

## INDEPENDENT AUDITOR'S REPORT

To the members of **TMF Business Services Limited**

**Report on the audit of the financial statements**

### Opinion

We have audited the accompanying financial statements of **TMF Business Services Limited** (hereinafter referred as "the Company"), which comprise the balance sheet as at 31 March 2026, the statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity for the year ended on that date and notes to the financial statements, including a summary of 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 (hereinafter referred as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (hereinafter referred as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31 March 2026, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred as "SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards 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.

### Emphasis of matter

We draw attention to note no. 34 to the financial statement, which describes that the Company is in the process of merging with the Tata Motors Limited. This proposed merger scheme has been approved by board and is subject to all applicable statutory and regulatory approvals.

Our opinion is not modified in respect of this matter.



## **Information other than the financial statements and auditor's report thereon**

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report and management discussion and analysis included in the annual report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## **Management's and Board of Director's 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 financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. 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, Company's 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's responsibilities for the audit of the financial statements**

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

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

- A. 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.
- B. 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 system in place and the operating effectiveness of such controls.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- E. 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or

regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **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 sub-section (11) of section 143 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. As required by section 143 (3) of the Act and based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books; except for the matters stated in the paragraph 2(i)(vi) 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), 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, as amended.
  - e) On the basis of the written representations received from the directors as on 31 March 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 2 (b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) 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**"; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;
  - h) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid managerial remuneration during the year. Accordingly, reporting on the requirements of section 197(16) of the Act, as amended, is not applicable; and
  - i) 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:

- i. The Company has no pending litigations as at 31 March 2026 that would have any material impact on its financial position in its financial statements - refer note 28 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026.
- iv. Reporting on rule 11(e):
  - (a) The Management has represented that, to the best of its knowledge and belief, as stated in note no. 35(i), no funds (which are material either individually or in the aggregate) 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.
  - (b) The Management has represented, that, to the best of its knowledge and belief, as stated in note no. 35(j), no funds (which are material either individually or in the aggregate) 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that has 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 (a) and (b) above, contain any material misstatement.
- v. During the previous year, the company has not declared/paid dividend. Accordingly, reporting under section 123 of the Act is not applicable.



vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except for following instances:

(a) The Company makes use of a third party service provider for an invoice processing. The Company has provided us the Service Organization Controls 2 ('SOC 2') report covering the period from 1 January 2025 to 31 December 2025. A bridge letter issued by said third party service provider covering the period from 1 January 2026 to 31 March 2026 confirms no change in the internal control environment during the said period.

(b) the audit trail feature was not enabled at the database level to log any direct data changes.

Further, during the course of our audit, except for mentioned above, we did not come across any instance of audit trail feature being tampered with and additionally, the audit trail where available has been preserved by the company as per the statutory requirements for record retention.

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For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration no. 109983W



A handwritten signature in blue ink, appearing to be "P. Bhise", located below the circular stamp.

A larger handwritten signature in blue ink, appearing to be "Pramod Bhise", located to the right of the circular stamp.

**CA Pramod Bhise**

Partner

Membership no.(F) 047751

UDIN: 26047751EXELPQ1597

Pune, 28 April 2026

## Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a program for verification of items of Property, Plant and Equipment. However, during the year, the physical verification exercise has not been carried out. Further, as informed by the management, the assets are under NPA status. Accordingly, we are unable to comment on reporting as required under paragraph 3(i)(b) of the Order.
- (c) As on balance sheet date, the Company does not have any immovable properties. Accordingly, reporting under paragraph 3(i)(c) of the Order is not applicable.
- (d) The Company has neither revalued its Property, Plant and Equipment (including Right of Use assets) nor intangible assets during the year. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under paragraph 3(i)(e) of the Order is not applicable.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under paragraph 3(ii)(a) of the Order is not applicable.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under paragraph 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any security or granted any secured loans or secured or unsecured advances in the nature of loans, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, the reporting under paragraph 3(iii)a, 3(iii)b, 3(iii)c, 3(iii)d, 3(iii)e and 3(iii)f is not applicable.
- (iv) The Company has not granted any loans or made investments or provided any guarantees or security to the parties covered under provisions of sections 185 and 186. Accordingly, the reporting under paragraph 3(iv) is not applicable.
- (v) The Company has not accepted deposits or deemed deposits to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act, and the rules framed there under, are applicable. Accordingly, reporting under para 3(v) is not applicable.



- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Accordingly, reporting under paragraph 3 (vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
- (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. Based on the verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) According to the information and explanation provided to us, dues of Goods and Service tax Act, 2017 which have not been deposited on account of dispute are as follows:

Name of statute	Nature of dues	Amount involved (₹ in Lakhs)	Amount unpaid (₹ in Lakhs)	Period to which amount Relates (Financial Year)	Forum where Dispute is Pending
Goods & Service Tax Act, 2017	GST (Including interest, penalty, etc., if any)	1,275.42	1,275.42	2018-19 2021-22 2023-24	GST Appellate authority
Income Tax, 1961	Income Tax (Including interest, penalty, etc., if any)	41.60	41.60	A.Y 2017-18	CIT (Appeals)-Mumbai
Income Tax, 1961	Income Tax (Including interest, penalty, etc., if any)	39.24	39.24	A.Y 2020-21	NFAC - CBDT
Income Tax, 1961	Income Tax (Including interest, penalty, etc., if any)	2,041.29	2,041.29	A.Y 2024-25	CIT (Appeals)-Mumbai

- (viii) 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. Accordingly, reporting under para 3(viii) is not applicable.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, reporting under para 3(ix)(a) is not applicable.

- (b) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender. Accordingly, reporting under para 3(ix)(b) is not applicable.
- (c) The Company has not availed term loans during the year. Accordingly, reporting under para 3(ix)(c) is not applicable.
- (d) As on balance sheet date the Company has Inter-Corporate Deposits (ICDs) from related party repayable on demand hence classified as short-term funds. In addition, the Company has a sanctioned facility from its Parent Company. In view of the above, funds raised on short term basis have not been utilised for long term purposes.
- (e) The Company does not have subsidiary, associate, or joint venture. Accordingly, reporting on paragraph 3(ix)(e) of the Order is not applicable.
- (f) The Company does not have subsidiary, associate, or joint venture. Accordingly, reporting on paragraph 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on para 3(x)(a) is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting on para 3(x)(b) is not applicable.
- (xi) (a) No fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company. Accordingly, reporting on para 3(xii) of the order is not applicable.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details have been disclosed in the financial statements as required by the applicable IND AS.
- (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) Reports of the Internal Auditors for the period under the audit were considered by us.
- (xv) The company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company. Accordingly, reporting on para 3(xv) of the order is not applicable.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on para 3 (xvi)(a) of the order is not applicable.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year, Accordingly, reporting on para 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, reporting on para 3(xvi)(c) of the order is not applicable.
- (d) The Group has more than one CIC as part of the group. The Group has one CICs which is registered with the Reserve Bank of India.
- (xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) During the year, there has been no resignation of statutory auditor. Accordingly, reporting on para 3 (xviii) of the order is not applicable
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that 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.
- (xx) (a) There is no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects required a transfer to a Fund specified in Schedule VII to the companies Act in compliance with second proviso to sub section (5) of section 135 of the Act. Accordingly, reporting on para 3(xx)(a) of the order is not applicable.
- (b) There is no unspent amount towards Corporate Social Responsibility (CSR) in respect of ongoing projects requiring a transfer to a special account in compliance with sub-section (6) of section 135 of the Act. Accordingly, reporting on para 3(xx)(b) of the order is not applicable.
- (xxi) The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statements. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration no. 109983W



**CA Pramod Bhise**  
Partner

Membership no.(F) 047751  
UDIN: 26047751EXELPQ1597

Pune, 28 April 2026

## **Annexure B to the Independent Auditor's Report**

Referred to in paragraph 2 (F) under the heading, "Report on other legal and regulatory requirements" of our report on even date:

### **Report on the Internal Financial Controls [Under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")]**

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of **TMF Business Services Limited** (hereinafter referred as "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 and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2026, based on the internal financial control 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 (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

#### **Managements and Board of Directors responsibility for Internal Financial Controls**

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control 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 the 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 issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 was 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 system 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 judgment, 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 system with reference to financial statements.

### **Meaning of internal financial controls with reference to financial statements**

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 control 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 **Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration no. 109983W



  
**CA Pramod Bhise**

Partner  
Membership no.(F) 047751  
UDIN: 26047751EXELPQ1597

Pune, 28 April 2026

**TMF BUSINESS SERVICES LIMITED**  
**BALANCE SHEET**

(₹ in lakhs)

Particulars	Notes	As at	
		March 31, 2026	March 31, 2025
<b>I. ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, plant and equipment	4(B)	170.40	8,431.62
(b) Intangible assets	5(B)	25.32	33.37
(c) Non-current tax assets (net)		2,070.19	6,809.69
(d) Other non-current assets	10	171.10	174.45
		<u>2,437.01</u>	<u>15,449.13</u>
<b>(2) CURRENT ASSETS</b>			
(a) Financial assets			
(i) Investments	7	-	500.89
(ii) Trade receivables	8	-	734.33
(iii) Cash and cash equivalents	9	2,387.87	338.03
(iv) Other financial assets	6	0.71	0.71
(a) Other current assets	11	610.95	1,891.82
		<u>2,999.53</u>	<u>3,465.78</u>
<b>TOTAL ASSETS</b>		<u><b>5,436.54</b></u>	<u><b>18,914.91</b></u>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	13	3,722.71	3,722.71
(b) Other equity		(1,387.33)	(7,346.08)
		<u>2,335.38</u>	<u>(3,623.37)</u>
<b>LIABILITIES</b>			
<b>(1) NON-CURRENT LIABILITIES</b>			
(a) Financial liabilities:			
(i) Other financial liabilities	16	-	354.15
(b) Provisions	19	2.86	2.86
		<u>2.86</u>	<u>357.01</u>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial liabilities:			
(i) Borrowings	15	500.00	20,565.00
(ii) Trade payables	18		
(a) Total outstanding dues of micro and small enterprises		21.70	6.04
(b) Total outstanding dues of creditors other than micro and small enterprises		50.12	38.52
(iii) Other financial liabilities	17	1,244.28	1,268.93
(b) Current tax liabilities (net)		-	3.02
(c) Other current liabilities	20	1,282.20	299.76
		<u>3,098.30</u>	<u>22,181.27</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>5,436.54</b></u>	<u><b>18,914.91</b></u>

See accompanying notes forming part of financial statements

In terms of our report attached

For SHARP & TANNAN ASSOCIATES

Chartered Accountants

Firm Registration Number: 109983W



PRAMOD BHISE

Partner

Membership No. 047751

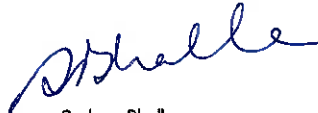
Place Pune

Date April 28, 2026





For and on behalf of the Board of Directors



Sudeep Bhalla  
Director  
(DIN - 11160825)



Kamal Pawar  
Chief Financial Officer



Prakash Pandey  
Director  
(DIN - 10850813)



Neeraj Dwivedi  
Company Secretary  
Membership No. ACS20874

Place Mumbai

Date April 28, 2026

**TMF BUSINESS SERVICES LIMITED**  
**STATEMENT OF PROFIT AND LOSS**

(₹ in lakhs)

Particulars	Notes	Year ended March 31, 2026	
		2026	2025
Revenue from operations	21		
(a) Revenue		2,839.40	4,434.34
(b) Other operating revenues		75.37	3.32
<b>I. Total revenue from operations</b>		<b>2,914.77</b>	<b>4,437.66</b>
II. Other Income	22	1,035.30	909.16
<b>III. Total Income (I+II)</b>		<b>3,950.07</b>	<b>5,346.82</b>
IV. Expenses:			
(a) Employee benefits expense	23	-	29.72
(b) Finance costs	24	1,346.24	2,332.58
(c) Depreciation and amortisation expense		2,587.32	4,027.02
(d) Impairment of financial and other assets		197.02	-
(e) Other expenses	26	320.99	1,583.68
<b>Total expenses (IV)</b>		<b>4,451.57</b>	<b>7,973.00</b>
V. Profit/(loss) before exceptional items and tax (III-IV)		(501.50)	(2,626.18)
VI. Exceptional items (Refer note - 4(B))		(6,599.19)	3,200.00
(i) Gain on sale of assets		(3,059.19)	3,200.00
(ii) Income on debt waived off		(5,540.00)	-
<b>VII. Profit/(loss) before tax (V-VI)</b>		<b>8,097.69</b>	<b>(5,826.18)</b>
VIII. Tax expense (net):			
(a) Tax in respect of earlier years		2,138.94	-
(b) Current tax		-	-
(a) Deferred tax		-	528.28
<b>Total tax expense (net)</b>	12	<b>2,138.94</b>	<b>528.28</b>
<b>IX. Profit/(loss) for the period (VII-VIII)</b>		<b>5,958.75</b>	<b>(6,354.46)</b>
X. Total comprehensive income/(loss) for the period (net of tax) (IX+X)		5,958.75	(6,354.46)
XI. Earnings per equity share (EPS)	29		
(a) Ordinary shares (face value of ₹3.8 each):			
(i) Basic EPS	₹	6.08	(6.49)
(ii) Diluted EPS	₹	6.08	(6.49)


See accompanying notes forming part of financial statements

In terms of our report attached

For SHARP & TANNAN ASSOCIATES

Chartered Accountants

Firm Registration Number: 109983W



PRAMOD BHISE

Partner

Membership No. 047751

Place Pune

Date April 28, 2026




For and on behalf of the Board of Directors




Sudeep Bhalla  
Director  
(DIN - 11160825)



Kamal Pawar  
Chief Financial Officer



Prakash Pandey  
Director  
(DIN - 10850813)



Neeraj Dwivedi  
Company Secretary  
Membership No. ACS20874

Place: Mumbai

Date: April 28, 2026

**TMF BUSINESS SERVICES LIMITED**  
**STATEMENT OF CASH FLOWS**

(₹ in lakhs)

Particulars	Year ended March 31, 2026	
	2026	2025
<b>Cash flows from operating activities:</b>		
Profit/(loss) for the year	5,958.75	(6,354.46)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	2,587.32	4,027.02
Allowances for doubtful loans and advances (others) (net of write-off)	197.02	(524.15)
ICD Waived off	(5,540.00)	-
Non cash exceptional items	(3,059.19)	3,200.00
Marked-to-market gain on investments measured at fair value through profit or loss	0.92	(0.92)
(Income)/loss on sale of assets (including assets scrapped/written off) (net)	(33.80)	1,353.87
Profit/(loss) on sale of investments (net)	(30.53)	(61.33)
Tax (credit)/expense (net)	2,138.94	528.28
Finance costs	1,346.24	2,332.58
Interest income on loans, deposits & investments	(973.63)	(10.37)
<b>Cash flows from operating activities before changes in following assets and liabilities</b>	<b>2,592.04</b>	<b>4,490.52</b>
Trade receivables	537.32	626.91
Other financial assets	-	41.28
Other current and non-current assets	1,280.87	(153.77)
Trade payables	27.10	(167.21)
Other current and non-current liabilities	982.62	(43.44)
Other financial liabilities	(378.80)	460.02
Provisions	-	0.75
<b>Cash generated from operations</b>	<b>5,041.15</b>	<b>5,255.06</b>
Income tax paid (net)	3,571.17	6,313.56
<b>Net cash from operating activities</b>	<b>8,612.32</b>	<b>11,568.62</b>
<b>Cash flows from/(used in) investing activities:</b>		
Payments for property, plant and equipments and intangible assets	0.28	(4,353.35)
Proceeds from sale of property, plant and equipments	8,778.00	1,480.76
Investments in mutual funds	(6,459.68)	(37,108.19)
Redemption of investments in mutual funds	6,990.18	37,069.86
Interest on fixed deposits	-	10.17
<b>Net cash from/(used in) investing activities</b>	<b>9,308.78</b>	<b>(2,900.75)</b>
<b>Cash flows from financing activities:</b>		
Repayment of short-term borrowings	(14,525.00)	(6,335.00)
Interest paid	(1,346.26)	(2,332.44)
<b>Net cash from/(used in) financing activities</b>	<b>(15,871.26)</b>	<b>(8,667.44)</b>
Net increase/(decrease) in cash and cash equivalents	2,049.84	0.43
Cash and cash equivalents as at April 1, (opening balance)	338.03	337.60
Cash and cash equivalents as at March 31, (closing balance)	<b>2,387.87</b>	<b>338.03</b>

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

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

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



PRAMOD BHISE  
Partner  
Membership No. 047751

For and on behalf of the Board of Directors



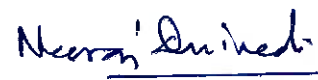
Sudeep Bhalla  
Director  
(DIN - 11160825)



Kamal Rawar  
Chief Financial Officer



Prakash Pandey  
Director  
(DIN - 10850813)



Neeraj Dwivedi  
Company Secretary  
Membership No. ACS20874

Place Pune  
Date April 28, 2026

Place Mumbai  
Date April 28, 2026





**TMF BUSINESS SERVICES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended March 31, 2026**

A. Equity Share Capital		Equity Share Capital	
		Number	(₹ in lakhs)
Balance as at April 1, 2025		97,965,969	3,722.71
Balance as at March 31, 2026		97,965,969	3,722.71

B. Other Equity		(₹ in lakhs)		
		Reserves		
Particulars	Securities Premium	Retained earnings	Total other equity	
Opening balance as at April 1, 2025	85.98	(7,432.06)	(7,346.08)	
Profit for the Period	-	5,958.75	5,958.75	
Balance as at March 31, 2026	85.98	(1,473.31)	(1,387.33)	

See accompanying notes forming part of financial statements

In terms of our report attached

For SHARP & TANNAN ASSOCIATES

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration Number: 109983W



PRAMOD BHISE

Partner

Membership No 047751



Sudeep Bhalla  
 Director  
 (DIN - 11160825)



Prakash Pandey  
 Director  
 (DIN - 10850813)



Neeraj Dwivedi  
 Company Secretary  
 Membership No ACS20874



Kamal Pawar  
 Chief Financial Officer

Place: Pune

Date: April 28, 2026

Place: Mumbai

Date: April 28, 2026




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

A. Equity Share Capital		Equity Share Capital	
		Number	(₹ in lakhs)
Balance as at April 1, 2024		97,965,969	3,722.71
Balance as at March 31, 2025		97,965,969	3,722.71

B. Other Equity		(₹ in lakhs)		
Particulars	Reserves		Total other equity	
	Securities Premium	Retained earnings		
Opening balance as at April 1, 2024	85.98	(1,077.60)	(991.62)	
Profit for the Period	-	(6,354.46)	(6,354.46)	
Balance as at March 31, 2025	85.98	(7,432.06)	(7,346.08)	

See accompanying notes forming part of financial statements

In terms of our report attached

For SHARP & TANNAN ASSOCIATES

Chartered Accountants

Firm Registration Number: 109983W



PRAMOD BHISE

Partner

Membership No. 047751

Place: Pune

Date: April 28, 2026

For and on behalf of the Board of Directors



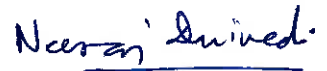
Sudeep Bhalla  
 Director  
 (DIN - 11160825)



Kamal Pawar  
 Chief Financial Officer



Prakash Pandey  
 Director  
 (DIN - 10850813)



Neeraj Dwivedi  
 Company Secretary  
 Membership No. ACS20874

Place: Mumbai

Date: April 28, 2026




**TMF BUSINESS SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**1 Background and operations**

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

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

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

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

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

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

The financial statements were approved by the Board of Directors and authorized for issue on April, 28, 2026.

**2 Basis of preparation**

**(a) Statement of compliance**

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

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company.

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

**(b) Historical cost convention**

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

**(c) Presentation of financial statements**

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

**3 Material Accounting Policies**

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

**(a) Use of estimates and judgments**

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

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

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

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

**(b) Leases**

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

**Company as a Lessor**

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

**Assets given on operating lease**

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

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

**(c) Provisions and Contingent Liabilities**

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

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

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

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

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



**TMF BUSINESS SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**(d) Going Concern**

The Company's financial statements have been prepared on a going concern basis. The Company has performed an assessment of its financial position as at March 31, 2026 and forecasts of the Company for a period of twelve months from the date of these financial statements (the 'Going Concern Assessment Period' and the 'Foreseeable Future').

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

Based on the evaluation described above, management believes that the Company has sufficient financial resources available to it at the date of approval of these financial statements and that it will be able to continue as a 'going concern' in the foreseeable future and for a period up to March 31, 2027.

**(e) Recent accounting pronouncements.**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has notified certain amendments to Ind AS 21 - Effects of changes in Foreign Exchange Rates, Ind AS 1 - Presentation of Financial Statements, Ind AS 7 - Statement of Cash Flows and Ind AS 107 - Financial Instruments (Supplier Finance Arrangement) and Ind AS 12 - International Tax Reform - Pillar Two Model Rules which are applicable from April 1, 2025.

The Company has evaluated all these amendments and has determined that it does not have any significant impact on its financial statements.

**4 Property, plant and equipment**

**(A) Accounting policy**

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

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

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

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

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

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

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

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

	(₹ in lakhs)	
	Given on lease Vehicles	Total
Cost as at April 1, 2025	18,516.83	18,516.83
Additions	2.84	2.84
Disposal/Adjustments	(16,912.44)	(16,912.44)
<b>Cost as at March 31, 2026</b>	<b>1,607.23</b>	<b>1,607.23</b>
Accumulated depreciation as at April 1, 2025	10,085.21	10,085.21
Depreciation for the year	2,579.27	2,579.27
Disposal/Adjustments	(11,227.65)	(11,227.65)
<b>Accumulated depreciation as at March 31, 2026</b>	<b>1,436.83</b>	<b>1,436.83</b>
<b>Net carrying amount as at March 31, 2026</b>	<b>170.40</b>	<b>170.40</b>

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

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

During the year ended March 31, 2026, The company has derecognized the assets due to transfer of lease portfolio to Tata capital ltd and foreclosure of CJ Darcell lease contracts which result in impairment reversal on it amounting to Rs. 3059.19 Lakhs and it is disclosed as exceptional item in Profit /Loss statement.



**TMF BUSINESS SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**5 Other intangible assets**

**(A) Accounting policy**

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

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

Intangible assets and their useful lives are as under:

Type of Asset	Estimated amortisation period
Software	5 years

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

**(B) Other intangible assets**

	(₹ in lakhs)	
	Software	Total
Cost as at April 1, 2025	40.24	40.24
Additions	-	-
Cost as at March 31, 2026	40.24	40.24
Accumulated amortisation as at April 1, 2025	6.87	6.87
Amortisation for the year	8.05	8.05
Accumulated amortisation as at March 31, 2026	14.92	14.92
Net carrying amount as at March 31, 2026	25.32	25.32
Cost as at April 1, 2024	-	-
Amortisation for the year	40.24	40.24
Cost as at March 31, 2025	40.24	40.24
Accumulated amortisation as at April 1, 2024	-	-
Additions	6.87	6.87
Accumulated amortisation as at March 31, 2025	6.87	6.87
Net carrying amount as at March 31, 2025	33.37	33.37

**6 Other financial assets**

	(₹ in lakhs)	
	As at March 31, 2026	As at March 31, 2025
Current		
(a) Others	0.71	0.71
<b>Total</b>	<b>0.71</b>	<b>0.71</b>

Note:

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

**7 Investments - current**

	(₹ in lakhs)	
	As at March 31, 2026	As at March 31, 2025
Investments measured at fair value through profit and loss		
Mutual funds - Quoted	-	500.89
<b>Total</b>	<b>-</b>	<b>500.89</b>
Aggregate book value of quoted investments	-	500.89
Aggregate market value of quoted investments	-	500.89

**8 Trade receivables (Unsecured)**

	(₹ in lakhs)	
	As at March 31, 2026	As at March 31, 2025
Trade receivable considered good – Unsecured	(0.00)	577.66
Trade receivable – credit impaired -Unsecured	467.85	256.68
Trade Receivables – which have significant increase in credit risk	-	170.82
	<b>467.85</b>	<b>1,005.16</b>
Less : Allowance for credit impaired receivables	(467.85)	(270.83)
<b>Total</b>	<b>-</b>	<b>734.33</b>

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



**TMF BUSINESS SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(₹ in lakhs)

Trade receivables	As at March 31, 2026						Total
	Not due	upto 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>							
(a) Considered good	-	-	-	-	-	-	-
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	467.85	-	-	-	467.85
<b>Disputed</b>							
(a) Considered good	-	-	-	-	-	-	-
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	-	467.85	-	-	-	467.85
<b>Less : Allowance for receivables considered good</b>							
<b>Less: Allowance for credit impaired balances</b>							(467.85)
<b>Total</b>							-

Trade receivables	As at March 31, 2025						Total
	Not due	upto 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>							
(a) Considered good	577.66	-	-	-	-	-	577.66
(b) Which have significant increase in credit risk	-	170.82	-	-	-	-	170.82
(c) Credit impaired	-	41.99	49.94	115.97	-	-	207.90
<b>Disputed</b>							
(a) Considered good	-	-	-	-	-	-	-
(b) Which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	16.69	-	-	-	-	32.09	48.78
<b>Total</b>	594.35	212.81	49.94	115.97	-	32.09	1,005.16
<b>Less : Allowance for receivables considered good</b>							(14.15)
<b>Less: Allowance for credit impaired balances</b>							(256.68)
<b>Total</b>							734.33

**9 Cash and cash equivalents**

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

	(₹ in lakhs)	
	As at March 31, 2026	As at March 31, 2025
Balances with banks	2,387.87	338.03
	<u>2,387.87</u>	<u>338.03</u>

**10 Other non-current assets**

	(₹ in lakhs)	
	As at March 31, 2026	As at March 31, 2025
(a) Capital advances	0.56	3.91
(b) Deposits paid under protest	170.54	170.54
<b>Total</b>	<u>171.10</u>	<u>174.45</u>

**11 Other current assets**

	(₹ in lakhs)	
	As at March 31, 2026	As at March 31, 2025
(a) Taxes recoverable and dues from government	610.95	1,886.70
(b) Prepaid expenses	-	5.12
<b>Total</b>	<u>610.95</u>	<u>1,891.82</u>

**12 Income taxes**

(a) Accounting policy

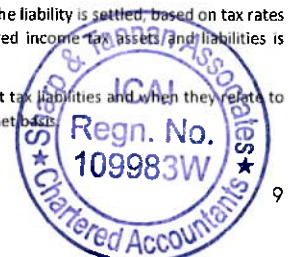
Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the statement of profit & loss except when they relate to items that are recognised outside the statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is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

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

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

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

Interest on income tax refund is recognized as income in statement of profit and loss at the time of receipt.



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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(b) **Income tax expense recognised in statement of profit and loss:**

	(₹ in lakhs)	
	Year ended March 31,	
	2026	2025
<b>Current Taxes</b>		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	2,138.94	-
<b>Deferred Taxes</b>		
Decrease (increase) in deferred tax assets	-	528.28
<b>Total income tax expense</b>	<b>2,138.94</b>	<b>528.28</b>

Reconciliation of the income tax expenses and accounting profit::

	(₹ in lakhs)	
	Year ended March 31,	
	2026	2025
Reconciliation of the income tax expense and the accounting profit multiplied by India's tax rate:		
<b>Profit/(loss) before taxes</b>	<b>8,097.69</b>	<b>(5,826.18)</b>
Income tax expenses calculated at Statutory tax rate		
Tax effect of the amount which are not taxable in calculating taxable income :	2,038.03	(1,466.33)
Utilization of unrecognised and unused tax losses to reduce current tax expense	(1,829.00)	(22.00)
Adjustment recognised in relation to the current tax of prior years	2,041.30	
Deferred tax assets not recognised because realization is not probable	(202.00)	1,488.33
Previously recognized deferred tax assets written down		528.28
Others	90.61	
<b>Income tax expense/(credit) reported in consolidated statement of profit and loss</b>	<b>2,138.94</b>	<b>528.28</b>

Significant components of deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

	(₹ in lakhs)		
	Opening balance	Recognised in statement of profit and loss	Closing balance
<b>Deferred tax assets:</b>			
Property, plant & equipment - Accumulated depreciation	438.26	(438.26)	-
Expenses deductible in future years:			
Provisions for impairment allowances on financial assets	89.77	(89.77)	-
Compensated absences and retirement benefits allowable on payment basis	0.25	(0.25)	-
Others	-	-	-
<b>Total deferred tax assets</b>	<b>528.28</b>	<b>(528.28)</b>	<b>-</b>
<b>Deferred tax liabilities:</b>			
Fair Valuation of financial assets measured at FVTOCI and FVTPL	-	-	-
Income to be taxed on actual receipt basis	-	-	-
Sourcing commission claimed on incurrence basis	-	-	-
<b>Total deferred tax liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets/(liabilities)</b>	<b>528.28</b>	<b>(528.28)</b>	<b>-</b>

Deferred tax assets -  
Deferred tax liabilities -

(d) **Amount recognized directly**

There was no income or expenses for current year and previous year for which tax impact has been routed through reserve.

(e) **Tax losses**

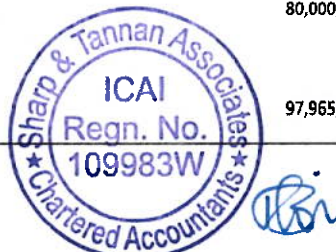
As at March 31, 2026, unrecognised deferred tax assets amounted to Rs. 438.76 lakhs (As at March 31, 2025 - Rs. 721.73 lakhs) which can be carried forward indefinitely and Rs. 2,158.30 lakhs (As at March 31, 2025- 2,015.49 lakhs) which can be carried forward upto a specified period. These relate primarily to depreciation carry forwards and business losses. 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 expire unutilized based on the year of origination as follows:

Year	(₹ in lakhs)
March 31, 2031	-
March 31, 2032	438.76

13 **Equity Share Capital**

	(₹ in lakhs)			
	As at March 31, 2026		As at March 31, 2025	
	(Number of shares)	(₹ in lakhs)	(Number of shares)	(₹ in lakhs)
<b>Authorised:</b>				
Equity Shares of ₹3.80 each (₹100 each with voting rights)	120,000,000	120,000.00	120,000,000	120,000.00
Preference Shares of ₹100 each	80,000,000	80,000.00	80,000,000	80,000.00
		<u>200,000.00</u>		<u>200,000.00</u>
<b>Issued, Subscribed and Fully Paid up</b>				
Equity Shares of ₹3.80 each (₹100 each with voting rights)	97,965,969	3,722.71	97,965,969	3,722.71
		<u>3,722.71</u>		<u>3,722.71</u>



**TMF BUSINESS SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

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

	Year ended March 31, 2026		Year ended March 31, 2025	
	(Number of shares)	(₹ in lakhs)	(Number of shares)	(₹ in lakhs)
(i) Ordinary shares				
Opening balance	97,965,969	3,722.71	97,965,969	3,722.71
Closing balance	97,965,969	3,722.71	97,965,969	3,722.71

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

	As at March 31,			
	2026		2025	
	% Issued Share Capital	Number of Shares	% Issued Share Capital	Number of Shares
Equity Share with voting rights				
TMF Holdings Limited	100.00%	97,965,969	100.00%	97,965,969

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

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

**(d) Disclosure of Shareholding of Promoters**

Particulars	As at March 31,						% change during the year FY 25-26	% change during the year FY 24-25
	2026		2026		2025			
	Number of Shares	% Issued Share Capital	Number of Shares	% Issued Share Capital	Number of Shares	% Issued Share Capital		
TMF Holdings Limited	97,965,969	100.00%	97,965,969	100.00%	96,143,953	98.14%	0.00%	1.86%
Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)	-	-	-	0.00%	1,822,016	1.86%	0.00%	(1.86%)

**(e) Terms / rights attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of the equity shares held.

**14. Notes to reserves and surplus**

**(a) Securities premium**

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

**(b) Retained earnings**

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

**15. Short-term borrowings**

	Interest Rate Range	As at March 31,	
		2026	2025
(₹ in lakhs)			
Unsecured:			
Inter corporate deposits from related parties	8.02% to 8.66%	500.00	20,565.00
<b>Total</b>		<b>500.00</b>	<b>20,565.00</b>

**16. Other financial liabilities – non-current**

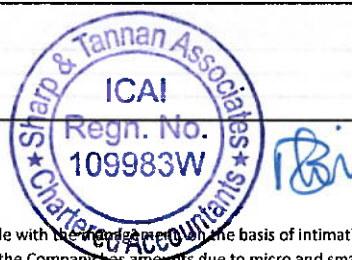
	As at March 31,	
	2026	2025
(₹ in lakhs)		
Deposits	-	354.15
<b>Total</b>	<b>-</b>	<b>354.15</b>

**17. Other financial liabilities – current**

	As at March 31,	
	2026	2025
(₹ in lakhs)		
(a) Deposits	1,238.84	1,263.49
(b) Other financial liabilities	5.44	5.44
<b>Total</b>	<b>1,244.28</b>	<b>1,268.93</b>

**18. Trade payables**

According to the information available with the management on the basis of intimation received from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the Company has amounts due to micro and small enterprises under the said Act as at March 31, 2026 as follows :



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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	(₹ in lakhs)	
	As at March 31, 2026	As at March 31, 2025
(a) Principal amount due	21.70	6.04
(b) Interest due on above	-	-
(c) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) Amount of interest due and payable for the period of delay	-	-
(e) Amount of interest accrued and remaining unpaid as at year end	-	-
(f) Amount of further remaining due and payable in the succeeding year	-	-
<b>Total</b>	<b>21.70</b>	<b>6.04</b>

Ageing of trade payable at March 31, 2026 is given below –

	As at March 31, 2026						Total
	Not Due	Unbilled	Overdue				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Outstanding dues of micro and small enterprises</b>							
(a) Disputed dues	-	-	-	-	-	-	-
(b) Undisputed dues	8.72	-	12.98	-	-	-	21.70
	<b>8.72</b>	<b>-</b>	<b>12.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21.70</b>
<b>Outstanding dues other than micro and small enterprises</b>							
(a) Disputed dues	-	-	-	-	-	-	-
(b) Undisputed dues	46.35	-	3.77	-	-	-	50.12
	<b>46.35</b>	<b>-</b>	<b>3.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50.12</b>

Ageing of trade payable at March 31, 2025 is given below -

	As at March 31, 2025						Total
	Not Due	Unbilled	Overdue				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Outstanding dues of micro and small enterprises</b>							
(a) Disputed dues	-	-	-	-	-	-	-
(b) Undisputed dues	5.45	-	0.59	-	-	-	6.04
	<b>5.45</b>	<b>-</b>	<b>0.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.04</b>
<b>Outstanding dues other than micro and small enterprises</b>							
(a) Disputed dues	-	-	-	-	-	-	-
(b) Undisputed dues	31.86	-	6.66	-	-	-	38.52
	<b>31.86</b>	<b>-</b>	<b>6.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38.52</b>

**19 Provisions**

	(₹ in lakhs)	
	As at March 31, 2026	As at March 31, 2025
<b>Non-current</b>		
(a) Employee benefits obligations	2.11	2.11
(b) Other provisions	0.75	0.75
<b>Total</b>	<b>2.86</b>	<b>2.86</b>

**20 Other current liabilities**

	(₹ in lakhs)	
	As at March 31, 2026	As at March 31, 2025
(a) Statutory dues (VAT, Excise, Service Tax, GST, Octroi etc.)	1,251.45	262.99
(b) Others	30.75	36.77
<b>Total</b>	<b>1,282.20</b>	<b>299.76</b>

**21 Revenue from operations**

**(A) Accounting policy**

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

**(B) Revenue from operations:**

	(₹ in lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Sale of services	2,839.40	4,434.34
(b) Other operating revenues	75.37	3.32
<b>Total</b>	<b>2,914.77</b>	<b>4,437.66</b>



**TMF BUSINESS SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

22 Other income

	(₹ in lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest income	973.63	325.37
(b) Miscellaneous income	61.67	583.79
<b>Total</b>	<b>1,035.30</b>	<b>909.16</b>

23 Employee benefit expense

	(₹ in lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Salaries	-	28.21
(b) Contribution to provident fund and other funds	-	1.51
<b>Total</b>	<b>-</b>	<b>29.72</b>

**Accounting policy**

**(A) Short - term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include salaries and performance incentives/bonuses which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

**(B) Post Employment/retirement benefit Plans**

**Defined contribution plans**

For provident fund and superannuation fund, the company does not carry any further obligations, apart from the contributions made. Payments/contributions to the Company's defined contribution plans are accounted for on an accrual basis (i.e. when employees have rendered the service entitling them to the contribution) and are recognised as an expense in the Statement of Profit and Loss.

**Superannuation fund**

Contribution to the superannuation fund is made at 15% of basic salary for the employees who have opted to the scheme, managed by the ultimate holding company and is charged to the Statement of Profit and Loss on accrual basis.

The Company makes contribution towards superannuation fund, a defined contribution retirement plan for qualifying employees. The Superannuation Fund is administered by the Trustees of the Tata Motors Limited Superannuation Fund. The Company is liable to pay to the superannuation fund to the extent of the amount contributed. The Company recognise such contribution as an expense in the year of contribution.

The amounts contributed in current year of ₹ NIL (previous year ₹ 0.71 lakhs) has been recognised in the Statement of Profit and Loss.

**Provident fund**

The employees are entitled to receive benefits under provident fund, where both, the employees and the Company, make monthly contributions at a specified percentage of the covered employees' basic salary. The contribution is paid to the Regional Provident Fund office. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the year in which employee renders the related services.

**Gratuity**

For defined benefit schemes in the form of gratuity plan, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each year end. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The Company have an obligation towards gratuity, post employment/retirement defined benefit plan covering eligible employees. The benefit is in the form of lump sum payments to eligible employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days' to 30 days' basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The liability determined basis actuarial valuation is compared with the fair value of plan assets and the shortfall or excess is accounted for as a liability or an asset respectively.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The gratuity defined benefit plan is a funded plan and the Company makes contributions to the Tata Motors Finance Limited Employees Gratuity Trust for funding the defined benefit gratuity plan for qualifying 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.

**(C) Other long term employee benefit plans**

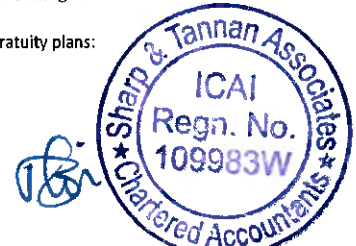
**Defined benefit plans**

**Compensated absences**

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit or Loss.

**Gratuity Plan**

The following table sets out the funded and unfunded status and the amounts recognised in the financial statements for the gratuity plans:



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(₹ in lakhs)

Particulars	Year ended March 31,	
	2026	2025
<b>Change in benefit obligations :</b>		
Defined benefit obligation, beginning of the year	-	6.54
Transfer-out on account of demerger	-	(6.54)
<b>Defined benefit obligation, end of the year</b>	-	-
<b>Change in plan assets:</b>		
Fair value of plan assets at the beginning	-	6.54
Transfer-out on account of demerger	-	(6.54)
<b>Fair value of plan assets, end of the year</b>	-	-

24. Finance costs	(₹ in lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest on borrowing	1,346.24	2,332.58
<b>Total</b>	<b>1,346.24</b>	<b>2,332.58</b>
(b) Discounting charges	-	-
<b>Total</b>	<b>1,346.24</b>	<b>2,332.58</b>

25. Impairment of financial and other assets	(₹ in lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Allowance for doubtful assets	197.02	-
(b) Balances written off	-	-
<b>Total</b>	<b>197.02</b>	<b>-</b>

26. Other expenses	(₹ in lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Rent, taxes and energy costs	213.40	2.44
(b) Director's fees, allowances and expenses	7.40	25.60
(c) Auditor's fees and expenses	14.51	7.50
(d) Legal and professional charges	80.59	103.66
(e) Service provider fees	5.06	87.56
(f) Net loss on derecognition of property, plant and equipment	-	1,353.87
(g) Other expenses	0.03	3.05
<b>Total</b>	<b>320.99</b>	<b>1,583.68</b>

	(₹ in lakhs)	
	Year ended March 31, 2026	2025
(a) Auditors' remuneration		
(i) Audit fees	12.76	6.00
(ii) Tax Audit fees	1.75	1.50
<b>Total</b>	<b>14.51</b>	<b>7.50</b>

**27. Financial Instruments**

**(A) Accounting policy**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument.

**(i) Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Classification and measurement**

For the purposes of initial recognition, financial assets are classified in the following categories :-

- at amortised cost or
- at fair value through other comprehensive income (FVOCI), or
- at fair value through profit or loss (FVTPL).

**Impairment of financial assets:**

The Company applies the Expected Credit Loss (ECL) model in accordance with Ind AS 109 for recognising impairment loss on financial assets.



**TMF BUSINESS SERVICES LIMITED**  
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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.

**Write-off**

The gross carrying amount of a financial assets is written-off (either partially or fully) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries against such financial assets are credited to the statement of profit and loss.

**(ii) Financial liabilities**

**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value. However, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of financial liabilities. The transaction costs directly attributable to the issue of financial liabilities at fair value through profit or loss are immediately recognised in profit or loss.

The Company's financial liabilities majorly comprise of trade and other payables, loans and borrowings.

**Subsequent measurement**

All financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method or at fair value through profit or loss (FVTPL).

- a. **At FVTPL:** Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.
- b. **At amortised cost:** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest expenses in the profit or loss.

**(iii) Fair value measurement**

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date

**(B) Disclosure on financial instruments**

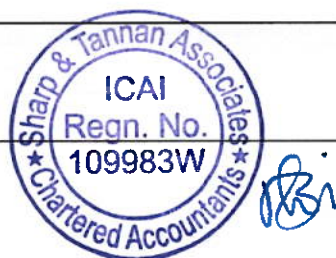
**(a) Financial assets and liabilities**

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

	(₹ in lakhs)	
	Amortised cost	Total fair value
<b>Financial assets</b>		
(a) Trade receivables	-	-
(b) Cash and cash equivalents	2,387.87	2,387.87
(c) Other financial assets	0.71	0.71
<b>Total</b>	<b>2,388.58</b>	<b>2,388.58</b>
<b>Financial liabilities</b>		
(a) Short-term borrowings	500.00	500.00
(b) Trade payables	71.82	71.82
(c) Other financial liabilities	1,244.28	1,244.28
<b>Total</b>	<b>1,816.10</b>	<b>1,816.10</b>

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

	(₹ In lakhs)	
	Amortised cost	Total fair value
<b>Financial assets</b>		
(a) Trade receivables	734.33	734.33
(b) Cash and cash equivalents	338.03	338.03
(c) Other financial assets	0.71	0.71
<b>Total</b>	<b>1,073.07</b>	<b>1,073.07</b>
<b>Financial liabilities</b>		
(a) Short-term borrowings	20,565.00	20,565.00
(b) Trade payables	44.56	44.56
(c) Other financial liabilities	1,623.08	1,623.08
<b>Total</b>	<b>22,232.64</b>	<b>22,232.64</b>



**(A) Financial risk management**

The Company's activities expose it to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. Centralised treasury department and risk management department advises on financial risks and the appropriate financial risk governance framework for the Company and provides assurance to the Company's senior

**TMF BUSINESS SERVICES LIMITED**  
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management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**(i) Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its

- operating activities, primarily loans arising from financing activities;
- investing activities, including primarily investments in debt securities, preference shares, equity shares and mutual fund schemes; and
- financing activities, including term deposits and balances with banks and financial institutions and other financial instruments.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, time deposits with banks, loans arising from financing activities, investment in debt instruments, derivative instruments and other financial assets excluding equity investments.

**Financial assets that are neither past due or impaired**

Credit risk on cash and cash equivalents and deposits with banks/financial institutions is generally low as the said deposits have been made with banks/financial institution who have been assigned high credit rating by international/domestic rating agencies.

Credit risk on derivative instruments is generally low as the Company enters into derivative contracts with reputed banks.

Investments of surplus funds are made only with internally approved financial institutions/counter party and primarily include investments in mutual funds and bank deposits.

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

**(ii) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required.

The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The below table analyses the Company's non-derivative and derivative financial liabilities as at the reporting date, into relevant maturity groupings based on the remaining period (as at that date) to the contractual maturity date. The amounts disclosed in the below table are the contractual un-discounted cash flows.

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

(₹ in lakhs)						
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables	71.82	71.82	-	-	-	71.82
(b) Borrowings and interest thereon	500.00	500.00	-	-	-	500.00
(c) Other financial liabilities	1,244.28	1,244.28	-	-	-	1,244.28
<b>Total</b>	<b>1,816.10</b>	<b>1,816.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,816.10</b>

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

(₹ in lakhs)						
Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
(a) Trade payables	44.56	44.56	-	-	-	44.56
(b) Borrowings and interest thereon	20,565.00	20,565.00	-	-	-	20,565.00
(c) Other financial liabilities	1,623.08	1,268.93	182.44	171.71	-	1,623.08
<b>Total</b>	<b>22,232.64</b>	<b>21,878.49</b>	<b>182.44</b>	<b>171.71</b>	<b>-</b>	<b>22,232.64</b>

**28 Related-party transactions**

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

**1. Parties where the control exists:**

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

**2. Other Related Parties with whom transactions have taken place during the year ended March 31, 2026:**

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

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



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**3. Key Management personnel:**

Mr. Asim Kumar Mukhopadhyay (w.e.f June 09, 2025)  
Mr. Sudeep Bhalla (w.e.f June 26, 2025)  
Mr. Naseer Munjee - Chairman & Independent Director (upto June 11, 2025)  
Mrs. Vedika Bhandarkar – Independent Director (upto December 23, 2024)  
Mrs. Varsha Purandare - Independent Director (upto June 26, 2025)  
Mr. N.V. Sivakumar - Independent Director (upto June 11, 2025)  
Mr. P. B. Balaji - Non-Executive Director (upto June 10, 2025)  
Mr. Prakash Pandey – Non-Executive Additional Director  
Mr. Kamal Pawar – Chief Financial Officer (w.e.f November 22, 2024)  
Mr. Neeraj Dwivedi - Company Secretary (w.e.f April 01, 2025)  
Mr. Vinay Lavannis - Company Secretary ( Upto March 31, 2025)

The following table summarizes related-party transactions and balances included in the financial statements for the year ended/as at March 31, 2026:

	(₹ in lakhs)			
	Ultimate Holding	Holding Company	Other Related Parties	Total
<b>(A) Transactions</b>				
Rental income	-	-	-	-
Expenses for other services (incl. reimbursement of expenses)	-	-	50.40	50.40
Interest expense	-	1,346.24	-	1,346.24
Loans and advances repaid	-	20,065.00	-	20,065.00
Sitting Fees	-	-	3.30	3.30
<b>(B) Balances</b>				
Other receivables	-	-	-	-
Payable - loans and Advances	-	500.00	-	500.00
Other payables	-	-	14.59	14.59

The following table summarizes related-party transactions included in the consolidated financial statements for the year ended March 31, 2025:

	(₹ in lakhs)			
	Ultimate Holding	Holding Company	Other Related Parties	Total
<b>(A) Transactions</b>				
Rental income	-	-	237.67	237.67
Expenses for other services (incl. reimbursement of expenses)	4.79	-	135.50	140.29
Interest expense	-	2,329.94	2.63	2,332.57
Rent Expenses	-	2.40	-	2.40
Loans and advances taken	-	22,165.00	1,200.00	23,365.00
Loans and advances repaid	-	28,500.00	1,200.00	29,700.00
<b>(B) Balances</b>				
Other receivables	-	-	266.18	266.18
Payable - loans and Advances	-	20,565.00	-	20,565.00
Other payables	6.78	-	7.62	14.40

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

**(A) Accounting Policy**

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

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

**(B) EPS**

		As at March 31, 2026	As at March 31, 2025
(a) Profit/(loss) for the year	₹ lakhs	5,958.75	(6,354.46)
(b) The weighted average number of Ordinary shares for Basic EPS	Nos.	97,965,969	97,965,969
(c) The nominal value per share (Ordinary)	₹	3.80	3.80
(d) Earnings Per Ordinary share (Basic)	₹	6.08	(6.49)
(e) Profit after tax for Diluted EPS	₹ lakhs	5,958.75	(6,354.46)
(f) The weighted average number of Ordinary shares for Diluted EPS	Nos.	97,965,969	97,965,969
(g) Earnings Per Ordinary share (Diluted)	₹	6.08	(6.49)

**30. Segment Reporting**

The Company is now primarily engaged in the business of operating lease and the operations being only in India, the disclosure requirements of Ind AS - 108 Segment Reporting are not applicable.



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**31. Ratios**

	Year ended March 31,		Change	Reason for change
	2026	2025		
(a) Current Ratio Current assets/Current liabilities	0.97	0.16	520%	Due to repayment of short term borrowings
(b) Debt – Equity Ratio [Total Debt/ Shareholders' Equity]	0.21	(5.68)	-104%	Due to Profit in exceptional item in the current year
(c) Debt Service Coverage Ratio [(Profit/(loss) before exceptional items and tax+Interest on Borrowings)/(Interest on Borrowings + Net repayment of Borrowings)]	0.05	(0.03)	-257%	Due to Profit in the current year
(d) Return on Equity (ROE) [Net profit after tax / Average shareholders' equity]	1.60	(3.41)	-147%	Due to Profit in the current year
(e) Trade receivables turnover ratio [Revenue from operations / Average Trade receivables]	3.96	8.83	-55%	Due to decrease in revenue
(f) Trade payables turnover ratio (Refer Note) [Cost of material consumed / Average Trade payables]	NA	NA	NA	
(g) Net capital turnover ratio [Revenue from operations / Working capital]	(29.51)	(0.24)	12346%	Due to decrease in revenue and repayment of liability
(h) Net profit ratio [Net profit after tax / Revenue from continuing operations]	2.04	(1.43)	-243%	Due to Profit in the current year
(i) Return on capital employed (ROCE) [Profit before interest and tax / Capital employed]	3.33	(0.21)	-1715%	Due to Profit in the current year

Note: No trade payable related to operating lease business is outstanding for year ended March 31, 2026.

**32. Other statutory information :**

- (a) There is no immovable properties are held in the name of Company. Hence, other disclosure requirements are not applicable.
- (b) As at March 31, 2026 and 2025, the Company does not have any loans or advances outstanding to promoters, directors, KMPs and the related parties, that are repayable on demand or without specifying any terms of repayment.
- (c) Capital Work in Progress & Intangible Assets under Development amounted to Nil as at March 31, 2026 and 2025.
- (d) There is no proceedings initiated/pending against the Company for benami property.
- (e) During the year and post transfer of NBFC business, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- (f) The Company has not been declared as Wilful Defaulter by any bank or financial institution or any lender.
- (g) During the year ended March 31, 2026 and 2025, the Company did not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- (h) At March 31, 2026 and 2025 there is no charges or satisfaction with charge yet to be registered with Registrar of Companies beyond the statutory period.
- (i) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (j) 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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (k) There are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year ended March 31, 2026 and March 31, 2025 in the tax assessments under the Income Tax Act, 1961.
- (l) The Company has not traded/invested in crypto currency or virtual currency for the year ended March 31, 2026 and March 31, 2025.

**33. Company as a Lessor**

The Company has given vehicles under operating lease.

The Company has recognised lease rental income from leasing of these assets amounting to Rs. 2,839.40 lakhs (Previous year: 4,434.34 lakhs) in the Statement of Profit and Loss. There are no variable lease rentals recognized during the year.

Although the risks associated with rights that the Company retains in underlying assets are not considered to be significant, the Company employs strategies to further minimise these risks. For example, ensuring all contracts include clauses requiring the lessee to compensate the Company when a property has been subjected to excess wear-and-tear during the lease term.

The undiscounted maturity analysis of future lease receivables is as follows-

	As at March 31,	
	2026	2025
Within 1 year	-	2,355.79
1-2 years	-	1,279
2-3 years	-	371.81
3-4 years	-	49.45
4-5 years	-	-
<b>Total</b>	-	<b>4,055.94</b>



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34. The Board of Directors of holding company (TMFHL) at its meeting held on January 29, 2026 had approved (subject to other requisite approvals) a Composite Scheme of Amalgamation involving merger of the Company and holding company (TMF Holdings Limited) with Tata Motors Limited (Formerly, TML Commercial Vehicles Limited).
35. The figures of the previous periods have been regrouped/reclassified wherever necessary to confirm to current period/year's classification.

See accompanying notes forming part of financial statements  
in terms of our report attached

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



PRAMOD BHISE  
Partner  
Membership No. 047751

Place: Pune  
Date: April 28, 2026



For and on behalf of the Board of Directors



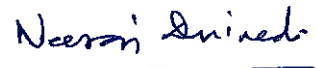
Sudeep Bhalla  
Director  
(DIN - 11160825)



Kamal Pawar  
Chief Financial Officer



Prakash Pandey  
Director  
(DIN - 10850813)



Neeraj Dwivedi  
Company Secretary  
Membership No. ACS20874

Place: Mumbai  
Date: April 28, 2026