11, 2026

TML CV Mobility Solutions Limited

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A. Equity Share Capital

Particulars	(₹ in crores)
Balance as at April 1, 2025	783.60
Issue of shares	718.00
Balance as at March 31, 2026	1,501.60
Balance as at April 1, 2024	523.60
Issue of shares	260.00
Balance as at March 31, 2025	783.60

B. Other Equity

	(₹ In crores)	
	Retained earnings	Total other equity
Balance as at April 1, 2025	(18.62)	(18.62)
Profit/ (loss) for the year	(20.02)	(20.02)
Remeasurement gain /(loss) on defined benefit obligations (net)	(0.13)	(0.13)
Total comprehensive income for the year	(20.15)	(20.15)
Balance as at March 31, 2026	(38.78)	(38.78)
Balance as at April 1, 2024	17.23	17.23
Profit/ (loss) for the year	(35.73)	(35.73)
Other comprehensive income for the year	(0.12)	(0.12)
Total comprehensive income for the year	(35.85)	(35.85)
Balance as at March 31, 2025	(18.62)	(18.62)

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

For and on behalf of board

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

Anand Srinivasagopalan [DIN: 10612257]
Director
Place: Chennai

Siddhartha Haldar
Chief Financial Officer
Place: Delhi

Jitendra Vaishnav
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Amit Sanghvi [DIN: 07584349]
Director
Place: Mumbai

Place: Mumbai
Date: May 11, 2026

Date: May 11, 2026

TML CV Mobility Solutions Limited

NOTES FORMING PART OF FINANCIAL STATEMENTS

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TML CV Mobility Solutions Limited referred to as ("the Company" or "TMLCVMSL"), was incorporated on June 7, 2021, primarily to undertake carry out the project of supply, operation and maintenance of electric buses under FAME-II scheme of Department of Heavy Industries, Government of India and all such future projects of Delhi Transport Corporation ("DTC").

TMLCVMSL is a limited company incorporated and domiciled in India and has its registered office at Mumbai, India. As at March 31, 2026, Tata Motors Limited [formerly known as TML Commercial Vehicles Limited ("TMLCVL")] owns 100% of the equity shares of the Company.

Tata Motors Passenger Vehicles Limited (Formerly known as Tata Motors Limited), the Holding Company of TML CV Mobility Solutions Limited, at its Board of Directors meeting held on August 1, 2024, approved a Composite Scheme of Arrangement involving the demerger of its Commercial Vehicle ("CV") business undertaking into Tata Motors Limited [formerly known as TML Commercial Vehicles Limited] and the merger of erstwhile Tata Motors Passenger Vehicles Limited with the TML thereby resulting in two separate listed companies for the CV and Passenger Vehicle businesses. Pursuant to the Composite Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal, Mumbai Bench dated August 25 2025, the Tata Motors Limited [formerly known as TML Commercial Vehicles Limited ("TMLCVL")] is the Holding Company of TML CV Mobility Solutions Limited.

These financial statements were approved by the Board of Directors and authorized for issue on May 11, 2026.

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

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The financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period as explained in the accounting policies below. These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest crores, unless otherwise indicated.

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 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 recognised in the period in which the estimate is revised and in 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 recognised in the financial statements are included in the following notes:

Estimates –

- i) Note 3 - Property, plant and equipment – useful life and impairment
- ii) Note 4 (c) – Finance Lease receivables - residual value estimate and discount rate
- iii) Note 16 - Battery replacement and refurbishment expenses

Judgements –

- i) Note 2 (f) - Going concern assessment
- ii) Note 4 (a) - Whether an arrangement contains a lease and the lease classification
- iii) Note 23 – Revenue recognition - The Company uses judgement to determine when control of its goods and services pass to the customer. This is assessed with reference to indicators of control, including the risks and rewards of ownership with reference to the underlying terms of the customer contract.

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Costs and expenses are recognised when incurred and are classified according to their nature. Expenditure is capitalized where appropriate, in accordance with the policy.

The Company is primarily engaged in the business of owning, maintenance and running of electric buses under the Gross Cost Contract model. These in the context of Ind AS 108- Operating Segments reporting was considered to constitute one reportable segment. The Company has its entire operations in India and hence entire revenue is generated in India, all the services are rendered to the customer in India.

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The Company has incurred losses of ₹ 20.15 crores during financial year ended March 31, 2026 (March 31, 2025: ₹ 35.85 crores).

Notwithstanding losses, the management has carried out an assessment on the company's financial performance and it believes that the Company will be able to continue to operate as a going concern for the foreseeable future and together with its favorable net current asset of ₹ 314.21 crores, will meet all its liabilities as they fall due for payment. Further during the year, the company has issued right share of ₹ 718 crores and repaid its borrowings from bank. In addition to this, the company has repaid all inter corporate borrowings taken from the parent company amounting to ₹ 523 crores.

To arrive at such judgment, the management have considered

- a) available cash and bank balances and
- b) expected future operating cash flows based on business projections.

Additionally, the Board of Directors of Tata Motors Limited, the Holding Company, have approved and indicated their intention to provide financial support to the Company, as necessary to enable it to continue its operations and meet its liabilities as and when they fall due in the normal course of its business.

Accordingly, these financial statements have been prepared on a going concern assumption.

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 September 30, 2027.

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At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment 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. An asset or cash-generating unit impaired in prior years is reviewed at each balance sheet date to determine whether there is any indication of a reversal of impairment loss recognized in prior years.

TML CV Mobility Solutions Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

On August 13, 2025, Ministry of Corporate Affairs ("MCA") notified the amendments to the following standards:

Ind AS 1 – Presentation of Financial Statements – Distinction between current and non-current liability. These amendments provide clearer guidance on classification of the liabilities as current and non-current liability by including the additional definition and considerations for classification of the liability. The amendments also provide additional disclosure requirements relating to material breach of long-term loan arrangement. The amendment relates to classification of the non-current and current bifurcation of long-term loan arrangement due to breach of covenants on or before the end of reporting period. Due to this, the loan is considered to be payable on demand and is classified as current liability, unless the lender agrees, by the end of the reporting period to provide a period of grace of at least twelve months after the reporting period within which the entity can rectify the breach and during which the lender cannot demand immediate repayment. The amendment is applicable from April 1, 2026.

These amendments are not expected to have a material impact on the Company's financial statements.

Ind AS 7 – Cash flow statement – Supplier Financing Arrangement. These amendments include additional disclosure requirements for supplier financing arrangement relating to cash and non-cash changes (i.e. the effect of business combinations, exchange differences or other transactions that do not require the use of cash or cash equivalents) and disclosure relating to the terms and condition related to the arrangement including disclosure of dissimilar terms separately along with carrying amounts in line items disclosed for which suppliers have received payments from financial institution and range of due dates. The amendment is applicable from April 1, 2025 with exemption to comparative period and interim periods in which entity first applies the amendments. These amendments are effective from April 1, 2025. The Company does not have such arrangement.

Ind AS 107 – Financial Instruments Disclosure – Additional disclosure relating to Supplier Financing Arrangement - The liquidity risk disclosure will also include the disclosure for supplier financing arrangement which includes maturity analysis for supplier financing arrangement and a description of how the entity manages the liquidity risk inherent in Supplier Financing Arrangement. The Company does not have such arrangement.

Ind AS 12 – Income Taxes –Pillar Two - The amendment includes in the scope of the Ind AS 12 the income tax paid on pillar two model rules and disclosure for application of the exception Additional disclosure relating to current income taxes related to Pillar Two income taxes and disclosure of known or reasonably estimable information that helps users of financial statements understand the entity's exposure to Pillar Two income taxes arising from that legislation when Pillar two legislation is enacted but not yet effective. These disclosure shall be supported by qualitative and quantitative information. These amendments are effective from April 1, 2025 but to be disclosed in annual financial statements.

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

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

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Interest cost incurred is capitalised up to the date the asset is ready for its intended use for qualifying asset, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

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

Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life (years)
Buildings	10-12 years
Plant, machinery and equipment	10-12 years
Furniture and fixtures	10 years
Vehicles	10-12 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The useful lives is reviewed at least at each year end. Changes in expected useful lives are treated as change in accounting estimates.

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

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

(b) Property, plant and equipment

	Owned assets				Total
	Buildings	Plant, machinery and equipment	Furniture and fixtures	Vehicles	
Cost as at April 1, 2025	0.24	4.73	0.28	11.00	16.25
Additions	0.06	1.98	0.77	-	2.81
Disposal/Adjustments	-	-	-	-	-
Cost as at March 31, 2026	0.30	6.71	1.05	11.00	19.06
Accumulated depreciation as at April 1, 2025	(0.01)	(0.94)	(0.01)	(2.78)	(3.74)
Depreciation for the period	(0.02)	(0.55)	(0.12)	(1.05)	(1.74)
Accumulated depreciation as at March 31, 2026	(0.03)	(1.49)	(0.13)	(3.83)	(5.48)
Net carrying amount as at March 31, 2026	0.27	5.22	0.92	7.17	13.57
Cost as at April 1, 2024	0.09	3.48	0.01	11.00	14.58
Additions	0.15	1.25	0.27	-	1.67
Disposal/Adjustments	-	-	-	-	-
Cost as at March 31, 2025	0.24	4.73	0.28	11.00	16.25
Accumulated depreciation as at April 1, 2024	-	(0.53)	-	(1.74)	(2.27)
Depreciation for the year	(0.01)	(0.41)	(0.01)	(1.04)	(1.47)
Accumulated depreciation as at March 31, 2025	(0.01)	(0.94)	(0.01)	(2.78)	(3.74)
Net carrying amount as at March 31, 2025	0.23	3.79	0.27	8.22	12.51

TML CV Mobility Solutions Limited
NOTES FORMING PART OF CONDENSED FINANCIAL STATEMENTS

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	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	0.02	-
Additions	2.90	1.69
Capitalised during the period/ year	(2.81)	(1.67)
Balance at the end	0.11	0.02

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	As at March 31, 2026					Total
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects in progress	0.09	0.02	-	-	-	0.11
Projects temporarily suspended	-	-	-	-	-	-
As at March 31, 2026	0.09	0.02	-	-	-	0.11

	As at March 31, 2025					Total
	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects in progress	0.02	-	-	-	-	0.02
Projects temporarily suspended	-	-	-	-	-	-
As at March 31, 2025	0.02	-	-	-	-	0.02

There are no capital work in progress whose completion is overdue or has exceeded its cost compared to its original Plan as at March 31, 2026.

Original plan is considered as that plan which is approved and on the basis of which implementation progress is evaluated. Such original plan includes management's estimates and assumptions w.r.t future business, economy / industry and regulatory environments.

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At inception of a contract, the Company assesses whether a contract is, or contain a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset –this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision making rights that are most relevant to changing how and for what purposes the asset is used.

In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- The Company has the right to operate the asset; or
- The Company designed the asset in a way that predetermines how and for what purposes it will be used.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and estimated dilapidation costs, less any lease incentives received.

The right-of-use asset is subsequently amortised using the straight-line method over the shorter of the useful life of the leased asset or the period of lease. If ownership of the leased asset is automatically transferred at the end of the lease term or the exercise of a purchase option is reflected in the lease payments, the right-of-use asset is amortised on a straightline basis over the expected useful life of the leased asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments.

Lease payments include fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

Payment made towards short term leases (leases for which non-cancellable term is 12 months or lesser) and low value assets (lease of assets worth less than ₹0.03 crores) are recognised in the statement of Profit and Loss as rental expenses over the tenor of such leases.

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At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on contractual terms and substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

If an arrangement contains lease and non-lease components, then the Company applies Ind AS 115 to allocate the consideration in the contract. The Company applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company has leased Plant machinery and equipment and electrical installations and other infrastructure for a term of 10-12 years. The average weighted rate applied is **8.61%** (March 31, 2025: 8.79%)

TML CV Mobility Solutions Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

The following amounts are included in the Balance Sheet :

	As at, March 31, 2026	As at, March 31, 2025
Current lease liabilities	9.91	10.32
Non-current lease liabilities	133.74	161.63
Total lease liabilities	143.65	171.95

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

	For the year ended, March 31, 2026	For the year ended, March 31, 2025
Interest expense on lease liabilities	14.77	12.89
Amortisation expense of right-to-use assets	15.94	13.07
Variable Lease payment not included in the measurement of lease liabilities	6.24	4.46
Total amount recognised in the statement of profit and loss	36.95	30.42

Note – for repayment of lease liabilities during the year refer note 15(II)

C Statement of Right to use assets

Right of use assets	(₹ in crores)			
	Electrical Installations and Other Infrastructure	Plant, machinery and equipments	Vehicles	Total
Cost as at April 1, 2025	107.55	74.79	0.29	182.63
Additions	-	2.13	-	2.13
Disposals/adjustments	-	(20.13)	-	(20.13)
Cost as at March 31, 2026	107.55	56.79	0.29	164.63
Accumulated amortisation as at April 1, 2025	(8.26)	(9.70)	(0.04)	(18.00)
Amortisation for the period	(9.19)	(6.75)	-	(15.94)
Amortisation - considered as employee cost	-	-	(0.06)	(0.06)
Accumulated amortisation as at March 31, 2026	(17.45)	(16.45)	(0.10)	(34.00)
Net carrying amount as at March 31, 2026	90.10	40.34	0.19	130.63
Cost as at April 1, 2024	57.79	56.47	-	114.26
Additions	49.76	21.22	0.29	71.27
Disposals/adjustments	-	(2.90)	-	(2.90)
Cost as at March 31, 2025	107.55	74.79	0.29	182.63
Accumulated amortisation as at April 1, 2024	(1.18)	(4.49)	-	(5.67)
Amortisation for the year	(7.08)	(5.95)	-	(13.03)
Amortisation - considered as employee cost	-	-	(0.04)	(0.04)
Disposal/adjustments	-	0.74	-	0.74
Accumulated amortisation as at March 31, 2025	(8.26)	(9.70)	(0.04)	(18.00)
Net carrying amount as at March 31, 2025	99.29	65.09	0.25	164.63

There are certain vehicles which are being given to the customers (Delhi Transport Corporation) along with operations and maintenance of the same. These are accounted as finance lease as the material risks and rewards are transferred to the lessee.

The average effective interest rate contracted approximates 8.00%-9.32% (March 31,2025 8.00%-9.32%)

The following amounts are included in the Balance Sheet :

	As at, March 31, 2026	As at, March 31, 2025
Current Finance lease receivables (refer note 6)	130.14	114.24
Non-current Finance lease receivables (refer note 5)	1,912.91	1,923.99
Total finance lease receivables	2,043.05	2,038.23

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

	For the year ended, March 31, 2026	For the year ended, March 31, 2025
Finance income on the net investment in finance leases	192.38	170.96

The table below provides details regarding the undiscounted contractual maturities of finance lease receivables:

	As at March 31, 2026					Total contractual cash flows
	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due beyond 5th Year		
Total undiscounted lease receivables	22.25	22.31	67.18	103.04	214.78	
Unearned finance income	12.36	11.44	27.84	19.53	71.17	
Net Investment in lease	9.89	10.87	39.34	83.51	143.61	
	As at March 31, 2025					Total contractual cash flows
	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due beyond 5th Year		
Total undiscounted lease receivables	299.08	300.59	606.19	2,211.89	3,417.75	
Unearned finance income	184.85	175.98	322.04	696.65	1,379.52	
Net Investment in lease	114.23	124.61	284.15	1,515.24	2,038.23	

Finance lease receivable outstanding as on March 31, 2026 and 2025 is from Delhi Transport Corporation, which is considered recoverable and not credit impaired.

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	As at March 31, 2026	As at March 31, 2025
(a) Restricted deposits *	15.37	14.55
(b) Finance lease receivables	1,912.91	1,923.99
Total	1,928.28	1,938.54

* Restricted cash deposits as at March 31, 2026 and March 31, 2025 consists of ₹ 13.71 crores and ₹ 13.71 crores respectively towards sinking fund created for operation and maintenance of buses for both the periods and includes interest accrued.

TML CV Mobility Solutions Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

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	As at March 31, 2026	As at March 31, 2025
		(₹ in crores)
(a) Finance lease receivables	130.14	114.24
(b) Government incentives	126.82	537.94
(c) Others	30.35	4.77
Total	287.31	656.95

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	As at March 31, 2026	As at March 31, 2025
		(₹ in crores)
(a) Employee benefits	-	0.05
(b) Deferred contract cost	7.31	7.96
Total	7.31	8.01

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	As at March 31, 2026	As at March 31, 2025
		(₹ in crores)
(a) Advance to suppliers and contractors	0.02	0.23
(b) Taxes recoverable and dues from government	-	2.56
(c) Prepaid expenses	3.90	4.12
(d) Deferred contract cost	0.93	0.90
(e) Employee benefits	-	0.05
Total	4.85	7.86

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Inventories are measured at cost or net realisable value whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses. The cost of inventories is valued at weighted average method. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

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	As at March 31, 2026	As at March 31, 2025
		(₹ in crores)
(a) Stock in trade	-	93.77
(b) Stores and spare parts	4.80	2.48
(c) Goods-in-transit	0.18	0.12
Total	4.98	96.37

During the year ended March 31, 2026 and 2025 inventory write-down expenses in the statement of profit and loss is **NIL**.

During the year ended March 31, 2026 and 2025, the amount of inventories recognized as an expense in the statement of profit and loss is ₹ 125.05 crores and ₹ 614.70 crores respectively.

	As at March 31, 2026	As at March 31, 2025
		(₹ in crores)
Trade Receivables considered good *	134.54	179.65
Total	134.54	179.65

* Trade receivable includes unbilled revenue of ₹ 46.39 crores and ₹ 43.08 crores as at March 31, 2026 and 2025 respectively.

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Cash and cash equivalents comprise cash on hand, demand deposits and highly liquid investments with an original maturity of up to three month that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

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	As at March 31, 2026	As at March 31, 2025
		(₹ in crores)
(a) Balances with banks	43.97	19.44
(b) Deposits with banks(refer note below)	61.43	61.43
Total	105.40	80.87

Note: -As at March 31, 2026 and March 31, 2025 deposits with bank represents deposited in escrow account by the customer towards amount payable and is a revolving fund.

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	As at March 31, 2026	As at March 31, 2025
		(₹ in crores)
With upto 12 months maturity:		
Earmarked balances with banks (refer note below)	-	31.59
Total	-	31.59

Note -Earmarked balances as at March 31, 2026, and 2025 is **NIL** and ₹ 29.67 Crores , respectively, as collateral provided for secured loan obtained from bank along with interest accrued.

TML CV Mobility Solutions Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

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		(₹ in crores)	
		As at March 31, 2026	As at March 31, 2025
(a) Authorised:			
205,00,00,000 Ordinary shares of ₹10 each		2,050.00	790.00
(as at March 31, 2025: 79,00,00,000 Ordinary shares of ₹10 each)			
Total		2,050.00	790.00
(b) Issued, subscribed and paid up:			
150,16,00,000 shares Ordinary shares of ₹10 each		1,501.60	783.60
(as at March 31, 2025: 78,36,00,000 Ordinary shares of ₹10 each)			
Total		1,501.60	783.60

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

	Year ended March 31, 2026		Year ended March 31, 2025	
	(Number of shares)	(₹ in crores)	(Number of shares)	(₹ in crores)
Ordinary shares				
Balance as at April 1	783,600,000	783.60	523,600,000	523.60
Add: Shares issued during the year	718,000,000	718.00	260,000,000	260.00
Balance as at March 31	1,501,600,000	1,501.60	783,600,000	783.60

(d) Number of shares held by each shareholder Holding more than 5 percent of the issued share capital:

Promoter name	As at March 31,		
	2026		2025
	% of Issued Share Capital	No. of Shares	% of Issued Share Capital
Ordinary shares:			
Tata Motors Limited [formerly known as TML Commercial Vehicles Limited]	100.00%	1,501,600,000	100.00%

(e) Terms and rights attached to equity shares

The company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) Disclosure of Shareholding of Promoters

Promoter name	As at March 31,			
	2026		2025	
	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	No. of Shares
Ordinary shares:				
Tata Motors Limited [formerly known as TML Commercial Vehicles Limited]	100.00%	1,501,600,000	100.00%	783,600,000

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

- (i) The Company has not issued any shares without payment being received in cash.
(ii) The Company has not issued any bonus shares.
(iii) The Company has not undertaken any buy-back of shares

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Retained earnings

Retained earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders.

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		(₹ in crores)	
		As at March 31, 2026	As at March 31, 2025
Unsecured:			
Term loan from Tata Motors Limited [formerly known as TML Commercial Vehicles Limited]		25.71	43.57
Total		25.71	43.57

		(₹ in crores)	
		As at March 31, 2026	As at March 31, 2025
Secured:			
Term loan from Bank		-	674.26
Unsecured:			674.26
(a) Current maturities of long-term borrowings from Tata Motors Limited [formerly known as TML Commercial Vehicles Limited]		6.43	8.71
(b) Inter corporate deposits from related Parties		-	523.00
Total		6.43	531.71
Total		6.43	1,205.97

TML CV Mobility Solutions Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

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(i) Details of security provided in respect of secured long term borrowings:

During the year, the Company has paid a secured term loan facility to the State Bank of India "SBI" amounting to ₹ 674 crores at floating interest rate of 8.40% per annum, repaid in quarterly instalment as per the repayment schedule beginning from September 2024 after a moratorium period. The loan was secured against plant, property and equipment, finance lease receivables, current assets and present and future buses deployed by the Company on lease. The shareholders of the Company has passed a special resolution pursuant to section 180(1)(c).

(ii) Unsecured long term borrowings:

The Company has obtained an unsecured term loan facility from its holding company " Tata Motors Limited [formerly known as TML Commercial Vehicles Limited]" of amount ₹ 75 crores at floating interest rate of 8.40% per annum for 8 years, repayable in equated quarterly instalment beginning from June 2024 after a moratorium period of 1 year. The undrawn limit from the approved facility stood at ₹ 14 crores as on March 31, 2026.

(iii) Inter-corporate deposits from Holding company are unsecured bearing interest rate at 8.25% Per annum.

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	(₹ in crores)			
	Lease obligations	Short-term borrowings	Long-term borrowings *	Total
Balance as at April 1, 2025	171.95	523.00	731.71	1,426.66
Proceeds from issuance of debt	-	430.00	-	430.00
Additions in Lease	2.12	-	-	2.12
Interest Expense	14.77	35.80	27.67	78.24
Repayment of financing and interest	(25.06)	(988.80)	(731.04)	(1,744.90)
Amortisation / EIR adjustment of prepaid borrowing costs (net)	-	-	3.80	3.80
Balance as at March 31, 2026	163.78	-	32.14	195.92
Balance as at April 1, 2024	110.91	64.00	776.24	951.15
Proceeds from issuance of debt	-	595.00	-	595.00
Addition in Lease Liability	71.27	-	-	71.27
Termination of lease	(2.40)	-	-	(2.40)
Interest Expense	12.89	11.05	65.98	89.92
Repayment of financing and interest	(20.72)	(147.05)	(113.00)	(280.77)
Amortisation / EIR adjustment of prepaid borrowing costs (net)	-	-	2.49	2.49
Balance as at March 31, 2025	171.95	523.00	731.71	1,426.66

* includes current maturities of long term borrowings and interest accrued but not due

16. Provisions

(a) Accounting policy

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. When the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The contract entered with the customer requires replacement of batteries and refurbishments of buses given on lease at the end of 8th year of the contract tenure. The Company has estimated the cost of replacement and refurbishments and have applied an effective interest rate of **8.00%-9.32%**. (As at March 31, 2025 – 8.00%-9.32%)

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Employee benefits obligations	0.84	0.63
(b) Provision for replacement of battery/refurbishment of buses (refer note below)	251.02	220.34
Total	251.86	220.97

Note:

Provision movement

	(₹ in crores)	
	For Year ended March 31, 2026	
Balance at the beginning	220.34	
Provision made during the period	10.00	
Impact of unwinding of discounting	20.68	
Balance at the end	251.02	
Non-Current	251.02	

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	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Employee benefit obligations	0.10	0.08
Total	0.10	0.08

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

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

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

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

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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. The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised.

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax	(19.98)	(35.69)
Income tax expense at tax rates applicable	(5.03)	(8.98)
Deferred tax asset not recognised as realisation is not possible	5.03	8.90
Others	0.04	0.12
Income tax expense reported in the statement of profit and loss	0.04	0.04

The company has opted for the New Tax Regime inserted by section 115BAA of the Income-tax Act, 1961 and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial Year beginning April 1, 2019 from FY 21. It has accordingly applied the tax rates as applicable under the provisions of section 115BAA of the Income-tax Act, 1961 in the financial statements for the year ended March 31, 2026 and 2025.

	(₹ in crores)			
	Opening balance	Recognised in statement of profit and loss	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:				
Unabsorbed depreciation	160.31	47.41		207.72
Unabsorbed business loss carry forward	40.32	5.35	-	45.67
Provision for replacement of battery/refurbishment of buses	6.38	5.21	-	11.59
Compensated absences and retirement benefits	0.07	0.21	0.04	0.32
Property, plant and equipment	147.47	(50.61)	-	96.86
Lease liability	16.15	19.99	-	36.14
Total deferred tax assets	370.70	27.56	0.04	398.30
Deferred tax liabilities:				
Finance Receivable	355.43	9.92	-	365.35
Lease liability	14.32	18.55	-	32.87
Prepaid borrowing cost	0.95	(0.95)	-	0.00
Total deferred tax liabilities	370.70	27.52	-	398.22
Net Deferred tax assets / (liabilities)	-	0.04	0.04	0.08

As at March 31, 2026, unrecognized deferred tax assets of ₹ 8.70 crores which can be carried forward for a unlimited period. These relate primarily to unabsorbed Depreciation. The deferred tax asset has not been recognized on the basis that its recovery is not probable in the foreseeable future.

	(₹ in crores)			
	Opening balance	Recognised in statement of profit and loss	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:				
Unabsorbed depreciation	68.75	91.56	-	160.31
Unabsorbed business loss carry forward	15.79	24.53	-	40.32
Provision for replacement of battery/refurbishment of buses	2.21	4.17	-	6.38
Compensated absences and retirement benefits	-	0.03	0.04	0.07
Property, plant and equipment	158.67	(11.20)	-	147.47
Lease liability	0.79	15.36	-	16.15
Total deferred tax assets	246.21	124.45	0.04	370.70
Deferred tax liabilities:				
Finance Receivable	237.14	118.29	-	355.43
Right to use asset	0.21	14.11	-	14.32
Prepaid borrowing cost	1.58	(0.63)	-	0.95
Total deferred tax liabilities	238.93	131.77	-	370.70
Net Deferred tax assets / (liabilities)	7.28	(7.32)	0.04	-
Less: Deferred tax asset not recognised	7.28	(7.32)	0.04	-
Net Deferred tax assets / (liabilities)	-	-	-	-

As at March 31, 2025, unrecognized deferred tax assets amount to ₹ 5.35 crores which can be carried forward up to a specified period. These relate primarily other deductible Temporary difference. The deferred tax asset has not been recognised on the basis that its recovery is not probable in the foreseeable future.

Unrecognized deferred tax assets of ₹ 5.35 crores relating to business losses would expire by March 31, 2034.

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	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Deffered Government incentives	529.27	566.71
Total	529.27	566.71

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	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Contract Liabilities (refer note below)	59.33	74.62
(b) Statutory dues (GST, TDS)	3.83	4.33
(c) Deffered Government incentives	62.07	59.24
(d) Others	0.02	0.04
Total	125.25	138.23

Includes: deposit as at March 31, 2026 and March 31, 2025 of ₹ 61.43 crores and ₹ 61.43 crores respectively, in escrow account by the customer towards amount payable and is a revolving fund.

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Note:

	As at March 31, 2026	As at March 31, 2025
Contract liabilities		
Opening contract liabilities	74.62	60.17
Amount recognised in revenue	-	-
Amount received in advance during the year	(15.29)	14.45
Amount refunded to customers	-	-
Closing contract liabilities	59.33	74.62

	As at March 31, 2026	As at March 31, 2025
Advance received from customers Current	59.33	74.62
Total	59.33	74.62

	As at March 31, 2026					Total
	Not due	Overdue				
		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	40.32	0.23	-	-	-	40.55
Total	40.32	0.23	-	-	-	40.55
Outstanding dues other than micro and small enterprises						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	35.29	5.15	-	-	-	40.44
Total	35.29	5.15	-	-	-	40.44
Balance as at March 31, 2026	75.61	5.38	-	-	-	80.99

	As at March 31, 2025					Total
	Not due	Overdue				
		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	28.71	-	-	-	-	28.71
Total	28.71	-	-	-	-	28.71
Outstanding dues other than micro and small enterprises						
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	42.73	0.97	-	-	-	43.70
Total	42.73	0.97	-	-	-	43.70
Balance as at March 31, 2025	71.44	0.97	-	-	-	72.41

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	As at March 31, 2026	As at March 31, 2025
(a) Interest accrued but not due on borrowings	-	5.17
(b) Liability for capital expenditure	0.19	0.04
Total	0.19	5.21

Note:- As at March 31, 2026, and 2025, outstanding towards principal and interest provision on dues of micro enterprises and small enterprises as per MSMED ACT, 2006 is ₹ 0.1 crores and ₹ 0.04, respectively.

(a) Accounting policy

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency relationships if any. Companies typically control the goods or services before transferring them to the customer. The major stream of revenue comprises:

i) Sale of products

The Company primarily carry out the project of supply, operation and maintenance of electric buses under FAME II scheme of Department of Heavy Industries, Government of India and all such future projects of Delhi Transport Corporation ("DTC"). As per the agreement with DTC, the company must supply, operate, and maintain the electric buses for various depots as mentioned in term of said agreement. Based on manufacturer or dealer lessor guidance under IND-AS 116, revenue is recognized at the lease commencement date at fair value of the leased asset calculated on a relative standalone selling price basis as per IND AS 115, and after calculating the present value of the lease payment accruing to the company, discounted using a market rate of interest. These arrange is considered as finance lease and finance lease receivable will be collected over the contract period. In addition, initial direct costs including purchase cost of buses is recognized as expenses net off the present value of unguaranteed residual values at the lease commencement date. Effectively, selling profit or loss on a finance lease is accounted at the commencement date of lease, regardless of whether the lessor transfers the underlying asset as described in Ind AS 115.

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

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. the transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

ii) Sale of services

Income from operation and maintenance of electric buses are recognized as income over the relevant of service. Sales of services include certain performance obligations that are satisfied over a period of time, any amount received in advance is recorded as contract liability and recognized as revenue when service is rendered to customers (Refer note 22(a) for ongoing performance obligations). The payment terms ranges between 30 to 40 days.

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iii) Financing revenue

Interest income from financing transactions includes income from leasing of vehicles to customers. Finance and service charges are accrued on the unpaid principal balance of finance lease receivables using the effective interest method.

(b)

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
I Revenue from contract with customers		
(a) Sale of products		
Buses	97.72	618.80
Miscellaneous products	0.48	0.04
Total Sale of products	98.20	618.84
(b) Sale of services	219.08	186.51
Revenue	317.28	805.35
II Other operating revenues (Refer note 2)	199.76	179.26
Total	517.04	984.61

Note –

1. net of variable consideration of ₹ 39.18 crores as at March 31, 2026 and ₹ 18.29 crores as at March 31, 2025.

2. Other operating revenue includes Finance income towards EV FMS amounting ₹ 192.38 crores as at March 31, 2026 and ₹ 170.96 crores as at March 31, 2025.

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a) Accounting policy

Government Grants and Incentive

Other income includes incentives from Government (referred as "incentives").

Government grants and incentives are recognised when there is a reasonable assurance that the Company will comply with the relevant conditions and the grant will be received.

Government grants and incentives are recognised in the statement of profit and loss, either on a systematic basis when the Company recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred. Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing obligations to the Company are recognized as income in the period in which the grant is received.

Interest income

The Company recognises interest income from a financial asset 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 proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

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	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Interest income on financial assets carried at amortised cost	64.50	3.24
(b) Interest Received on Income Tax Refund	0.73	-
(c) Government incentives	-	52.65
Total	65.23	55.89

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	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Salaries, wages and bonus	5.60	5.95
(b) Contribution to provident fund and other funds	0.30	0.29
(c) Staff welfare expenses	0.18	0.15
Total	6.08	6.39

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(i) 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 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts by the Holding company Tata Motors Limited. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

(ii) Bhavishya kalyan yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees of the Company. 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 at the time of death or accident or a specified amount, whichever is greater. The Company also pays the child education assistance for the deceased members children. The Company account for the liability for BKY benefits payable in the future based on an independent actuarial valuation

(iii) Provident fund and family pension

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, were made to the provident fund and pension fund set up as an irrevocable trust or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. The interest rate, payable to the members of the trust, was not to be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, was made good by the Company. The embedded interest rate guarantee is considered to be defined benefit.

The provident fund trust set up by Tata Motors Limited (the "Company") has lost its exempt status w.e.f. April 1, 2022, due to incurrence of losses for three consecutive years by the Company, as per its standalone financial statements prepared in accordance with Indian Accounting Standards. Accordingly, the Company has surrendered this exemption and transferred the assets and obligations of the trust to the government managed provident fund. With this transfer of assets and obligations, the Company will no longer be obligated to provide any interest rate guarantee and accordingly, the provident fund is considered as a defined contribution scheme from April 1, 2022.

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(iv) Post-retirement medicare scheme

Under this unfunded scheme, employees of the Company 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. The Company accounts for the liability for post-retirement medical scheme based on an actuarial valuation.

(v) Compensated absences

The Company provides for the encashment of leave or 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 unutilised leave at each balance sheet date on the basis of an independent actuarial valuation.

(vi) Remeasurement gains and losses

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 recognised 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.

Actuarial gains and losses relating to long-term employee benefits are recognised in the statement of Profit and Loss in the period in which they arise.

(vii) Measurement date

The measurement date of retirement plans is March 31.

The present value of the defined benefit liability and the related current service cost and past service cost are measured using projected unit credit method.

The present value of the post-employment benefit obligations depends on a number of factors, it is determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of post-employment benefit obligations.

(viii) Labour code Impact: -

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has evaluated and disclosed the incremental impact of these changes using the best information currently available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as "Statutory impact of new Labour Codes" under "Exceptional items" in the statement of profit and loss for the year ended March 31, 2026. The incremental impact consisting of gratuity of ₹ 0.41 crore and long-term compensated absences of ₹ 0.21 crore primarily arises due to change in wage definition. The Company continues to monitor the finalization of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

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Pension and post retirement medical plans

The following tables sets out the funded and unfunded status and the amounts recognised in the financial statements for the pension and the post-retirement medical plans in respect of TML CV Mobility Solutions Limited

	(₹ in crores)			
	Pension Benefits*		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2026	2025	2026	2025
Change in defined benefit obligations:				
Defined benefit obligation, beginning of the year	0.83	-	0.25	-
Current service cost	0.12	0.10	0.01	0.03
Interest cost	0.06	0.04	0.01	0.01
Remeasurements (gains) / losses		-		
Actuarial gain arising from changes in demographic assumptions	0.03	(0.03)	0.04	(0.02)
Actuarial loss arising from changes in financial assumptions	-	0.04	(0.01)	0.02
Actuarial loss arising from changes in experience adjustments	0.14	0.11	(0.02)	0.09
Transfer between subsidiaries	(0.05)	0.59	-	-
Benefits paid from plan assets	-	-	-	-
Benefits paid directly by employer	-	(0.02)	-	-
Past service cost- plan amendments	0.41	-	(0.02)	0.05
Transfers of liabilities	(0.13)	-	-	0.07
Defined benefit obligation, end of the year	1.41	0.83	0.26	0.25
Change in plan assets:				
Fair value of plan assets, beginning of the year	0.74	-	-	-
Transfer between subsidiaries	(0.10)	-	-	-
Interest income	0.04	0.03	-	-
Return on plan assets, (excluding amount included in net Interest expense)	-	0.05	-	-
Employer's contributions	0.56	0.20	-	-
Transfer of plan assets	-	0.48	-	-
Benefits paid	(0.05)	(0.02)	-	-
Fair value of plan assets, end of the year	1.19	0.74	-	-

	Pension Benefits*		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2026	2025	2026	2025
Amount recognised in the balance sheet consists of				
Present value of defined benefit obligation	1.41	0.83	0.26	0.25
Fair value of plan assets	1.19	0.74	-	-
Net liability	(0.22)	(0.09)	0.26	0.25
Amounts in the balance sheet:				
Non-current assets	(0.05)	0.05	-	-
Non-current liabilities	(0.17)	(0.14)	-	(0.25)
Net liability	(0.22)	(0.09)	-	(0.25)

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

	(₹ in crores)	
	Pension Benefits *	
	As at, March 31, 2026	As at, March 31, 2025
Defined benefit obligation	1.24	0.70
Fair value of plan assets	1.18	0.74

Information for unfunded plans:

	Pension Benefits *		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2026	2025	2026	2025
Defined benefit obligation	0.17	0.13	0.25	0.25

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

	Pension Benefits *		Post retirement medical Benefits	
	Year ended March 31,		Year ended March 31,	
	2026	2025	2026	2025
Service cost	0.12	0.10	0.01	0.03
Net interest cost	0.01	0.01	0.01	0.01
Past service cost- plan amendments	0.41	-	(0.02)	0.05
Net periodic cost	0.55	0.11	0.01	0.08

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

	Pension Benefits *		Post retirement medical Benefits	
	Year ended March 31,		Year ended March 31,	
	2026	2025	2026	2025
Remeasurements				
Return on plan assets, (excluding amount included in net Interest expense)	-	(0.05)	-	-
Actuarial (loss)/gain arising from changes in demographic assumptions	0.03	(0.03)	0.04	(0.02)
Actuarial gain/(loss) arising from changes in financial assumptions	-	0.04	(0.01)	0.02
Actuarial gain/(loss) arising from changes in experience adjustments on plan liabilities	0.14	0.11	(0.02)	0.09
Total recognised in other comprehensive income	0.17	0.07	0.01	0.09
Total recognised in statement of comprehensive income	0.72	0.17	0.01	0.17

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

	Pension Benefits *		Post retirement medical Benefits	
	As at March 31,		As at March 31,	
	2026	2025	2026	2025
Discount rate	7.0%	6.7%	7.5%	6.8%
Rate of increase in compensation level of covered employees	6.0% - 10.0%	6.0% - 10.0%	6.0% - 10.0%	6.0% - 10.0%
Increase in health care cost	7.0%	NA	7.0%	7.0%

The fair value of Company's pension plan asset as of March 31, 2026 and 2025 by category are as follows:

Asset category:	Pension Benefits *	
	As at March 31,	
	2026	2025
Cash and cash equivalents	14.0%	12.0%
Debt instruments (quoted)	65.0%	65.7%
Debt instruments (unquoted)	0.0%	0.0%
Equity instruments (quoted)	11.0%	11.6%
Deposits with Insurance companies	10.0%	10.7%
	100.0%	100.0%

* Pension benefit includes Gratuity and Bhavishya Kalyan Yojana (BKY).

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

The weighted average duration of the defined benefit obligation as at March 31, 2026 is 10.5 years (March 31, 2025: 7.26 years).

The Company expects to contribute ₹ 0.19 crores to the funded pension plans in the year ending March 31, 2027.

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

Assumption	Change in assumption	Impact on defined benefit obligation	Impact on service cost and interest cost
Discount rate	Increase by 1%	Decrease by ₹ 0.11 crores	Decrease by ₹ 0.02 crores
	Decrease by 1%	Increase by ₹ 0.10 crores	Increase by ₹ 0.03 crores
Salary escalation rate	Increase by 1%	Increase by ₹ 0.09 crores	Increase by ₹ 0.01 crores
	Decrease by 1%	Decrease by ₹ 0.09 crores	Decrease by ₹ 0.02 crores
Health care cost	Increase by 1%	Increase by ₹ 0.05 crores	Increase by ₹ 0.01 crores
	Decrease by 1%	Decrease by ₹ 0.04 crores	Decrease by ₹ 0.01 crores

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	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Interest expense:		
(i) Interest on borrowings	63.47	79.66
(ii) Interest on lease liabilities	14.77	12.89
(b) Unwinding of discount on provisions	20.68	16.56
Total	98.92	109.11

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	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Annual maintenance operating expense	225.79	191.76
(b) Guarantee charges	10.56	5.65
(c) Battery replacement and refurbishment expenses	9.99	59.23
(d) Contract labour charges	9.26	16.42
(e) Insurance	10.47	9.54
(f) Parking charges	2.58	2.43
(g) Power and fuel	82.15	89.56
(h) Other expenses	12.04	8.03
Total	362.84	382.62

Note	Year ended March 31, 2026	Year ended March 31, 2025
Auditors' Remuneration (excluding GST)		
(i) Audit Fees	0.23	0.21
(ii) Tax Audit Fees	0.03	0.03
(iii) Reimbursement of travelling and out-of-pocket expenses	0.04	0.02
Total	0.30	0.26

	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent by the Company during the year	-	0.13
Amount of expenditure incurred on*:		
(i) Construction/acquisition of any assets	-	-
(ii) On purposes other than (i) above	-	0.14
Shortfall at the end of the year	-	-
Total of previous year shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities undertaken-Social Development		

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The Company is committed to incur ₹ Nil and ₹ Nil crores on procurement of buses and ₹ 15.93 crores and ₹ 17.44 crores towards civil and electrical infrastructure and battery chargers to fulfill the contractual obligation as at March 31, 2026 and March 31, 2025, respectively.

There are no claims against the Company acknowledged as debts.

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

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		Year ended March 31, 2026	Year ended March 31, 2025
(a) Profit/ (loss) after tax	₹ crores	(20.02)	(35.73)
(b) The weighted average number of Ordinary shares for Basic EPS	Nos.	1,267,049,451	528,586,301
(c) The nominal value per Ordinary share	₹	10.00	10.00
(d) Earnings Per Ordinary share (Basic)	₹	(0.16)	(0.68)
(e) Earnings Per Ordinary share (Diluted)	₹	(0.16)	(0.68)

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The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, and/or long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Total borrowings includes all long and short-term borrowings as disclosed in notes 14 and 15 to the financial statements. Equity comprises all components excluding (profit)/loss on cash flow hedges if any.

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Short-term borrowings and current maturities of long-term borrowings	6.43	1,205.97
Long-term borrowings	25.71	43.57
Total Liabilities	32.14	1,249.54
Total Equity	1,462.82	764.98
Net debt to adjusted equity ratio (times)	0.02	1.63

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i) Recognition: -

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

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

Initial measurement

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

Classification and measurement – financial assets

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

Financial assets are classified into three categories

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

Financial assets at fair value through other comprehensive income: 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 as well as to sell the financial asset, are classified in this category. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in other comprehensive income apart from any expected credit losses or foreign exchange gains or losses, which are recognised in profit or loss.

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

Classification and measurement – financial liabilities:

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

Financial guarantee contracts: These are initially measured at their fair values and, are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognised less, the cumulative amount of income recognised.

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

ii) Determination of fair value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received).

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

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

iii) Derecognition of financial assets and financial liabilities:

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

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

iv) Impairment of financial assets:

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

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

- Financial assets and liabilities

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2026 .

(₹ in crores)		
Financial assets at amortised cost	Total carrying value	Total fair value
(a) Trade receivables	134.54	134.54
(b) Cash and cash equivalents	105.40	105.40
(c) Other financial assets-non-current	1,928.28	1,928.28
(d) Other financial assets-current	287.31	287.31
Total	2,455.53	2,455.53

(₹ in crores)		
Financial liabilities at amortised cost	Total carrying value	Total fair value
(a) Long-term borrowings (including current maturities of long-term borrowings)	32.14	32.14
(b) Lease liabilities	143.63	143.63
(c) Trade payables	80.99	80.99
(d) Other financial liabilities-current	0.19	0.19
Total	256.95	256.95

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2025.

(₹ in crores)		
Financial assets at amortised cost	Total carrying value	Total fair value
(a) Trade receivables	179.65	179.65
(b) Cash and cash equivalents	80.87	80.87
(c) Other bank balances	31.59	31.59
(d) Other financial assets-non-current	1,938.54	1,938.54
(e) Other financial assets-current	656.95	656.95
Total	2,887.60	2,887.60

(₹ in crores)		
Financial liabilities at amortised cost	Total carrying value	Total fair value
(a) Long-term borrowings (including current maturities of long-term borrowings)	726.54	726.54
(b) Lease liabilities	171.95	171.95
(c) Short-term borrowings	523.00	523.00
(d) Trade payables	72.41	72.41
(e) Other financial liabilities-current	5.21	5.21
Total	1,499.11	1,499.11

Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Quoted prices in an active market (Level 1): This level of hierarchy includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There has been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2026 and March 31, 2025

The following table provides an analysis of fair value of financial instruments that are not measured at fair value on recurring basis, grouped into Level 1 to Level 3 categories:

(₹ in crores)				
	As at March 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial liabilities not measured at fair value				
(a) Long-term borrowings (including current maturities of long term borrowing)	-	32.14	-	32.14
(b) Short-term borrowings	-	-	-	-
Total	-	32.14	-	32.14
(₹ in crores)				
	As at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial liabilities not measured at fair value				
(a) Long-term borrowings (including current maturities of long term borrowing)	-	726.54	-	726.54
(b) Short-term borrowings	-	523.00	-	523.00
Total	-	1,249.54	-	1,249.54

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, substantially for all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

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In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Market risk

Market risk is the risk of any loss in future earnings, in realisable 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, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy. There is no exposure towards foreign currency exchange rate risk and equity price risk during the year.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Company.

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. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term non-convertible bonds and short term loans.

As at March 31, 2026 and 2025, financial liabilities of ₹ 52.29 crores and ₹ 730.34 crores, respectively, were subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of ₹ 0.52 crores and ₹ 7.30 crores for the year ended March 31, 2026 and 2025, respectively.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.
(Note: The impact is indicated on the profit/(loss) before tax basis.)

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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 trade receivables, finance lease receivables and loans. The Company strives to promptly identify and reduce concerns about collection due to a deterioration in the financial conditions and others of its main counterparties by regularly monitoring their situation based on their financial condition. None of the financial instruments of the Company result in material concentrations of credit risks.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 2,455.53 crores and ₹ 2,887.60 as at March 31, 2026 and 2025, respectively, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, finance lease receivables, margin money and other financial assets excluding equity investments.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including short term deposits with banks, are past due or impaired. Regarding trade receivables and finance lease receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at March 31, 2026, and March 31, 2025 that defaults in payment obligations will occur.

Credit quality of financial assets and impairment loss

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

		(₹ in crores)						
		As at March 31, 2026						
		Overdue						
		Not due	Up to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed								
(a)	Considered good	59.58	63.48	11.48	-	-	-	134.54
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
Total		59.58	63.48	11.48	-	-	-	134.54
Less: Allowance for credit impaired balances								-
Total								134.54

		(₹ in crores)						
		As at March 31, 2025						
		Overdue						
		Not due	Up to 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed								
(a)	Considered good	87.44	92.21	-	-	-	-	179.65
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
Total		87.44	92.21	-	-	-	-	179.65
Less: Allowance for credit impaired balances								-
Total								179.65

Trade receivable outstanding as on March 31, 2026 and 2025 is from Delhi Transport Corporation, which is considered recoverable. There are no disputed trade receivables which have significant increase in credit risk or credit impaired undisputed trade receivable.

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Liquidity risk refers to the risk that the Company will encounter difficulty to meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from bank. It invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks.

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

The table below provides undiscounted contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2026:

(₹ in crores)						
Financial liabilities	Carrying amount	Due in 1 st Year	Due in 2 nd Year	Due in 3 rd to 5 th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables	80.99	80.99	-	-	-	80.99
(b) Borrowings and interest thereon	32.14	-	-	-	-	-
(c) Other financial liabilities	0.19	0.19	-	-	-	0.19
(d) Lease liabilities	143.63	22.25	22.31	67.18	103.04	214.78
Total	256.95	103.43	22.31	67.18	103.04	295.96

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2025

(₹ in crores)						
Financial liabilities	Carrying amount	Due in 1 st Year	Due in 2 nd Year	Due in 3 rd to 5 th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables	72.41	72.41	-	-	-	72.41
(b) Borrowings and interest thereon	1,254.71	1,251.12	12.02	21.90	19.03	1,304.07
(c) Other financial liabilities	0.04	0.04	-	-	-	0.04
(d) Lease liabilities	171.95	25.02	25.09	50.38	165.19	265.68
Total	1,499.11	1,348.59	37.11	72.28	184.22	1,642.20

The Company's related parties principally includes holding company Tata Motors Limited (formerly TML Commercial Vehicles Limited) (from July 1st, 2025) and Tata Motors Passenger Vehicles Limited ('TMPVL') (Formerly Tata Motors Limited) and its subsidiaries, joint arrangements and associates (upto June 30th, 2025.). The Company routinely enters into transactions with these related parties in the ordinary course of business (Refer Background and operation note 1).

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

The following table summarises related-party transactions and balances for the year ended ended as at March 31, 2026

	(₹ in crores)				
	Holding company		Fellow Subsidiaries	Joint venture of Parent company	Total
	Tata Motors Passenger Vehicles Limited (Formerly Known as Tata motors Limited)	Tata Motors Limited (Formerly Known as TML Commercial Vehicles Limited)			
(A) Transactions					
Purchase of products	3.63	13.40	0.03	-	17.06
Services received (Including reimbursement)	3.42	10.55	4.72	2.62	21.31
Services rendered (Including reimbursement)	-	8.76	-	-	8.76
Finance given, taken back (including loans)	-	-	78.00	-	78.00
Finance taken (including loans)	111.00	319.00	-	-	430.00
Finance taken, paid back (including loans)	24.18	870.96	-	-	895.14
Interest expense	10.48	27.77	1.50	-	39.75
Issue of equity share	-	718.00	-	-	718.00
(B) Balances					
Amounts payable in respect of loans and interest thereon	-	32.14	-	-	32.14
Trade and other receivables	-	21.14	0.04	-	21.18
Trade payables (including lease liability)	-	12.45	4.32	0.57	17.33

The Holding company has given a corporate guarantee of ₹ 918.02 crores and ₹ 819.95 crores on behalf of the company as on March 31, 2026 and 2025 respectively

The following table summarises related-party transactions for the year ended/as at March 31, 2025

	(₹ in crores)		
	Holding company	Fellow Subsidiaries	Total
Transactions			
Purchase of products	721.45	-	721.45
Sale of products	-	0.64	0.64
Services received (Including reimbursement)	8.80	14.60	23.40
Finance taken (including loans)	490.00	105.00	595.00
Finance taken, paid back (including loans)	117.71	27.00	144.71
Finance given (including loans)	430.00	-	430.00
Interest expense	12.86	3.00	15.86
Issue of equity share	260.00	-	260.00
(B) Balances			
Amounts payable in respect of loans and interest thereon	497.29	78.00	575.29
Advances and other receivables	0.47	-	0.47
Trade and other payables	8.12	7.63	15.75

TML CV Mobility Solutions Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

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

Name of Related Party		Nature of relationship	Year ended	
			March 31, 2026	March 31, 2025
i) Sale of Products				
TML Smart City Mobility Solutions Limited		Fellow Subsidiaries	-	0.64
ii) Services received (Including reimbursement)				
TML Smart City Mobility Solutions Limited		Fellow Subsidiaries	4.72	11.96
Tata Motors Global Services Limited [formerly known as TML Business Services Limited]		Fellow Subsidiaries	-	1.50
Tata Motors Global Services Limited [formerly known as TML Business Services Limited]		Joint venture of Parent company	2.62	-
iii) Finance taken (Including loans and equity)				
TML Smart City Mobility Solutions Limited		Fellow Subsidiaries	-	105.00
iv) Finance taken, paid back (including loans and equity)				
TML Smart City Mobility Solutions Limited		Fellow Subsidiaries	-	27.00
v) Finance given, taken back (including loans)				
TML Smart City Mobility Solutions Limited		Fellow Subsidiaries	78.00	-
vi) Interest expense				
TML Smart City Mobility Solutions Limited		Fellow Subsidiaries	1.50	3.00

Compensation of key management personnel:

	Year ended	
	March 31, 2026	March 31, 2025
Short-term benefits	0.73	1.08
Post-employment benefits*	0.03	0.04

* Provisions for contribution to gratuity, leave encashment and other defined benefit are determined by actuary on an overall company basis at the end of each year and, accordingly, have not been considered in the above information. The amount is disclosed only at the time of payment.

Sr No	Particulars	Year ended March 31,		Change	Reason for change
		2026	2025		
a)	Debt Equity Ratio (number of times) [Total Debt ⁽ⁱ⁾ / Shareholders' Equity ⁽ⁱⁱ⁾]	0.02	1.63	(98.77%)	The ratio has improved as the company has repaid its borrowings, resulting in lower leverage during the year
b)	Debt Service Coverage Ratio (number of times) [(Profit/(loss) before exceptional items and tax+Interest on Borrowings)/(Interest on Borrowings + Repayment of Borrowings ⁽ⁱⁱⁱ⁾)]	0.19	0.07	171.43%	The improvement in the ratio is attributable to loan repayment during the year
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)]	2.41	0.74	225.68%	The ratio has improved due to repayment of borrowings and timely settlement of dues to suppliers, leading to a reduction in current liabilities
d)	Trade receivable turnover (number of times) [Revenue from operations / Average Trade receivables]	3.29	6.89	(52.25%)	The ratio has improved due to timely collection of receivables during the year, reflecting enhanced efficiency in receivables management
e)	Inventory turnover (number of times) [Raw material consumed ^(vii) / average inventory ^(v)]	4.58	11.30	(59.47%)	The ratio has improved due to deployment of buses during the year, resulting in higher consumption of inventory and improved inventory efficiency
f)	Trade payable turnover (number of times) [Cost of material consumed ^(viii) / Average Trade payables]	3.14	18.17	(82.70%)	The improvement in the ratio is attributable to timely payments made to suppliers, leading to lower current liabilities
g)	Net capital turnover (number of times) [Revenue from operations / Working capital ^(iv)]	1.65	3.28	(49.78%)	The improvement in the ratio is attributable to loan repayment and timely payment of suppliers during the year
h)	Net profit margin (%) [Net profit after tax / Revenue from continuing operations]	-3.87%	-3.63%	6.70%	The Net Profit Margin continued to be negative, primarily on account of increased power and material costs and the impact of change in labour code-related expenses
i)	Return on equity (number of times) [Net profit after tax / Average shareholders' equity]	(0.02)	(0.05)	(67.16%)	Return on Equity remained negative during the year primarily due to losses incurred and an increase in share capital, which resulted in a higher equity base.
j)	Return on capital employed (number of times) [Profit before interest and tax / Capital employed ^(vi)]	0.05	0.04	44.89%	The Return on Capital Employed has marginally improved during the year, primarily due to an increase in the capital base following infusion of share capital.
k)	Return on investments (number of times) [Net profit after tax / Average investments]	NA	NA	-	

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

TML CV Mobility Solutions Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

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- I. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for Holding any Benami property.
- II. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- III. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- IV. the Company has not advanced or loaned or invested funds to any person(s) or entity(ies), 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.
- V. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- VI. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- VII. The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- VIII. The Company has complied with the number of layers for its Holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- IX. The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the current or previous year.
- X. There were no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended at March 31, 2026 and 2025 respectively.

TML CV Mobility Solutions Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

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1. Details of dues to micro and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006

Particulars		(₹ in crores)	
		As at March 31, 2026	As at March 31, 2025
(a) Amounts outstanding but not due (including capital creditors) as at March 31,		40.55	28.75
(b) Amounts due but unpaid as at March 31,	- Principal	0.24	-
(c) Amounts paid after appointed date during the year	- Principal	20.55	12.39
(d) Amount of interest accrued and unpaid as at March 31, *	- Interest	0.10	0.15
(e) Amount of estimated interest due and payable for the period from April 1, 2025 to actual date of payment or May 11, 2026 (whichever is earlier) *	- Interest	0.10	-

2. Disclosure required under Section 186 (4) of the Companies Act, 2013 for loans given

Company	Relation	Outstanding as at		Maximum Outstanding balance during the year		Rate of interest	Purpose	(₹ in crores)
		March 31, 2026	March 31, 2025	2026	2025			
Tata Motors Limited [formerly known as TML Commercial Vehicles Limited]	Holding company	-	-	(538.23)	-	-	General business purpose	
TML Smart City Mobility Solutions Limited	Fellow Subsidiaries	-	-	(55.00)	-	-	General business purpose	

The maximum outstanding amount given throughout the year was below the board approved limits.

3. Current figures are shown in bold prints.

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

For and on behalf of board

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

Anand Srinivasagopalan [DIN: 10612257]
Director
Place: Chennai

Siddhartha Haldar
Chief Financial Officer
Place: Delhi

Jitendra Vaishnav
Partner
Membership No: 123636
UDIN:-26123636VEIYN6678

Amit Sanghvi [DIN: 07584349]
Director
Place: Mumbai

Place: Mumbai
Date: May 11, 2026

Date: May 11, 2026